

This document constitutes a supplement pursuant to Article 10, paragraph 1, and Article 23, paragraph 5, of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the "**Prospectus Regulation**").



**4<sup>th</sup> Supplement dated 7 April 2025**

(the "**Supplement**")

to the Registration Document dated 7 August 2024 of

**UniCredit S.p.A.**

approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**")

(the "**Registration Document**")

This Supplement is to be read and construed in conjunction with any information already supplemented by the 1<sup>st</sup> Supplement dated 11 November 2024, the 2<sup>nd</sup> Supplement dated 3 December 2024 and the 3<sup>rd</sup> Supplement dated 14 February 2025 to the the Registration Document in accordance with Article 12(1) and Article 23(5) of the Prospectus Regulation.

The Registration Document, as approved by the CSSF and as supplemented, is a constituent part of the following prospectuses:

- the Base Prospectus for the issuance of Securities with Single Underlying and Multi Underlying (without capital protection) dated 7 August 2024 of UniCredit S.p.A.,
- the Base Prospectus for the issuance of Securities with Single Underlying and Multi Underlying (with (partial) capital protection) dated 7 August 2024 of UniCredit S.p.A.,
- the Base Prospectus for the issuance of Credit Linked Securities dated 18 September 2024 of UniCredit S.p.A.,

as approved by the CSSF and as supplemented from time to time (the "**Base Prospectuses**"). The terms used in this Supplement have the same meaning as the terms used in the Registration Document.

Any references to the Registration Document are to be read as references to the Registration Document as supplemented.

UniCredit S.p.A. (the "**Issuer**") accepts responsibility for the information contained in this Supplement and declares that the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. If there is an inconsistency between any information included in the Supplement and information included in the Registration Document, the information included in the Supplement should prevail.

Investors who have already agreed to purchase or subscribe for securities before the Supplement is published and where the Securities had not yet been delivered to the investors at the time when the significant new factor, material mistake or material inaccuracy arose or was noted, shall have the right, exercisable within three working days after the publication of the Supplement, to withdraw their acceptances (Article 23(2) of the Prospectus Regulation). Investors may therefore exercise the right of withdrawal up until 10 April 2025: (i) in relation to the public offers through distributors, contacting the relevant distributors as expressly specified in the relevant final terms / acceptance forms; and/or (ii) in relation to the public offers carried out without any distributors expressly specified in the relevant final terms / acceptance forms, contacting the Issuer through the following email address: [info.investimenti@unicredit.it](mailto:info.investimenti@unicredit.it).

This Supplement, the Registration Document, as well as any further supplements to the Registration Document, and the Base Prospectuses are published on the following website of the Issuer: <https://www.investimenti.unicredit.it/it/info/documentazione.html#programmi-di-emissione-unicredit-spa>.

Furthermore, this Supplement and the documents incorporated by reference into the Registration Document by virtue of this Supplement will be published on the website of the Luxembourg Stock Exchange (<https://www.luxse.com/>).

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy since the publication of the Registration Document.

This Supplement has been approved by the CSSF in its capacity as competent authority under the Prospectus Regulation.

## PURPOSE OF THE SUPPLEMENT

This Supplement constitutes an update to the Registration Document following the occurrence of:

- (i) the publication of the annual financial statements for the financial year ended on 31 December 2024; and
- (ii) the publication of the new equity registration document of the Issuer approved by the Italian Supervision Authority (CONSOB) on 1 April 2025, which includes the relevant information regarding the launch by the Issuer of the voluntary public exchange offer on the ordinary shares of Banco BPM (the "**UniCredit 2025 Equity Registration Document**").

In this context, and to provide investors with a comprehensive, fully updated, and complete set of information about the Issuer, this Supplement has been structured as follows:

### **A. Sections of the Registration Document amended by means of this Supplement:**

- (i) the section of the Registration Document entitled "RISK FACTORS" has been fully deleted and replaced with all the new risk factors that are also included in the UniCredit 2025 Equity Registration Document;
- (ii) the section of the Registration Document entitled "PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL" has been updated in light of the publication of the annual financial statements for the financial year ended on 31 December 2024. The amendments are highlighted in this Supplement through the use of markups;
- (iii) the section of the Registration Document entitled "STATUTORY AUDITORS" has been updated in light of the publication of the annual financial statements for the financial year ended on 31 December 2024. The amendments are highlighted in this Supplement through the use of markups;
- (iv) the section of the Registration Document entitled "INFORMATION ABOUT THE ISSUER" has been updated, also with the inclusion of the information about recent events related to the Issuer, in light of the publication of the annual financial statements for the financial year ended on 31 December 2024. The amendments are highlighted in this Supplement through the use of markups;
- (v) the section of the Registration Document entitled "BUSINESS OVERVIEW" has been fully deleted and replaced by the relevant section included in the UniCredit 2025 Equity Registration Document, incorporated by reference into the Registration Document by means of this Supplement;
- (vi) the section of the Registration Document entitled "TREND INFORMATION" has been updated in light of the publication of the annual financial statements for the financial year ended on 31 December 2024. The amendments are highlighted in this Supplement through the use of markups;
- (vii) the section of the Registration Document entitled "PROFIT FORECAST OR ESTIMATES" has been fully deleted and replaced by the relevant section included in the UniCredit 2025 Equity Registration Document, incorporated by reference into the Registration Document by means of this Supplement;
- (viii) the section of the Registration Document entitled "ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES" has been updated with the inclusion of the information about the changes in the management bodies of the Issuer. The amendments are highlighted in this Supplement through the use of markups;
- (ix) the section of the Registration Document entitled "MAJOR SHAREHOLDERS" has been updated to reflect the new shareholder structure of the Issuer. The amendments are highlighted in this Supplement through the use of markups;
- (x) the section of the Registration Document entitled "FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND

LOSSES" has been updated, also with the inclusion of a new section relating to the pro-forma financial information, in light of the publication of the annual financial statements for the financial year ended on 31 December 2024. The amendments are highlighted in this Supplement through the use of markups;

- (xi) the section of the Registration Document entitled "ADDITIONAL INFORMATION" has been updated in light of the publication of the annual financial statements for the financial year ended on 31 December 2024. The amendments are highlighted in this Supplement through the use of markups.

**B. Sections newly inserted into the Registration Document by means of this Supplement:**

- (i) Section "DEFINED TERMS"; and
- (ii) Section "GLOSSARY".

**C. Annexes to this Supplement**

- (i) Pursuant to Article 23(6) of the Prospectus Regulation, a consolidated version of the Registration Document, as amended by this Supplement, the 1<sup>st</sup> Supplement dated 11 November 2024, the 2<sup>nd</sup> Supplement dated 3 December 2024 and the 3<sup>rd</sup> Supplement dated 14 February 2025, is attached to this Supplement as Annex A; and
- (ii) in order to give the investors the possibility to track the amendments made by this Supplement to "Section I – Risk Factors", a blackline version is attached to this Supplement as Annex B. In particular, the blackline version shows the difference between the original text of the risk factors included in the Registration Document and the relevant new version as updated by this Supplement.

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## CHANGES TO THE REGISTRATION DOCUMENT

- 1.1. The "Section I - Risk Factors", on page 3 et seq. of the Registration Document, shall be amended in light of the new information related to the approval of the consolidated financial information as at 31 december 2024 and approval of the UniCredit 2025 Equity Registration Document.

In particular, to ensure a comprehensive, fully updated, and accurate set of information about the Issuer, the existing risk factors have been either revised or removed, and new risk factors have been added to reflect the most current developments, as already included within the UniCredit 2025 Equity Registration Document.

In light of the new structure of the Risk Factors section, also the positioning and degree of relevance of each risk factor has changed.

Please see in the table below a summary of the amendments made to this section "Risk Factors" (for further information on the amendments made to this section "Risk Factors" please see Annex B attached to this Supplement):

LIST OF THE NEW RISK FACTORS	EXPLANATION
<b>A.1. Risks Associated with the Financial Situation of Unicredit and the Unicredit Group</b>	<b>Category of Risk Factors that updates the previous " 1.1 Risks related to the financial situation of the Issuer and of the Group" in alignment with the UniCredit 2025 Equity Registration Document</b>
A.1.1. Risks associated with the completion of the acquisition of BPM, the consequent process of integration and potential failure to realize the expected synergies	New Risk Factor added by this Supplement
A.1.2. Risk connected with the potential failure by BPM to obtain the Danish Compromise treatment	New Risk Factor added by this Supplement
A.1.3. Risks associated with the UniCredit Group's activities in different geographical areas	Risk Factor that updates the previous "1.2.3 Risks connected with the UniCredit Group's activities in different geographical areas" in alignment with the UniCredit 2025 Equity Registration Document
A.1.4. Risks connected with forecasts and estimates concerning UniCredit, BPM and the expected post-Merger process of integration and expected synergies	New Risk Factor added by this Supplement
A.1.5. Credit risk and risk of credit quality deterioration	Risk Factor that updates the previous "1.1.3 Credit risk and risk of credit quality deterioration" in alignment with the UniCredit 2025 Equity Registration Document
A.1.6. Risks associated with the exposure of the UniCredit Group to sovereign debt	Risk Factor that updates the previous "1.1.4 Risks associated with the Group's exposure to sovereign debt" in alignment with the UniCredit 2025 Equity Registration Document

A.1.7. Risks associated with deferred tax assets	Risk Factor that updates the previous "1.1.5 Risks relating to deferred taxes" in alignment with the UniCredit 2025 Equity Registration Document
A.1.8. Risks associated with current macroeconomic uncertainties and geopolitical tensions impacting on the earnings performance of the UniCredit Group	Risk Factor that updates the previous "1.1.1 Risks associated with the impact of current macroeconomic uncertainties and the effects of the geopolitical tensions" in alignment with the UniCredit 2025 Equity Registration Document
A.1.9. Risks associated with the distribution of dividends	New Risk Factor added by this Supplement
A.1.10. Risks associated with the ratings assigned to the Issuer and the UniCredit Group	New Risk Factor added by this Supplement
A.1.11. Risks associated with the impairment of goodwill	New Risk Factor added by this Supplement
A.1.12. Risks associated with the assumptions and methods used to measure UniCredit's assets and liabilities	New Risk Factor added by this Supplement
A.1.13. Risks associated with the inclusion of pro-forma financial information concerning the acquisition of BPM and the BPM Offer	New Risk Factor added by this Supplement
<b>A.2. Risks related to the Transaction</b>	<b>New category of the Risk Factors added by this Supplement</b>
A.2.1. Risks associated with the information concerning the BPM Group contained in the Registration Document	New Risk Factor added by this Supplement
<b>A.3. Risks associated with the Business Activities and Industry of Unicredit and the Unicredit Group</b>	<b>Category of Risk Factors that updates the previous "1.2 Risks related to the business activities and industry of the Issuer and of the Group" in alignment with the UniCredit 2025 Equity Registration Document</b>
A.3.1. Liquidity risk	Risk Factor that updates the previous "1.2.1 Liquidity Risk" in alignment with the UniCredit 2025 Equity Registration Document
A.3.2. Risks related to the property markets' trends	Risk Factor that updates the previous "1.2.2 Risk related to the property market trends" in alignment with the UniCredit 2025 Equity Registration Document
A.3.3. Market risks	Risk Factor that updates the previous "1.2.4 Market risks" in alignment with the UniCredit 2025 Equity Registration Document

A.3.4. Interest rate fluctuation and exchange rate risk	Risk Factor that updates the previous "1.2.5 Interest rate fluctuation and exchange rate risk" in alignment with the UniCredit 2025 Equity Registration Document
A.3.5. Risk of market fluctuations on trading and investment activities	New Risk Factor added by this Supplement
A.3.6. Operational risk	Risk Factor that updates the previous "1.2.6 Operational risk" in alignment with the UniCredit 2025 Equity Registration Document
A.3.7. Risks connected with legal proceedings in progress	Risk Factor that updates the previous "1.2.7.1 Risks connected with legal proceedings in progress" in alignment with the UniCredit 2025 Equity Registration Document
A.3.8. Risks arising from tax disputes	Risk Factor that updates the previous "1.2.7.2 Risks arising from tax disputes" in alignment with the UniCredit 2025 Equity Registration Document
A.3.9. Risks associated with leveraged transactions	New Risk Factor added by this Supplement
A.3.10. Reputational risk	New Risk Factor added by this Supplement
A.3.11. Risks associated with the uncertainty of results with regards to future stress tests or any other future tests for review of the asset quality	New Risk Factor added by this Supplement
A.3.12. Counterparty risk	New Risk Factor added by this Supplement
A.3.13. Risks deriving from the insurance business	New Risk Factor added by this Supplement
A.3.14. Environmental and climate-related risks connected with the UniCredit Group's banking and insurance activities	New Risk Factor added by this Supplement
A.3.15. Risks connected with related-party transactions and Corporate Governance framework	New Risk Factor added by this Supplement
A.3.16. Risks associated with information about UniCredit's competitive position and statements made in such respect	New Risk Factor added by this Supplement
A.3.17. Risks connected with the use of Alternative Performance Indicators (APIs)	New Risk Factor added by this Supplement
<b>A.4. Risks associated with the Legal and Regulatory Framework</b>	<b>Category of Risk Factors that updates the previous "1.3 Risks connected with the legal and regulatory framework" in alignment with</b>



	<b>the UniCredit 2025 Equity Registration Document</b>
A.4.1. Bank capital adequacy A.4.1.1. Risks associated with capital adequacy requirements	Risk Factor that updates the previous "1.3.1 Basel III and Bank Capital Adequacy" in alignment with the UniCredit 2025 Equity Registration Document
A.4.2. Risks associated with the evolution of prudential and other regulations applicable to banks	Risk Factor that updates the previous "1.3.2 Evolution of banking prudential regulation" in alignment with the UniCredit 2025 Equity Registration Document
A.4.3. Risks associated with ordinary and extraordinary contributions to funds established under the scope of the banking crisis rules	Risk Factor that updates the previous "1.3.3 Risks connected with ordinary and extraordinary contributions to funds established under the scope of the banking crisis rules" in alignment with the UniCredit 2025 Equity Registration Document
A.4.4. Risks connected with the entry into force of new accounting principles and changes to applicable accounting principles	Risk Factor that updates the previous "1.3.4 Risks connected with the entry into force of new accounting principles and changes to applicable accounting principles" in alignment with the UniCredit 2025 Equity Registration Document
A.4.5. Risks associated with privacy, information security and personal data protection regulations	New Risk Factor added by this Supplement
A.4.6. Risks associated with the administrative liability of legal entities and any inadequacy of the organization and management model of the Issuer pursuant to Italian Legislative Decree 231/2001	New Risk Factor added by this Supplement
A.4.7. Risks associated with the activities of the relevant Supervisory Authorities	New Risk Factor added by this Supplement

In light of the above, please find below the "Section I - Risk Factors" as amended:

## "Section I - Risk Factors

The following is a disclosure of risk factors (the "**Risk Factors**") that are material with respect to the ability of UniCredit to fulfill its obligations under securities issued by it.

The first subsection of the Risk Factors "*1.1 Risks related to the financial situation of the Issuer and of the Group*" on pages 3 et seq. of the Registration Document is renamed "*Risks Associated with the Financial Situation of Unicredit and the Unicredit Group*" by means of this Supplement.

The following risk factor A.1.1. "*Risks associated with the completion of the acquisition of BPM, the consequent process of integration and potential failure to realize the expected synergies*" constitutes a **new risk factor** added to this first subsection by means of this Supplement.

### A.1. RISKS ASSOCIATED WITH THE FINANCIAL SITUATION OF UNICREDIT AND THE UNICREDIT GROUP

#### A.1.1. Risks associated with the completion of the acquisition of BPM, the consequent process of integration and potential failure to realize the expected synergies

On November 25, 2024, the Issuer announced the launch of the voluntary public exchange offer (the "**Offer**" or "**Public Exchange Offer**") aimed at acquiring all the 1,515,182,126 ordinary shares of Banco BPM S.p.A. as parent company of the BPM banking group ("**BPM**" or, where the context so requires, the "**BPM Group**"). The Offer's terms provide for the Issuer to pay a consideration equal to 0.175 UniCredit shares in exchange for each share of BPM tendered to the Offer (without prejudice to the adjustments that will be described in the Offer Document) and the UniCredit shares given as consideration for the BPM shares will originate from a share capital increase of a maximum of 278,000,000 UniCredit shares. In such regard, on March 27, 2025 the shareholders' meeting of UniCredit in extraordinary session resolved, *inter alia*, to (a) grant the Board of Directors, pursuant to art. 2443 of the Italian civil code (the "**Italian Civil Code**" or the "**Civil Code**"), the authority, until December 31, 2025, to increase the share capital, in one or more tranches and in a severable manner, with exclusion of the pre-emptive right pursuant to art. 2441, paragraph 4, first sentence, of the Civil Code, for a maximum nominal amount of Euro 3,828,060,000, plus share premium, through the issuance of up to 278,000,000 ordinary shares of UniCredit, to be paid by means of contribution in-kind of the BPM' shares tendered in adherence to the Offer, (b) authorize the Board of Directors to determine from time to time, by exercising the delegation and in compliance with applicable law, the overall amount of the capital increase to be resolved, also in a severable manner, and thus the number of shares to be issued, the issue price of the new shares, including the share premium, in accordance with the provisions of art. 2441, paragraph 6, of the Civil Code and any other terms and conditions of the delegated capital increase, and (c) amend accordingly article 6 of the by-laws.

By launching the Offer, the Issuer ultimately aims at acquiring the entire share capital of BPM and intends to proceed, subject to the approval of the competent corporate bodies and the necessary authorizations by the competent authorities, with the activities aimed at the merger by incorporation of BPM into UniCredit (the "**Merger**") in pursuit of the goals of continued integration, synergy and growth of the UniCredit Group. As at the Registration Document Date, the Issuer has, however, not yet taken any definitive decision as to the possible Merger, nor as to the manner in which it will be carried out. The nature of the Offer (and the related transactions of acquisition and merger envisaged in connection with it) are such that investors should take into account a number of risks associated with any forecasts concerning the Issuer's performance in the context of its own strategic targets, those of the Offer itself and the wider economic context in which the Offer has been launched.

On March 26, 2025, BPM announced to have received a communication from the ECB in which the authority stated that, in its own view, the so-called Danish Compromise should not be applied to the acquisition of Anima. Furthermore, on March 27, 2025, the European Banking Authority ("**EBA**") rejected the query submitted by BPM relating to the applicability to the acquisition of Anima of the "Q&A FAQ 2021\_6211" regarding acquisitions carried out by insurance companies controlled by banks ("Calculation of goodwill included in significant investments in insurance undertakings") because, in the EBA's view, the issue raised

is beyond, and cannot be resolved in the context of, the EBA's Q&A process, since it requires a broader investigation not compatible with this instrument. On the same date, BPM announced that the relevant management bodies of both BPM Vita and Banco BPM, within the scope of their respective powers, have resolved to waive the condition on the granting of Danish Compromise to the BPM Offer. On March 26, 2025, BPM responded to the ECB letter dated March 21, 2025 asking the ECB to clarify the underlying reasons related to its view regarding the non-application of the Danish Compromise to Anima's acquisition and maintaining that, in its own view, the prudential treatment outlined in said communication is not consistent with the underlying principles related to the deduction regulatory framework set forth in the CRR and the rules governing financial conglomerates. Therefore, on the basis of the information publicly available and made publicly available by BPM as at the Registration Document Date and in view of the pending uncertainties relating to the applicability of the Danish Compromise, also following the above-mentioned recent BPM initiative, UniCredit considers appropriate to provide the information and scenarios described below.

With reference to the capital impacts of the proposed acquisition of BPM, based on the information publicly available and made publicly available by BPM and assuming the acquisition of 100% of Anima by BPM and the application of the Danish Compromise (also to Anima), the transaction would have the following negative impacts on the UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024:

- 78 basis points in the event of 100% adherence to the Offer;
- 93 basis points in the event of 70% adherence to the Offer;
- 104 basis points in case of adherence to the Offer equal to 50% + 1 share.

It should be noted that the impacts in the cases of adherence at 70% and 50% + 1 share have been calculated on the assumption that at the end of the Offer minority shareholders (representing respectively 30% and 50% - 1 share of BPM's capital) remain in BPM's shareholder base and that the merger between BPM and UniCredit is not completed. As a result of a possible merger between BPM and UniCredit, the impacts in these two scenarios would coincide with the impact calculated in the case of a 100% adherence to the Offer.

In the absence of the Danish Compromise with reference to the acquisition of Anima, also assuming the continued application of this regime to the insurance companies of the BPM Group, the additional negative impact on UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024 would be:

- 44 basis points in the event of 100% adherence to the Offer;
- 31 basis points in the event of 70% adherence to the Offer;
- 22 basis points in case of adherence to the Offer equal to 50% + 1 share.

For the sake of completeness of information, the additional effects on UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024, in the hypothetical scenario of the temporary disapplication of the prudential treatment currently granted to the BPM Group with reference to its insurance companies are as follows:

- 29 basis points in the event of 100% adherence to the Offer;
- 20 basis points in the event of 70% adherence to the Offer;
- 14 basis points in case of adherence to the Offer equal to 50% + 1 share.

In this context, it should be noted that the pro-forma figures exposed in this paragraph do not include the Purchase Price Allocation (PPA) impact, including any potential fair value adjustments.

For reference, UniCredit Group's fully loaded consolidated CET1 ratio as at December 31, 2024 stood at 15.9%, with an MDA buffer equal to 549 basis points (MDA buffer including a gap of 9bps vs. the 1.88% AT1 bucket requirement computed vs MDA requirement 10.28% as of the same date).

With regard to the impact on the UniCredit Group's MREL ratio (expressed with reference to RWA), assuming the acquisition of 100% of BPM (and also assuming the latter's acquisition of 100% of Anima) and considering a pro-forma situation as at December 31, 2024, with full computability of BPM's eligible liabilities (e.g., as a result of the merger of BPM into UniCredit), the negative impact would be approximately 65 basis points if the Danish Compromise were to be applied (also to Anima). In the absence of the Danish Compromise with reference to the acquisition of Anima, the additional impact would be approximately 15 basis points.

It should be noted that in the case of a partial acquisition of BPM and in the absence of a merger between BPM and UniCredit, the two entities (UniCredit and BPM) would maintain separate MREL's requirements. In general, the MREL requirement is indeed determined by the Resolution Authorities and communicated to the banks on the basis of an annual Resolution Planning cycle. In this context, the decisions regarding the MREL requirements applicable to UniCredit and BPM existing at the time of the potential transaction would remain in force until they are replaced or superseded by new decisions. During the annual Resolution Planning cycle, the Resolution Authorities will analyse and discuss with the UniCredit Group the need for any changes to the MREL requirements applicable as a result of the transaction.

For reference, the MREL ratio on RWA stood at 32.73% as December 31, 2024.

Given the uncertainty characterizing any estimate, UniCredit capital and MREL actual impacts may differ from those described above or these could be higher or lower, considering the wide range of scenarios, levers and effects which are embedded in a combination transaction and in light of the macro scenario and all other risk factors highlighted in this Registration Document, including for instance the adherence to the Offer, the outcome of the BPM Offer and potential granting or absence of the application of the Danish Compromise regulatory treatment with reference to the acquisition of Anima, as described below.

With regard to possible effects of the transaction on the UniCredit's Deferred Tax Assets ("DTAs"), it should be noted that, based on the information and findings available to date, the transaction would have no impact on the amount of DTAs existing as at December 31, 2024. Moreover, as of today, based on future profitability, no write-downs of DTAs recorded in UniCredit's financial statements are expected.

The completion of the Offer and of the potential Merger exposes the Issuer and its Group to risks and challenges. These include, by way of example:

- (i) the need to make unforeseen investments in equipment, information management, information technology ("IT") systems as well as IT services and other business crucial infrastructure as well as unforeseen technological challenges and interruptions related to the integration of the IT systems of the two companies;
- (ii) the ability to react to market and business environment changes while in the process of combining business and support functions;
- (iii) the placement of considerable demands on UniCredit's and BPM's resources to manage the business combination and contemplated post-completion integration measures, including requiring significant amounts of time and attention of the management of UniCredit and BPM, respectively, which may impair the ability of their management bodies to manage the businesses effectively during the Offer process, the following process of integration and in the future;
- (iv) the ability to successfully control the change and adaptation process regarding personnel, including reserving sufficient time for the implementation of necessary changes to its organization;
- (v) the unsuccessful management of the integration planning process, including the inability to complete any post-completion integration measures or any delays to such post-completion integration measures, and any disturbances to the efficiency, reliability, continuity and consistency of the functions of the post-acquisition entity, its operations as well as administrative, support and control functions, such as risk, financial control and reporting, IT, communications, human resources, legal and compliance functions;
- (vi) the working capacity and retention of senior management and key personnel within the post-acquisition entity; and
- (vii) the ability to successfully retain relationships and contractual arrangements with customers, suppliers and commercial counterparties in the future.

In this context it should be noted that the envisaged acquisition of the BPM Group may not reflect the scope and timing it is expected to be characterized by, also given the different scenarios of adherence to the Public Exchange Offer that might occur.

In particular, should the Issuer acquire a certain percentage of BPM (in any case higher than the Threshold Condition or 50% + 1 of the shares of BPM in case the Threshold Condition is waived) without, however, carrying out the Merger, the Issuer estimates that approximately 85% of the estimated cost and revenues synergies could be achieved, amounting to an overall value of approximately Euro 1 billion before tax, including revenues synergies of approximately Euro 300 million, and cost synergies of approximately Euro 700 million. The risk of the Merger being hindered is higher if the Issuer acquires a stake lower than 66.6%

of the shares of BPM because of the lower proportion of voting shares held by UniCredit and the resulting likely difficulty in ensuring that proposals concerning the Merger (and the future conduct of the business of the UniCredit Group) reach the quorum required for approval. In fact, shareholders of BPM hostile to the Offer may give rise to risks by engaging in conflicting and/or obstructing behaviors. Obstructive shareholders of BPM might also pose risks to the timing of, and ways in which, the post-acquisition integration process is carried out causing a deviation from current estimates. In addition, regardless of the percentage of shareholding that UniCredit may acquire upon conclusion of the Offer, there may be other events concerning BPM that are outside the control of the Issuer and that may delay and/or reduce the achievement of the estimated cost and revenues synergies as well as potentially having a negative impact on the UniCredit Group's results, performance and strategic objectives.

In addition, if the Issuer, following the envisaged acquisition of the BPM Group and the potential Merger pursuant to the Offer, fails to realize the anticipated synergies or other benefits, or the estimated implementation costs of the Offer and of the contemplated integration measures are materially exceeded, the targets, benefits and future outcomes on which the Offer is based may not be realized or realized with a different timeline. The materialization of all synergies resulting from the acquisition is, in fact, highly uncertain also in light of the fast-changing macroeconomic context. The existence of the aforementioned risks stems in large part from the fact that, at the Registration Document Date, the acceptance period of the Offer has not yet begun, and the Issuer has been relying solely on data which is in the public domain as a basis for formulating its estimates concerning the cost and revenues synergies expected to originate from it. Should such estimates turn out to be inaccurate or should the expected synergies fail to materialize to the extent and within the timeframes expected by the Issuer, the revenues and costs of the UniCredit Group may, in the future, be different from those estimated and this may have a negative impact on the market value of UniCredit's shares and the return that investors may obtain from them.

It should be noted that the revenues and cost synergies expected from the transaction have been estimated regardless of the outcome of the BPM Offer and thus do not take into account any synergies which may be extracted from the integration of Anima and BPM, considering that the Issuer had no access to the detailed assumptions underlying any potential synergies deriving from the integration of Anima and BPM.

In this context, it should be noted that, as at the Registration Document Date, the process relating to the voluntary tender offer launched pursuant to Articles 102, paragraph 1, and 106, paragraph 4, of the Consolidated Financial Act made on November 6, 2024, by Banco BPM Vita S.p.A. ("**BPM Vita**") in concert with BPM on all the ordinary shares of Anima Holding S.p.A. (the "**Anima**") (the "**BPM Offer**") is underway. Subject to the completion of the Offer, in case the BPM Offer is successfully completed, Anima and its subsidiaries will also be brought into the UniCredit Group.

Given the uncertainty characterizing any estimate and forecast data described above, including those related to revenues and cost synergies estimates, UniCredit may not be able to achieve the results described above or these could be achieved in a different time frame, in some cases even faster considering the wide range of levers and effects which are embedded in a combination transaction and in light of the macro scenario and all other risk factors highlighted in this Registration Document.

The Issuer believes that the aforementioned events have a low probability of occurrence and, considering their possible negative impact, UniCredit considers this risk to be of medium significance.

Finally, if the acquisition of the BPM Group by UniCredit is completed, the scope of consolidation of the Issuer's Group will change, giving rise to risks connected with the interpretation and comparison of the Issuer's 2024 Consolidated Financial Statements against any future financial statements of the UniCredit Group; investors should, in fact, consider the discontinuity and the limits to the comparability of the UniCredit Group's post-acquisition annual and interim reports with the UniCredit Group's financial information as at December 31, 2024. In particular, the metrics of reference for evaluating the future results of UniCredit that will be most subject to possible discrepancies with the 2024 results have economic (e.g., P&L), financial (e.g., balance sheet) and regulatory (e.g., Common Equity Tier 1 ratio) nature. Such discrepancies and overall non-comparability could make UniCredit's performance more difficult to assess for the investors.

#### *Risks associated with the completion of the acquisition of Banco BPM*

Without prejudice to the conditions precedent to the Offer as set out in the Offer Document, after completion of the acquisition of BPM, the Issuer will be exposed to the risks associated with the execution of an extraordinary acquisition of the entire share capital or of a controlling stake in another bank (including, *inter alia*, any current or contingent liabilities that were unknown or, in any event, not found during pre-acquisition analysis) and also to the more specific risks resulting from the defining features of BPM, the procedure of

the Offer and of the potential subsequent Merger. There are, in fact, risks related to the fact that the Issuer does not benefit from any contractual guarantee and indemnity undertaking given by BPM or BPM's current shareholders (e.g., representations and warranties and associated seller indemnity obligations) due to the structure of the transaction (acquisition through a public exchange offer). In addition, the Issuer's sole reliance on publicly available information concerning BPM for the purposes of the Offer and the fact that it has not conducted any due diligence on the BPM Group exposes it to the risk of not being able to ascertain all the critical aspects concerning the target entity and the future risks that might derive from the acquisition of BPM. Both UniCredit and, as far as is known, BPM have entered into distribution agreements, including in the asset management sector, with the scope, terms and conditions and maturities set forth in their respective contracts. However, UniCredit did not have access to the terms and conditions of the partnerships and distribution agreements entered into by the BPM Group, including the one with the Anima Group, due to the specific characteristics of the transaction (i.e., since it was a market transaction, no prior due diligence was carried out).

In light of the above, there is a risk inherent in the completion of the Offer that the UniCredit Group will have to deal with unexpected liabilities and/or with having to recognize lower values for assets of the BPM Group than those previously reported on BPM balance sheets.

In addition, assuming the acquisition is completed as planned pursuant to the Offer, the Issuer will likely see an increase in its exposure associated to risks connected with the insurance business, primarily as a result of acquiring those companies of the BPM Group that carry out insurance activities, in addition to the insurance business activities that the UniCredit Group already carries out through its bancassurance joint ventures.

Risks associated with the completion of the acquisition on more onerous terms than initially anticipated

At the Registration Document Date, the Issuer has obtained: (i) the authorizations of the Serbian Competition Authority (unconditional clearance), (ii) the authorization from the Insurance Supervisory Authority (IVASS) to acquire - upon the positive outcome of the Offer - the indirect controlling stakes equal to 100% of the share capital of Banco BPM Vita S.p.A. and of Vera Vita S.p.A. and the indirect qualifying stakes equal to 35% of the share capital of Banco BPM Assicurazioni S.p.A. and of Vera Assicurazioni S.p.A., (iii) the authorization from the ECB to (a) amend the by-laws by including a delegation to the Board of Directors to resolve on the share capital increase to serve the Offer and (b) classify the new shares to be issued within such capital increase as CET1, (iv) the non-objection letter from the Central Bank of Ireland to acquire the indirect controlling shareholding in BBPM LIFE DAC., and (v) the authorization from the ECB and Bank of Italy for, *inter alia*, the direct acquisition of a controlling interest in BPM, as well as the indirect acquisition of a controlling interest in Banca Akros S.p.A. and Banca Aletti S.p.A. Aletti Fiduciaria S.p.A., Agos Ducato S.p.A. and Numia S.p.A., pursuant to Articles 19, 22 and 114-*quinquies* of the Consolidated Banking Act; the indirect acquisition of a controlling stake in Banco BPM Invest SGR S.p.A., and the qualified indirect participation in Etica SGR S.p.A., Anima SGR S.p.A., Anima Alternative SGR S.p.A., Kairos Partners SGR S.p.A., Castello SGR S.p.A., Vorvel SIM S.p.A. pursuant to Article 15 of the Consolidated Financial Act. The Issuer is still waiting for the authorization from the European Commission, under Regulation (EU) 139/2004 ("EUMR") and Regulation (EU) 2022/2560 ("Foreign Subsidies Regulation"), that the Issuer currently expects to receive, respectively, by end of June and by the end of May 2025, considering, however, that the review process may last longer. The Issuer is still waiting also for the clearance from the Presidency of the Council of Ministers pursuant to Law Decree No. 21 of 15 March 2012, as amended and supplemented (so called *golden power*).

There is a risk connected to the issuance of authorizations by any such relevant authorities if these are issued upon the condition that the Issuer makes certain commitments in order to obtain clearance for the acquisition of BPM. The materialization of this risk cannot be excluded and while the significant impact that may derive from it cannot in principle be ruled out, the Issuer does not expect it to be of such nature as to materially affect the terms of this transaction. Such commitments may involve the requirement that the Issuer implements the transaction (and potentially the subsequent merger) only provided that it meets certain conditions (which may include, for instance, the condition that the Issuer sells some of its bank branches, assets or equity stakes and/or commitments to behave in a certain way following the acquisition, including possibly the requirement that the Issuer modifies its strategy in certain respects, as a condition for clearance by an antitrust authority).

Without prejudice to the conditions precedent to the Offer as set out in the Offer Document, the timing and procedures for obtaining all the required authorizations carry a risk that the Issuer is required to take actions and complete the acquisition of BPM on more onerous terms compared to what has been planned at the outset of the transaction.

The following risk factor A.1.2. "Risk connected with the potential failure by BPM to obtain the Danish Compromise treatment" constitutes a **new risk factor** added to this first subsection by means of this Supplement.

### **A.1.2. Risk connected with the potential failure by BPM to obtain the Danish Compromise treatment**

According to article 49 of Regulation (EU) 575/2013 (the “**Capital Requirements Regulation**” or “**CRR**”), the so-called Danish Compromise capital treatment (the “**Danish Compromise**”) can be granted, with an assessment on a case-by-case basis, by the ECB to financial conglomerates in order to favorably risk-weight insurance participations, instead of their full deduction from the relevant CET1.

On November 6, 2024, BPM has clarified, in connection with the launch of the BPM Offer on the ordinary shares of Anima that the confirmation of granting of the Danish Compromise also to the conglomerate resulting from the business integration of BPM, Banco BPM Vita and Anima is a condition precedent to the settlement of the BPM Offer.

BPM’s board of directors has been delegated by the BPM shareholders’ meeting held on February 28, 2025, to resolve whether to waive, fully or partially, any of the conditions of the BPM Offer; therefore, BPM Vita might proceed with the BPM Offer also (i) in case of failure by BPM to be granted the confirmation of the Danish Compromise, or (ii) should the relevant decision of the ECB on the granting of the Danish Compromise not be known, in its final terms, by the settlement date of the BPM Offer.

Even though BPM mentioned on January 20, 2025, that the dialogue with the ECB is ongoing and that the latter is proceeding with its assessment on the matter with the involvement of the European Banking Authority, it has to be noted that no information has been disclosed by BPM on (i) the degree of likelihood of achieving the Danish Compromise treatment, and (ii) the expected terms of such special regime being applicable to BPM (*i.e.*, full approval or only partial approval of the Danish Compromise regime), other than what is contained in the explanatory note published on February 27, 2025.

The explanatory note to the shareholders’ meeting of BPM of February 28, 2025 states that “*the capital absorption in case of denial of Danish Compromise is computed by multiplying Banco BPM’s RWAs as of 31.12.2024 by the 268 bps impact*”.

As a consequence, if the Anima transaction is completed without the Danish Compromise being obtained there might be negative effects on the capital of the Issuer and the Group resulting from the business integration with BPM that cannot be fully and properly assessed based on the information currently available. At the same time, the granting of this treatment to the BPM Group following a potential integration of Anima into its business may not necessarily mean that such treatment would also be granted to the UniCredit Group in a post-Merger configuration. In this regard, it should be noted that, in the event of a positive response, it cannot be excluded that the ECB will adopt prescriptions and/or measures towards the UniCredit Group that would have a potential negative impact on the capital position of the Issuer, although the fact that the UniCredit Group would be the controlling entity of the BPM Group assuming the positive outcome of the transaction, as of the Registration Document Date, it is potentially unlikely a contradictory scenario whereby BPM will be awarded by a positive outcome while UniCredit Group not.

On March 26, 2025, BPM announced to have received a communication from the ECB in which the authority stated that, in its own view, the so-called Danish Compromise should not be applied to the acquisition of Anima. Furthermore, on March 27, 2025, the EBA rejected the query submitted by BPM relating to the applicability to the acquisition of Anima of the “Q&A FAQ 2021\_6211” regarding acquisitions carried out by insurance companies controlled by banks (“Calculation of goodwill included in significant investments in insurance undertakings”) because, in the EBA’s view, the issue raised is beyond, and cannot be resolved in the context of, the EBA’s Q&A process, since it requires a broader investigation not compatible with this instrument. On the same date, BPM announced that the relevant management bodies of both BPM Vita and Banco BPM, within the scope of their respective powers, have resolved to waive the condition on the granting of Danish Compromise to the BPM Offer. On March 26, 2025, BPM responded to the ECB letter dated March 21, 2025 asking the ECB to clarify the underlying reasons related to its view regarding the non-application of the Danish Compromise to Anima’s acquisition and maintaining that, in its own view, the prudential treatment outlined in said communication is not consistent with the underlying principles related to the deduction regulatory framework set forth in the CRR and the rules governing financial conglomerates. Therefore, on the basis of the information publicly available and made publicly available by BPM as at the Registration Document Date and in view of the pending uncertainties relating to the applicability of the

Danish Compromise, also following the above-mentioned recent BPM initiative, UniCredit considers appropriate to provide the information and scenarios described below.

Based on the information published and made available by BPM, in the absence of the aforementioned Danish Compromise, and assuming the acquisition of 100% of Anima based on the revised terms of the BPM Offer (price increased to Euro 7.00 per Anima share), also assuming the continued application of this regime to the insurance companies of the BPM Group, the additional negative impact on UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024 would be:

- 44 basis points in the event of 100% adherence to the Offer;
- 31 basis points in the event of 70% adherence to the Offer;
- 22 basis points in case of adherence to the Offer equal to 50% + 1 share.

In this context it should be noted that pro-forma figures do not include the Purchase Price Allocation (PPA) impact, including any potential fair value adjustments.

For the sake of completeness of information, the additional effects on UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024, in the hypothetical scenario of the temporary disapplication of the prudential treatment currently granted to the BPM Group with reference to its insurance companies are as follows:

- 29 basis points in the event of 100% adherence to the Offer;
- 20 basis points in the event of 70% adherence to the Offer;
- 14 basis points in case of adherence to the Offer equal to 50% + 1 share.

As already stated, the pro-forma figures do not include the Purchase Price Allocation (PPA) impact, including any potential fair value adjustments.

Regarding the MREL ratio as expressed in terms of RWA, in the absence of the Danish Compromise with reference to the acquisition of Anima the additional negative impact can be estimated equal to approximately 15 bps.

The following risk factor A.1.3. "*Risks associated with the UniCredit Group's activities in different geographical areas*" constitutes an update of the previous "*1.2.3 Risks connected with the UniCredit Group's activities in different geographical areas*" on page 12 of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

### **A.1.3. Risks associated with the UniCredit Group's activities in different geographical areas**

Despite the Group's business being materially connected to Italy and, therefore, to the state of its economy (Italy accounted for approximately 45% of the Group's revenues in 2024, computed as sum of Italy, Germany, Central Europe including Austria, Eastern Europe and Russia) the UniCredit Group is also present in Germany (accounting for approximately 22% of the Group's revenues in 2024), in Central Europe (accounting for approximately 17% and covering Austria, Czech Republic and Slovakia, Hungary and Slovenia) in Eastern Europe (accounting for approximately 11% of the Group's revenues in 2024 and covering Croatia, Bulgaria, Romania, Bosnia and Herzegovina and Serbia). UniCredit also has marginal activities in Russia (accounting for approximately 5% of the Group's revenues in 2024).

With regards to the Issuer's activities in Italy, any changes in the macroeconomic environment of the country due to geopolitical developments, any trends in the prices of commodities and energy and the impact of high interest rates on sovereign bonds might cause significant negative impacts on the UniCredit Group's business, especially following the potential completion of the Offer and Merger, due to the BPM Group's more pronounced presence in certain regions in Italy. In addition, the UniCredit Group's geographical spread will also continue to expose it (even in its potential post-Merger configuration) to risks and uncertainties affecting each of the various countries in which it operates. Such risks and uncertainties may be of various nature and magnitude and could turn out to be more complex in relation to those countries that are not part of the



European Union. Central and Eastern European countries in particular have historically experienced volatile capital and foreign exchange markets, often coupled with political, economic and financial instability (at present potentially increased due to spillover effects of the Ukrainian crisis). The events that such instability and lower degree of development might give rise to, could affect negatively and limit the operations of the UniCredit Group, also as a result of governmental actions such as nationalization or other restrictions on businesses, all of which may be capable of impacting UniCredit's assets, balance sheets and/or income statement. The evolution of the geopolitical landscape remains under continuous monitoring by UniCredit, with current factors including recent and constantly evolving U.S. trade policy decisions, that could have potential implications on global trade relationships both with upsides (e.g. new trade partnerships) and downsides (e.g. impact on export/import) as possible outcomes. This area is at the early stage of evolution and potential impacts, if any, on UniCredit's primary geographies will be duly taken into account as part of the normal processes of the risk management framework. The events leading to the materialization of this risk are considered by the Issuer to have a low probability of occurrence and, given the likely impact this risk would have, it is considered to be of medium significance.

At the date of this Registration Document, the Issuer's presence in Russia exposes it to the specific risks connected to the ongoing Ukrainian crisis. These risks are also recognized by the ECB which, in April 2024, issued a decision requesting UniCredit to perform certain activities to minimize them; UniCredit – in compliance with the ECB's decision – is acting to reduce such risks. Should ECB assess that UniCredit actions are not complying with its decision, ECB could take additional supervisory measures. UniCredit considered the possible effects of a hypothetical extreme scenario on its relevant activities and credit exposures, by assuming total non-recoverability and cancellation of its positions. While the robust capital position of UniCredit was confirmed as being such that it would allow for the full absorption of such effects, this does not eliminate the risk of any more severe and unexpected developments in the Ukrainian crisis. Such risk exposure also requires the Issuer to constantly employ a significant amount of resources for the dynamic management of risks and ongoing assessment of the possible effects of the geopolitical crisis, while maintaining an overall prudent and sustainable approach to distributions.

With regards to the assets and liabilities of Russian subsidiaries, the Group holds investments in Russia through AO UniCredit Bank and its subsidiaries OOO UniCredit Garant, and OOO UniCredit Leasing. The line-by-line consolidation determined the recognition of total assets as of December 31, 2024, in the form of investments in Russia to be equal to Euro 5,597 million, as opposed to Euro 8,668 million as of December 31, 2023. Such a difference in total assets is mainly attributable to a reduction in financial assets at amortized cost. As of December 31, 2024, the foreign exchange revaluation reserve arising from the conversion of assets and liabilities in EUR is equal to Euro - 3,243 million. The negative delta for Euro 456 million in comparison with the same figure for year-end 2023 (Euro - 2,787 million) is mainly due to the depreciation of the Russian Ruble over the same period.

Since the start of the Ukrainian crisis, the Russian subsidiary has reduced its exposure to domestic customers and the amount of deposits collected locally by 86% and 89% respectively, and the rest of the UniCredit Group (in particular UniCredit S.p.A.) has reduced its exposure to Russian counterparties by 94%; this result was achieved with extremely limited impacts and already fully factored into the Group's consolidated capital ratios as at December 31, 2024.

Any event of loss of control over AO UniCredit Bank – including a nationalization – would determine the derecognition of net assets having a carrying value of Euro 5.5 billion. Such value includes the deconsolidation effects and embeds the negative revaluation reserve, mainly linked to foreign exchange, equal to Euro -3.3 billion. This event, if occurred in 2024, would have led UniCredit to report a positive stated FY24 Group result of Euro 4.2 billion, instead of Euro 9.7 billion. Under a regulatory capital perspective: (i) the impact stemming from the revaluation reserves (Euro 3.3 billion, including the Foreign exchange reserve) would have been neutral, since they are already considered in the CET1 capital calculation as of 31 December 2024, according to the CRR requirements; (ii) the CET1 ratio would have benefited from the deconsolidation of the RWA generated by the Russian entities exposures. As a consequence, the overall impact on UniCredit's capital ratio is lower than the consolidated carrying value of AO UniCredit Bank and it is confirmed in line with the extreme loss scenario already disclosed to the market (-47 bps of the CET1 ratio as of December 2024 or -55bps including impact from threshold deduction, if this were applicable at the time the event occurs). Such value decreased over time as consequence of the mitigation actions linked to the reduction of the Russian exposure executed by UniCredit over time.

The following risk factor A.1.4. "Risks connected with forecasts and estimates concerning UniCredit, BPM and the expected post-Merger process of integration and expected synergies" constitutes a **new risk factor** added to this first subsection by means of this Supplement.

#### **A.1.4. Risks connected with forecasts and estimates concerning UniCredit, BPM and the expected post-Merger process of integration and expected synergies**

This Registration Document includes provisional figures based on information taken from: (a) the guidance published by UniCredit in connection with the Group's 2024 results; (b) the guidance publicly disclosed by Banco BPM in connection with the BPM Group's 2024 results and strategic plan update; and (c) additional considerations of UniCredit on possible synergies and integration costs concerning the potential business combination of UniCredit and BPM and, to the extent the BPM Offer is successfully completed, Anima.

Investors should note that the overview of BPM's strategy and guidance is being provided by UniCredit in this Registration Document on the basis of the information and documents publicly disclosed by Banco BPM and exclusively for the purposes of a complete disclosure and, as such, it should not be understood by investors to entail any judgment, endorsement or acceptance of responsibility by UniCredit with regards to its contents.

In addition, it should be noted that such forecasts and estimates should be given relative weight by investors, considering that plans for the combined entity resulting from the integration of BPM into the UniCredit Group will only be approved after the completion of the Public Exchange Offer (as a result of which UniCredit would have a greater insight on the above elements) and according to a timeline still to be defined as at the Registration Document Date. Similarly, forecasts and estimates even regarding the UniCredit Group's ambition for its future performance (the "2025-27 Ambitions") are, therefore, subject to a number of uncertainties and additional factors, many of which are outside the control of UniCredit.

UniCredit's ability to meet the 2025-27 Ambitions and all the forward-looking statements made in the relevant section of this Registration Document rely on several assumptions, expectations, projections and provisional data concerning future events. More in detail, the 2025-27 Ambitions is based on a set of macroeconomic assumptions that are not under the control of the Bank's management, including:

- Eurozone GDP growth at +0.9% in 2025, +1.2% in 2026, +1.3% in 2027;
- Eurozone inflation at +1.9% both in 2025 and 2026, +2% in 2027; and
- ECB's deposit facility rate equal to 2% by the end of 2025 and stable up to 2027.

The 2025-27 Ambitions includes the contribution of "Alpha" business initiatives ("Alpha Initiatives") that are influenced by the Bank's management - albeit many of them are subject to uncertainty - which are aimed at: net profit growth in UniCredit's geographies, client business segment mix enhancement, product offering enhancement, distribution channels integration, organization & processes improvement, technology & data investments and evolution. As a consequence of the uncertainty of the factors that are not under the control of the Bank's management or that can be influenced but not totally controlled by it, the Bank's actual results can be also materially different from the explicit or implicit contents of any forward-looking statements in the UniCredit guidance and thus, such forward-looking statements do not constitute a fully reliable indicator of future performances.

There are many variables, in fact, which may cause the actual results and performance of the UniCredit Group alone, or in its potential post-Merger configuration (which may or may not include Anima) to be materially different from those expressly (or impliedly) set out in any forward-looking statements made. Such variables include developments of a macro-economic and geopolitical nature, as well as any possible knock-on effects these developments might have on global and regional growth and progress.

Investors should note that all of the uncertainties described above equally apply to the forecasts and estimates specifically related to the targets and expected synergies of the Public Exchange Offer, including any results which have been forecast as a consequence of the BPM Offer, as these may or may not materialize. Any commitments that the Issuer could be required to make by the antitrust authorities, such as disposal of branches, may have an impact on the assumptions and targets described in this Registration Document.

With particular reference to such targets and expected synergies, these have also been set by reference to estimates concerning the one-off costs of integration relating to the acquisition and the following cost and revenues synergies arising once BPM has been integrated into the Issuer's Group. In particular, the Issuer expects estimated revenues synergies of approximately Euro 300 million before tax per year and estimated cost synergies of approximately

Euro 900 million before tax per year. UniCredit expects 50% of both costs and revenues synergies to materialize in 2026 and to be then fully realized in 2027. The one-off costs of the integration process have been estimated at approximately Euro 2 billion before tax, expected to be mostly concentrated at the initial stage of the process.

Said synergies, however, remain dependent on UniCredit's ability to: firstly, react to market and business environment changes while in the process of combining business and support functions.

Secondly, its ability to successfully and safely control the change and adaptation process regarding personnel, including reserving sufficient time for the implementation of necessary changes, which form a key part of the strategic, financial and operational benefits as well as cost and revenues synergy benefits behind the rationale of the Offer. This is relevant especially with regards to the integration and coordination of management and staff, IT systems, structures and services of the two banking groups, as well as the extension of any UniCredit policies. Said migrations into the UniCredit Group will inevitably involve the transfer of a significant volume of activity and data, due to the high numbers of customers (about 4 million customers of BPM compared with about over 15 million customers of UniCredit) and branches (about 1,400 branches for BPM compared with the about 3,039 branches belonging to the UniCredit Group). These procedures carry an inherent risk of delays or unexpected issues arising, that imperil the security of the information systems being migrated, affecting the operational continuity of the UniCredit Group also in its potential post-Merger configuration. Security problems might in fact be generated by the BPM Group's possibly lower (or different) levels of security than those applied by UniCredit, especially concerning the segregation of data networks or security settings of the devices that connect to the internet or third parties.

Thirdly, UniCredit's ability to successfully define and implement a new strategy, organizational and governance model for the entity resulting from the acquisition.

The abovementioned revenues and cost synergies, presented in the various scenarios, have been estimated regardless of the outcome of the BPM Offer and thus do not take into account any synergies which may be extracted from the integration of Anima and BPM, considering that UniCredit had no access to the detailed assumptions underlying any potential synergies deriving from the integration of Anima and BPM.

On the other side, the Bank has set ambitions for 2027 of a net profit of approximately Euro 10 billion, coupled with RoTE ("Return on Tangible Equity") above 17% and average organic capital generation for the full-years 2025-2027 broadly in line with net profit. All the above allow for yearly distributions ambition (subject to supervisory, board of directors and shareholder approvals, inorganic opportunities and delivery of financial ambitions) for the full-years 2025-2027 greater than in 2024, of which cash dividends at 50% of net profit and additional distributions including the excess capital to a 12.5-13% of CET1 ratio. As of the Registration Document Date, the guidelines provided by UniCredit regarding the Phase II of UniCredit Unlocked are valid.

On February 12, 2025, Banco BPM published its updated strategic plan for 2026-27 with the net income expected to grow from Euro 1.69 billion in full-year 2024 to Euro 2.15 billion in full-year 2027 (assuming the acquisition of Anima). Banco BPM has not stated that the BPM 2026-27 Strategic Plan is not valid as of the Registration Document Date. At the Registration Document Date, the Issuer has not yet approved a new consolidated business plan for the UniCredit Group that reflects the completion of the acquisition of BPM. In this regard, the Issuer expects that plans for the combined entity resulting from the integration of BPM into the UniCredit Group will only be approved after the completion of the Public Exchange Offer (as a result of which UniCredit would have a greater insight on the above elements) and according to a timeline still to be defined as at the Registration Document Date.

Based on (a) the UniCredit net profit ambitions for 2027 (as described above) and (b) the standalone net profit estimates for 2027 from broker consensus for BPM (broker consensus average for reported net profit retrieved from FactSet on March 20, 2025) and Anima (broker consensus average for reported net profit retrieved from FactSet on March 20, 2025) and assuming (i) the successful completion of the BPM Offer, (ii) the successful completion of the Offer and the Merger and (iii) the realization of the full revenues and cost synergies in 2027 (as described above), the combined group would have a combined net profit of approximately Euro 12.8 billion in 2027. Such estimate has been calculated as the algebraic sum of (i) the net profit ambitions for 2027 for UniCredit, (ii) the reported net profit for 2027 from broker consensus average for BPM, (iii) the 78% (i.e., the percentage of Anima not owned by BPM prior to the BPM Offer) of the reported net profit for 2027 from broker consensus average for Anima and (iv) the post-tax run rate amount of expected revenues and cost synergies. The estimated combined net profit in 2027 is the result of a complex range of facts, events and situations which could happen in different shape, form and sequence and they could affect in a more positive or alternatively negative manner the transaction and therefore such net profit could diverge, even significantly, from the forward-looking trend formulated, due to the uncertainties associated with the underlying assumptions.

Thus, investors are requested not to rely exclusively on those forecasts and estimates included in this Registration Document when taking their own decisions to invest in financial instruments of the Issuer, given the uncertainty characterizing any forecast data, including those retrieved from FactSet and based on broker consensus estimates.

Finally, it is noted that certain of the assumptions and/or actions taken as the basis for the forecasts and estimates might turn out to be imprecise and, consequently, might not materialize or might materialize to an extent and at times different from those forecasted, just as events that could not be foreseen at the time they were formulated might occur, or might occur with some delay. Moreover, due to the uncertainty associated with the realization of any future event, both in terms of its occurrence, its extent and timing, there might be significant discrepancies between the forecast values and the final values, even if such events on the basis of assumptions do materialize, which might have significant negative effects on the Issuer and the Group's activities, as well as its economic, equity and/or financial situation. A significant delay in the completion of the integration measures could result in additional costs for the entity resulting from the potential Merger, in additional resources from its management and personnel, as well as in future alternative business opportunities being lost. The UniCredit Group may further incur additional significant legal, accounting and other transaction fees and costs relating to the carrying out of such integration measures, some of which will be payable irrespective of whether or not the integration is completed.

Given the uncertainty characterizing any forecast data described above, including those retrieved from FactSet and based on broker consensus estimates, UniCredit may not be able to achieve the results described above or these could be achieved in a different time frame, in some cases even faster considering the wide range of levers and effects which are embedded in a combination transaction and in light of the macro scenario and all other risk factors highlighted in this Registration Document.

The following risk factor A.1.5. "*Credit risk and risk of credit quality deterioration*" constitutes an update of the previous "*1.1.3 Credit risk and risk of credit quality deterioration*" on page 7 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

#### **A.1.5. Credit risk and risk of credit quality deterioration**

The financial and capital strength, as well as the profitability of the UniCredit Group depend, among other things, on the creditworthiness of its customers. In carrying out its credit activities, the Group is, in fact, exposed to the risk that an unexpected change in the creditworthiness of a counterparty may generate a corresponding change in the value of the associated credit exposure and give rise to the need to write it down partially or totally. The credit risk inherent in the traditional activity of providing credit is material, regardless of the form it takes (cash loan or endorsement loan, secured or unsecured, etc.).

As at December 31, 2024, the value of the UniCredit Group's non-performing exposures ("NPEs") was equal to Euro 11.2 billion (with a gross NPE ratio of 2.6%), down by 4.6% Y/Y, while as at December 31, 2023 they were equal to Euro 11.7 billion, with a gross NPE ratio of 2.7%. The stock of loan loss provisions ("LLPs") as at December 31, 2024, was equal to Euro 5.1 billion with a coverage ratio of 45.87%. With reference to categories of NPEs:

- Euro 3.1 billion were classified as bad loans (coverage 69.33%),
- Euro 7.3 billion were classified as unlikely to pay (coverage 37.44%),
- Euro 0.8 billion were classified as impaired past due (coverage 32.47%).

As at December 31, 2024, the Group's net NPEs stood at Euro 6 billion, slightly decreased compared to the value of Euro 6.2 billion recorded as at December 31, 2023 (equal to, respectively, 1.4% and 1.4% of total exposures of the Group). Starting from the year 2015 the overall reduction of the Group's NPE amounted to about Euro 66.7 billion, down from the amount of Euro 77.8 billion of 2015 to Euro 11.2 billion recorded at December 31, 2024 (this amount includes the loans disposed of in July 2017 and IFRS 5 positions).

The UniCredit Group's cost of risk ("CoR") increased by 2 bps to 15 bps as at December 31, 2024. On the other hand, as at December 31, 2024 the amount of the Group's overlays on performing exposures is of approximately Euro 1.7 billion.

UniCredit's LLPs, excluding Russia, increased by 42.2% Y/Y to Euro 785 million in 2024. Therefore, the cost of risk excluding Russia, increased by 5 bps Y/Y to 18 bps in 2024.

The UniCredit Group's asset quality ratios are broadly in line with European peers' average. The following comparison shows the main asset quality ratios between the UniCredit Group and a benchmark sample, *i.e.*, the 2024 EU wide transparency exercise, part of the EBA ongoing initiatives to promote transparency and strengthen market discipline within the EU financial market. Comparable UniCredit Group and EU-wide (calculated on the full perimeter of countries in scope of the exercise) figures are respectively presented below:

- Gross NPE ratio: 2.2% (Q4 2024 data) compared to 1.9% (EBA data as of Q3 2024);
- NPE coverage ratio: 45.9% (Q4 2024 data) compared to 41.6% (EBA data as of Q3 2024).

The data are consistent with the EBA transparency methodology; in particular, the last available data for the EBA transparency are as of Q3 2024; while the UniCredit FY 2024 data have been recalculated to be consistent with the EBA perimeter (more extensive, for example including also cash balances vs. central banks).

The current environment continues to be characterized by highly uncertain elements due to geo-political tensions and by the related effects of the evolution of the macro-economic scenario, potentially prone to generating a worsening of the Issuer's loan portfolio quality, with NPE classification occurrences and increase in the loan loss provisions allocation (including of a performing nature, due to the update in credit parameters). Besides, and consistently with the IFRS 9 framework, UniCredit has built additional and complementary provisions measures ("overlays") to the IFRS 9 core model allocated to performing assets to address negative scenario developments likely to impact sub-portfolios considered sensitive to geopolitical and real estate risks. These measures may absorb default events and/or scenario worsening or be released if the underlying risks do not manifest themselves.

With reference to performing cash exposures toward customers, 9.2% were classified in the so called stage 2 (Euro 51 billion) with a coverage ratio equal to 6.14%. It should be noted that these amounts have been calculated on the basis of the regulatory consolidation perimeter and including all balance-sheet assets classified as assets at fair value through other comprehensive income, assets at amortized cost and assets held for sale.

The UniCredit Group is also exposed to the non-traditional credit risk arising in the context of negotiations of derivative contracts and repurchase transactions (repos) on a wide range of products, such as interest rates, exchange rates, share prices/indices, commodities (precious metals, base metals, oil and energy materials), both with institutional counterparties, including brokers and dealers, central counterparties, central governments and banks, commercial banks, investment banks, funds and other institutional customers, and with non-institutional customers of the Group. Non-traditional credit risk is related to counterparty credit risk. These expose the UniCredit Group to counterparty risk, meaning that a counterparty may become insolvent before maturity of the loan or expiration of the applicable contract and is, therefore, unable to fulfil its obligations towards the Issuer or one of the other Group companies.

With regards to the BPM Group's exposure to this type of risk, as far as known to the Issuer as at the Registration Document Date and on the basis of the disclosure that is currently in the public domain, the value of the BPM Group's NPEs for the year 2024 has been disclosed as being equal to Euro 2.9 billion, while the disclosed value of cost of risk for the year 2024 stood at 46 bps. Therefore, BPM's exposure to this type of risks appears to be overall proportionate to the size of its business and in line with the Issuer's evaluations concerning the potential post-Merger vulnerability of the Group to this risk.

As far as the presence in Italy is concerned, given the complementarity of the two banks' networks, the risk of geographical concentration appears limited. In fact, a preliminary analysis based on available data suggests that the combined entity could potentially result in a meaningful overlap in no more than 10% of Italian provinces. As a consequence, and net of potential commitments that may be necessary for the competent merger control authority to clear the proposed transaction, the risk of concentration by client appears limited, but is not specifically quantifiable as it would need a set of data concerning BPM which are not available. Based on publicly available information, BPM's key asset quality metrics appear solid. Therefore, the Issuer believes that the combined entity will not face material issues in terms of asset quality.

As of December 31, 2024, with regard to securitizations relevant for credit risk purposes, the UniCredit Group acts as:

1. Originator for own significant risk transfer (“SRT”) securitizations, both cash and synthetic, both on performing and non-performing exposures. In accordance with the CRR and its amendments, the Group evaluates SRT through the mezzanine/junior test, commensurateness test and by verifying the absence of the contractual conditions that could affect the recognition of the SRT. In order to verify the commensurateness test on performing transactions, the Group has adopted an internal method that compares two indicators to demonstrate that the own fund requirement reduction obtained through the securitization is commensurate to the risk transferred to third parties. In addition to this methodology the UniCredit Group applies the recommendations of the EBA report 2020/32 on Significant Risk Transfer in securitization under articles 244(6) and 245(6) of the CRR, both for the SRT quantification and the interaction with the regulators. As of December 31, 2024, the securitization transactions recognized for risk transfer that produce benefits in terms of regulatory capital are 41, of which 27 are synthetic securitizations, and 14 true sale securitizations, of which 10 on NPE exposures. Originated SRT securitizations are structured by several legal entities within the Group.
2. Sponsor for its Asset-Backed Commercial Paper (“ABCP”) program in UCB GmbH. UniCredit calculates risk weights based on the internal assessment approach (“IAA”) for unrated securitization positions towards the ABCP program amounting to Euro 5.9 billion as of December 31, 2024; this exposure stems from liquidity facilities towards the 41 vehicles (Elektra Purchases) of the ABCP program in order to provide credit enhancement; the exposure amounts to 0.75% of Group total assets as of December 31, 2024.
3. Investor in both i) high credit-quality Asset Backed Securities (ABSs) issued by Third Parties (Public Securitizations) and ii) Client-driven Securitizations, structured upon customer request (Private Securitizations), for a total exposure of Euro 19.64 billion as of December 31, 2024 of which:
  - (i) With regards to Third-Parties ABSs (Euro 9.34 billion), the Group invests primarily in European Collateralized Loan Obligations (CLOs), Auto ABSs, Consumer ABSs and Residential Mortgage Backed Securities (RMBS) rated AAA (76%), AA (16%) A (0.2%), BBB (4%) and unrated positions (3.8% amounting to Euro 0.4 billion) originated by other banking groups. In line with the development of the financial markets and, specifically, the securitisation market, the Third-Parties ABS Portfolio was transformed from a separate portfolio in liquidation to a strategic investment portfolio for the Group in 2011 and was integrated into the Markets Strategic Portfolio (MSP), managed with a view to diversifying the investment portfolio, generating a profit margin and creating an appreciable capital return through long-term investments in fixed-income securities.
  - (ii) With regards to Client-driven Securitizations (Euro 10.3 billion), the Group supports its main banking and automotive sector clients, investing in unrated senior exposures of private securitizations; the securitized credit exposures of the automotive sector are typically car rental receivables, leasing contracts and loans to finance car purchases.

Both the Public and the Private Securitisation portfolios are carried out in conformity with established credit approval processes, policies and procedures and are subject to credit/market risk limits, regular monitoring and reporting by the business and risk management functions. Given that the retention requirement shall be satisfied by originators, sponsors or original lenders, for exposures where UniCredit Group acts as investor, the retention rule is not required.

The total amount of unrated securitisation positions is Euro 10.7 billion (Euro 10.3 billion of the Client-driven Securitizations plus Euro 0.4 billion of the Third-Parties ABS), equal to 1.4% of Group total assets as of December 31, 2024.

Based on data concerning BPM retrieved from publicly disclosed documents as of June 30, 2024, assuming that the Offer is successful, the UniCredit Group exposures to securitizations are expected to increase, but without material impacts. In fact, BPM acts as:

- 1) Originator, for own SRT securitizations, both cash and synthetic, both on performing and non-performing exposures; given that the SRT process is supervised by the regulators, we do not envisage specific issues in case of a potential acquisition and Merger of BPM. Retained tranches of originated SRT securitizations may expose the Bank to the credit risk of the underlying exposures, which is anyway considered ordinary; protected tranches of originated SRT securitizations may bear some

credit risk due to the creditworthiness of the guarantor, if the guarantee is unfunded and granted by non-supranational investors;

- 2) Sponsor, for a Euro 49 million exposure;
- 3) Investor, on a portfolio of approximately Euro 700-800 million asset backed securities by third parties primarily with an associated risk-weight lower than 20%.

The size of the BPM investor portfolio is relatively small compared to the UniCredit Group's one, and even though UniCredit does not envisage a deterioration of the Group risk profile following the integration of BPM, the Issuer would only be able to provide a complete evaluation of any impact on credit risk (including that relating specifically to securitizations) only after the completion of the transaction.

The information contained in this risk factor is a key audit matter identified in the Independent Auditor's Report on UniCredit 2024 Consolidated Financial Statements as "measurement of loans and receivables with customers recognized under financial assets at amortized cost.

The following risk factor A.1.6. "*Risks associated with the exposure of the UniCredit Group to sovereign debt*" constitutes an update of the previous "*1.1.4 Risks associated with the Group's exposure to sovereign debt*" on page 8 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

#### **A.1.6. Risks associated with the exposure of the UniCredit Group to sovereign debt**

The book value of sovereign debt securities exposures of the UniCredit Group as at December 31, 2024 amounted to Euro 116,130 million (as at December 31, 2023 it amounted to Euro 108,256 million) of which more than 75% is concentrated in eight countries as follows: Italy (Euro 39,824 million), Spain (Euro 15,475 million), Germany (Euro 7,646 million), United States of America (Euro 6,478 million), France (Euro 5,365 million), Japan (Euro 5,239 million), Austria (Euro 3,849 million) and Czech Republic (Euro 3,547 million). UniCredit's exposure to sovereign debt securities issued by the Italian central and local governments amounted to Euro 39,824 million as at December 31, 2024. It should be noted that sovereign debt securities exposures account for approximately 14.8% of Group total assets as of December 31, 2024, and 186% of Group net equity as of December 31, 2024.

Sovereign exposures are bonds issued by, and loans given to, central and local governments and governmental bodies. Exposures held through asset-backed securities are not included for the purposes of evaluating this risk.

Any worsening of the spread between the return on government bonds and risk-free benchmark rates, any downgrading of a sovereign entity's rating might have a negative impact on the value of UniCredit's own portfolio of securities. Such phenomena, which may often involve more widespread tensions and volatility in the sovereign bond market, especially with regards to the spread between Italian government bonds and other benchmark government bonds, may increase instability on the market, reduce the value of UniCredit's portfolio and be of detriment to the capital position and operating results of the Issuer.

With respect to the above exposures, as of December 31, 2024, there were no indications that defaults have occurred and the Group constantly monitors the evolution of the situation. With particular reference to the book value of the Group's sovereign debt securities exposure to Russia amounting to Euro 574 million, it is almost totally held by the Russian controlled bank in local currency and accordingly classified in the banking book. During 2022, the Russian debt securities belonging to the Amortized cost and FVtOCI portfolios were classified in stage 2 and downgraded, given the increase in credit risk according to the internal models. As at December 31, 2024:

- the collective staging measure was removed for AO UniCredit Bank Debt securities portfolio as well, with non-material LLP impact;
- the related LLPs stock amounts to Euro 66 million (Euro 132 million as of year-end 2023) with reference to Euro 640 million gross exposure (Euro 766 million as of year-end 2023). The

decrease in LLPs mainly stems from the removal of (i) the stage 2 classification and (ii) previous fixing of LLPs to the level of March 2022.

In addition, as at December 31, 2024, the Group also issued loans to central and local governments as well as government bodies for a total amount of Euro 26,515 million.

On the basis of publicly available information, in fact, the Issuer is aware of the extent of the BPM Group's exposure to debt securities issued by sovereign states (stated to be equal to Euro 32,855 million as of December 31, 2024, of which Euro 12,642 million related to bonds issued by the Italian state). Potential completion of the Merger, by extending UniCredit's portfolio, would involve an increase of the exposure to sovereign debt which is proportionate to that held by the BPM Group at the time of the completion of the transaction and consequent potential acquisition of control over BPM."

The following risk factor A.1.7. "*Risks associated with deferred tax assets*" constitutes an update of the previous "*1.1.5 Risks relating to deferred taxes*" on page 9 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

#### A.1.7. Risks associated with deferred tax assets

Deferred tax assets ("DTAs") and liabilities are, and will continue to be, recognized even following the potential completion of the Offer and of the Merger, in the consolidated financial statements of the Issuer according to the IAS 12 accounting principle. Under Law No. 214 of December 22, 2011 (the "**Law 214/2011**"), DTAs related to loan impairments and loan losses, or to goodwill and certain other intangible assets, may be converted into tax credits if a company has a full-year loss in its non-consolidated accounts relating to convertible DTAs (to which such convertible DTAs relate). A proportion of the deferred tax assets are converted in accordance with a ratio between the amount of the full-year loss and a company's shareholders' equity. Law 214/2011 also provides for such conversion if there is a tax loss on a non-consolidated basis, recognized in the financial statements against the tax loss, and limited to the loss generated from the deduction of the same categories of negative income components (loan impairments and loan losses, or losses related to goodwill and other intangible assets). In accordance with Law 207/2024 (the "**2025 Budget Law**"), the convertible DTAs reversal for the full-year 2025 will be subject to four deferrals on a straight-line basis starting from full-year 2026 and, in relation to full-year 2026, they will be subject to three deferrals on a straight-line basis, starting from full-year 2027.

As at December 31, 2024, total DTAs amounted to Euro 9,588 million, of which Euro 2,995 million may be converted into tax credits pursuant to Law 214/2011. As of December 31, 2023, total DTAs amounted to Euro 10,749 million, of which Euro 4,380 million may be converted into tax credits pursuant to Law 214/2011.

As at December 31, 2024, the remaining DTAs (*i.e.*, those non-convertible into tax credits) were related to costs and write-offs which may become deductible in future years, and amounting to Euro 2,525 million, and to tax losses carried forward ("**TLCF**") for Euro 4,068 million. DTAs on TLCF mainly related to (i) UniCredit for Euro 3,661 million, (ii) UniCredit IRAP tax credit deriving from the conversion of the so called "*Aiuto alla Crescita Economica*" (ACE) for Euro 115 million, (iii) UniCredit Bank Austria AG for Euro 18 million, and (iv) UniCredit Leasing S.p.A. for Euro 263 million. Such amounts resulted from the sustainability test provided for by IAS 12, that takes into account the economic projections foreseeable for future years and the peculiarities of the fiscal legislations of each country, in order to check whether there are future taxable incomes against which TLCF can be offset. At Group (subsidiaries) level, the total of non-recognized TLCF are equal to Euro 357 million and mainly referred to UniCredit Leasing S.p.A. for Euro 35 million, to UniCredit Bank GmbH and its subsidiaries for Euro 222 million and to UniCredit Bank Austria AG and its subsidiaries for Euro 76 million. In respect of foreign permanent establishments of UniCredit, relevant tax losses not utilized are equal to Euro 7,553 million, due to start-up expenses or other operating costs. Such tax losses are only relevant to the taxable income of each foreign permanent establishment for the taxes due in the applicable country.

This risk concerns the further unforeseeable possibility that the tax legislation of any country to which the Issuer's Group is subject may change, even significantly, and cause the Issuer to have a lower taxable future



income than estimated in the sustainability test mentioned above, insufficient to guarantee the re-absorption of the relevant DTAs. This might also happen following an update of the Issuer's income statement estimates in accordance with its latest available projections.

The Issuer deems such events to have a low likelihood of occurring and, should they occur, would be expected to be re-assessed based on the relevant tax legislation. Therefore, the Issuer considers this risk to be of residual significance. Overall, the materialization of this risk might have significant negative effects on the Issuer and the Group's activities, as well as its economic, equity and/or financial situation.

The following risk factor A.1.8. "*Risks associated with current macroeconomic uncertainties and geopolitical tensions impacting on the earnings performance of the UniCredit Group*" constitutes an update of the previous "*1.1.1 Risks associated with the impact of current macroeconomic uncertainties and the effects of the geopolitical tensions*" on page 3 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

#### **A.1.8. Risks associated with current macroeconomic uncertainties and geopolitical tensions impacting on the earnings performance of the UniCredit Group**

The performance of the UniCredit Group is and will remain, following the potential completion of the Offer and of the Merger, significantly influenced by the macroeconomic conditions of the different markets in which it operates (Italy, Germany, Austria, Central and Eastern Europe and Russia) and by the situation of the global financial markets.

In light of the publicly available disclosure made by the BPM Group in its financial statements, the potential Merger, assuming the Offer is successful, is likely, on one hand, to cause an increase of the UniCredit Group's presence in the Italian market while, on the other, it would also expand the geographic presence of the Group in foreign countries, such as Switzerland, with the associated exposure to the macroeconomic conditions of such countries. In particular, should the Offer be successfully completed and should the potential Merger be implemented, the UniCredit Group will increase its presence in Italy, especially in the northern regions of the country, which would cause the UniCredit Group to be relatively more subject to the impact of changes in the conditions of the Italian economy. More specifically, an integration with BPM would cause an increase indicatively of approximately up to 14% in terms of loan and deposit Italian market share of the UniCredit Group.

The overall market environment, however, continues to be affected by high levels of uncertainty for both the short and the medium-term outlook meaning that the Group is very likely to be exposed to similar macroeconomic risks also following an acquisition of BPM. The economic consequences stemming from the geopolitical tensions, not only in Russia, pushed up inflationary pressures and could continue to determine the state of increasing uncertainty for the Euro area economy which, in turn, could have an impact on the performance of the Group. The Ukrainian crisis caused a sharp rise in commodities prices, further global supply-chain disruption, a tightening of financial conditions, heightened uncertainty, and a sharp drop in consumer confidence. From mid-2022, with inflation building up due to the increase in energy price and supply disruptions, the ECB changed its monetary stance (with the following deposit facility rate: -50 bps in June 2022, 0 bps in July 2022, 75 bps in September 2022, 150 bps in October 2022, 200 bps in December 2022, 250 bps in February 2023, 300 bps in March 2023, 325 bps in May 2023, 350 bps in June 2023, 375 bps in July 2023, 400 bps in September 2023) and the market repriced interest rate expectations accordingly. Subsequently, from 2023, inflation started to record a declining path and, to support the economy, the ECB started to revert its monetary policy (lowering the deposit facility rate to 375 bps in June 2024, to 350 bps in September 2024, to 325 bps in October 2024, 300 bps in December 2024, 275 bps in January 2025 and 250 bps in March 2025) with currently a more dovish approach. The macroeconomic and geopolitical backdrop remains complicated and unpredictable. The outlook is still surrounded by risks arising in connection with various factors, such as the indicators of economic activity still displaying weaknesses, financing conditions that remain restrictive, the constant geopolitical tensions which have the potential to cause shocks on commodity and/or energy prices, the possible intensification of the Ukrainian crisis and/or of the tensions in the Middle East and/or the potential impacts on global trade from tariffs influencing the volatility of the financial markets. Any expectations regarding the performance of the global economy remain still uncertain

in both the short and medium term and such elements of uncertainty could generate a worsening of the loan portfolio quality of the Group, also in its potential post-Merger configuration, leading to an increase of the non-performing loans and the necessity to recognize a greater amount of provisions charged to the income statement.

According to the ECB's projections, in March 2025 the Euro area economy growth is expected to be weaker than at the end of 2024. Both domestic and trade policy uncertainty are high, coupled with persistent competitiveness challenges. Despite these headwinds, the conditions remain in place for Euro area GDP growth to strengthen again over the projection horizon. Overall, annual average real GDP growth is expected to be 0.9% in 2025, and to strengthen to 1.2% in 2026 and to 1.3% in 2027. Compared with the December 2024 ECB macroeconomic projections, the outlook for GDP growth has been revised down by 0.2 percentage points for both 2025 and 2026 but is unchanged for 2027. The weaker outlook is mainly due to downward revisions to exports and, to a lesser extent, to investment, reflecting a stronger impact of uncertainty than previously assumed, as well as expectations that competitiveness challenges will likely persist for longer than had been anticipated.

Compared with the December 2024 ECB projections, the outlook for inflation has been revised up by 0.2 percentage points for 2025 (to 2.3%) on account of higher energy commodity price assumptions and the depreciation of the Euro, while it has been marginally revised down for 2027 (to 2.0%) owing to a slightly weaker outlook for the energy component at the end of the horizon.

The ECB released latest updated macro projections in March 2025, after the publication of UniCredit's guidance and 2025-27 Ambitions on February 11, 2025. ECB Eurozone GDP and inflation are broadly aligned with the scenario underlying UniCredit's guidance and 2025-27 Ambitions: Eurozone GDP is the same (+0.9% in 2025, +1.2% in 2026 and +1.3% in 2027), updated ECB Eurozone inflation in 2025 is at 2.3%, higher than UniCredit's guidance and 2025-27 Ambitions at 1.9%, and the same for 2026-2027 at 1.9% and 2% respectively.

Material adverse effects on the business and profitability of the Group, also in its potential post-Merger configuration, may also result from further developments of the monetary policies (and related impacts on financial entities and markets) and additional events occurring on an extraordinary basis (such as political instability, terrorism and any other similar event/correlated effects occurring in the countries where the Group operates and, as already experienced, a new pandemic emergency). Furthermore, economic and geopolitical uncertainty has also introduced considerable volatility and uncertainty in the financial markets, potentially impacting on credit spreads/cost of funding and therefore on the values the Group can realize from sales of financial assets.

The materialization of unfavorable macroeconomic and geopolitical developments leading the earnings performance of the Issuer to decline are, in fact, likely to be reflected in the main metrics showing the consolidated results reported by UniCredit from time to time. Among these: total revenues, net interest income ("NII"), fees, trading income, provisions on loans, other charges and provisions would be the main metrics/indicators signaling an overall decreased earnings performance of the Group. With regards to such metrics and indicators, on February 11, 2025, UniCredit presented the consolidated results of the Group as at and for the year ended 2024:

- total revenues stood at Euro 24,844 million, up by 4.3% Y/Y, mainly thanks to the positive contribution of net interest income and commissions.
- NII stood at Euro 14,358 million up by 2.5% Y/Y.
- Fees and commissions stood at Euro 8,139 million up by 7.6% Y/Y, driven by greater commercial boost on asset management products, investment funds first and foremost, the increase in commissions on loans and the growth recorded on payment systems and cards.
- Trading income stood at Euro 1,739 million, substantially stable compared to the previous year. This trend was positively impacted by the increase in profits from foreign exchange hedging activities in Russia, offset by the decrease in Italy mainly explained by lower profits from the sale of securities.
- Stated net profit stood at Euro 9,719 million, up by 2.2% Y/Y.

Regarding the fourth quarter, total revenues stood at Euro 6.0 billion, down 2.3% Q/Q, driven by resilient NII at Euro 3.7 billion (+2.5% Q/Q) and fees at Euro 2.0 billion (+1.7% Q/Q). Trading stood at Euro 270 million (-38.9% Q/Q). Total revenues were up 0.7% Y/Y, mainly driven by fees (+8.9% Y/Y) and NII (+1.1% Y/Y), partially offset by trading (-20.5% Y/Y).

In detail:

- NII in 4Q24 stood at Euro 3.7 billion, up 2.5% Q/Q, and up 1.1% Y/Y notwithstanding a lower average Euribor and lower loan volumes. The Q/Q growth was mainly driven by Italy and supported by better results on non-commercial components, especially investment portfolio and treasury & other.
- Fees stood at Euro 2.0 billion in 4Q24, up 1.7% Q/Q mainly thanks to the performance of insurance products and payments fees, especially in Italy. Fees were up 8.9% Y/Y mainly thanks to investments and insurance fees and the result of client hedging fees mostly in Germany.
- Trading income stood at Euro 270 million in 4Q24, down 38.9% Q/Q reflecting, among others, lower treasury contribution and impacts from the investment in Commerzbank. Trading income was down 20.5% Y/Y.

Given the context of persisting uncertainty in which the UniCredit Group continues to operate, evaluations made by the Group for the purposes of its financial statements continue to be made by reference to different macroeconomic scenarios (Positive, Baseline and Alternative weighed as appropriate). More in detail, with reference to:

- (i) credit exposures, the base scenario was weighed at 60%, while the positive scenario was weighted 5% and the alternative scenario 35%, and
- (ii) deferred tax assets, the base and the alternative scenarios were weighed respectively 65% and 35%. These weightings were applied coherently with the weightings applied for the measurement of credit exposures, by converging the positive scenario into the base scenario.

In particular, should the features of the “Alternative” scenario actually materialize, the projections showed a downward forecast in the expected profitability of the UniCredit’s business, in line with the macroeconomic parameters and a generally persistent level of uncertainty.

With reference to UniCredit’s credit exposures as at December 31, 2024, the macroeconomic scenarios used for calculation of credit risk parameters (probability of default, loss given default, exposure at default) were updated according to the Group policies, on the basis of scenarios mentioned above.

The UniCredit Group might, in the future, execute transactions (including non-recurring transactions) or be subject to events marked by non-recurring economic components (e.g., impairment of goodwill or the need to make additional contributions to the resolution fund and deposit guarantee schemes) over the next few years that may negatively impact any and all of the main indicators of UniCredit’s earnings performance listed above, more pronounced in case of unfavorable macroeconomic and geopolitical developments. A declining earnings performance would likely affect in a negative way the activity, prospects, economic results, balance sheet and financial situation of the Issuer and the UniCredit Group. At the date of this Registration Document, only those corporate transactions that have been recently completed (e.g., acquisition of 90.1% of Alpha Bank Romania S.A. and Aion Bank SA/NV and Vodeno) or are under way (e.g. the process for internalization of the life bancassurance), have been considered in the development of the Issuer’s strategic targets and performance forecasts.

The following risk factor A.1.9. "*Risks associated with the distribution of dividends*" constitutes a **new risk factor** added to this first subsection by means of this Supplement.

#### **A.1.9. Risks associated with the distribution of dividends**

Pursuant to the law applicable to the Issuer, the amount distributed by UniCredit as dividends or other distribution of unrestricted equity may not exceed the amount of distributable funds shown on the latest audited financial statements of the UniCredit Group. The BPM Group, as a banking institution, is also subject to the same laws concerning the distribution of dividends and, accordingly, these will continue to apply in much the same way to the UniCredit Group in its potential post-Merger configuration. The possible distribution of dividends or other unrestricted equity will depend on the Group’s income generation capacity, capital and funding position, investments, future prospects of asset quality, terms of its financing agreements, ability to transfer income from the subsidiaries to UniCredit, regulatory constraints and other factors.

In line with UniCredit’s dividend policy, as set out in the “UniCredit Unlocked” plan, which prioritizes the creation of shareholder value by improving the UniCredit profitability and enhancing UniCredit per-share metrics, the distribution is planned through a mix of cash dividends and share buybacks (subject to regulatory and shareholder approval).

For 2023, the total ordinary distribution was set at Euro 8.6 billion with a cash dividend of Euro 3.0 billion (35% relative to the net profit (i.e., stated (or accounting) net profit adjusted for impacts from DTAs from tax loss carry forward sustainability test), equivalent to DPS of Euro 1.80), and a share buyback component equal to Euro 5.6 billion.

On February 11, 2025, UniCredit announced its distribution policy for 2024, approved by the Shareholders Meeting on March 27, 2025, which sets the amount of total distributions at Euro 9.0 billion, of which approximately Euro 3.7 billion to be distributed as cash dividends (of which Euro 1.44 billion has already been paid as interim dividend in November 2024, while the remaining Euro 2.29 billion, corresponding to a preliminary estimated final dividend per share of Euro 1.4764, remains to be paid after the Shareholders' approval); and Euro 5.3 billion in the form of a share buy-back (of which Euro 1.7 billion have already been paid with the 2024 share buy-back anticipation; while the residual Euro 3.6 billion will be completed after supervisory and shareholder approval and is expected to be commenced post completion of the Offer).

Any payment of dividends or any distribution of other unrestricted equity will however always be at the discretion of the Issuer's Board of Directors and, ultimately, be dependent on a resolution of the shareholders' meeting of UniCredit. Additionally, pursuant to the applicable banking regulations, the distribution of dividends and other distributions of unrestricted equity is not permitted if it would jeopardize the Group's solvency (including that of the Group in its potential post-Merger configuration).

On November 6, 2024, the Issuer communicated its intention to distribute cash dividends corresponding to a UniCredit Group payout ratio (i.e., the ratio between the total amount of dividends to be distributed and the stated net profit for the year, adjusted for the impacts from TLCF DTAs sustainability test and potential one-offs related to strategic items) of 40% for the year 2024 and 50% for the year 2025. Following the prospective acquisition and integration of BPM, UniCredit will continue to assess annually the preconditions for distributing dividends or other unrestricted equity coherently with its dividend policy and considering, among other things, the Group's structure, financial condition, general economic and business conditions, and future prospects, which may result in a deviation from, or change, in the dividend policy, including a decision not to distribute any dividends or carry out a share buy-back. The amount of any dividends to be potentially paid by UniCredit in any given financial year is thus uncertain and there can be no guarantee that dividends will be paid at all. Any dividends paid, or other unrestricted equity distributed by UniCredit in previous financial periods are not an indication of the dividends that will be paid in the future.

The following risk factor A.1.10. "*Risks associated with the ratings assigned to the Issuer and the UniCredit Group*" constitutes a **new risk factor** added to this first subsection by means of this Supplement.

#### **A.1.10. Risks associated with the ratings assigned to the Issuer and the UniCredit Group**

At the Registration Document Date, the UniCredit Group has been assigned the following ratings by the international agencies Standard & Poor's ("**S&P**"), Moody's ("**Moody's**") and Fitch Ratings ("**Fitch**"):

- Standard & Poor's: Short Term Credit Rating of A-2, Long Term Issuer Credit Rating of BBB, stable Outlook and Standalone Rating of bbb+;
- Moody's: Short Term Credit Rating of P-2, Long Term Issuer Credit Rating of Baa1, stable Outlook and Standalone Rating of baa3;
- Fitch Ratings: Short Term Credit Rating of F2, Long Term Issuer Credit Rating of BBB+, positive Outlook and Standalone Rating of bbb+.

After the announcement of the intention to launch the Offer, Moody's and Fitch Ratings affirmed their above mentioned ratings, while Standard & Poor's stated that it views the potential combination of the two banks as ratings neutral for UniCredit. However, should the credit rating of the UniCredit Group resulting from the successful completion of the Offer and potentially of the Merger drop to a level such that the investment guidelines or regulations applicable to key investors prohibit the holding of UniCredit securities, investors might be forced to decrease their investments in it, which, in turn, could lead to the increase in the cost of new funding or restrict the UniCredit Group's ability to obtain new funding in the first place. The determination of ratings by the above mentioned agencies require them to consider (and to monitor thereafter) various indicators of the creditworthiness of the UniCredit Group, such as profitability, liquidity, quality and experience of top management, asset quality and capacity to maintain its own capital ratios above certain levels. If the Issuer and/or one of the subsidiaries that is assigned a rating does not keep one or more of these indicators at adequate levels, the ratings assigned by the agencies might be downgraded.

There is, in addition, an execution risk associated with the inherent complexity of the Offer and of the potential Merger, which is specifically related to the possibility that the overall transaction is not executed as intended by the Issuer. UniCredit might, in fact, face a variety of problems affecting the completion of the Offer and/or any of the consequent integration processes related to it, including those part of the potential Merger and, as a result, there might be gaps between the synergies that the Issuer intends to achieve and those actually realized once the Offer and the potential Merger are finally completed. Actions and measures that UniCredit plans to implement for integrating the business of BPM into its Group might be disrupted or delayed due to, for instance, low employee morale and/or any inadequate allocation of resources to which UniCredit might fail to respond in a timely or flexible enough manner. In addition, some parts of the business of BPM might turn out to be more difficult than others to integrate into UniCredit as initially planned. As a result of such execution difficulties and of any repercussion these might have on UniCredit's financial position, earnings, liquidity and asset quality, the ratings assigned to the Issuer might suffer a downgrade.

Finally, the deterioration of the sovereign rating of the Italian government and of the wider macroeconomic trends could be factors material to the ratings of the Issuer, as they have the potential to impact its creditworthiness and, therefore, the evaluations of the rating agencies, which consider the domestic sovereign rating as one of the key inputs in their rating methodologies. As disclosed by S&P, Moody's, and Fitch in the rating sensitivity analyses performed by each rating agency, a downgrade of the Italian sovereign rating would likely lead to a downgrade of UniCredit's rating by the respective rating agency. UniCredit is rated better than the Italian sovereign by both Moody's (two notches above sovereign) and Fitch (one notch above sovereign).

Overall, the Issuer, given the public comments made by the rating agencies following the announcement of the intention to launch the Offer, deems the events related to the possible downgrading of its issuer credit rating to have a low probability of occurring and, given their possible impact, the Issuer considers the risk of a downgrade to be of medium significance.

The following risk factor A.1.11. "*Risks associated with the impairment of goodwill*" constitutes a **new risk factor** added to this first subsection by means of this Supplement.

#### **A.1.11. Risks associated with the impairment of goodwill**

As at December 31, 2024 the UniCredit Group recognized goodwill as an intangible asset for an overall value of Euro 38 million, representing 0.005% of the total assets of the Group and 0.061% of the shareholders' equity as at the same date. The same value of goodwill for the previous year stood at nil. Goodwill is defined as the difference between the consideration paid and the pro-quota fair value of the identifiable assets and liabilities acquired. As the test for measuring impairment of goodwill relies on the use of estimates concerning cash flows and discount rates deriving from the tested assets as well as other assumptions as to their financial return that are necessarily connected to the wider market context in which the Issuer operates, there is a risk that events external to the Issuer's activities, such as volatile and uncertain macroeconomic conditions, lead to the need to recognize higher values relating for impairment of goodwill in the future. This risk has, based on the Issuer's evaluations, a low probability of occurrence. Impairment of goodwill in the financial statements has the potential to have a negative impact on the financial position and results of the UniCredit Group, and will continue to do so also following the potential successful completion of the Offer and Merger. Given the degree of likelihood of this risk actually occurring and its potential impact should it occur, UniCredit considers it to be of low significance to the evaluation of investors.

The value of the Group's goodwill, as well as the pro-forma values of goodwill relevant to a potential post-Merger scenario, are tested in accordance with IAS 36, by:

- Allocating goodwill to Cash Generating Units (each a "CGU"), which represent the smallest identifiable group of assets that generates cash inflows that are clearly independent of the cash inflows from other assets or groups of assets;
- Comparing the recoverable amount of the CGU (*i.e.*, higher of value in use (VIU) and fair value (FV) less cost to sell) with the corresponding carrying amount.

IAS 36 requires the Issuer to recognize impairment on goodwill in case the recoverable amount of a CGU goodwill is allocated to is lower than its carrying amount.

As of December 31, 2024, the Group's goodwill allocated to the CGUs of the UniCredit Group was equal to Euro 38 million and entirely allocated to the Eastern Europe CGU.

As of December 31, 2024, the incidence of goodwill, intangible assets (including goodwill) and tangible assets of the UniCredit Group on a pro forma basis amounts to 0.05%, 0.27% and 1.16% with respect to total assets and 0.61%, 3.56% and 15.28% with respect to equity of the UniCredit Group on a pro forma basis, as a result of the potential Merger. The recoverable amount is affected by the overall macroeconomic trend and the trend of the Group results. Therefore, if such variables are worse than expected an impairment may arise.

Moreover, the risks outlined above also characterize the operations of the BPM Group. As far as the Issuer is aware and based on the available data the BPM Group held intangible assets amounting to Euro 1,257 million.

The degree of sensitivity with which certain assets or liabilities react to changes in rates or other reference parameters is determined by the Issuer by employing methods of sensitivity analysis. If the macroeconomic conditions in which the UniCredit Group operates (or will operate in the future, following the potential Merger) deteriorate significantly, the Issuer might face the need to run additional or different sensitivity analyses concerning the recoverable amounts with regards to its CGUs and, therefore, this might give rise to the need to recognize unexpected and/or greater than expected values for goodwill impairment, depending on how sensitive a specific asset is. The effect that unexpected or significant changes in the market might have on the estimate of assumed cash flows, and on the principal financial assumptions considered, might consequently entail the necessity of impairing of goodwill, even for significant amounts and have negative impacts on the economic results, balance sheet and financial situation of the UniCredit Group.

Moreover, further to the deterioration of the macro-economic conditions, the combined entity could face the risk of material adverse impacts to its overall business strategy in case revenues synergies and/or cost synergies (as well as other industrial synergies) are not achieved according to the assumptions underlying the business combination. Should such circumstance materialize, goodwill might not be sustained and therefore an impairment need could arise. Such risk is present both in the year of the potential business combination, and in the subsequent years, in case the progress towards meeting acquisition-date objectives and targets are not being met.

The risk of goodwill impairment also encompasses the circumstance that - after the business combination - the overall amount of intangible assets can significantly increase, as a result of the PPA process, when also other intangible assets - further to goodwill - might be recognized (e.g., Trademark, Customer relationships and Core deposit intangible).

The following risk factor A.1.12. "*Risks associated with the assumptions and methods used to measure UniCredit's assets and liabilities*" constitutes a **new risk factor** added to this first subsection by means of this Supplement.

#### **A.1.12. Risks associated with the assumptions and methods used to measure UniCredit's assets and liabilities**

Under the IFRS, management must make judgments, estimates and assumptions that affect the application of accounting principles and the amounts of assets/liabilities and income and expenses reported in the accounts, as well as the disclosure concerning contingent assets and liabilities. Estimates and related assumptions (a) are based on previous experience and on the available information framework with reference to the current and expected context and (b) have been used to estimate the carrying values of assets and liabilities not readily available from other sources.

Estimates and assumptions are regularly reviewed. Any change resulting from these reviews is recognized in the period in which the review was carried out, provided the change only concerns that period. If the review concerns both current and future periods, it is recognized accordingly in both current and future periods.

In particular, estimated figures have been used for the recognition and measurement of some of the main items in the Consolidated financial statements as required by IFRS.

This risk has, based on the Issuer's evaluations, a medium probability of occurrence. The use of certain assumptions and methods instead of others to prepare the Issuer's financial statements have the potential to have a significantly negative impact on the financial position and results of the UniCredit Group. Given the degree of likelihood of this risk actually occurring and its potential impact should it occur, UniCredit considers it to be of medium significance.

As of December 31, 2024, the assets and liabilities of the UniCredit Group measured at fair value consist of:

- (i) financial assets measured at fair value through profit or loss which amounted to Euro 61,677 million and consisted of: (a) financial assets held for trading (for Euro 55,083 million); (b) financial assets designated at fair value (for Euro 247 million); and (c) other financial assets mandatorily recorded at fair value (for Euro 6,347 million);
- (ii) financial assets measured at fair value through comprehensive income which amounted to Euro 78,019 million;
- (iii) hedging derivatives assets which amounted to Euro 1,351 million;
- (iv) real estate assets which amounted to Euro 5,906 million;
- (v) financial liabilities held for trading which amounted to Euro 31,349 million;
- (vi) financial liabilities designated at fair value which amounted to Euro 13,746 million; and
- (vii) hedging derivative liabilities which amounted to Euro 1,112 million.

In this regard, it should be noted that Euro 47,932 million related to financial assets measured at fair value are classified under level 2 (Euro 40,666 million) or level 3 (Euro 7,266 million) of the fair value hierarchy, while Euro 40,281 million of financial liabilities measured at fair value are classified under level 2 (Euro 38,237 million) or level 3 (Euro 2,044 million) of the fair value hierarchy. With specific reference to the financial assets measured at fair value and classified under level 2 or level 3 (Euro 47,932 million):

- Euro 6,791 million are debt securities (Euro 5,125 million at level 2 and Euro 1,666 million at level 3);
- Euro 1,550 million are equity securities (Euro 472 million at level 2 and Euro 1,078 million at level 3);
- Euro 3,387 million are units in investment funds (Euro 1,104 million at level 2 and Euro 2,283 million at level 3);
- Euro 7,486 million are loans (Euro 6,680 million at level 2 and Euro 806 million at level 3);
- Euro 28,718 million are derivatives (Euro 27,285 million at level 2 and Euro 1,433 million at level 3).

With specific reference to the financial liabilities measured at fair value and classified under level 2 or level 3 (Euro 40,281 million):

- Euro 724 million are deposits (Euro 692 million at level 2 and Euro 32 million at level 3);
- Euro 16,595 million are debt securities (Euro 15,855 million at level 2 and Euro 740 million at level 3);
- Euro 22,962 million are derivatives (Euro 21,690 million at level 2 and Euro 1,272 million at level 3).

The main items in the financial statements of the Issuer that are subject to valuation uncertainties are DTAs, the value of the Issuer's real estate portfolio and its credit exposures (in particular those related to Russia, for which additional information is reported at p. 365 of the 2024 Consolidated Financial Statements). Other balance sheet items that might be significantly affected by risks and uncertainties in their valuation, even if not directly connected with the uncertainty or slowing down of the economic activity and recovery, are the following:

- fair value of financial instruments not listed in active markets;
- severance pay (in Italy) and other employee's benefits (including defined benefit obligation);
- provisions for risks and charges.

Indeed, with reference to such items, the following remarks are worth to be mentioned:

- UniCredit applies the DTAs sustainability test according to its own methodology, also following the ESMA requirements when estimates are made (regarding, e.g., time-horizon, probability, convincing evidences); thus, the DTAs written-up during the past periods were recognized to the extent that it was deemed probable that future taxable profits would have been available in the next years, against which the unused tax losses and unused tax credits could have been utilized. However, it cannot be excluded that the combined entity could face the risk of not achieving its overall business strategy according to the assumptions underlying the business combination (in case either revenues synergies

or cost synergies are not achieved, or in presence of deteriorated market conditions); in such a situation, future taxable profits might be lower than those assumed in the forecasts, therefore leading to derecognition of DTAs with impact in P&L.

- UniCredit's real estate portfolio is measured at current value model (fair value/revaluation approach) to provide reliable and more relevant information for financial statements' users. According to the Internal Regulation, real estate valuations (on-site and desktop) are regularly updated by external independent appraisers. Considering that the trend related to real estate markets depends on several variables (e.g., macro-economic conditions, investors' decisions based on alternative investments, modernization of buildings, location of assets, etc.), it cannot be excluded that future evolutions can generate a direct impact on the Issuer's real estate portfolio, with direct impact on either profit and loss, or revaluation reserves, according to the asset type.
- Regarding credit exposures, at each reporting date accounting standards require an entity to assess whether credit risk on financial instruments has increased significantly since initial recognition; the objective of the impairment requirements is to recognize lifetime expected credit losses for all financial instruments for which there has been a significant increase in credit risk, considering all reasonable and supportable information, including those of a forward looking nature. In this regard, entities can make use of multiple / alternative macro-economic scenarios, whose weights (in a blended approach) and related parameters (e.g., interest rate, inflation rate, occupation rate, etc.) generate different impacts on the evaluation of financial instruments. Hence, considering the uncertainty featuring the macro-economic conditions in the recent periods, it cannot be excluded that additional negative macro-economic scenarios are worth to be considered in the forecasts, thus impacting the carrying value of credit exposures. Such circumstance is also applicable to credit exposures either located in Russia or located in Europe towards Russian borrowers, given the current geopolitical framework.

While the most recent valuations have been made on the basis of information deemed to be reasonable and capable of being substantiated as at December 31, 2024, they still involve a risk because they remain subject to changes not foreseeable at the moment, as a result of the evolution in the parameters used for their valuation.

The information contained in this risk factor is a key audit matter identified in the Independent Auditor's Report on UniCredit's 2024 Consolidated Financial Statements as "measurement of financial assets and liabilities at fair value levels 2 and 3.

The following risk factor A.1.13. "*Risks associated with the inclusion of pro-forma financial information concerning the acquisition of BPM and the BPM Offer*" constitutes a **new risk factor** added to this first subsection by means of this Supplement.

#### **A.1.13. Risks associated with the inclusion of pro-forma financial information concerning the acquisition of BPM and the BPM Offer**

The Pro-Forma Consolidated Condensed Financial Information contained in this Registration Document has been prepared exclusively for illustrative purposes to represent the estimated retroactive effects of the planned acquisition of BPM on the financial performance of the UniCredit Group. The Pro-Forma Consolidated Condensed Financial Information is not intended to represent the financial position and actual results of the UniCredit Group and, most importantly, must not be considered as a forecast of its future results neither with regards to the pro-forma information that has been elaborated to reflect the integration of BPM, nor to that which has been set out taking into account the possible outcomes of the BPM Offer. In particular, with regards to the latter, the Pro-Forma Consolidated Condensed Financial Information has not been developed on the basis of any strategic action plan and/or intended approach for a future integration of Anima into the UniCredit Group as a consequence of the BPM Offer given that, as at the Registration Document Date, the Issuer has not elaborated any such strategy.

The pro-forma financial information included in this Registration Document is represented by the Pro-Forma Consolidated Condensed Financial Information (comprised of the pro-forma consolidated balance sheet and the pro-forma consolidated income statement for the year ended December 31, 2024) and by the accompanying explanatory notes of the UniCredit Group. The information contained in the Pro-Forma Consolidated Condensed Financial Information represents a merely illustrative simulation of the possible effects that might result from (i) an acquisition and subsequent Merger of BPM into UniCredit (disregarding



any potential integration by BPM of a stake in Anima pursuant to the BPM Offer) and, where applicable (ii) an acquisition and subsequent Merger of BPM into UniCredit in addition to the concomitant acquisition by BPM of a controlling stake in Anima, in accordance with the various scenarios that might materialize pursuant to the terms of the BPM Offer (together, the “**Acquisitions**”).

The Pro-Forma Consolidated Condensed Financial Information was drawn up employing measurement criteria consistent with IFRS. Their aim is to show the hypothetical effects of the Acquisitions on the financial position and results of the UniCredit Group, as if they had virtually taken place on December 31, 2024 (in relation to the effects on the consolidated balance sheet), and between January 1 and December 31, 2024 (in relation to the effects on the balance sheet and on the pro-forma consolidated income statement). The practical issues faced by UniCredit in the process of preparing the Pro-Forma Consolidated Condensed Financial Information primarily concerned the lack of in-depth information on BPM and Anima (other than that which is in the public domain), as well as difficulties of a more technical nature involving the selection of assumptions and of the most appropriate accounting policies to rely on. In particular, the lack of access to data on the target company does not allow to properly estimate the value, under IFRS 3, of the assets and liabilities acquired and, therefore, the amount of goodwill/negative goodwill arising from the transaction.

The Pro-Forma Consolidated Condensed Financial Information was prepared relying on the Issuer’s best knowledge concerning the circumstances of BPM itself and those surrounding the BPM Offer solely by relying on publicly available data, which was processed and elaborated without the support or collaboration of neither BPM nor Anima. In preparing the Pro-Forma Consolidated Condensed Financial Information the Issuer relied exclusively on information and data published by (i) the BPM Group and (ii) Anima relating to the period from January 1, 2024, to December 31, 2024. All such publicly available information has not been verified by the Issuer. As such, the Pro-Forma Consolidated Condensed Financial Information prepared by UniCredit which considers the possible scenarios stemming from the completion of the BPM Offer might be materially different from the pro-forma financial information provided by BPM for the same purposes, due to different reasons, including the use of different assumptions and, possibly, BPM’s access to data regarding Anima given BPM’s status as one of its shareholders (unlike UniCredit) that are not publicly available.

The Pro-Forma Consolidated Condensed Financial Information has been derived from data selected on the basis of its materiality and was extrapolated from the following sources:

- (i) UniCredit’s 2024 annual reports and accounts (prepared in accordance with IFRS);
- (ii) the press release on BPM’s results as at and for the year ended December 31, 2024;
- (iii) Anima’s 2024 annual reports and accounts as at and for the year ended December 31, 2024;
- (iv) the offer document related to the BPM Offer.

The pro-forma information above has been elaborated mainly by adopting a hypothetical approach, which involved simulating possible effects that may result from the Acquisitions by making the applicable pro-forma adjustments that were determined by assuming the application of IFRS 3 for business combinations transactions. In particular, the pro-forma adjustments related to the Share Capital Increase Reserved to the Offer (thus relating to positive or negative goodwill) were determined on the basis of the official closing price of the UniCredit Shares on December 30, 2024 (Euro 38,525 - *i.e.*, the last available traded price as of December 31, 2024) being it the date of reference of the pro-forma figures on the assumption that BPM shareholders fully subscribe to the Offer. In contrast (again, consistently with the provisions of IFRS 3) UniCredit is required to recognize the New Shares at fair value, which corresponds to the stock market price of the UniCredit Shares at the trading date immediately preceding the settlement date of the Offer. Therefore, the increase in the shareholders’ equity of UniCredit after issuance of the New Shares and, therefore, the acquisition’s cost, will be known only on the day when control of BPM is acquired by UniCredit. Similarly, the final value of the assets and liabilities (and the final value of goodwill or negative goodwill) that will be recognized in the UniCredit consolidated financial statements will only be known after UniCredit acquires control of BPM and following the completion of the purchase price allocation as required by IFRS 3. The Pro-Forma Consolidated Condensed Financial Information included in this Registration Document have been examined by the KPMG, who issued their own report on March 28, 2025.

Furthermore, in connection with the integration of the BPM Group into UniCredit as a consequence of the Offer, the pro-forma negative goodwill is estimated at Euro 1,518 million, while the pro-forma goodwill including also the concomitant integration of Anima into the BPM Group before the integration into the UniCredit Group as a consequence of the BPM Offer is estimated at Euro 412 million.

Given the above, a correct interpretation of the information provided by the Pro-Forma Consolidated Condensed Financial Information requires investors to consider that:

- (i) they constitute representations constructed on the basis of hypotheses and assumptions, so the same results represented in the Pro-Forma Consolidated Condensed Financial Information would not necessarily have been achieved if the Acquisitions had actually been carried out at the stated reference dates used to prepare the Pro-Forma Consolidated Condensed Financial Information;
- (ii) they do not in any way intend to represent a forecast of future results and, therefore, must not be interpreted in that sense;
- (iii) the pro-forma representations do not reflect prospective data, as they are prepared in such a way as to represent only those effects of the acquisition that are capable of being isolated and objectively measurable, without taking into account the potential effects caused by changes in market conditions, management policies and UniCredit's operational decisions resulting from the outcome of this transaction and, as such, the pro-forma figures are not intended to depict a current or prospective financial position of the effects related to the Acquisition; and
- (iv) the pro-forma consolidated balance sheet and pro-forma consolidated income statement should be read and interpreted separately, without looking for accounting links between them given the different purposes of pro-forma figures compared to that of normal financial statements and because the related effects of the acquisition and of the share capital increase on them are calculated differently.

Finally, the Pro-Forma Consolidated Condensed Financial Information were prepared solely by relying on the Issuer's best knowledge concerning the circumstances of BPM itself and those surrounding the BPM Offer, without the support or collaboration of neither BPM nor Anima (but rather, by reference to the data relating to the period between January and December 2024 as published by the BPM Group and Anima). All such publicly available information has not been verified by the Issuer. As a result, the Pro-Forma Consolidated Condensed Financial Information included in this Registration Document:

- (i) have an overall limited value, given the various possible outcomes of the concomitant BPM Offer; and
- (ii) might be materially different from the pro-forma financial information provided by BPM in the context of the BPM Offer due to, *inter alia*, its reliance on different assumptions and, possibly, BPM's access to data regarding Anima (in its capacity as one of Anima's shareholders, unlike UniCredit).

The following subsection of the Risk Factors A.2. "*RISK RELATED TO THE TRANSACTION*" constitutes a **new subsection** added by means of this Supplement.

The following risk factor A.2.1. "*Risks associated with the information concerning the BPM Group contained in the Registration Document*" constitute a **new risk factor** added to this second subsection by means of this Supplement.

## **A.2. RISKS RELATED TO THE TRANSACTION**

### **A.2.1. Risks associated with the information concerning the BPM Group contained in the Registration Document**

This Registration Document contains information concerning BPM that has been taken exclusively from publicly available data and information (primarily, from BPM's press release on its results as at and for the year ended December 31, 2024). In this regard, the Issuer has not taken any additional and/or independent measures to review the data and information concerning BPM. For this reason, the Issuer might not be aware of current, potential, contingent or prior liabilities, and/or of any operational issues affecting the BPM Group, which expose it to the risk that, following the acquisition of BPM, it will become aware of any greater liabilities and/or lower asset values than those reported in the financial statements of the BPM Group. Such possibility may well have negative impacts, including significant ones, on the expected benefits of the Offer and the related acquisition and/or potential Merger.

Moreover, the Pro-Forma Consolidated Condensed Financial Information prepared by UniCredit which considers the possible scenarios stemming from the completion of the BPM Offer might be materially different from the pro-forma financial information provided by BPM for the same purposes, due to a variety

of reasons including the use of different assumptions and, possibly, BPM's access to data regarding Anima, of which Banco BPM is a shareholder (unlike UniCredit) that are not publicly available and, therefore, investors should not rely exclusively on the Pro-Forma Consolidated Condensed Financial Information when making their own investment decisions.

The likelihood of occurrence of this type of situation is considered by the Issuer to be medium but, should such situation materialize, it could have negative impacts of a significant nature on the economic results, balance sheet and financial situation of the UniCredit Group. Considering the above, the Issuer considers this risk to be highly significant as, due to previously unknown liabilities and/or lower asset values, the Issuer might be required to bear costs and expenses not foreseeable at the Registration Document Date, all of which might negatively impact on the activity, prospects and economic results, balance sheet and financial situation of the Issuer and the UniCredit Group.

The subsection of the Risk Factors "*1.2 Risks related to the business activities and industry of the Issuer and of the Group*" on pages 10 et seq. of the Registration Document is renamed "*Risks associated with the Business Activities and Industry of Unicredit and the Unicredit Group*" by means of this Supplement and now constitutes the third subsection of the Risk Factors.

The following risk factor A.3.1. "*Liquidity risk*" constitutes an update of the previous "*1.2.1 Liquidity Risk*" on page 10 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

### **A.3. RISKS ASSOCIATED WITH THE BUSINESS ACTIVITIES AND INDUSTRY OF UNICREDIT AND THE UNICREDIT GROUP**

#### **A.3.1. Liquidity risk**

The UniCredit Group is and will be, in its potential post-Merger configuration, exposed to the possibility of being unable to meet its current and future, anticipated and unforeseen cash payment and delivery obligations without impairing its day-to-day operations or financial position. Liquidity risk is relevant to the activity of the UniCredit Group in particular with regards to funding liquidity risk, market liquidity risk, mismatch risk and contingency risk. More specifically, funding liquidity risk refers to the risk that the Issuer may not be able to meet its payment obligations, including financing commitments, when these become due.

The liquidity profile of the UniCredit Group is assessed by reference to the following regulatory indicators:

- Liquidity Coverage Ratio ("LCR"), which expresses the ratio between the amount of available readily monetizable assets (cash and any securities held by UniCredit that are readily available for liquidation) and the net cash imbalance accumulated over a 30-day stress period. This indicator is subject to a minimum regulatory requirement of 100%; and
- Net Stable Funding Ratio ("NSFR"), a 12-month structural liquidity indicator, which corresponds to the ratio between the available amount of stable funding and the required amount of stable funding. This indicator is subject to a minimum regulatory requirement of 100%.

As of December 31, 2024, the LCR of the UniCredit Group was equal to 144% whereas at December 31, 2023 it was equal to 154% (calculated as the average of the 12 latest end of month ratios). As of December 31, 2024, the NSFR was above 128%.

The Group's access to liquidity could be damaged by the inability of the Issuer and/or the Group companies to access the debt market, including with regards to other forms of borrowing from retail customers, thus compromising the compliance with prospective regulatory requirements, with consequent negative effects on the operating results and capital and/or financial position of the Issuer and/or of the Group.

The liquidity risk relevant to UniCredit may materialize in a variety of ways including, for instance, with an exceptionally high usage of the committed and uncommitted lines granted to corporate customers, an unusual withdrawal of sight and term deposits by UniCredit's retail and corporate customers, the decline in the market value of the securities in which UniCredit invests its liquidity buffer or the capacity to roll over the expiring

wholesale funding and the potential cash or collateral outflows the Group may suffer in case of rating downgrades of both the banks or the sovereign debt in the geographies in which it operates.

Any limitations applicable to cross-border lending activities among banks may also constitute a source of risk for UniCredit. In addition, sudden changes in market conditions (interest rates and creditworthiness in particular) can have significant effects on the time needed to sell any assets, typically represented by government securities and could make it more difficult to easily liquidate the securities under favorable economic terms. Another risk that could impact UniCredit's day-to-day liquidity management is constituted by having differences in the amounts or in the maturities of incoming and outgoing cash flows (mismatch risk) and the risk that potentially unexpected future funding requirements (such as the use of credit lines, withdrawal of deposits, increase in any guarantees provided as collateral) may use a greater amount of liquidity than that initially considered necessary for the Issuer's day-to-day activities (contingency risk).

The Issuer deems such events to have a low probability of occurring however, should they occur, they would be expected to generate a material deterioration in UniCredit's liquidity profile. Therefore, the Issuer considers this risk to be of medium significance.

Finally, any evolution of the macroeconomic scenario and of the geopolitical situation may continue to have an impact on the Group in the various countries in which it operates, as the risks described above may be amplified. In this context, the ECB responded to the generalized crisis experienced by the global financial markets involving the overall reduced liquidity available to operators, with important interventions in monetary policy in the form of liquidity support, such as the Targeted Longer-Term Refinancing Operation ("TLTRO") in 2014 and the TLTRO II in 2016.

Assuming that the Offer is successful, the exposure of the UniCredit Group to liquidity risk is expected to remain substantially unchanged upon completion of the potential Merger. In such instance and based on publicly available information, UniCredit believes that the integration of BPM into the UniCredit Group could have a substantially neutral impact on liquidity risk as it expects no significant changes in the most relevant regulatory liquidity indicators, the most representative of which are reported below and compared with those of BPM:

- In terms of LCR: the UniCredit Group had an LCR of 144% in 2024 (154% in 2023), while BPM had an LCR of 172% in 2024 (183% in 2023);
- The NSFR of UniCredit in 2024 stood at 128% (130% in 2023), while for BPM it stood at 126% in 2024 (129% in 2023);
- Loan to Deposit Ratio ("LTD") for UniCredit stood at 85% in 2024 (86% in 2023), while for BPM it was equal to 79% in 2024 and 84% in 2023. In this context it should be noted that the ratios of the two banks are not fully comparable as the components might slightly differ;
- Current accounts and demand deposits over total financial liabilities at amortized cost due to customers of UniCredit in 2024 stood at 73% (74% in 2023), while for BPM they stood at 96% both for 2024 and 2023.

The above mentioned figures are reported as of December 2023 and June 2024 based on the consolidated (interim) financial report and Public Disclosure by Entities Pillar 3 for BPM LCR and NSFR.

The following risk factor A.3.2. "*Risks related to the property markets' trends*" constitutes an update of the previous "*1.2.2 Risk related to the property market trends*" on page 11 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

### **A.3.2. Risks related to the property markets' trends**

The UniCredit Group is exposed to risks relating to the property market as a result of its significant property portfolio (both in Italy and abroad), as well as due to loans granted to companies operating in the commercial real estate market, whose cash flow is generated mainly by the rental or sale of commercial properties and loans to individuals secured by real estate property. Reduced liquidity and geopolitical tensions might cause a downturn in property prices in the short-medium term, which could translate in having to recognize a

reduction in the book value of the property owned by the UniCredit Group in accordance with a decrease in its market value. Given the relative weight of the real estate assets of UniCredit on its books, such a decrease in value has the potential to have material adverse effects on UniCredit's business, capital and results of operations overall.

The Group has adopted the fair value model (for assets held for investment) and the revaluation model (for assets used in the course of business) since December 31, 2019, for recognizing the value of its real estate portfolio. Measuring real estate assets at current values (and no longer at cost) allows, in line with the provisions of IAS 8 concerning changes in accounting policies, to provide reliable and more relevant information on the effects of business management as well as the Group's financial position and economic results. However, the future fair value of these assets might be different from the fair value observed as at December 31, 2024, as a result of the possible evolution of real estate market, which is itself affected by the evolution of the geopolitical tensions and overall macro-economic conditions.

As of December 31, 2024, fair value of both properties held for investment and properties used in business was re-determined through external appraisals following the Group guidelines, as detailed below:

- Euro 6,988 million, for real estate assets used in business (line item "property, plant and equipment"); and
- Euro 1,363 million, for real estate assets held for investment (line item "property, plant and equipment").

To derive the fair value of an asset, UniCredit uses either a "Market Comparable Approach" (*i.e.*, taking into consideration the current market conditions and prices of observable transactions, relying on an external appraisal) or an "Income Approach" (*i.e.*, discounting market level rental fees, with an external appraisal converts future cash flows to a single current capital value). With specific reference to investment properties, the entire portfolio is subject to periodic full/on-site appraisals.

The UniCredit Group also makes a significant amount of loans to individuals with residential property as security, which represents most of the collateral securing UniCredit's loans. Any fall in the market value of real estate property would, therefore, have a significant impact on the value of such collateral, causing it to fall as well.

The Issuer deems such events to have a low probability of occurring and it considers this risk to be of low significance for its real estate portfolio.

The following risk factor A.3.3. "Market risks" constitutes an update of the previous "1.2.4 Market risks" on page 12 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

### A.3.3. Market risks

The UniCredit Group measures and deals with market risks mainly by relying on two sets of metrics: "Broad Market Risk" measures and "Granular Market Risk" measures. The former are meant to set a boundary to the regulatory capital absorption and to the economic loss accepted for financial asset at fair value through other comprehensive income ("FVtOCI") and/or financial assets at fair value through profit and loss ("FVtPL") exposures, while the latter allow a more detailed and stringent control of risk exposures than Broad Market Risk measures. The main tool used by the UniCredit Group to measure market risk on trading positions is the so called value at risk tool ("VaR").

VaR is a statistical metric that indicates the maximum amount the Bank can potentially lose in a day with a confidence level of 99%. UniCredit adopts historical VaR. Under the historical simulation method positions are fully revaluated based on returns in market prices over an observation period of 1yr (250 business days). The empirical distribution of profits/losses deriving therefrom is analyzed to determine the effect of extreme market movements on the portfolios.

During 2024, the regulatory VaR at Group level averaged Euro 7.2 million. The historical VaR approach is similar to BPM's one; and BPM's regulatory VaR at the end of June 2024 was Euro 1.8mn.

UniCredit's exposure to market risk derives from the effect that changes in market variables (such as, for example, interest rates, securities prices, exchange rates) can have on the economic value of the Group's portfolio of financial instruments, including on its portfolio in a potential post-Merger configuration. Such financial instruments (an asset or a liability, cash or derivative) are, and will continue to be following the transaction, exposed to changes over time driven by fluctuations in the markets that might be generated by changes in general economic performance, investor confidence, monetary and fiscal policies, global market liquidity, the availability and cost of capital, actions by rating agencies, political events at the local and international levels and armed conflicts, acts of terrorism, the spread of epidemics and/or pandemics impacting public health and/or the wider economy. The standard market risk factors categories that are relevant to the UniCredit Group's portfolio of assets are the following:

- Credit risk: the risk that the value of the instrument decreases due to credit spread changes, issuer correlation and recovery rates;
- Equity risk: the risk that the value of the instrument decreases due to increase/decrease of index/stock prices, equity volatilities, implied correlation;
- Interest rate risk: the risk that the value of the instrument decreases due to interest rates changes, basis risk, interest rates volatility;
- Currency risk: the risk that the value of the instrument decreases due to foreign exchange rates changes, foreign exchange rates volatility;
- Commodity risk: the risk that the value of the instrument decreases due to changes of commodity prices, for example gold, crude oil, commodity prices volatility.

Market risk arises both in connection with instruments held in the trading book and in the banking book.

The trading book includes all investments in financial instruments and commodities held either with trading intent, or in order to hedge positions held with trading intent (including those arising from client servicing and market making, those intended to be resold in the short term and those intended to benefit from actual or expected short-term price differences between buying and selling prices or from other price or interest rate variations), as well as internal or intra-group hedging derivatives transferring risk from the banking book into the trading book.

The banking book, instead, includes financial assets designated at fair value, those mandatorily at fair value, those at fair value through other comprehensive income and those at amortized cost, relevant to both the operations characteristically involved in commercial banking and in the choice of strategic investments.

As of December 31, 2024, the value of so called risk-weighted assets ("RWAs") of the Group for the purposes of assessing market risk (excluding credit valuation adjustments "CVA") amounted to Euro 8.7 billion out of a total of Euro 277 billion of the total RWAs of the Group. Total RWAs (excluding CVA) are split between the part calculated by using the internal model (Euro 3.3 billion) and the standardized approach (Euro 5.4 billion) and settlement risk (Euro 14 million).

Assuming that the Offer is successful, the exposure of the UniCredit Group to market risk is expected to remain substantially unchanged upon completion of the potential Merger. In such instance and based on publicly available information, UniCredit believes that the integration of BPM into the UniCredit Group could have a negative impact on market risk as it expects an increase in terms of RWA. BPM covers the valuation of market risk almost entirely by using the internal model. Its main metrics computation (VaR, stressed value-at-risk ("SVaR") and incremental risk charges ("IRC")) appear to be in line with the UniCredit Group's internal models, hence the RWA figures relevant to market risk turn out to be comparable. Since more than half of BPM's RWA relevant to market risk are stemming from IRC, a conservative assumption can be made in this respect that the merging of trading books would not lead to much diversification, with a potential increase in RWA relevant to market risk of up to Euro 1 billion.

Approximately 30-40% of BPM debt securities exposure is booked as FVtOCI and is mainly represented by sovereign bond issuances. Composition in terms of issuers is quite similar to that of UniCredit, which may lead to a potential increase in the concentration of the relevant sovereign debt issuers (that is, Italy, Spain, France and Germany). Considering the trend of the market variables and the heightened uncertainty in the overall macroeconomic hence market context, possible negative effects on the activities and the economic, capital and/or financial situation of the Issuer and/or the Group cannot be ruled out.

The following risk factor A.3.4. "*Interest rate fluctuation and exchange rate risk*" constitutes an update of the previous "*1.2.5 Interest rate fluctuation and exchange rate risk*" on page 13 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

#### **A.3.4. Interest rate fluctuation and exchange rate risk**

The earnings and economic values reported in the banking book are exposed to changes in (i) interest rates; (ii) behavioral models; (iii) the basis of interest rate curve tenors; (iv) volatility of interest rates; and (v) credit spreads.

Interest rate risk relates to the Group's commercial portfolio, including non-maturing deposits, its investment portfolio, own issuances and derivative transactions and would continue to affect the Group also in its potential post-Merger configuration. Fluctuations in interest rates may, in fact, affect returns on fixed income investments and derivative transactions, altering their respective market value. When market interest rates rise, the balance sheet values of fixed income securities fall, potentially having an immediate impact on the Group's earnings and equity capital. A decrease in market interest rates, instead, causes the balance sheet values of fixed income securities to rise. In particular, during long periods of lower interest rates, investment income may fall as higher yielding fixed income securities are called, repaid at maturity or are repurchased and their proceeds are reinvested at lower rates.

Integrating BPM's NII as reported in 2023 with that of UniCredit, the overall NII would have been Euro 17.3 billion (of which Euro 3.3 billion for BPM, of which Euro 14.0 billion for UniCredit), with a BPM incidence of 19% on the total combined. According to the NII figures reported in the BPM market presentation, 2024 NII is Euro 3.4 billion approximately, hence the consolidation between the two banks would have been Euro 17.8 billion (of which Euro 14.4 billion of UniCredit), with a BPM incidence of 19.3% on the total combined.

Consolidating the latest BPM NII sensitivity at -100 bps average three-month Euribor as reported in the 4Q24 results (specifically, in BPM's 4Q24 results presentation, in which it reported approximately  $\pm$  €250 million of NII for  $\pm$ 100 bps average three-month Euribor, excluding NFR level and cost of certificates) total NII sensitivity at -100 bps average three-month Euribor would have been equal to approximately Euro -0.9 billion (of which approximately Euro -0.25 billion for BPM, and approximately Euro -0.6 billion for UniCredit, as stated in the latter's 4Q24 results presentation, in which UniCredit reported approximately  $\pm$  €0.3 billion of annualized NII for  $\pm$  50bps average three-month Euribor/ECB Deposit Facility Rate). Similarly to UniCredit, which exploits the execution of derivatives (typically interest rate swaps) in hedge accounting of assets and liabilities, BPM manages interest rate risk predominantly through a natural hedge strategy which is then optimized entering into fair value hedges classified under hedge accounting. Both hedging approaches broadly aim to minimize the interest rate risk exposures, in fact NII sensitivity incidence on respective NII for 2024 is limited and consistent (BPM -7%, UniCredit -4% for -100 bps average three-month Euribor).

The Group's policy on the management of interest rate risk aims to cover the key minimum requirements of common harmonized Group methodological and operative standards, formalized in dedicated Group operational and process regulations which provide operative instructions for legal entities to steer a regulatory and RAF compliant framework.

The main target of UniCredit's interest rate risk on the banking book strategy is to limit NII volatility due to interest rate movements in a multiyear horizon by hedging deposits and capital through replicating strategies also in coherence with the evolution of behavioral risk models, maintaining a prudential approach on replicating strategy, prioritizing execution via swaps, to minimize risks from interest rate volatility and changing clients' behavior. Finally, with reference to Russian Ruble FX rate, the ECB stopped the quotation of EUR/RUB exchange rate since 2 March 2022. Therefore, as at 31 December 2024 and in coherence with the previous years, the Group is applying an OTC foreign exchange rate provided by Electronic Broking Service (EBS57). In this regard it cannot be excluded that, once the ECB will restart listing RUB/EUR FX rate, these quotes might be different from EBS quotes, thus requiring the recognition of an impact in Net Equity and in P&L.

The following risk factor A.3.5. "*Risk of market fluctuations on trading and investment activities*" constitutes a **new risk factor** added to this third subsection by means of this Supplement.

### **A.3.5. Risk of market fluctuations on trading and investment activities**

UniCredit Group maintains trading positions across all asset classes (debt, interest rate, currency, commodity and equity) and investment positions in the debt and equity markets, including through derivative contracts, which may be held for trading, hedging or investment purposes. These positions could be adversely affected by the volatility of financial markets, *i.e.*, the degree to which prices fluctuate over a particular period under certain market conditions.

To the extent that UniCredit Group has net long or net short market positions in any of those asset classes, a market downturn or upturn could result in gain or losses from the change in the value of those positions. In either case, UniCredit Group's results and financial conditions could be affected.

UniCredit Group's trading portfolio is subject to dedicated limitations meant to minimize the risk of significant losses from market volatility. Positions held for investment purposes are typically hedged against the volatility of the underlying market risk factors. Extreme market movements might however reduce the effectiveness of UniCredit Group's hedging strategies.

As of any reporting date, the carrying value of such financial instruments is re-measured, thus generating effects (negative/positive) on either income statement or other comprehensive income, according to their classification.

In addition, with reference to its exposure in derivative instruments, it has to be noted that, while UniCredit Group seeks to reduce its exposure to counterparty risk by using risk mitigation techniques, such as collateralization, obtaining guarantees, entering into credit derivatives and entering into netting agreements, it cannot be certain that these techniques will be fully effective to offset losses resulting from counterparty defaults that are covered by such mitigants. Moreover, UniCredit Group is also exposed to the risk of default by the party providing the counterparty risk coverage (such as a counterparty in a derivative or a loan insurance contract) or to the risk of loss of value of any collateral. Only a residual portion of the UniCredit Group's overall counterparty risk is not covered by these techniques.

Accordingly, UniCredit Group has exposure to these risks and may incur in losses on its trading, hedging and investment activities, including through derivative contracts, due to market fluctuations and volatility.

The following risk factor A.3.6. "*Operational risk*" constitutes an update of the previous "*1.2.6 Operational risk*" on page 14 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

### **A.3.6. Operational risk**

UniCredit is (and will continue to be, following the transaction and in its potential post-Merger configuration) exposed to different types of operational risks inherent in its activities. These include, for example, legal and compliance risk (made particularly complex as a result of the various jurisdictions in which the Issuer operates), defects and malfunctions in the information or telecommunication systems, fraud, swindles or losses due to employee misconduct and/or violation of control procedures, operational errors, fraud by external parties, computer virus and cyber-attacks, default by suppliers on their contractual obligations, terrorist attacks and natural disasters.

Operational risk, as opposed to strategic and business risks, is often event-based and can be traced back to a single place and point in time. While it is not possible to identify one consistently predominant source of operational risk, more relevant ones are related to improper business practices, internal and external frauds, and errors in processes execution. In addition, risks related to IT security (e.g. malwares and other form of abuse perpetrated via digital channels) and supply-chains are increasing.



Notwithstanding the Group has a specific framework for managing operational risks, such risks might still materialize in any of its various forms and any measures implemented by the Issuer to deal with it might turn out to be inadequate. For instance, third party suppliers of services might fail to comply with the minimum contractual standards agreed with UniCredit, causing adverse effects on the Group's results. The Group's own systems may be unreliable at times and imperil the quality, integrity and confidentiality of the data being managed. Any changes to the software in use could also have negative effects on the operations of the Group and on its capital and/or financial position.

In 2024, UniCredit received 39,507 written complaints (in line with the 39,574 complaints received in 2023). The main reasons for the complaints received concerned: monetics, cards and POS, salary-backed loans (so called CQS), general complaints and mortgages and other loans, accounting for 55% of total written complaints. The complaints accepted with refunds in 2024 gave rise to reimbursements for a total of Euro 8.1 million (decreasing compared to 2023) with the main disbursement item relating to monetics - cards (increasing due to refunds on unauthorized transactions). The operational issues that arise from the complaints' analysis are dealt with by the Complaints Discussion Group organized by the Compliance Function, and by the permanent work group (PWG) for what concerns operational risks. The different functions of the Bank monitor the related complaints and are responsible for implementing corrective actions.

Assuming that the Offer is successful, the exposure of the UniCredit Group to operational risk is expected to increase following the completion of the potential Merger given that, based on publicly available information, UniCredit believes that the integration of BPM into the UniCredit Group could have a negative impact on operational risk as it expects an increase in operational losses and digital complexity due to integration of different IT systems, assets and technologies. Digital evolution is particularly relevant to UniCredit as a key driver of its strategy, and its digital transformation roadmap is aimed at having a reliable and resilient infrastructure, to comply with all relevant regulatory requirements (such as ECB expectations, requirements related to the Regulation (EU) 2022/2554 (the Digital Operational Resilience Act or "DORA"), Basel Committee standards on data aggregation). Risks associated with the digitalization journey are also subject to enhanced scrutiny by the ECB with the SSM, as a general supervisory priority. It is, however, not possible to exclude that, following the acquisition and potential Merger additional risks may arise in connection with the IT infrastructure of BPM (on which no detailed information is currently available) in the context of its migration into the UniCredit Group. Overall, considering that the Issuer expects BPM's operational risk framework to be already aligned with the EBA standards (*i.e.*, with the requirements of the DORA) and that the UniCredit Group's operational risk framework will be progressively implemented starting from high priority areas and businesses, the overall exposure to operational risk is expected to remain overtime under acceptable levels.

The following risk factor A.3.7. "Risks connected with legal proceedings in progress" constitutes an update of the previous "1.2.7.1 Risks connected with legal proceedings in progress" on page 15 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

### **A.3.7. Risks connected with legal proceedings in progress**

As at the Registration Document Date, UniCredit and other UniCredit Group companies are involved as defendants in several legal proceedings. To the Issuer's knowledge and based on publicly available information, the BPM Group and its subsidiaries are also involved in legal proceedings from time to time. Legal proceedings may stem from a variety of different situations and potentially also from the failure by the Issuer to comply with the multitude of legal and regulatory requirements in relation to the different aspects of UniCredit's activity, such as the rules on conflicts of interest, ethical issues, anti-money laundering, EU, US and international sanctions, customers' assets, rules governing competition, privacy and security of information and other regulations.

In many proceedings there is substantial uncertainty regarding their process and the amount of possible losses deriving from their outcome. These can include criminal proceedings, administrative proceedings brought by supervisory or prosecution authorities and/or claims in which the claimed damages and/or potential liabilities of the Group are not and cannot be determined in advance, either because of how the claims are presented

and/or because of the highly uncertain nature of the legal proceedings. In such cases, until it becomes possible to make more reliable estimates on the sums to be paid based on the outcome of such proceedings, no provisions are made. On the contrary, if losses are capable of being estimated reliably and a loss is actually considered likely in the first place, the financial statements include the provisions made to the extent deemed appropriate by the parent company UniCredit or any of the Group companies involved, based on the circumstances of a specific case and in accordance with IAS.

As of December 31, 2024, to provide for possible liabilities and costs that may result from pending legal proceedings (with the exclusion of tax cases), the UniCredit Group sets aside provisions for risks and charges of Euro 969.04 million, of which 261.9 million for the parent company UniCredit. As of December 31, 2024, the total amount of claimed damages relating to judicial legal proceedings other than tax and debt collections proceedings was Euro 7.7 billion of which Euro 4.6 billion concerned the parent company UniCredit. This figure is affected by both the heterogenous nature of the pending proceedings and the number of jurisdictions involved, and the individual circumstances in which UniCredit Group companies are named as defendants.

Following the potential successful completion of the Offer and of the Merger, the UniCredit Group's exposure to the risks connected with ongoing and possible future legal proceedings is unlikely to decrease.

The following risk factor A.3.8. "*Risks arising from tax disputes*" constitutes an update of the previous "*1.2.7.2 Risks arising from tax disputes*" on page 16 of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

#### **A.3.8. Risks arising from tax disputes**

As of the Registration Document Date, there are various pending tax-related proceedings regarding UniCredit and other companies belonging to the UniCredit Group, as well as ongoing tax inspections by the competent authorities in the various countries in which the Group operates. Considering the uncertainty that characterizes the tax proceedings in which the Group is involved, there is the risk that an unfavorable outcome and/or the emergence of new proceedings could lead to a heightened exposure for the UniCredit Group to risks of a fiscal nature, with the consequent need to make further provisions and/or outlays, which can have possible negative effects on the operating results and capital and/or financial position of UniCredit and/or the Group.

As of December 31, 2024, the total amount of such provisions amounted to Euro 88.4 million (mainly referred to active tax lawsuits) of which Euro 1.9 million for legal expenses. As of December 31, 2023, the total amount of such provisions amounted to Euro 146.9 million of which Euro 2.2 million for legal expenses. In addition, in the event of a presumed breach or of an actual failure to comply with any of the various tax laws in force in different countries, the UniCredit Group could experience an increase in tax disputes and possible reputational damage.

The following risk factor A.3.9. "*Risk associated with leveraged transactions*" constitutes a **new risk factor** added to this third subsection by means of this Supplement.

#### **A.3.9. Risks associated with leveraged transactions**

The UniCredit Group is exposed to risks that may arise in the context of leveraged transactions or any leveraged buy-outs it carries out as part of its activities. These transactions are mainly loans provided to counterparts with higher leverage but also private equity funds in order to finance the acquisition of a company through a financial transaction based on the cash flow generation capacity of the company which is being targeted by the acquisition. This can result in a higher level of debt and therefore a higher level of risk, the origination of which is often connected to a deterioration in the general macroeconomic context. Risks involved in leveraged transactions are, therefore, sensitive to economic conditions and the reduced operating capacity of borrowers that these might give rise to, often with an increase in the default rates of different counterparties and in the capacity of borrowers to repay debt.

The UniCredit Group manages its exposure to this type of risks with a comprehensive framework (including also proper steering and monitoring through the Risk Appetite Framework) and guidelines to manage the portfolio, in particular through a proper assessment of incremental exposure during the underwriting phase, highly selective approach on transactions (especially LBOs and highly leveraged deals), and optimization of existing credit lines already in stock, as well as minimization of LBO tickets to maintain a granular portfolio. The UniCredit Group, in its potential post-Merger configuration, will continue to be faced with the need to manage the risks relating to its exposure to leveraged transactions, also in light of the fact that the similar nature of the Issuer and BPM's activities would not cause a decrease in such type of exposure and, accordingly, to this type of risk.

The following risk factor A.3.10. "*Reputational risk*" constitutes a **new risk factor** added to this third subsection by means of this Supplement.

#### **A.3.10. Reputational risk**

The UniCredit Group is, and will continue to be, following the successful completion of the acquisition of BPM, vulnerable to adverse market perception as it operates in a regulated industry where it must display a high level of integrity and maintain the trust and the confidence of its customers. Reputational risk is defined as a possible deterioration of the Issuer and the Group's image and it is perceived from the perspective of different stakeholders (such as shareholders, customers, debt investors, staff, business partners or the general public). This risk may also arise as a result of the materialization of other categories of risks and through external distribution channels, risks which are difficult to control. Any future negative media coverage or campaigns against the UniCredit Group on social media could occur as a result of non-compliance with laws and regulations, erroneous claims handling, poor sales and marketing practices, changes in customer and partner expectations in respect of sustainability, or failure by the UniCredit Group to meet such expectations. UniCredit Group, over the course of 2024, did not bear events and/or incidents which were deemed of having a material negative impact on its reputation/perception on the market and toward its stakeholders. Clients relationships and transactions classified as potentially relevant from a reputational risk standpoint are assessed ex-ante according to the group methodology. Any such occurrence could have a material adverse effect on the Issuer's business, financial position, results of operations and future prospects.

UniCredit's Reputational & Operational Risks structure is responsible for defining the methodologies for assessing the reputational risk related to activities performed by the Group, providing reputational risk assessments for UniCredit and non-binding opinions for the other legal entities of the Group. During the period covered by the Issuer's most recent consolidated financial information there have been no cases or events the occurrence of which had or may have negative consequences on the reputation of the Issuer.

The following risk factor A.3.11. "*Risks associated with the uncertainty of results with regards to future stress tests or any other future tests for review of the asset quality*" constitutes a **new risk factor** added to this third subsection by means of this Supplement.

#### **A.3.11. Risks associated with the uncertainty of results with regards to future stress tests or any other future tests for review of the asset quality**

European banking supervision authorities, namely the ECB SSM in coordination with the EBA, rely on the so called "EU-wide stress test" to assess how well banks in the Euro-area are able to cope with financial and economic shocks. This type of stress test is performed bi-annually; the most recent one was performed in 2023 and the new one is started in January 2025 and the results will be published in early August 2025.

The "EU-wide stress test", whose methodology is public and homogenous for all the supervised banks, while not being a pass or fail exercise, is designed to be used as an important source of information for the purposes of the SREP. The results of the stress test will assist the ECB SSM in assessing UniCredit's ability to meet applicable prudential requirements under stressed scenarios and will continue to perform such an assessment of the Group's resilience also in its potential post-Merger configuration.

The UniCredit Group is, and will in fact continue to be, following the potential completion of the transaction, subject to stress testing exercises.

The uncertainty involved in stress tests, and the possibility that the Issuer and its Group are subject to measures following a stress test, by way of a SREP assessment, even as a consequence of unforeseeable shortcomings, is deemed by the Issuer to be of low likelihood and the related risk is considered to be of low significance, due to the low impact that any such shortcomings and/or related corrective measures would have on the Issuer and its Group.

The following risk factor A.3.12. "*Counterparty risk*" constitutes a **new risk factor** added to this third subsection by means of this Supplement.

### A.3.12. Counterparty risk

The UniCredit Group is exposed, in the context of its banking and financial activities, to the risk of defaulting counterparties, primarily as a result of activities related to the trade in derivatives and to repurchase agreements (repos). The materialization of counterparty risk involves the potential non-payment and/or realization of any guarantees provided by counterparty guarantors in agreements relating to derivatives and/or repurchase agreements (so called repos), with possible negative impacts on the activities, prospects and economic results, balance sheet and financial situation of the Issuer and the UniCredit Group.

At December 31, 2024, the total exposure to counterparty risk, measured in terms of RWAs, was equal to Euro 7,227,423,227 equivalent to 2.6% of the total RWAs of the UniCredit Group. Counterparties to a transaction involving specific financial instruments (derivatives or repos) may at any time default or become insolvent before final settlement of the cash flows of the transaction. In addition, any collateral guarantees offered in favor of the Issuer (or in favor of another UniCredit Group company) are not or cannot be realized or paid at the times, in the ways and in the amounts sufficient to hedge a specific exposure to counterparty risk.

Write-downs and write-backs of derivatives to take account of counterparty risk are determined in line with the procedure used to assess other credit exposures. Exposures at Default ("EAD") are derived with simulation techniques and combined with Probability of Default ("PD") and Loss Given Default ("LGD") implied by current market default rates obtained from credit and loan-credit default swaps, in order to obtain a value in terms of expected loss ("EL") to be used for items designated and measured at fair value maximizing the usage of inputs from the market. Similar adjustments to the fair value of derivatives are calculated to account for own-name and funding risks.

The positive fair value of the UniCredit Group's derivative trades at December 31, 2024, totaled Euro 30,870 million, of which Euro 29,519 million represented by trading derivatives and Euro 1,351 million represented by hedging derivatives. The negative fair value of derivative trades at the same date totaled Euro 26,279 million, of which Euro 25,167 million represented trading derivatives and Euro 1,112 million hedging derivatives.

In terms of repo trades, the Group had an outstanding total of Euro 52,500 million at December 31, 2024, of which Euro 23,605 million related to repos with customers, in addition to outstanding lending transactions totaling Euro 44,497 million at the same date, of which Euro 44,235 million in amortized cost portfolio (Euro 14,060 million with customers), and further Euro 262 million in the trading portfolio.

The following risk factor A.3.13. "*Risks deriving from the insurance business*" constitutes a **new risk factor** added to this third subsection by means of this Supplement.

### A.3.13. Risks deriving from the insurance business

Assuming the acquisition is completed as planned pursuant to the Offer, the Issuer will likely see an increase in its exposure associated to risks connected with the insurance business, primarily as a result of acquiring those companies of the BPM Group that carry out insurance activities, in addition to the insurance business activities that the UniCredit Group already carries out through its subsidiary companies.

In particular, these subsidiary companies are UniCredit Allianz Vita S.p.A. ("UAV", 50% owned by UniCredit and 50% owned by Allianz S.p.A. ("Allianz")), CNP UniCredit Vita S.p.A. ("CUV", 49% owned by UniCredit and 51% owned by CNP Assurances S.A. ("CNP")), and UniCredit Allianz Assicurazioni S.p.A. ("UAA", 50% owned by UniCredit and 50% owned by Allianz).

In particular, such companies recorded the following results as at December 31, 2023 (being this the last date for which the relevant definite figures are available, as opposed to the 2024 figures which remain provisional as at the Registration Document Date):

As to the life bancassurance business (local GAAP):

**UAV:**

- technical reserves of Euro 8.236.649.665;
- technical reserves of Euro 21.213.027.358 (in those cases where investment risk is borne by policyholders and reserves arising from pension fund management); and
- gross premiums on the books of Euro 4.725.784.886.

**CUV:**

- technical reserves of Euro 5.517.230.356; and
- technical reserves of Euro 9.948.078.907 (in those cases where investment risk is borne by policyholders and reserves arising from pension fund management); and
- gross premiums on the books of Euro 2.821.524.729.

As to the non-life bancassurance business:

**UAA:**

- technical reserves (IFRS GAAP) of Euro 522.846.905;
- gross premiums on the books (local GAAP) of Euro 226.125.361.

The UniCredit Group's insurance business contributes to its results, taking into account the current configuration (*i.e.*, UniCredit as a distributor of insurance products and shareholder of the above subsidiaries, which are not fully consolidated). Such contributions take the form of:

- (i) commissions for the distribution of insurance products: Euro 909 million, 10% of total Group Fees and commissions income (*source: 2024 Consolidated Financial Statements, p. 494*); and
- (ii) earnings (pro-rata) of insurance companies valued at equity: UAV (Euro 78 million), CUV (Euro 33 million), UAA (Euro 19 million) (*source: 2024 Consolidated Financial Statements, p. 510*).

Regarding the BPM Group's insurance business as of December 31, 2024, the Group's financial statements are not (assuming their accuracy) published yet; in any case, the comparison could not be homogeneous, as BPM owns 100% of the life companies and therefore fully consolidates these components. The only public data, taken from BPM's presentation of results for 2024 (on February 12, 2025), concerns the income from the insurance business for the year 2024, amounting to Euro 93.4 million (which includes the contribution of Banco BPM Vita, Vera Vita, and the Banco BPM life companies), accounting for 4.4% of other operating income and 3.1% of profit (loss) from operations.

In 2024, UniCredit started the process for internalization of the life bancassurance business through the termination of the current agreements with Allianz and CNP. Closing of each of the transactions is subject to the standard authorizations by the competent authorities and is expected to take place in 2025. For both companies, which are planned to be merged, operations will rely on the current setup including, for a transitional period, on the services provided by the current insurance partners, according to the agreements between the shareholders. More in detail, CUV is an almost fully-fledged company while UAV mainly leverages on the activities carried out by personnel seconded from Allianz and services outsourced by the Allianz Group. In this regard, it is agreed contractually that UAV will continue to benefit from all services/activities currently provided by the Allianz Group for the period and according to the agreed terms. In view of the closing of the corporate transactions and the subsequent merger between CUV and UAV and the migration of information systems, the relevant assessment activities have been under way for months with the aim of identifying points of attention and areas to be strengthened (concerning the mentioned companies and UniCredit) and joint working groups are defining plans for the activities needed for the integration and management of the related risks.

The transactions will be cash funded. The impact on the Group's capital position will depend on the purchase prices that will be determined. Based on preliminary estimates, the overall impact on the Group's CET1 ratio is expected to be approximately 20 bps (based on the capital position as of June 2024, which represents the

latest available data, as a result of UniCredit being acknowledged by the ECB as a fully-fledged financial conglomerate subject to supplementary supervision and to the application of the so called Danish Compromise (which allows financial conglomerates to risk-weight insurance participations instead of fully deducting them from equity)): in this respect, interactions with the ECB- SSM for obtaining the application of such regime are progressing in line with the timescales of both transactions. To this aim the interactions with ECB-SSM are focused on the key elements of the integrated risk management system that are necessary to effectively manage the insurance risk, which are currently being enhanced by UniCredit. In addition, it cannot be excluded that there may be a risk connected to the integration process of these companies into the UniCredit Group.

The process of internalization of UniCredit's life insurance business, as reported above, envisages the closing of the corporate transactions by 2025. As of the Registration Document Date, the Presidency of the Council of Ministers authorized the UAV and CNP transactions without prescriptions, considering that the conditions for the exercise of special powers under the golden power framework are not applicable. In addition, the European Commission – DG Competition authorized both CUV and UAV transactions from an antitrust perspective, pursuant to the EUMR. Other filings to the competent authorities are in progress and, in particular, the request for authorization by IVASS to acquire control of the two companies.

The (indirect) potential acquisition of the BPM Group's life insurance companies (as part of the overall transaction) is fully consistent with the strategy of internalization of the life insurance business being implemented by the UniCredit Group, as outlined above. The timing and methods of such integration will be assessed in line with the conclusion of the acquisition of BPM in the second half of 2025 (even though the Merger may not take place before 2026), leveraging on the experience, safeguards and structures already implemented in recent months for the purpose of the internalization of the UniCredit insurance business, which will also allow to manage the risks associated with this transaction (expected to be the usual risks associated with corporate merger and IT migration transactions).

By and large risks for the insurance business are connected with the adequacy of pricing and the setting of rates for insurance products, with any fluctuations in the number and value of requests for claims settlement and with any risks connected with the calculation of technical reserves of the insurance companies and their potential inadequacy to cover the obligations deriving from the insurance policies with which they are associated.

With specific reference to life policies and pension funds, the Issuer is also exposed to the risk of being able to make correct statistical and actuarial projections according to life expectancy and the factors connected with the accrual of pension benefits. The adequate determination of any type of insurance premiums may be compromised by different factors, including unavailability of sufficiently reliable data, incomplete or imprecise analysis of such data, incorrect prior assessments and forecasts concerning the fluctuation in the number and value of claims that the relevant premiums are required to cover, the use of imprecise or inappropriate formulas or methods in carrying out such assessments, any unforeseeable changes in applicable laws or regulations or prevailing trends in case law, and the uncertainty inherent in the procedures for settling disputes. There is a real risk that the number and amount of future claims could considerably exceed the forecasts made during the insurance product pricing process, with consequent negative effects on the activity and results of the insurance business and on the economic results, balance sheet and financial situation of the Issuer and the UniCredit Group on a wider scale. The technical reserves of the insurance companies of the UniCredit Group might, in fact, be insufficient in the future, despite the allocation measures adopted by the insurance companies of the UniCredit Group. Given the highly uncertain nature of forecasts and estimates that characterize the insurance business in general and the fact that the Issuer might not have an entirely accurate appreciation of the BPM Group's exposures in relation to its insurance business (due to the Issuer's sole reliance on publicly disclosed data), the risks connected to insurance activities are, and will remain following the acquisition, of a significant nature.

The following risk factor A.3.14. "*Environmental and climate-related risks connected with the UniCredit Group's banking and insurance activities*" constitutes a **new risk factor** added to this third subsection by means of this Supplement.

#### **A.3.14. Environmental and climate-related risks connected with the UniCredit Group's banking and insurance activities**

UniCredit's banking and insurance businesses are exposed to risks stemming from climate and environmental changes and events. By their very nature these risks are evolving, uncertain and difficult to quantify.

Climate-related risks can be categorized into physical risks and transition risks. Transition risks refer to risks arising from the shift to a low carbon economy, for example changes in technology, legislation, and consumer sentiment. Physical risks can be further classified into long-term weather changes and extreme weather events such as storms, floods, droughts or other unforeseen and sudden climate events.

Both physical and transition risks can directly affect UniCredit's banking activities by having a negative impact on specific investment portfolios of the Issuer (financial or real estate) or on the individual assets held by UniCredit as collateral in the context of financing agreements. The same risks may indirectly affect UniCredit by damaging the solvency (hence, the ability to pay) and reputation of its counterparties to financing agreements. Unlike physical risks, climate-related transitional risks for UniCredit (such as changes in environmental regulations that impose additional layers of selection criteria for counterparties or assets to acquire, increased costs of monitoring compliance, or damaged customer perception of the Issuer's activities) may materialize in the long-term and cause a diversion of the Issuer's resources and, possibly, their erosion. Physical risks instead tend to materialize more suddenly and are also relevant to UniCredit's physical assets. The severity of this type of risks is, for example, dependent on the trajectory of global warming which is difficult to accurately anticipate. Acute temperature rises may have a severe impact on the Issuer's infrastructure (UniCredit's offices and branches) and on its significant real estate portfolio, or it may even result in the decreased productivity of UniCredit's personnel in hotter areas.

The following risk factor A.3.15. "*Risks connected with related-party transactions and Corporate Governance framework*" constitutes a **new risk factor** added to this third subsection by means of this Supplement.

### **A.3.15. Risks connected with related-party transactions and Corporate Governance framework**

As at December 31, 2024 transactions with related parties of the UniCredit Group amounted to 0.16% of total assets and 0.87% of total liabilities. The main risk affecting transactions with related parties concerns the fact that they possibly have not been carried out at the most advantageous terms for UniCredit. The same transactions and the related agreements, in fact, might have been negotiated with more advantageous terms and conditions if they had been carried out between or with parties that are entirely unrelated to the Group.

The Issuer deems this risk to have an overall low probability of occurring and accordingly, the Issuer considers it to be of low significance.

Over the course of 2024, transactions carried out with related parties reported in the data streams provided by the reference standards, were executed and carried out based on assessments of the economic convenience and interest of the Group.

UniCredit applies the IAS 24 standards for the purposes of disclosing data on transactions with related parties and, accordingly, UniCredit's related parties include (i) companies belonging to the UniCredit Group and companies controlled by UniCredit but not consolidated within its Group, (ii) associates and joint ventures, as well as their subsidiaries, (iii) UniCredit's key management personnel and their close family members, (iv) companies controlled (or jointly controlled) by key management personnel or their close family members, and (v) the UniCredit Group employees post-employment benefit plans. Pursuant to CONSOB and Bank of Italy regulations, UniCredit has adopted a specific policy (the "**Global RPT Policy**") on transactions with related parties, associated persons, as well as corporate officers in accordance with article 136 of the Consolidated Banking Act, designed to define preliminary and conclusive rules with respect to related party transactions executed by UniCredit, including those conducted through subsidiaries. As an Italian banking institution, the BPM Group is also subject to the same regulations requiring it to adopt specific policies on transactions with related parties. Despite the existence of such policies and procedures, the Issuer and its Group, including in its potential post-Merger configuration are, and will remain, subject to the risk that transactions with related parties may involve inefficiencies in the resource allocation process and/or expose the UniCredit Group to unforeseen risks, with possible negative impacts on the activity, prospects and economic results, balance sheet and financial situation of the Issuer and the UniCredit Group.

UniCredit's Global RPT Policy, reviewed annually, was approved in December 2024 by UniCredit's Board of Directors with the preliminary positive opinion of the Related-Parties and the Audit Committees, in order to bring-in limited reviews aimed at making specific updates which became necessary during the current

financial year, while also expecting it to be reviewed more widely, once the relevant CONSOB communication on its interpretation is published. More specifically, recent reviews concerned:

- (i) the need to adapt the text of the Global RPT Policy to reflect the change in the governance model with the adoption, by UniCredit, of the one-tier administration and control system;
- (ii) on the basis of the application experience of the Global RPT Policy, some clarifications were made concerning the discipline of the so-called cumulation of transactions and two cases of exemption, namely the one for small transactions and the one relating to the remuneration of delegated bodies and key managers.

The Global RPT Policy regulates the information flows to the Audit Committee, in accordance with applicable regulations.

UniCredit places a central focus on corporate governance as a fundamental element to ensure transparent, solid management aligned with best practices. Since 2001, the Bank has adopted the Corporate Governance Code, applying the recommendations for large companies and ensuring continuous alignment with market and stakeholder expectations.

As part of its periodic monitoring of the Corporate Governance Code's implementation by listed companies, the Corporate Governance Committee has identified certain areas for potential improvement common to all listed companies on the Italian regulated market. This annual process aims to foster the continuous evolution of corporate governance, promoting greater efficiency and transparency in decision-making processes.

In its letter dated December 17, 2024, the Committee highlighted three areas for further enhancement:

- completeness and timeliness of pre-board information, ensuring directors receive all necessary materials for an informed and effective discussion during board meetings;
- transparency and effectiveness of the remuneration policy, with a focus on clarity regarding performance targets and market disclosures;
- the executive role of the Chair, particularly regarding the separation between strategic oversight and managerial functions.

As with all listed companies, UniCredit carefully analyzed these recommendations, bringing them to the attention of its governing bodies. Following this analysis, these bodies concluded that no risk profiles emerged, as UniCredit's governance model is already robust, structured, and aligned with the best market practices and the Corporate Governance Code's recommendations.

Specifically:

- **Pre-board information:** According to a specific provision of the Regulation of the Board of Directors and its Committees (Section 1. Board of Directors, paragraph 1.2 Functioning), UniCredit applies best practices, ensuring that pre-board documentation and the information necessary for directors to make informed decisions are generally made available at least three days before meetings. This requirement may be waived only in exceptional cases. In such situations, the Chair ensures that the topics are properly presented by the Chief Executive Officer during board meetings and that sufficient time is dedicated to explanations and subsequent discussions. In 2024, these situations occurred only in a limited number of cases, primarily involving particularly sensitive topics. The Audit Committee has acknowledged the importance of balancing the timeliness of pre-board information with the need to ensure the confidentiality of sensitive data and prevent leakage risks. The Board of Directors has therefore assessed that the current system effectively maintains this balance while ensuring that any exceptions are managed transparently and properly documented. As part of its continuous improvement approach, the Board will continue to monitor this aspect closely and evaluate any initiatives to further optimize the pre-board information process, ensuring both maximum confidentiality and increasingly effective discussions during board meetings.
- **Remuneration policy:** UniCredit applies a Group Incentive System that fully complies with the Corporate Governance Code's recommendations and the highest standards of transparency and governance. The system is based on clear and measurable targets, defined ex-ante and assessed at the end of the performance period, in accordance with the Group Compensation Policy. For senior executives (CEO, members of the Group Executive Committee, and first-line managers), the remuneration policy includes specific and measurable sustainability KPIs, as disclosed in the Group Compensation Policy Report and the Compensation Paid Report. Additionally, all remuneration decisions follow structured and multi-level deliberative processes, involving the Remuneration



Committee, the Audit Committee, and, where necessary, the Related-Party Committee. These decisions are communicated transparently to the market and shareholders, in line with best industry practices.

- Chair's role: The Chair of UniCredit's Board of Directors does not hold any executive role, in full compliance with the Bank's governance model and the Corporate Governance Code's recommendations. The Chair's responsibilities are limited to strategic oversight and coordinating the Board's activities, with no involvement in the Bank's operational management.

Based on these findings, it is confirmed that no risk profiles emerge regarding these governance aspects.

The following risk factor A.3.16. "*Risks associated with information about UniCredit's competitive position and statements made in such respect*" constitutes a **new risk factor** added to this third subsection by means of this Supplement.

### **A.3.16. Risks associated with information about UniCredit's competitive position and statements made in such respect**

This Registration Document contains statements concerning the competitive position of the Issuer and of the UniCredit Group. Such statements are made by the Issuer on the basis of its specific knowledge of its own sector, available information and its own experience. Currently, the major themes of sustainable business practices in general and, in particular, the issues related to ESG aspects are changing the preferences and values of different stakeholders and, as a result, the competitive environment surrounding the UniCredit Group's operations is also changing in different ways. In order for the UniCredit Group to remain competitive and profitable, it will need to anticipate and respond to these changes, which requires continued investment in, and time spent on, innovation and research and development.

As such, any statements – including those related to the competitive position, performance of the UniCredit Group in the sectors of activity and/or geographic areas where it operates – might change or no longer be confirmed in the future due to known and unknown risks, significant and sudden changes in consumer preferences and additional factors of uncertainty, such as the geopolitical shocks. Any such statements might also differ, even significantly, from any other data produced by third parties.

This risk affects the accuracy of information that is contained in the description of the activities of the UniCredit Group, the markets in which it exercises its activities and its competitive position, future programs and strategies, which could possibly be subject to currently unforeseeable changes in order to adapt to any sudden changes in the macroeconomic conditions. Therefore, investors are advised not to rely exclusively on those statements relating to the competitive position, estimates and valuations, and to consider the entire contents of this Registration Document.

In addition, there is a risk attached to the mandatory clearance of the transaction at stake pursuant to merger control laws. The European Commission is competent in this respect and the engagement with the European Commission in order to obtain such clearance is currently ongoing. It is possible that such clearance will be conditional upon certain commitments being made binding upon the Issuer. This risk cannot be excluded and, although as a matter of principle a material impact of such commitments cannot be excluded, the Issuer does not expect that they would materially impact the transaction. Such commitments could include, by way of example, the obligation to sell certain branches, assets or equity stakes and/or commitments to behave in a certain way following completion of the transaction.

The following risk factor A.3.17. "*Risks connected with the use of Alternative Performance Indicators (APIs)*" constitutes a **new risk factor** added to this third subsection by means of this Supplement.

### **A.3.17. Risks connected with the use of Alternative Performance Indicators (APIs)**

This Registration Document contains Alternative Performance Indicators ("APIs") to facilitate comprehension of the operating and financial performance of the Issuer and the UniCredit Group.

APIs are measures the determination of which is not specifically regulated by the accounting and financial reporting standards used to prepare the separate and consolidated financial statements and they are not subject

to audit. UniCredit uses certain APIs both for actual figures and for figures pertaining to the guidance and 2025-27 Ambitions scenario. APIs reported in this document related to actual figures are the following: including: Cost/Income ratio, Economic Value Added (“EVA”), RoTE, Net bad loans to customers/Loans to customers, Net non-performing loans to customers/Loans to customers, Absorbed capital, Return On Allocated Capital (“ROAC”), Return On Assets (“ROA”), CoR. APIs reported in this Registration Document related to guidance and 2025-27 Ambitions are the following: Cost/Income ratio, CoR, RoTE, ROAC gross NPE ratio, net NPE ratio.

Other entities may use the same type of APIs calculating them, however, differently and the standards applied by the Issuer for their calculation might not be consistent with the standards adopted by other entities. Despite such calculation methods being applied by the Issuer in accordance with the European Securities and Markets Authority (“ESMA”) Guidelines of October 5, 2015, they may pose a risk for investors associated with their interpretation, given that the APIs (i) when derived from historic figures of the UniCredit Group do not provide any indication concerning its future performance; (ii) are not prescribed measurements in accordance with the IFRS and are not subject to audit; (iii) must not be considered replacements for the measures prescribed by the IFRS; (iv) must be interpreted together with the financial information of the UniCredit Group taken from its consolidated financial statements; (v) might not be consistent with the definitions adopted by other companies/groups and thus might not be comparable (including with any APIs used by BPM prior to the transaction); and (vi) are consistently provided and defined for all periods for which financial information is included in this Registration Document.

The APIs used by the Issuer might, therefore, represent a risk for investors who might be misled in their independent assessment of the UniCredit Group’s economic results, balance sheet and financial situation potentially causing them to make incorrect, inappropriate or inadequate investment decisions.

The subsection of the Risk Factors "*1.3 Risks connected with the legal and regulatory framework*" on pages 16 et seq. of the Registration Document is renamed "*Risks associated with the legal and regulatory framework*" by means of this Supplement and now constitutes the fourth subsection of the Risk Factors.

The following risk factor A.4.1.1. "*Risks associated with capital adequacy requirements*" constitutes an update of the previous "*1.3.1 Basel III and Bank Capital Adequacy*" on page 16 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

## **A.4. RISKS ASSOCIATED WITH THE LEGAL AND REGULATORY FRAMEWORK**

### **A.4.1. Bank capital adequacy**

#### **A.4.1.1. Risks associated with capital adequacy requirements**

On December 11, 2024, UniCredit was informed by the ECB of its final decision concerning capital requirements following the results of its annual SREP (“SREP 2024”). The P2R was left unchanged, keeping it at 200 basis points. The P2R is to be held in the form of 1.13% of Common Equity Tier 1 (“CET1”) capital and 1.50% of Tier 1 capital, as a minimum.

The ECB has also communicated to UniCredit a leverage ratio P2R-LR equal to zero and no additional liquidity requirements.

As a consequence, starting from January 1, 2025, UniCredit is required to meet the following overall capital requirement (“OCR”) and overall leverage ratio requirement (“OLRR”) on a consolidated basis:

- CET1 ratio: 10.28%;
- Tier 1 ratio: 12.16%;
- Total Capital ratio: 14.66%; and
- Leverage ratio: 3%.

The above OCR requirements include a Combined Buffer Requirement composed as follows:

- Capital Conservation Buffer (“CCB”) at 2.5%;
- O-SIIs buffer at 1.50% (in place from January 1, 2024, and applicable also in 2025);
- Systemic Risk Buffer (“SyRB”) at 0.20% estimated as of December 31, 2024, (which will then increase to 0.37% as of June 2025) – calculated as a weighted average of the exposures to which a SyRB is applied (*i.e.*, Italy and Germany);
- Counter Cyclical Capital Buffer (“CCyB”) of 0.46% as of December 31, 2024. It consists of the weighted average, by credit exposure, of the CCyB rates applied by the jurisdictions/countries where the Group has a credit exposure. The main jurisdictions adopting a CCyB affecting the Group specific CCyB are, as of December 2024, Germany (0.75%), Bulgaria (2.0%), Czech Republic (1.25%), Croatia (1.5%), and Romania (1.0%).

As of December 31, 2024, the consolidated CET1 Capital, Tier 1 and Total Capital ratios were equal to, respectively: 15.96%, 17.75% and 20.41%. As of December 31, 2024, the LRE was 5.60%.

In addition to the above capital requirements, following the communication received by the Single Resolution Board (the “SRB”) and the Bank of Italy in June 2024, UniCredit is required to comply, on a consolidated basis, with:

- **MREL requirement** equal to 22.84% of RWAs – plus the applicable Combined Buffer Requirement (the “CBR”) – and 6.09% for Leverage Ratio Exposures (“LRE”);
- **subordinated MREL** (*i.e.*, to be met with subordinated instruments) equal to 15.06% of RWAs plus the applicable CBR – and 6.09% for the LRE.

All in all, the outcome of the 2024 SREP as summarized by the P2R is in line with previous years’ assessment, and there are no other impacts stemming from that relating to 2024. In this context, there is the risk that after future supervisory assessments – *inter alia* upon completion of the acquisition of BPM – the Supervisory Authority could require the Issuer, among other things, to maintain higher capital adequacy ratios than those applicable at the Date of the Registration Document. Moreover, after future assessment, the ECB might require the Issuer to implement some measures, which might impact management of the UniCredit Group, actions to reinforce the systems, procedures and processes involved in risk management, control mechanisms, assessment of capital adequacy and/or RWA calculation.

The following risk factor A.4.2. “Risks associated with the evolution of prudential and other regulations applicable to banks” constitutes an update of the previous “1.3.2 Evolution of banking prudential regulation” on page 19 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

#### **A.4.2. Risks associated with the evolution of prudential and other regulations applicable to banks**

The Issuer and its Group operate in a stringent and highly complex regulatory context. Both are subject to the supervision by a number of competent supervisory authorities, which include the ECB, the Bank of Italy and CONSOB. The Issuer is also subject to the further provisions of a specific regime enacted by CONSOB due to its status as a listed entity and, more generally, it must also comply with a variety of other laws concerning anti-money laundering, usury and consumer protection. Such regulatory framework is characterized by ongoing developments in the laws and in the supervision activities of the various authorities.

Despite the Issuer’s undertaking to comply with all the applicable regulations, there is a risk of non-compliance with the multitude of different legal and regulatory requirements. Such non-compliance could lead to additional legal risk and financial losses, as a result of regulatory fines or any warnings received, litigation proceedings, reputational damage and, in extreme scenarios, forced suspension of operations or even the withdrawal of the authorization to carry out banking business. The failure to comply with any of the legal and regulatory provisions currently in force or to keep pace with any changes relating to the interpretation of the applicable legislation by the competent authorities could negatively impact on the operating results and capital and financial position of UniCredit.

Some of the most recent changes concerned the CRR III and the CRD VI, and were published on June 19, 2024 in the EU Official Journal, entering into force on July 9, 2024. Save for certain exemptions, the majority of the CRR III provisions applied starting from January 1, 2025, with certain elements of it phasing in over the years. On January 9, 2025, the EBA published its final guidelines on the management of ESG risks as mandated in Articles 76 and 87a of the CRD VI. The guidelines contain minimum standards and reference methodologies for the identification, measurement and monitoring of ESG risks and the content of the prudential transition plans which banks have to prepare in order to monitor and address the financial risks stemming from ESG factors. These guidelines will apply from January 11, 2026, for large institutions.

In addition, on April 18, 2023, the European Commission published a proposal for the further amendment of the BRRD, including, among other things, the amendment of the ranking of claims in insolvency to provide for a general depositor preference, pursuant to which the insolvency laws of Member States would be required by the BRRD to extend the legal preference of claims in respect of deposits relative to ordinary unsecured claims to all deposits. The proposal will need to be agreed by the Member States and the European Parliament.

Furthermore, in July 2024, the Artificial Intelligence (AI) act (the “**AI Act**”) was published in the EU Official Journal. The AI Act requires, *inter alia*, qualification and classification of AI systems (built in house or provided by third parties) and defines criteria for the identification of prohibited and high risk AI systems, providing requirements and deadlines for their dismissal or proper management.

Failure to comply with any of the above regulatory requirements and the ongoing developments that characterize them could lead the Issuer and its Group to suffer serious consequences and to experience significant impacts on the economic results, balance sheet and financial situation of the Issuer and/or the UniCredit Group.

UniCredit is also subject to the risks associated with changes to the wider regulatory context that can impact banking and insurance activities. In particular, UniCredit is, and will be as a result of the Merger with BPM, exposed primarily to the risks of having to sustain expenses and use its resources to achieve compliance and/or act in alignment with evolving legal requirements in various fields affecting the exercise of its banking activities. More specifically, as to sustainable finance: (i) Regulation 2020/852/EU (the “**Taxonomy Regulation**”) provides a classification system intended to address greenwashing and provides a tool to direct finance towards sustainable investments, (ii) Regulation (EU) 2019/2088 concerning sustainability-related disclosures in the financial services sector (the “**Sustainable Finance Disclosure Regulation**” or “**SFDR**”), lays down harmonized rules for financial market participants and financial advisers on transparency, and (iii) Regulation 2023/2631/EU (the “**EU GB Regulation**”) lays down rules regarding the use and designation of green bonds for bonds that pursue environmentally sustainable objectives within the meaning of Taxonomy Regulation. Among the measures concerning digital finance, the recently introduced DORA is also relevant to the activities of UniCredit for preventing and mitigating cyber threats and enhancing oversight of outsourced services. While the above represent legal developments that could have an impact on the activities of UniCredit in said sectors, achieving compliance with the constantly evolving legal background (also following the Merger) is expected to remain a key factor of risk as, if the UniCredit Group fails to do so, it may face unexpected financial burdens.

Finally, the very process of integration of BPM into UniCredit might also give rise to the risk of non-compliance with any of the above regulations, for which UniCredit would be responsible. Carrying out the Merger while remaining compliant at all times with the complex and evolving regulatory background applicable to banks might in fact require the Issuer to employ a greater than expected amount of its resources to rectify any unknown shortcomings of BPM and/or the post-Merger UniCredit Group, the extent of which might become clear only after the Merger is actually implemented. For instance, reliance on the two banks’ IT systems to carry out the practical steps involved in the integration of the two groups might give rise to issues affecting digital resilience of IT infrastructure and greater expenditure by UniCredit to ensure compliance with the requirements of DORA concerning protection from cyber-threats.

The following risk factor A.4.3. “*Risks associated with ordinary and extraordinary contributions to funds established under the scope of the banking crisis rules*” constitutes an update of the previous “*1.3.3 Risks connected with ordinary and extraordinary contributions to funds established under the scope of the banking crisis rules*” on page 20 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original

text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

#### **A.4.3. Risks associated with ordinary and extraordinary contributions to funds established under the scope of the banking crisis rules**

The Issuer and the Group are subject to certain obligations to make contributions in support of the banking system pursuant to bank resolution legislation, as part of the various risk-reducing measures that were implemented following the 2008 financial crisis both at European and single Member State level. Such contributions involve significant outlays for individual financial institutions such as the Issuer, and may in the future increase or require the Issuer to make extraordinary payments in addition to the ordinary (and therefore foreseeable) sums paid. The funds to which the Issuer is required to contribute include the Deposit Guarantee Scheme (“DGS”) established under Directive (EU) 49/2014 and aimed at protecting depositors, the Single Resolution Fund (“SRF”) established under Directive (EU) 59/2014 and requiring compulsory contributions by members.

Contributions to these schemes are accounted for in the Issuer’s financial statements in accordance with IFRIC 21 as “Levies”. With reference to 2024, contributions for Euro 277 million were recognized in P&L (Euro 728 million in 2023), a breakdown of which is as follows:

- (i) as to contributions to resolution funds (pursuant to Directive (EU) 59/2014), the Group contributions recognized on the income statement totaled Euro -23 million (no contributions were recognized by UniCredit specifically). These contributions are entirely referred to ordinary contributions paid by certain legal entities to local resolution funds; while no contributions were recognized for SRF, having reached already the relevant target level. The Group did not make recourse to any irrevocable payment commitments in this context; and
- (ii) regarding DGS contributions (pursuant to Directive (EU) 59/2014), the Group contributions recognized on the income statement totaled Euro -254 million, of which Euro -187 million were ordinary contributions (Euro -104 million referred specifically to UniCredit) and Euro -67 million as additional and supplementary contributions (entirely referred to UniCredit specifically). Such contribution also includes the amounts recognized by UniCredit Bank GmbH and referred to the contribution to the statutory and voluntary compensation schemes applicable to German banks. The Group did not make recourse to irrevocable payment commitments in this context.

Given that ordinary contributions already play a part in reducing the UniCredit Group’s profitability and have a negative impact on its capital resources, the risk that such contributions increase or that fewer banks commit to making such payments might materialize at any time and have a significant impact on the Issuer’s resources.

The following risk factor A.4.4. "*Risks connected with the entry into force of new accounting principles and changes to applicable accounting principles*" constitutes an update of the previous "*1.3.4 Risks connected with the entry into force of new accounting principles and changes to applicable accounting principles*" on page 21 et seq. of the Registration Document.

For further information about the amendments made to the original text of this risk factor, please refer to the blackline version attached to this Supplement as Annex B, which shows the difference between the original text of the risk factor included in the Registration Document and the following new version updated by this Supplement.

#### **A.4.4. Risks connected with the entry into force of new accounting principles and changes to applicable accounting principles**

The UniCredit Group is exposed, like other companies operating in the banking sector, to the effects of the entry into force and subsequent application of new accounting principles or standards and regulations and/or changes to them (including those affecting the IFRS as endorsed and adopted by European legislation).

In particular, in the future, the UniCredit Group may need to revise the accounting and regulatory treatment of some existing assets and liabilities and transactions (and related income and expenses), with possible negative effects, including significant ones, on the estimates made in financial plans for future years, potentially leading to adjustments to the carrying amounts of the affected assets and liabilities. In 2024, the following standards, amendments or interpretations of the existing accounting standards came into force:

- amendments to IFRS16 Leases: Lease Liability in a Sale and Leaseback (EU Regulation 2023/2579);
- amendments to IAS1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current; Classification of Liabilities as Current or Non-current - Deferral of Effective Date and Non-current Liabilities with Covenants (EU Regulation 2023/2822);
- amendments to IAS7 Statement of Cash Flows and IFRS7 Financial Instruments: Disclosures: Supplier Finance Arrangements (EU Regulation 2024/1317).

The entry into force of these new standards, amendments or interpretations has not determined substantial effects on the amounts recognized in the balance sheet or income statement.

As of December 31, 2024, the following document, applicable to reporting starting from January 1, 2025, has been endorsed by the European Commission:

- amendments to IAS21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (EU Regulation 2024/2862).

The Group does not expect significant impacts arising from the entry into force of such amendments.

As of December 31, 2024, the IASB issued the following accounting standards, amendments or interpretations of the existing accounting standards, whose application is subject to completion of the endorsement process by the competent bodies of the European Union:

- IFRS18 Presentation and Disclosure in Financial Statements (issued on April 9, 2024);
- IFRS19 Subsidiaries without Public Accountability: Disclosures (issued on May 9, 2024);
- amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS9 and IFRS7) (issued on May 30, 2024);
- Annual Improvements Volume 11 (issued on July 18, 2024);
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on December 18, 2024) to restatements of previously published financial data.

As a result of the above, there are risks connected to the adoption of new accounting principles, as the future comparison of the financial results of UniCredit prepared prior to such adoption may be difficult. More specifically, changes in accounting standards may cause the UniCredit Group to face additional expenditure for carrying out any necessary restatements, and/or due to the need to adjust existing processes to comply with accounting standard requirements. In detail, with regard to the amendments to the classification and measurement of financial instruments (amendments to IFRS9 and IFRS7) the Group is assessing the impacts of new requirements, and it expects to update the Group policies coherently.

Prospective investors are, therefore, cautioned against placing undue reliance on any of the above comparisons.

The following risk factor A.4.5. "*Risks associated with privacy, information security and personal data protection regulations*" constitutes a **new risk factor** added to this fourth subsection by means of this Supplement.

#### **A.4.5. Risks associated with privacy, information security and personal data protection regulations**

The UniCredit Group is subject to various regulations governing the protection, collection and processing of personal data in the jurisdictions in which it operates. While the Group maintains internal procedures that are compliant with applicable regulations, it remains exposed to the risk that the data it comes into its possession could be damaged or lost, removed, disclosed or processed for purposes other than those authorized by the customers (potentially giving rise to data breaches) or for which the customers have been informed, including by unauthorized parties (such as third parties or employees of the Group). Instances of data processing for

purposes other than those for which they were initially collected or of data processing by unauthorized parties may include the viewing of data by employees outside their work duties or for clients of other branches/portfolios of other managers; viewing of data by the employee of a supplier appointed as the data processor, processing the data with procedures/methods or for purposes other than those stated in the relevant data processing agreement.

There is also a possibility that such personal data turns out to be processed relying on an allegedly insufficient lawful basis, such as in those cases in which standard contractual clauses are not included in agreements concerning the transfer of personal data outside the European Economic Area. In July 2020, European Court of Justice (“**ECJ**”) confirmed in its decision No. 559/2020 that standard contractual clauses are a valid instrument of transfer of personal data (meaning they do provide a lawful basis), but added that the party actually exporting such personal data remains responsible for assessing whether the country of destination of the data offers a level of protection of the rights and freedoms of the data subject equivalent to the level guaranteed in Europe by Regulation (EU) 2016/679 (General Data Protection Regulation). Moreover, following the ECJ’s decision, the European Data Protection Board stated that even simple access to the data (for example, by an employee of the third-party company engaged for any IT platform maintenance activities) may constitute a transfer of personal data.

The occurrence of any such data breaches could negatively impact the activity of the UniCredit Group, including its reputation, and might lead to the imposition of sanctions by the competent authorities, with consequent negative impacts on the activity, prospects and economic results, balance sheet and financial situation of the Issuer and/or the UniCredit Group.

On February 21, 2024, the Italian Data Protection Authority (*Garante*) notified to the Bank a fine of Euro 2.8 million, originating from a data breach that occurred in October 2018 relating to the cyber-attack to the Bank’s online banking platform. The bank challenged the decision by filing an appeal.

With reference to the only measure mentioned above, the Issuer expects that this is unlikely to be impacted by the integration with BPM Group.

During 2024 142 data breaches have been detected, of which 8 have been notified to the Authority and 7 also to the data subjects: also in this case, the Issuer expects this is unlikely to be impacted by the integration with BPM Group.

The following risk factor A.4.6. "*Risks associated with the administrative liability of legal entities and any inadequacy of the organization and management model of the Issuer pursuant to Italian Legislative Decree 231/2001*" constitutes a **new risk factor** added to this fourth subsection by means of this Supplement.

#### **A.4.6. Risks associated with the administrative liability of legal entities and any inadequacy of the organization and management model of the Issuer pursuant to Italian Legislative Decree 231/2001**

Under Italian law, Legislative Decree 231/2001 (“**Decree 231**”) regulates the administrative liability of companies, including companies such as UniCredit and BPM, arising as a consequence of certain offences committed by a company’s directors, senior managers and employees on behalf and for the benefit of the company. The adoption of organizational, management and control models as well as a supervisory body by companies does not exclude by itself the applicability of penalties pursuant to Decree 231: if such models are found to be unfit for purpose, not effectively implemented or inadequately monitored, sanctions might still be imposed.

In compliance with Decree 231, UniCredit established its internal supervisory body (the “**Supervisory Body**”) attributing this role to UniCredit’s Audit Committee since April 12, 2024, and adopted the Organization and Management Model (the “**UniCredit Model**”).

The potential Merger will likely result in a structural change for the Group with the incorporation of the BPM Group. This transformation might require an update to the UniCredit Model. Any such amendments, if necessary at all, along with those related to the integration of the BPM Group, will be undertaken following the completion of a successful Offer and potential Merger. As at the Registration Document Date, however, the Issuer does not have sufficient elements to predict with certainty whether the current UniCredit Model will or will not be updated during the interim period prior to the completion of the Merger, giving rise to the risk that UniCredit might become aware of the need for a revised model to cater for the management of this risk by the newly acquired BPM Group companies (whose organization and management models may not as

yet be accurately known to the Issuer) only after the Merger is completed. Even after defining such a revised model, however, UniCredit would still remain exposed to the risk of being found liable for its potential inability to implement it effectively and rapidly enough across its newly defined – and most importantly, more extended – Group structure.

The risk that UniCredit or any company belonging to the UniCredit Group to which Decree 231 is applicable are prosecuted and possibly fined because the relevant model is not considered to be adequate or appropriately implemented and monitored, remains therefore relevant at all times. Overall, the Issuer deems the materialization of such risk to have a low probability of occurring and accordingly, it considers it to be of low significance."

The following risk factor A.4.7. "*Risks associated with the activities of the relevant Supervisory Authorities*" constitutes a **new risk factor** added to this fourth subsection by means of this Supplement.

#### **A.4.7. Risks associated with the activities of the relevant Supervisory Authorities**

The UniCredit Group is subject to the supervision of (i) the ECB with the SSM, (ii) the national supervisory authorities, (iii) the SRB, and (iv) the compliance supervisory authorities (together, the "**Supervisory Authorities**"). The Supervisory Authorities exercise their supervision by leveraging on a variety of tools, such as on-site inspections, off-site inspections, deep-dives, thematic reviews, stress test exercises, questionnaires, benchmarking, interviews, meetings, workshops. The outcome of these supervisory activities typically takes the form of structured reports containing findings for which the Issuer is requested to present a plan of remedies. Once the remedial actions are implemented, the Supervisory Authorities follow up on them to make sure that the outcome is in line with the initial supervisory expectations. This is an ongoing process and UniCredit adopts a structured approach in terms of (i) information flows to top management, Committees and the Board, (ii) interactions with the Supervisory Authorities, and (iii) follow-ups and monitoring of the defined action plans. The risk associated to the outcome of such supervisory activities, that may be launched from time to time and the related potential outcome in terms of findings is deemed by the Issuer to be of low significance, as it is the case for the ongoing inspection on the process for performing financial projections, given the low impact that any finding and related corrective measures would have on the Issuer and its Group. The possibility that ongoing or future supervisory activities reveal profiles of risk that could affect the financial situation, profitability or reputation of the UniCredit and/or the UniCredit Group cannot be entirely ruled out."



1.2. The "Section II - Persons responsible, third party information, experts' reports and competent authority approval", on page 23 of the Registration Document, shall be amended by way of mark up as follows, in light of the incorporation by reference of the financial statements of the Issuer as at 31 December 2024 and of the information of the UniCredit 2025 Equity Registration Document incorporated by reference:

1.2.1. The subsection "Experts' reports", on page 23 of the Registration Document, shall be amended as follows (crossed and underlined words are to show the amendments made only):

**"2.3 Experts' reports**

No statement or report attributed to a person as an expert is included in this Registration Document, except for the reports of the external auditors of the Issuer who have audited the consolidated financial statements of the UniCredit Group and the financial statements of the Issuer as at 31 December 2024, 31 December 2023 and 31 December 2022 and who have carried out the review of the condensed interim consolidated financial statements of UniCredit Group as at 30 June 2023 and 30 June 2024.

For further information please see Section 3 and Sections 11.1, 11.2 and 11.3 below."

1.2.2. The subsection "Third party information", on page 23 of the Registration Document, shall be amended as follows (crossed and underlined words are to show the amendments made only):

**"2.4 Third party information**

~~No third party information is included in this Registration Document, except for the rating information set out in Section 4.1.6 below. The Issuer declares that such information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The sources of such information are the following rating agency: Fitch Ratings Ireland Limited – Sede Secondaria Italiana (Fitch), by Moody's Investors Service (Moody's) and by S&P Global Ratings (S&P).~~

**The Registration Document contains third-party information that has been accurately reproduced and, as far as the Issuer is aware or able to ascertain from information published by that third-party, no facts have been omitted which would render the reproduced information inaccurate or misleading.**

**In particular, the following table presents the third-party information contained in the Registration Document:**

<u>Source</u>	<u>Topic</u>
<u>FactSet (as of March 20, 2025)</u>	<u>Standalone net profit estimates for 2027 from broker consensus for BPM and Anima</u>
<u>Fitch</u>	<u>Rating of the Issuer</u>
<u>S&amp;P</u>	<u>Rating of the Issuer</u>
<u>Moody's</u>	<u>Rating of the Issuer</u>
<u>Consolidated financial statements of BPM as at December 31, 2023</u>	<u>Information on BPM</u>
<u>Consolidated interim financial report of BPM as at June 30, 2024</u>	<u>Information on BPM</u>
<u>Bank of Italy</u>	<u>Market data</u>

"

- 1.3. The "Section III - Statutory Auditors", on page 24 of the Registration Document, shall be amended by way of mark up as follows in light of the incorporation by reference of the financial statements of the Issuer as at 31 December 2024 (crossed and underlined words are to show the amendments made only):

## "Section III - Statutory Auditors

### 3.1 Names and addresses of the Issuer's auditors

At the ordinary shareholders' meeting of UniCredit held on 9 April 2020, KPMG S.p.A. (**KPMG**) has been appointed to act as UniCredit's external auditor for the 2022-2030 nine-year period pursuant to Article 13, paragraph 1, of Legislative Decree no. 39/2010 and to CONSOB Communication 97001574 dated 20 February 1997.

KPMG is a company incorporated under the laws of Italy, enrolled with the Companies' Register of Milan under number 00709600159 and registered with the Register of Statutory Auditors (*Registro dei Revisori Legali*) maintained by Minister of Economy and Finance with registration number no: 70623, having its registered office at Via Vittor Pisani 25, 20124 Milan, Italy. KPMG is a member of ASSIREVI, the Italian association of auditing firms.

KPMG has carried out the review of the consolidated financial statements of UniCredit Group for the year ended on 31 December 2024, 31 December 2023 and 31 December 2022 incorporated by reference in this Registration Document.

### 3.2 Information concerning the resignation, revocation or non-renewal of an audit engagement

No auditors have resigned, have been removed or have not been re-appointed during the financial statements ~~2022 and 2023~~ and 2024."

1.4. The "Section IV - Information about the Issuer", on page 25 et seq. of the Registration Document, shall be amended as follows:

1.4.1. In subsection "History and development of the Issuer", on pages 25 et seq. of the Registration Document, after the "Recent developments" paragraph of the Registration Document (as added to the Registration Document by means of the 1<sup>st</sup> Supplement and as amended by means of the 2<sup>nd</sup> Supplement and the 3<sup>rd</sup> Supplement), the following paragraphs shall be added in order to amend the section in accordance with the most recent events related to the Issuer, also in light of the incorporation by reference of the financial statements of the Issuer as at 31 December 2024 and of the information of the UniCredit 2025 Equity Registration Document incorporated by reference:

"[...]"

- On 20 February 2025, UniCredit informed that UniCredit Board of Directors' Meeting has passed, *inter alia*, the following resolutions:

**CALL FOR THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING**

The UniCredit Board of Directors has decided to call an Ordinary and Extraordinary Shareholders' Meeting in Milan, in a single call, to be held on 27 March 2025 (previously scheduled for 10 April 2025) to agree resolutions on the following matters:

**Ordinary part**

1. Approval of the 2024 financial statements.
2. Allocation of the net profit of the year 2024.
3. Elimination of negative reserves for the components not subject to change by means of their definitive coverage.
4. Authorisation to purchase treasury shares aimed at remunerating the shareholders. Consequent and inherent resolutions.
5. Integration of the Board of Directors.
6. 2025 Group Remuneration Policy.
7. Remuneration Report.
8. 2025 Group Incentive System.

**Extraordinary part**

1. Proposal to grant the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, with the power, to be exercised within 31 December 2025, to increase the share capital, in one or more tranches and in a divisible form, without pre-emption right pursuant to Art. 2441, paragraph 4, first sentence, of the Italian Civil Code, and with issuance of maximum no. 278,000,000 ordinary shares, with ordinary rights and the same characteristics as the shares already outstanding on the issue date, whose issuance price shall be determined by the Board of Directors pursuant to applicable laws, to be paid up by way of contribution in kind functional to a voluntary public exchange offer (*offerta pubblica di scambio volontaria*) on all the ordinary shares of Banco BPM S.p.A.; subsequent amendment of Art. 6 of the Company's by-laws; related and subsequent resolutions.
2. Cancellation of treasury shares with no reduction of share capital; consequent amendment of Article 5 of the Articles of Association. Related and consequent resolutions.

3. Delegation to the Board of Directors to carry out a free capital increase by a maximum of 1,540 UniCredit ordinary shares to service the 2019 Group Incentive System and consequent integration of clause 6 of the Articles of Association.
4. Delegation to the Board of Directors to carry out a free capital increase by a maximum of 250,000 UniCredit ordinary shares to service the 2020 Group Incentive System and other forms of variable compensation and consequent integration of clause 6 of the Articles of Association.
5. Delegation to the Board of Directors to carry out a free capital increase by a maximum of 850,000 UniCredit ordinary shares to service the 2022 Group Incentive System and other forms of variable compensation and consequent integration of clause 6 of the Articles of Association.
6. Delegation to the Board of Directors to carry out a free capital increase by a maximum of 600,000 UniCredit ordinary shares to service the 2023 Group Incentive System and other forms of variable compensation and consequent integration of clause 6 of the Articles of Association.
7. Delegation to the Board of Directors to carry out a free capital increase by a maximum of 3,300,000 UniCredit ordinary shares to service the 2024 Group Incentive System and other forms of variable compensation and consequent integration of clause 6 of the Articles of Association.
8. Delegation to the Board of Directors to carry out a free capital increase by a maximum of 650,000 UniCredit ordinary shares to service the 2020-2023 LTI Plan and consequent integration of clause 6 of the Articles of Association.

For further details, please refer to Company's website [www.unicreditgroup.eu](http://www.unicreditgroup.eu).

- On 28 February 2025, UniCredit informed that, with reference to the voluntary public exchange offer pursuant to and for the purposes of art. 102 and 106, paragraph 4, of the TUF (the "**Offer**"), concerning all the ordinary shares of Banco BPM S.p.A. ("**BPM**"), it has filed with Consob for approval the prospectus prepared pursuant to Regulation (EU) 1129/2017, relating to the UniCredit shares to be assigned to the shareholders of BPM who shall adhere to the Offer. On 7 March 2025, UniCredit announced that, having received approvals from all the relevant authorities, it acquired the entire share capital of Aion Bank SA/NV ("**Aion Bank**") and Vodeno Sp. z o.o. ("**Vodeno**" and, together with Aion Bank, the "**Companies**") for an aggregate consideration equal to Euro 376 million.

The closing of this transaction - first announced on 24 July 2024 - is perfectly aligned with the new acceleration phase of the UniCredit Unlocked strategy, enabling UniCredit to accelerate its organic growth, entering new markets, businesses and client segments. It also further demonstrates our M&A discipline, where we keep a laser focus on the incremental value we can create with investments that also enhance our ability to support clients and communities across Europe.

The transaction marks an acceleration of the bank's activity in the digital banking space, standing as one of the first moves by a bank to acquire full ownership of a new technology (without any dependencies from third-party providers), ensuring strong differentiation from pure technology providers, neobanks and incumbents undergoing digital transformation.

Through the combined capabilities of Aion Bank and Vodeno, UniCredit now has access to an innovative, scalable, and flexible cloud-based platform, based on API connectivity and with smart contract technology built in - all of which can be integrated with the processes and procedures of a fully-fledged bank. This is the foundation for a digital offering that combines the high-quality user experience of a neo-bank with the financial strength and regulatory oversight of a traditional player.

UniCredit will also benefit from unique advantages by accessing Vodeno's technology and talents. This means high flexibility in developing new products and integrate external solutions, an extremely low cost to serve - far below that of traditional banks - and improved time-to-market in developing and testing new solutions to further penetrate targeted clients' segments and to enter in new countries.

UniCredit's initial pilots consist, among others, of re-entering the Polish market, expanding in adjacent Western European countries, and offering Embedded Finance solutions. Beyond leveraging Aion Bank's ECB banking licence and established mobile-first offering for retail and SME clients, we can expand

Aion Bank and Vodeno's existing Banking-as-a-Service (BaaS) offering across key European markets, including Germany and Poland. This would see the bank embed its services - ranging from account access and deposits to lending, payments and loyalty programs - directly into non-banking digital platforms, facilitating seamless customer experiences.

UniCredit plans to progressively invest up to €200m, with payback of under two years. UniCredit has the ambition to add 2.5 million clients, achieving a ROAC above 25% and a cost income ratio of 34% within three years, all leading to a meaningful impact on Group net profit - as presented with our 2024 year-end results.

- On 12 March 2025, UniCredit announced that, with reference to the voluntary public exchange offer launched pursuant to articles 102 et seq. of the TUF on all the ordinary shares of Banco BPM S.p.A., it has received from the Insurance Supervisory Authority (IVASS) the authorization to acquire - upon the positive outcome of the Offer - the indirect controlling stakes equal to 100% of the share capital of Banco BPM Vita S.p.A. and of Vera Vita S.p.A. and the indirect qualifying stakes equal to 35% of the share capital of Banco BPM Assicurazioni S.p.A. and of Vera Assicurazioni S.p.A..
- On 13 March 2025, UniCredit announced that, with reference to the voluntary public exchange offer (the '**Offer**') launched pursuant to articles 102 et seq. of the TUF on all the ordinary shares of Banco BPM S.p.A., UniCredit S.p.A. announces that today it has received from the European Central Bank the authorizations (i) to amend its bylaws by including a delegation to the Board of Directors to resolve on the share capital increase to serve the Offer and (ii) to classify the new shares to be issued within such capital increase as CET1. The decision of the European Central Bank is subject to the condition that the extraordinary shareholders' meeting of UniCredit S.p.A., called for March 27<sup>th</sup> 2025, approves the above mentioned amendment.
- On 14 March 2025, UniCredit announced that it has received ECB authorization to acquire a direct stake in Commerzbank of up to 29.9%. While the approval underscores UniCredit's financial strength and regulatory compliance, there are still many factors that will determine any further steps and their associated timeline.

However, several further approvals are still required before the c.18.5% shares held through derivatives can be converted into physical shares, including from the Germany Federal Cartel Office.

In addition, UniCredit is awaiting the opportunity to initiate a constructive dialogue with the new German government once formed.

UniCredit's focus remains on executing on the second phase of our UniCredit Unlocked strategy, which in today's increasingly volatile external environment will further positively differentiate its performance and distributions from those of the rest of the sector.

- On 20 March 2025, UniCredit announced, with reference to the voluntary public exchange offer launched pursuant to articles 102 et seq. of the TUF on all the ordinary shares of Banco BPM S.p.A., that it has received from the Central Bank of Ireland the non-objection letter to acquire the indirect controlling shareholding in BBPM LIFE DAC.
- On 27 March 2025, UniCredit S.p.A. ordinary and extraordinary shareholders' meeting was held in Milan and approved all the resolutions.
- On 28 March 2025, UniCredit announced that, with reference to the voluntary public exchange offer (the '**Offer**') launched pursuant to articles 102 et seq. of the TUF on all the ordinary shares of Banco BPM, it has received ECB and Bank of Italy permission to acquire - upon the positive outcome of the Offer - the direct control of Banco BPM S.p.A. and the indirect control and indirect qualified participation of banks, financial and asset management companies of Banco BPM Group and Anima Group<sup>1</sup>. The Supervisory

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<sup>1</sup> The direct acquisition of a controlling interest in Banco BPM S.p.A., the indirect acquisition of a controlling interest in Banca Akros S.p.A., Banca Aletti S.p.A., Aletti Fiduciaria S.p.A., Banco BPM Invest SGR S.p.A.; and the indirect qualified participation in Agos Ducato S.p.A., Numia S.p.A., Etica SGR S.p.A., Anima SGR S.p.A., Anima Alternative SGR S.p.A., Kairos Partners SGR S.p.A., Castello SGR S.p.A., Alba Leasing S.p.A., Aosta Factor S.p.A. and in Vorvel SIM S.p.A.

Authority also granted the authorization for the acquisition of direct and indirect participations that, in aggregate, exceed ten per cent of the consolidated own funds of UniCredit Group.

The authorizations received represent the last step needed to enable Consob to finalize the approval process of the Offer document, submitted to it on December 13, 2024, expected next week.

Following the resolution of the EGM held on March 27th, the Board of UniCredit will be called on March 30th to exercise the capital increase delegation instrumental for the offer launched on Banco BPM S.p.A. on November 25th, 2024.

UniCredit will continue to assess with due care recent developments - in particular but not only with respect to BPM proceeding with its offer on Anima without the benefit of the Danish Compromise - in accordance with press release of March 27th, 2025. All conditions precedent of the Offer remain unchanged.

- On 30 March 2025, the Board of Directors of UniCredit S.p.A. ("**UniCredit**") has unanimously resolved, in execution of the delegation granted by the Extraordinary Shareholders' Meeting of 27 March 2025, the share capital increase against payment, in one or more tranches and in severable form, with the exclusion of the pre-emptive right pursuant to article 2441, paragraph 4, first sentence, of the Italian Civil Code, reserved to the voluntary public exchange offer launched by UniCredit on all the ordinary shares of Banco BPM S.p.A. ("**BPM**") pursuant to Articles 102 and 106, paragraph 4, of Legislative Decree no. 58/1998 (the "**Offer**").

In the context of the share capital increase resolution, the Board of Directors of UniCredit has also provided the information pursuant to article 2343-*quater*, paragraph 3, letters a), b), c) and e), of the Italian Civil Code.

In accordance with applicable law, the following documents will be made available tomorrow to the public at the Company's Registered Office, on the website of the authorised storage mechanism managed by Teleborsa S.r.l. ([www.emarketstorage.it/en](http://www.emarketstorage.it/en)) as well as on UniCredit website ([www.unicreditgroup.eu](http://www.unicreditgroup.eu)):

- the explanatory report of the Board of Directors prepared pursuant to article 2441, paragraph 6 of the Italian Civil Code, and article 70, paragraph 7, letter a) of Consob Regulation no. 11971/1999;
  - the fairness opinion of the audit firm, KPMG S.p.A., on the issue price (*parere sulla congruità del prezzo di emissione*) of the UniCredit shares to be offered as consideration in the context of the Offer, pursuant to article 2441, paragraph 6, of the Italian Civil Code, and article 158 of Legislative Decree no. 58/1998.
- On 31 March 2025, UniCredit announced that the minutes of the Board of Directors' of UniCredit held on 30 March 2025 have been registered with the Milan Monza Brianza Lodi Company Register within the terms provided by applicable law.
  - On 2 April 2025, UniCredit announced, with reference to the voluntary public exchange offer for maximum 1,515,182,126 ordinary shares of Banco BPM S.p.A. ("**BPM**"), which was communicated on 25 November 2024 and was the subject of a subsequent press release on 13 December 2024 concerning the filing of the offer document (the "**Offer Document**") with Consob (the "**Public Exchange Offer**"), that, on 1 April 2025 Consob approved, and on 2 April 2025, filed with Consob and published:
    - the Offer Document relating to the Public Exchange Offer; and
    - the registration document, the securities note and the summary note (together, the "**Prospectus**") concerning the offer to the public of the ordinary shares resulting from the increase in the share capital of UniCredit S.p.A. ("**UniCredit**") reserved to the Public Exchange Offer (the "**Share Capital Increase for the Offer**"), against payment and in a divisible form, without pre-emption rights pursuant to Article 2441, paragraph 4, of the Italian Civil Code, which was approved by the Board of

Directors of UniCredit at its meeting of 30 March 2025 in execution of the powers granted to the Board at the extraordinary shareholders' meeting of UniCredit on 27 March 2025, pursuant to Article 2443 of the Italian Civil Code.

**Tender period:** the tender period, agreed with Borsa Italiana S.p.A. pursuant to Article 40, paragraph 2, of Consob Regulation 11971/1999, as subsequently amended and supplemented (the "**Issuers' Regulation**"), will start at 8:30 (Italian time) of 28 April 2025 and close at 17:30 (Italian time) of 23 June 2025 (first and last day included).

The 23 June 2025 will, therefore, be the closing date of the Public Exchange Offer, unless the tender period is extended in accordance with applicable regulations.

**Consideration:** For each BPM share tendered in the Public Exchange Offer, UniCredit will offer a consideration represented by no. 0.175 newly issued UniCredit ordinary shares, with no nominal value, enjoying regular dividend rights and having the same characteristics as the ordinary shares of UniCredit already in circulation at the time of issuance, subject to the adjustments described in the Offer Document (the "**Consideration**").

The Consideration will be paid at the **payment date**, that is on 1 July 2025 (unless the tender period is extended in accordance with applicable regulations).

The Offer Document and the Prospectus have been filed with Consob and are available for public consultation at:

- (i) the registered office of UniCredit, in Milan, Piazza Gae Aulenti, no. 3, Tower A;
- (ii) the registered office of the intermediaries appointed to coordinate the collection of acceptances, namely (a) as regards Equita SIM S.p.A., in Milan, via Filippo Turati, no. 9 and (b) as regards UniCredit Bank GmbH, Milan Branch, in Milan, Piazza Gae Aulenti, no. 4;
- (iii) the registered office of the intermediaries appointed to collect the tenders (UniCredit Bank GmbH, Succursale di Milano, Equita SIM S.p.A., BANCA MONTE DEI PASCHI DI SIENA S.p.A., BNP Paribas, Succursale Italia, BPER BANCA S.p.A., CASSA DI RISPARMIO DI BOLZANO S.p.A.);
- (iv) the UniCredit website [www.unicreditgroup.eu](http://www.unicreditgroup.eu); and
- (v) the website of global information agent, Sodali S.p.A., <https://transactions.sodali.com/>.

It is notified that BPM's announcement as per Article 103, paragraph 3, of Legislative Decree no. 58/98 and Article 39 of the Issuers' Regulation is not attached to the Offer Document. That announcement will be disclosed by BPM to the market in accordance with the terms and modalities established in Article 39 of the Issuers' Regulation.

It should also be noted that for requests and information relating to the Public Exchange Offer, the holders of BPM shares can use a dedicated email account ([ops.bancobpm@investor.sodali.com](mailto:ops.bancobpm@investor.sodali.com)) or the toll-free number 800 126 3411 provided by the global information agent (for persons calling from Italy; for those calling from outside Italy, mobile or from abroad, the number available is +39 06 85870096) and WhatsApp number: +39 340 4029760.

These channels will be active for the entire duration of the Tender Period, on weekdays, from 9:00 a.m. (Central European Time) to 6:00 p.m. (Central European Time). The global information agent's reference website is [transactions.sodali.com](http://transactions.sodali.com).

The tender period referred to in this press release has not yet started and, therefore, this press release is published for information purposes only and does not constitute an offer to buy, or a solicitation to sell, securities."

**1.4.2. The subsection "The domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, the address, telephone number of its registered**

**office (or principal place of business if different from its registered office) and website of the Issuer", on page 26 et seq. of the Registration Document, shall be amended by way of mark up as follows in order to reflect the latest legal and regulatory updates to which the Issuer is subject to (crossed and underlined words are to show the amendments made only):**

**"4.1.4 The domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the Issuer**

*UniCredit S.p.A. is a joint stock company established in Italy and operating under Italian law. The Registered and Head Offices of the Issuer are located in Milan, Italy, Piazza Gae Aulenti, 3 — Tower A. UniCredit's telephone number is +39 02 88 621, and UniCredit's website is [www.unicreditgroup.eu](http://www.unicreditgroup.eu). The information on the website of the Issuer does not form part of this Registration Document unless that information is incorporated by reference into this Registration Document.*

*UniCredit, in carrying out its activities, is subject to both the Italian provisions (e.g., to the provisions on anti-money laundering, transparency and fairness in customer relations, usury, consumer protection, labour law, safety at the workplace and privacy laws) and European provisions as well as to the supervision of various Authorities, each for their respective areas of competence. In particular, UniCredit is subject to the provisions contained in the Supervisory Regulations issued by the Bank of Italy and, as a significant bank, to the direct prudential supervision of the European Central Bank.*

**~~BRRD and SRMR~~**

~~With regard to the regulatory framework applicable to the Issuer, it is noted the Bank Recovery and Resolution Directive 2014/59/EU of 15 May 2014 implemented in Italy with the Legislative Decree 180 and 181 of 16 November 2015 (BRRD) as amended by the Directive (EU) 2019/879 (BRRD II) and implemented in Italy by Legislative Decree No. 193 of 8 November 2021 (published in the Gazzetta Ufficiale on 30 November 2021). The Issuer is also subject to the Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 (Single Resolution Mechanism Regulation or SRM Regulation as amended by Regulation (EU) 2019/877 of 20 May 2019, published in the Official Journal of the European Union on 7 June 2019 (SRMR II) and applying from 28 December 2020) which sets out uniform rules and procedures for the resolution of credit institutions and certain investment firms under the Single Resolution Mechanism (SRM) and the Single Resolution Fund. The SRM and BRRD enable a range of resolution tools and powers to be used in relation to credit institutions and investment firms considered to be at risk of failing.~~

~~Such instruments and powers include the possibility of applying the "bail in", i.e. the power to reduce, with the possibility of cancellation, the nominal value of shares and the write down of receivables due from the bank with their conversion into shares. The aim of the bail in is to absorb losses and recapitalize the failing bank in order to ensure the continuity of its critical economic functions, protecting financial stability and minimizing losses to the taxpayer, while still ensuring that no creditor suffers greater losses than if the bank had been liquidated under normal insolvency proceedings.~~

~~In the context of the bail in, losses may be transferred, following a priority order and net of the exclusions provided for by the regulations, to shareholders, holders of subordinated debt securities, holders of senior non preferred securities, holders of not subordinated and unsecured debt securities, other unsecured creditors and, finally, depositors for the portion exceeding the guaranteed portion, i.e. for the portion exceeding Euro 100,000.00 per depositor.~~

~~Furthermore, if the conditions are met, the Authorities may request the use of the Single Resolution Fund referred to in the SRMR, financed by contributions paid by banks.~~

~~In the framework of the SRMR and BRRD, the centralized decision making power for resolution is entrusted to the Single Resolution Board (SRB). In addition, the SRB cooperates closely with the national resolution authorities of Member States that are parties to the Banking Union. The national resolution authorities of Member States are empowered to implement the resolution schemes adopted by the SRB.~~

~~In such a context, it is worth mentioning that on 18 April 2023, the European Commission published a legislative proposal on the Crisis Management and Deposits Insurance (CMDI) framework. The package consists of four legislative proposals that would amend existing EU legislation: the BRRD, the Deposit Guarantee Scheme~~



Directive (DGSD) and the SRMR. New aspects of the framework could include: i) expanding the scope of resolution through a revision of the public interest assessment to include a regional impact so more eurozone banks could be brought into the resolution framework, ii) the use of deposit guarantee schemes to help banks, especially the small ones, to meet a key threshold for bearing losses of 8 per cent. of their own funds and liabilities, which then allows them to have access to the Single Resolution Fund, also funded by bank contributions, and help sell the problem banks' assets and fund their exit from the market, iii) amending the hierarchy of claims in insolvency and scrapping the "super preference" of the DGS to put all deposits on equal footing in an insolvency, but still above ordinary unsecured creditors with the aim of enabling the use of DGS funds in measures other than pay out of covered deposits without violating the least cost test. Both the European Council and the European Parliament have proposed their amendments to the European Commission review proposal on CMDI. The negotiations among the three lawmakers (so-called trilogue phase) that aims at reaching a final agreement on the review are currently on hold.

The BRRD also introduced requirements for banks to maintain at all times a sufficient aggregate amount of own funds and eligible liabilities (the Minimum Requirement for Own Funds and Eligible Liabilities, MREL). From 1 January 2022, the Issuer has to comply on a consolidated basis with a binding target for MREL (including a subordinated component i.e., to be met with subordinated instruments) received from the Single Resolution Board and the Bank of Italy, which became fully loaded from 1 January 2024.

### **CRR and CRD**

The Issuer shall comply with the revised global regulatory standards (Basel III) on bank capital adequacy and liquidity. The Basel III framework has been implemented in the EU through new banking requirements: Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the CRD IV Directive) and the Regulation 2013/575/EU (the CRR, together with the CRD IV Directive, the CRD IV Package) subsequently updated in the Regulation No. 876/2019 and Directive (EU) No. 2019/878 (the Banking Reform Package with CRR II and CRD V) and, recently by, CRD VI and CRR III (as both defined below). According to Article 92 of the CRR, institutions shall at all times satisfy the following Own Funds requirements: (i) a CET1 Capital ratio of 4.5 per cent.; (ii) a Tier 1 Capital ratio of 6 per cent.; (iii) a Total Capital ratio of 8 per cent.; and (iv) a Leverage Ratio of 3 per cent. According to Articles from 129 to 134 of the CRD, these minimum ratios are complemented by the following capital buffers to be met with CET1 Capital: (a) Capital conservation buffer, institution specific countercyclical capital buffer, capital buffers for globally systemically important institutions (G-SIIs); (b) capital buffers for other systemically important institutions (O-SIIs), Systemic risk buffer; and (c) a systemic risk buffer (SyRB) each Member State may introduce in order to prevent and mitigate long term non cyclical systemic or macro prudential risks not covered by the other capital requirements set out in the CRD V Directive (as defined below).

In October 2013, the Council of the European Union adopted regulations establishing the single supervisory mechanism (the Single Supervisory Mechanism or SSM) for all banks in the Euro area, which have, beginning in November 2014, given the ECB, in conjunction with the national competent authorities of the eurozone States, direct supervisory responsibility over "significant banks" in the Banking Union as well as their subsidiaries in a participating non-euro area Member State. The ECB has fully assumed its new supervisory responsibilities of UniCredit and the UniCredit Group.

On 7 June 2019, the legal acts "Risk Reduction Measures Package" regarding the banking sector have been published on the EU Official Journal. Such measures include, together with the amendments to the BRRD and to SRMR, (i) the Regulation (EU) 2019/876 of the European Parliament and of the Council (CRR II) amending the CRR as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and (ii) the Directive (EU) 2019/878 of the European Parliament and of the Council (CRD V Directive) amending the CRD IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures. The revisions better align the current regulatory framework to international developments in order to promote consistency and comparability among jurisdictions.

Such measures entered into force on 27 June 2019, while a) the CRR II is applicable from 28 June 2021, excluding some provisions with a different date of application (early or subsequent), b) the CRD V Directive was to be implemented into national law by 28 December 2020 excluding some provisions which will be applicable subsequently. CRD V Directive has been implemented in Italy by the Legislative Decree No. 182/2021. The

BRRD II has been implemented in Italy by the Legislative Decree No. 193/2021, which provides for, among other measures:

- the determination of a minimum unit value for bonds and debt securities (Article 12-ter of the Italian Banking Act) issued by credit institutions and investment firms:
  1. Euro 200,000 for subordinated bonds and other subordinated securities;
  2. Euro 150,000 for senior non preferred debt instruments (“strumenti di debito chirografario di secondo livello”);
- the nullity of contracts entered into with non professional investors (relating to investment services having as their object the instruments referred to in Article 12-ter of the Italian Banking Act issued after 1 December 2021 (or equivalent instruments when issued by subjects having their registered office in a third country, under certain conditions) that do not respect the minimum unit value (Article 25-quadro of the Financial Services Act);
- the elimination of the ban on the placement of senior non preferred debt instruments with non-qualified investors (Article 5 of Legislative Decree No. 193/2021), subject to the abovementioned provisions.

Moreover, the Basel Committee on Banking Supervision (BCBS) concluded the review process of the models (for credit risk, counterparty risk, operational risk and market risk) for the calculation of minimum capital requirements, including constraints on the use of internal models and introducing the so called "output floor" (setting a minimum level of capital requirements calculated on the basis of internal models equal, when fully implemented, to 72.5 per cent. of those calculated on the basis of the standardised methods). The main purpose is to enhance consistency and comparability among banks. The new framework was finalised for market risk in 2016 and finally revised in January 2019. The new framework for credit risk and operational risk was completed in December 2017.

The European Commission, published on 27 October 2021 the Banking Package 2021, which includes the proposals for the final implementation of Basel 3 in the European Union through a legislative package introducing amendments to Capital Requirements Regulation 2013/575/EU (CRR, the so-called CRR III), to the Directive 2013/36/EU (Capital Requirements Directive, the so-called CRD VI). On 19 June 2024, the CRD VI and the CRR III were published on the Official Journal of the European Union and entered into force on 9 July 2024. On 9 January 2025, the EBA published its final guidelines on the management of ESG risks as mandated in Articles 76 and 87a of the CRD VI. The guidelines contain minimum standards and reference methodologies for the identification, measurement and monitoring of ESG risks and the content of the prudential transition plans which banks have to prepare in order to monitor and address the financial risks stemming from ESG factors. These guidelines will apply from 11 January 2026, for large institutions. In line with the Basel standards, the EU Co-legislators agreed in restricting the usage of internal models for measuring credit risk on some specific portfolios and to return to a more stringent standardised approach as well as to eliminate internal models for operational risks. They also agreed to introduce the output floor, applied at all levels of consolidation (including “solo” level). The agreement shows that the Co-Legislators took into account some important European specificities that could mitigate the impact on the sector. In addition to the implementation of the Basel standards, part of the changes brought by the CRR III and the CRD VI also aim to strengthen the resilience of the banking sector to environmental, social and governance (ESG) risks and to improve the Fit and Proper assessment framework.

Save for certain exceptions, the majority of the CRR III provisions will be applied starting from 1 January 2025, with certain elements of the Regulation phasing in over the years. As other global jurisdictions have already deferred the implementation of the final Basel standards without a clear deadline, a Delegated Act was published in the Official Journal of the EU on October 31, postponing the application of the market risk framework (FRTB) in the EU by one year, to 1 January 2026. Member States shall adopt and publish the CRD VI implementing measures by 10 January 2026 from the date of entry into force and they shall apply those provisions from one day after its transposition date (i.e., 11 January 2026). On 4 October 2024, the EBA published its third mandatory Basel III monitoring report based on data as of 31 December 2023 from a sample of 152 banks. For the first time, the main Basel III monitoring report presents the estimated impact of the Basel III reform considering the most impactful EU specific adjustments that are part of the CRR III and CRD VI. Moreover, differently to the previous year, the main results also include the effect of all EU buffers and Pillar 2 Requirements. The main finding is that EU banks would need a total of Euro 0.8 billion of additional Tier 1 capital to comply with the new framework at the time of full implementation in 2033.

With update No. 38 of 22 February 2022, the Bank of Italy Circular No. 285 of 17 December 2013 (Circular 285) was amended in order to provide, inter alia, the introduction of:

- i. — the possibility for the Bank of Italy to activate the systemic risk buffer (SyRB) for banks and banking groups authorised in Italy. In particular, the requirement to maintain a systemic risk buffer of Common Equity Tier 1 is intended to prevent and mitigate macro prudential or systemic risks not otherwise covered with the macro prudential instruments provided for by the CRR, the anti cyclical capital buffer and the capital buffers for G-SII and for O-SII. The buffer ratio for systemic risk can be applied to all exposures or to a subset of exposures and to all banks or to one or more subsets of banks with similar risk profiles; and
- ii. — some macro prudential instruments based on the characteristics of customers or loans (so called “borrower based measures”). Specifically, these are measures that are not harmonised at European level, which can be used to counter systemic risks deriving from developments in the real estate market and from high or rising levels of household and non financial corporate debt.

Following a public consultation procedure, on 26 April 2024, the Bank of Italy decided to apply a SyRB of 1.0 per cent. of exposures towards Italian residents weighted for credit and counterparty credit risks. The SyRB applies to all banks and banking groups authorised in Italy. The buffer rate is imposed gradually: 0.5 per cent. by 31 December 2024, and 1 per cent. (full rate) by 30 June 2025. The SyRB is to be applied at the highest level of consolidation for banking groups.

Furthermore, with update No. 39 of 13 July 2022, the Circular 285 was amended in order to align its provisions with Articles 104 to 104e of the CRD V Directive. In particular, the amendments introduced to Part I, Chapter 1, Title III of the Circular 285 provide, inter alia, the introduction of:

- i. — a clear differentiation between components of P2R estimated from an ordinary perspective and the Pillar 2 Guidance determined from a stressed perspective which supervisory authorities may require banks to hold; and
- ii. — the possibility for supervisory authorities to require additional capital in the presence of excessive leverage risk, under both ordinary and stressed conditions (P2R and Leverage Ratio and Pillar 2 Guidance Leverage Ratio).

## SUSTAINABLE FINANCE

Finally, it is worth mentioning the developments in the Sustainable Finance area. The banking system needs to be able to collect high quality data on companies' sustainable activities and projects to contribute to the radical transformation towards climate neutrality and sustainability, which are the basis for green finance decision making and necessary to ensure that the banks shall comply with the regulations on the disclosure of financial and non-financial information.

In May 2018, the European Commission published a package of legislative measures in order to promote a sustainable finance based on three building blocks that included: i) a classification system, or “sustainable taxonomy”, ii) a disclosure framework relating to sustainable risks and iii) investment tools, including benchmarks, standards and labels.

**Taxonomy.** The final text of the Taxonomy Regulation has been adopted by the European Parliament and Council and was subsequently published in the OJ in 2020. The Taxonomy Regulation is a classification system intended to address greenwashing and provide a tool to direct finance towards sustainable investments. The regulatory framework outlines definitions and specific criteria (technical screening criteria) to determine whether an economic activity can be classified as environmentally sustainable.

The level II timeline to determine the specific technical screening criteria was processed with criteria for the first two environmental objectives (climate change mitigation and adaptation) adopted and applicable from 1 January 2022. The remaining four objectives — sustainable use and protection of water and marine resources, transition to circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems — were adopted by the EC in June 2023 and apply from January 2024.

On 15 July 2022, the Taxonomy Complementary Delegated Act covering gas and nuclear related activities was published in the OJ of the EU and will enter into force twenty days after the publication. The Delegated Act is applicable from 1 January 2023.

Taxonomy Extension. In July 2021, the Platform on Sustainable Finance published a consultation paper on ‘Taxonomy extension options linked to environmental objectives’; and a draft report on ‘Social Taxonomy’. The consultation paper asked feedback on the possibility to extend the EU Taxonomy to significantly harmful (SH) activities and no significant impact (NSI) activities and if this would fall within the overall framework of EU sustainable finance. The final report on a Social Taxonomy which looks at how to implement a social Taxonomy as well as how to make the two Taxonomies (social and environmental) work together was formally published by the Platform on 28 February 2022. The Finale Report on the extension of the Taxonomy to significantly harmful (SH) activities, intermediate activities and no significant impact (NSI) activities was published on 28 March 2022. The Commission is expected to assess the two reports in due time and decide whether to put forward a legislative proposal on both Social and Extended Taxonomy.

On 9 December 2019 has been published Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector (the Sustainable Finance Disclosure Regulation or SFDR), which lays down harmonised rules for financial market participants and financial advisers on transparency. The SFDR entered into force from March 2021 and the EC was mandated to adopt regulatory technical standards regarding the ESG disclosure requirements. The three ESAs (EBA, EIOPA and ESMA) published their report in February 2021 which was finally adopted by the EC in April 2022 and are applicable from January 2023.

On 14 September 2023 the Commission published a targeted consultation to seek feedback on the SFDR from industry and other stakeholders, running until 15 December 2023. The consultation was aimed to assess the current requirement and also to explore potential changes to disclosures and the possible creation of a product categorization system.

The Corporate Sustainable Reporting Directive (CSRD), published by the Commission on 21 April 2021, finally approved in December 2022 (with publication in the OJ), will review the existing Non Financial Reporting Directive (NFRD) to reinforce disclosure obligations through mandatory reporting standards while broadening the application scope. The Directive proposes:

1. an extension of scope to all large companies, all listed companies (except listed micro enterprises), non-EU companies with branches or subsidiaries in the EU above certain thresholds undertakings;
2. the requirement to specify in greater detail the information that companies should report (e.g., information about their strategy, targets, the role of the board and management, principal adverse impacts of the undertaking);
3. the requirement to report against mandatory EU sustainability reporting standards;
4. the requirement for an EU wide audit (assurance) requirement for reported sustainability information, starting with limited assurance, later reasonable.

The requirement to ensure all information is published as part of the firm’s management report and is disclosed in a digital, machine readable format.

The CSRD’s new sustainability reporting obligations apply to financial years starting with 1 January 2024 (reporting in 2025), according to a three stages timeline.

On 21 April 2021, the European Commission published a package of measures on Sustainable Finance, which included proposals for inclusion of ESG into the existing MiFID 2 Regulation. Starting from August 2022, the financial advisors are required to gather information about ESG preferences of clients and take them into consideration when providing advice or propose financial products. Additionally, the financial institutions are requested to integrate sustainability factors, risks and preferences into organizational and operational processes.

On 6 July 2021, the Commission published its communication on the “Strategy for Financing the Transition to a Sustainable Economy” (the Renewed Strategy), which is a complementary strategy to the 2018 Sustainable Finance Action Plan. The Renewed Strategy focusses on management of financial risk by the financial sector, including a focus on taxonomy and disclosures. It identifies four main areas where additional actions are needed

for the financial system to fully support the transition of the economy towards sustainability namely: i) financing the transition to sustainability (adoption of the Intermediate Taxonomy as well as the establishment of “significant harmful” and “non-significant impact” taxonomies), ii) inclusiveness (extension of Taxonomy to social objectives. Publication of the Sustainable Corporate Governance and definition of green retail loans and green mortgages), iii) financial sector resilience and contribution to sustainability (incorporate ESG risk in the Supervisory Review and Evaluation Process; regular climate change stress tests) and iv) global ambition.

Green Bond Standard. Alongside the Renewed Strategy, the Commission published its proposal for an EU Green Bond Standard (EU GBS) on 6 July 2021. The Regulation lays down the foundation for a common framework of rules regarding the use and designation of EU GBS for bonds that pursue environmentally sustainable objectives within the meaning of Taxonomy Regulation. The Regulation is mainly aimed at issuers who wish to use the voluntary EU GB standard. The Regulation entered into force in December 2023 and will apply from 21 December 2024 with a transition period for certain requirements until 21 June 2026.

On 6 July 2021, the European Commission adopted the Delegated Act on Article 8 under the EU Taxonomy Regulation which requires entities covered by the EU Non Financial Reporting Directive (NFRD) to publish information on how and to what extent their activities are associated with economic activities that qualify as “environmentally sustainable” under the EU Taxonomy Regulation. The application of the delegated act for financial institutions was limited in 2022 and 2023 to certain elements, while the remaining provision applies from 1 January 2024 (e.g. the Green Asset Ratio). The disclosure of the information related with banks’ trading book exposures and fees and commissions for other commercial services will apply from 1 January 2026.

On 25 November 2021, as part of the CMU Action Plan, the Commission published the legislative proposal for the establishment of the European Single Access Point (ESAP), aimed to ensure public and free access to financial and sustainability related information across the single market with a view to meet investors’ demand. The scope of data accessible via the ESAP will include information published by entities under existing EU financial services legislation, with a phased approach. The ESAP will enable any entity, in particular SMEs, to file relevant information voluntarily. Entities are expected to file the information only once to a collection body (for instance the Officially Appointed Mechanisms or an existing authority, at national or at European level). All the collection points will enable the ESAP to access that information via application programming interfaces (APIs). The European Securities and Markets Authority (ESMA) will be in charge of building, operating and governing the ESAP. The information will be available for free and in data extraction format, with an increasing amount of information made machine readable in the long run. The ESAP legislative package and, namely, Regulation (EU) 2023/2859 of the European Parliament and of the Council establishing a European single access point providing centralized access to publicly available information of relevance to financial services, capital markets and sustainability, Directive (EU) 2023/2864 of the European Parliament and of the Council amending certain Directives as regards the establishment and functioning of the European single access point and Regulation (EU) 2023/2869 of the European Parliament and of the Council amending certain Regulations as regards the establishment and functioning of the European single access point, were published in the European Official Journal of the European Union on 20 December 2023 and entered into force on the twentieth day following publication.

On 23 February 2022, the Commission published a legislative proposal on Corporate Sustainability Due Diligence which creates a new obligation of due diligence mandating the management of companies to prevent, end or mitigate negative impacts on human rights and the environment stemming from a company's own operations, its subsidiaries and their value chains. It applies to all industries and companies of a certain size, including from the financial sector. The European Parliament and the Council reached a provisional deal on 14 December 2023 which excludes financial services (downstream value chain of financial institutions) from the due diligence obligations. A watered down version of the agreement was endorsed by the EU Ambassadors (COREPER I) and the EU Parliament Committee in charge of the file in March 2023. The interinstitutional agreement on the CSDDD was endorsed by the Parliament plenary session on 24 April 2024. The CSDDD was published in the Official Journal on 5 July 2024. Under Article 36 (Review and reporting), the Commission shall submit a report on the necessity of laying down additional sustainability due diligence requirements tailored to regulated financial undertakings with respect to the provision of financial services and investment activities. It shall be published at the earliest possible opportunity after 25 July 2024, but no later than 26 July 2026. The legislation will start applying in 2027.

On 24 January 2022, the EBA published their final drafts on the implementing technical standards (ITS) on Pillar 3 disclosures of ESG risks in accordance with Article 449a of the CRR. In defining the ITS, the EBA took into consideration the sequential approach followed by the European Commission (EC) for the disclosure obligations requested by Article 8 of the EU Taxonomy and proposed the disclosure of a Green Asset Ratio (GAR) for the

exposures related to the NFRD companies starting from 2024, while it introduced a transition period until June 2024 for the disclosure of the Banking Book Taxonomy alignment Ratio (BTAR—dedicated to exposures towards SMEs and non-EU counterparties) and for the banks’ scope 3 emissions. EBA confirmed that will review the disclosure requirements in 2024 to extend them to the other four environmental objectives and to the trading book. On 17 October 2022, the EBA accepted the EC’s proposed changes on how BTAR should be disclosed by financial institutions to emphasise that: i) credit institutions may choose to disclose the information regarding their exposures towards SMEs and non-EU counterparties instead of being required to report on a “best effort basis” and ii) that the collection of the information from the counterparties will be on a “voluntary basis” including that banks need to inform their counterparties about the voluntary nature of this request of information. The final standards were adopted by EC and are applicable as of January 2023.

On 12 October 2023, the EBA published a report on the role of environmental and social risks in the prudential framework of credit institutions and investment firms. Taking a risk-based approach, the report recommends targeted enhancements to accelerate the integration of environmental and social risks across the Pillar I. In particular, the EBA proposed to: (i) including environmental risk as part of stress testing programmes under both the internal ratings-based (IRB) and the internal model approaches (IMA) under the Fundamental Review of the Trading Book; (ii) encourage inclusion of environmental and social factors as part of external assessment by the credit rating agencies; (iii) encourage the inclusion of environmental and social factors as part of the due diligence requirements and evaluation of immovable property collateral; (iv) require institutions to identify whether environmental and social factors constitute triggers of operational risk losses; and (v) progressively develop environment-related concentration risk metrics as part of supervisory reporting.

## **DIGITAL FINANCE**

On 24 September 2020, the European Commission published a Digital Finance Package with the main aim to support the EU digital transformation of finance while regulating its risks. Four broad priorities guide the EU’s initiatives to promote digital transformation until 2024 with associated actions (legislative and non-legislative) that the Commission put forward during this period.

- ~~Removing fragmentation in the Digital Single Market: in June 2021, the Commission launched a legislative proposal aimed at creating a European Digital Identity Wallet (EUDIW) which will be available to all EU citizens, residents, and businesses in the EU. The proposal builds on the existing cross-border legal framework for trusted digital identities, the European electronic identification and trust services initiative (eIDAS Regulation). Adopted in 2014, it provides the basis for cross-border electronic identification, authentication and website certification within the EU. Thanks to the new digital identity wallet, users will be able to authenticate digitally when logging into both public and private online services across the EU, or authorise online transactions, in particular where strong customer authentication (SCA) is required. Financial institutions that are required to perform SCA will also be required to accept the customer’s choice to use the EUDIW to authenticate themselves to access a bank account, initiate a payment or apply for a loan. The regulation was adopted by both the Parliament and the Council, in February and March 2024 respectively. Published in the EU Official Journal on 30 April 2024, the Regulation entered into force on 20 May 2024. Member States will be now required to offer at least one EU Digital Identity Wallet to all citizens and residents by 2026.~~
- ~~Adapting the EU regulatory framework to facilitate digital innovation: in May 2023, the Regulation on markets in crypto-assets (the so-called MiCAR) was published in the Official Journal. MiCAR entered into force on 29 June 2023 and most of its provisions will be enforceable from June 2024 or December 2024. The main scope of the MiCAR is to ensure clarity and legal certainty for issuers and providers of crypto-assets that are not currently covered by current EU legislation. Safeguards include capital requirements. Issuers of stablecoins such as significant asset-referenced tokens and e-money tokens became inter alia subject to stricter requirements (e.g., in terms of capital, investor rights and supervision). The MiCAR was implemented in Italy by Legislative Decree no. 129 of 5 September 2024, which entered into force on 14 September 2024. The Commission also proposed a Regulation on a pilot regime for market infrastructures based on distributed ledger technology (DLT) (the DLT Regulation), which allows temporary derogations from existing rules for market infrastructures interested in trading and settling transactions in financial instruments in crypto-asset form. The DLT Regulation entered into force in June 2022, with most of its provisions that are applicable from 23 March 2023. The DLT Regulation has been fully transposed into Italy by Law Decree no. 25 of 17 March 2023, converted into Law no. 52 of 10 May 2023, which also sets forth provisions aimed at allowing the issuance and transfer of financial instruments in a digital form. In April 2021 the Commission also presented a proposal for a~~

regulatory framework on Artificial Intelligence (AI) aimed both at promoting its development but also at managing its potential risks. The Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 (the Artificial Intelligence Act or AIA) has been published in the Official Journal of the European Union on 12 July 2024. The AIA will create a comprehensive, harmonized, regulatory framework for AI in the EU, but will also impact use and development of AI systems globally, including within the financial services sector. The AIA will introduce a strict regime and mandatory requirements for 'high risk' AI systems, such as those used to evaluate creditworthiness of natural persons. The AIA has entered into force on 1 August 2024 but will become applicable starting from 1 August 2026, with the following exceptions, among others: provisions on prohibited systems will become applicable in February 2025, while governance rules and obligations for General Purpose AI (GPAI) in August 2025.

- In October 2022, the European Commission adopted a legislative proposal to make instant payments in euro available to all citizens and businesses holding a bank account in the EU and in EEA countries. The proposal would oblige all credit institutions to offer (and receive) instant payments to all their customers through all channels (digital and traditional), already offered for SEPA Credit Transfer (SCT). Moreover, the price of an instant payment transaction should be aligned to the one of a regular credit transfer. All Payment Service Providers (PSPs) offering the service of sending euro IPs (Instant Payments) are required to check that the payee's IBAN matches the payee's name and must notify the customer of any detected discrepancy. EU Council and Parliament have adopted their respective revisions to the Commission text. The final Regulation was published in the EU Official Journal on 19 March 2024 and entered into force on 9 April 2024, 20 days following the publication. Application is foreseen after several months, (starting from 9 months from the entry into force) depending on the single provision.
- Promoting data driven innovation in finance: in coordination with the PSD2's review and building on initiatives in the data strategy (Data Governance, Data Act and the Digital Markets Act as well the Digital Services Act), on 28 June 2023, the EC published a legislative proposal for a broader open finance framework. The proposal aims at establishing clear rights and obligations to manage customer data sharing in the financial sector beyond payment accounts: mortgages, loans, savings, investment, insurance and pensions. The legislative proposal foresees clear obligations for financial institutions (data holders) upon a request from customer to make their data available to customer without under delay, free of charge and in real time. Additionally, banks have the obligation to make the customer data available also to other data users in a standardised way and subject to a compensation regime.
- Addressing the challenges and risks associated with digital transformation: in September 2020, the Commission proposed a Digital Operational Resilience Act (DORA) to prevent and mitigate cyber threats and enhance oversight of outsourced services. The legislation requires all interested firms to ensure that they can withstand all types of ICT related disruptions and threats and introduces an oversight framework for ICT providers, such as cloud computing service providers. The DORA entered into force in January 2023 and became fully applicable in January 2025.

In addition to the legislative initiatives included in the Digital Finance package, it is worth mentioning another initiative with very important implications for the financial sector: the increasingly probable introduction of a retail digital euro. On 18 October 2023, the Governing Council of the ECB decided to move forward to the preparation phase of the digital euro project. This decision follows the completion of the investigation phase launched by the Eurosystem in October 2021 to explore possible design and distribution models for digital euro.

The preparation phase started in November 2023 and will initially last two years. It will involve inter alia finalising the digital euro rulebook and selecting providers that could develop a digital euro platform and infrastructure. The Governing Council has nonetheless clarified that the launch of the preparation phase is not yet a decision on whether to issue a digital euro. That decision will only be considered by the Governing Council once the European Union's legislative process on the establishment of this currency, launched in June 2023, has been completed.

## **OTHER RECENT SECURITIES MARKETS RELATED REGULATIONS**

In December 2022, the Commission published its proposal to further review the European Market Infrastructure Regulation (also known as EMIR 3.0) with the aim of reducing reliance from UK clearing houses and foster EU clearing attractiveness. The key part of the proposal is the introduction of the obligation for counterparties subject to the clearing obligation to hold an active account (AA) at an EU CCP, and clear with an EU CCP a portion of

their trades of derivatives products considered of systemic importance to the EU or to one or more of its Member States (interest rate derivatives denominated in euro and Polish zloty, CDS denominated in euro and short term interest Rate derivatives (STIR) denominated in euro). The Council and the EU Parliament reached a provisional agreement on the text of EMIR 3.0 in February 2024, deleting and easing several proposals put forward by the Commission. In late October 2024 the EU Parliament endorsed the final texts. The texts have been endorsed by the Council and have been published in the Official Journal on 4 December 2024 with effects from 24 December 2024.

On October 2024, the Council approved a package of legislative measures presented by the Commission on December 2022 and approved by the EU Parliament on 16 September 2024 (also known as Listing Act). The Listing Act introduces systematic regulatory measures aimed at making public capital markets in the European Union more attractive for enterprises and facilitating access to capital for SMEs. This package consists of two key instruments: (i) Regulation (EU) 2024/2809 of the EU Parliament and of the Council amending the Prospectus Regulation, the Market Abuse Regulation (MAR) and the MiFIR (also known as Listing Act Regulation), and (ii) Directive (EU) 2024/2811 of the European Parliament and of the Council amending MiFID II (also known as Listing Act Directive). The key changes introduced by this legislative measure include, among other things, provisions related to mechanisms of simplified reporting on buy-back programmes, amendments to the regime of public disclosure of inside information, exemption from the requirement to publish a prospectus, new prospectus disclosure requirement, ESG content requirements, new rules on incorporation by reference of future financial information and restrictions on the introduction of a new type of security under a supplement to a base prospectus. The Listing Act has been published in the Official Journal on 14 November 2024 with effects from 4 December 2024. Certain provisions, along with delegated regulations on these matters, are expected to enter into force between March 2025 and June 2025.

### CRR, CRD, BRRD, SSM and SRMR

The capital adequacy requirements applicable to banks are based on a set of agreements on banking regulations concerning capital risk, market risk, and operational risk, making up the global international standard known as the Basel Accord (the Basel Accord). This international standard was expanded and reviewed over time also in response to the 2008 financial crisis, reaching the current formulation known as Basel IV (Basel IV). The Basel standards have been implemented in the EU through: Directive (EU) 36/2013 of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the CRD IV Directive) and Regulation (EU) 575/2013 (the CRR, together with the CRD IV Directive, the CRD IV Package) subsequently updated by Regulation (EU) 676/2019 (the CRR II) and by Directive (EU) 878/2019 (the CRD V and, together with the CRR II, the Banking Reform Package) and, most recently, by Directive (EU)1619/2024 (the CRD VI) and Regulation (EU) 1623/2024 (the CRR III).

In addition to the capital requirements, Directive (EU) 59/2014 and its following amendments (the Bank Recovery and Resolution Directive or BRRD) introduced, among other things, requirements for banks to maintain at all times a sufficient aggregate amount of own funds and eligible liabilities (the Minimum Requirement for Own Funds and Eligible Liabilities, MREL). From 1 January 2022, the Issuer has to comply on a consolidated basis with a binding target for MREL (including a subordinated component i.e., to be met with subordinated instruments) received from the Single Resolution Board (the Single Resolution Board or SRB) and the Bank of Italy, which became fully loaded from 1 January 2024.

The ECB SSM is required under Regulation (EU) 1024/2013 (the SSM Regulation, establishing the Single Supervisory Mechanism (SSM) – The First Pillar of the Banking Union) to carry out a Supervisory Review and Evaluation Process (SREP) at least on an annual basis. The key purpose of the SREP is to ensure that institutions have adequate arrangements as well as capital and liquidity to ensure sound management and coverage of the risks to which they are or might be exposed, including those revealed by stress testing, as well as risks the institution may pose to the financial system. The outcome of the yearly SREP exercise in terms of quantitative requirements may encompass: (i) Pillar 2 capital requirement (the P2R), (ii) Pillar 2 Leverage Ratio requirement (the P2R-LR), (iii) liquidity coverage ratio (the LCR) and net stable funding ratio (the NSFR) additional requirements.

The Issuer is also subject to Regulation 2014/806/EU (Single Resolution Mechanism Regulation or SRM Regulation – the Second Pillar of the Banking Union) as amended by Regulation 2019/877/EU and published in the EU Official Journal on 7 June 2019 (the SRMR II) applicable from 28 December 2020 and



setting out uniform rules and procedures for the resolution of credit institutions and certain investment firms under the Single Resolution Mechanism ( the SRM) and the Single Resolution Fund (the SRF).

Based on the above-described legal framework, UniCredit is subject to the following requirements:

- Minimum own funds requirements composed as follows: (i) a CET1 Capital ratio of 4.5%; (ii) a tier 1 capital ratio of 6%; (iii) a total capital ratio of 8%; and (iv) a leverage ratio of 3%.
- Additional capital buffers (where applicable) which, together, form the Combined Buffer Requirement (the CBR):
  - Capital Conservation Buffer (CCB) of 2.5% of CET1,
  - institution-specific CounterCyclical Capital Buffer (CCyB),
  - capital buffers for Globally Systemically Important Institutions (G-SIIs),
  - capital buffers for Other Systemically Important Institutions (O-SIIs),
  - systemic risk buffer (SyRB),
- a Pillar 2 Requirement (P2R), a Pillar 2 Leverage Ratio Requirement (P2R-LR), and potential additional liquidity requirements stemming from the SREP assessment. These are institution specific, and defined annually by the ECB SSM as a result (among other things) of the yearly SREP
- liquidity requirements in terms of minimum (i) LCR and (ii) NSFR of liquidity.
- MREL and subordinated MREL requirements according to the annual definition made by the SRB.

Regulatory and supervisory framework on non-performing exposures

Among the measures adopted at European level to reduce non-performing exposures (NPEs) within adequate levels, the following legislative interventions are worth mentioning:

- Regulation (EU) 630/2019 amending the CRR as regards minimum loss coverage for non-performing exposures (the Loss Coverage Regulation): the Loss Coverage Regulation establishes, in the context of Pillar I, the prudential treatment of the non-performing exposures where the exposure was originated prior to 26 April 2019, requiring a deduction from own funds where NPEs are not sufficiently covered by provisions or other adjustments. The Loss Coverage Regulation's purpose is to encourage timely and proactive management of the NPEs. The prudential treatment is applicable to: (i) unsecured exposures from the third year after the classification as NPEs, (ii) exposures secured by immovable collateral and residential loans guaranteed by an eligible protection provider as defined in the CRR, from the ninth year after the classification as NPEs; and (iii) secured exposures, from the seventh year after the classification as NPEs. The Loss Coverage Regulation outlines the convergence process to its full application to secured and unsecured exposures classified as NPEs for less than 3/7/9 years.
- The proposed directive on credit servicers, credit purchasers and the recovery of collateral (COM/2018/0135) (Proposed Directive): aimed at achieving the development of secondary markets for NPLs in the EU's markets standardizing the regulatory regime for credit servicers and credit purchasers. The second part of the Proposed Directive aimed at better management of NPLs by increasing the efficiency of debt recovery procedures through the availability of a distinct common accelerated extrajudicial collateral enforcement procedure (so called AECE) is still put on hold.

- On 24 July 2020, as part of the so called capital markets recovery package, the European Commission presented amendments to review, *inter alia*, some regulatory constraints in order to facilitate the securitization of non-performing loans (i.e., increasing the risk sensitivity for NPE securitizations by assigning different risk weights to senior tranche) in order to promote the economic recovery after the coronavirus (the COVID-19) crisis. The new measures - through Regulation (EU) 2021/557 amending the Securitization Regulation and Regulation (EU) 2021/558 amending the CRR - entered into force on 9 April 2021.
- In addition, the European Commission published in December 2020 a new action plan on tackling NPLs. More specifically, in order to prevent a renewed build-up of NPLs on banks' balance sheets, the Commission proposed a series of actions with four main goals: (i) further develop secondary markets for distressed assets (in particular call for finalization of a directive on credit servicers, credit purchasers and the recovery of collateral; establishing a data hub at European level; reviewing the EBA templates to be used during the disposal of NPLs); (ii) reform to the EU's corporate insolvency and debt recovery legislation; (iii) support for the establishment and cooperation of national asset management companies at EU level; (iv) introduction of precautionary public support measures, where needed, to ensure the continued funding of the real economy under the EU's Bank Recovery and Resolution Directive and State aid frameworks.

From a supervisory perspective, the ECB made the following interventions:

- Guidance to banks on non-performing loans (NPLs) published by ECB on 20 March 2017 (the NPLs Guidance). The NPLs Guidance contains recommendations and lays out the bank's approach, processes and objectives regarding the effective management of exposures. The NPL Guidance addresses all NPEs, as well as foreclosed assets, and also touches on performing exposures with an elevated risk of turning non-performing, such as "watch-list" exposures and performing forborne exposures. According to the guidance, the banks need to establish a strategy to optimize their management of NPLs based on a self-assessment of the internal capabilities to effectively manage NPLs; the external conditions and operating environment; and the impaired portfolios specifications.
- On 15 March 2018, the ECB published an addendum to the NPL Guidance (the ECB Addendum) which sets out supervisory expectations for the provisioning of exposures reclassified from performing to NPEs after 1 April 2018. In addition, the ECB's supervisory expectations for individual banks for the provisioning of the stock of NPLs (before 31 March 2018), was set out in its 2018 Supervisory Review and Evaluation Process (SREP) letters and the ECB will discuss any divergences from these prudential provisioning expectations with institutions as part of future SREP exercises.
- On 22 August 2019, the ECB decided to revise its supervisory expectations for prudential provisioning of new non-performing exposures. The decision was made after taking into account the adoption of the new EU regulation of that Banking Reform Package which makes further changes to the treatment for NPEs in accordance with the so-called pillar 1 rules, governing the calculation of RWAs for credit, market, and operational risks (Pillar I), in revisions contained in the CRR II.

### Italian legislative Framework

Among the measures adopted at Italian level worth mentioning are the following:

In October 2023, the Council of Ministers approved the Law Decree No. 145 of 18 October 2023, converted into Law No. 191 of December 15, 2023, (Fiscal Decree) which contains urgent measures in economic and fiscal matters, in favour of local entities, to protect employment and for non-deferrable needs. The Decree reduces from 2,000,000 to 500,000 the minimum amount of the single bond included in portfolio (Basket Bonds, bonds issued by companies up to 499 employees), covered by SMEs guarantee Fund.

In October 2023, the Council of Ministers also approved Law No. 213 of 30 December 2023 (the 2024 Budget Law), which was definitively approved by the Parliament in December 2023. The Budget Law 2024 includes several measures in favor of enterprises among which:

- the possibility for the Italian insurance-financial group (SACE) – until 31 December 2029 - to issue guarantees linked to investments in certain sectors of strategic interest. These guarantees:
  - can be issued in favor of entities identified as implementing partners within the so called InvestEU program or in favor of banks, national and international financial institutions;
  - can concern financing, in any form, including portfolios of financing, granted to companies with registered office in Italy (and to companies with registered office abroad with a permanent establishment in Italy) other than SMEs and companies in difficulty;
  - can be granted following a preliminary assessment by SACE carried out in line with the best practices of the banking and insurance sector;
  - are granted for a maximum of 25 years and a coverage percentage not exceeding 70 per cent. (60 per cent. if issued in relation to sureties, guarantees and other signature commitments, which companies are required to provide for the execution of public contracts and the disbursement of contractual advances; 50 per cent. in the case of subordinate exposures). For guarantees on loan portfolios, the maximum coverage percentage of each tranche - even with asymmetric percentages between tranches - is equal to 50 per cent. (100 per cent. if no more than 50 per cent. of each loan is included in the tranche, without prejudice to the fact that for the "junior" or "mezzanine" tranches the relative thickness cannot in any case exceed 15 per cent. of the overall amount of the portfolio and the maximum coverage percentage is equal to 50 per cent.).

In January 2024, the Council of Ministers approved the Law Decree No. 9 of February 2, 2024 (DL “Ilva BIS”) containing urgent measures to protect the related industries of large strategic companies - such as *Acciaierie d'Italia* - in extraordinary administration. The decree law - merged into the Law Decree No. 4 of January 18, 2024, converted into Law No. 28 of 15 March 2024 (DL “Ex Ilva”) – provides for a special FCG guarantee in favor of micro enterprises and SMEs that have difficulty in accessing credit due to the worsening of the debt position of large strategic companies, admitted to the extraordinary administration procedure. The guarantee is granted - until the closure of the extraordinary administration procedure - free of charge, with a coverage percentage of 80 per cent. in the case of direct guarantee (both for liquidity and investment needs) and 90 per cent. in the case of reinsurance. Companies in band 5 can also benefit from such guarantee. To access the guarantee, micro-enterprises and SMEs must have produced - in the last 5 financial years preceding the request - at least 35 per cent. of their turnover towards the company subjected to extraordinary administration procedure.

In October 2024, the Council of Ministers also approved Law No. 207 of 30 December 2024 (the 2025 Budget Law), definitively approved by the Parliament in December 2024. The following are some of the measures included in the 2025 Budget Law:

- suspension of the deductions of allowances for write-downs, impairment losses and goodwill related to DTAs (deferred tax asset) for 2025 and 2026. For 2025 only the offset of Tax losses and ACE surpluses has been decreased to 54% (from ordinary measure of 80%) of the higher taxable income determined as a result of the DTAs deferral.
- shift of tax deductibility of share-based payments (Stock Option) to the moment the option is exercised, starting from 2025.
- extension of the SMEs Guarantee Fund’s regulations until 31 December 2025 under the following condition:
  - maximum guaranteed amount for single enterprise (both SMEs and mid-caps): 5 million

- redefinition of coverage percentages for SMEs based on the operation purpose:
  - financing for liquidity needs: 50 per cent. guarantee for all businesses (except those in 5 risk band)
  - financing of investment needs: 80 per cent. guarantee for all risk bands (except those in 5 risk band)
  - financing SMEs in the start-up phase: 80 per cent. guarantee for any need
- free guarantee for micro-enterprises;
- direct guarantee for mid-caps (companies up to 499 employees, considering association and connection with other companies) with different coverage percentages: 30 per cent. for liquidity and 40 per cent. for investments;
- possibility for third sector entities to access to the SMEs guarantee Fund - provided they are registered in the so called “Single National Register of the Third Sector” - for financial operations of amounts not exceeding Euro 60,000 and without applying the evaluation model;
- introduction of an additional premium to be paid by banks to the SMEs guarantee Fund, in relation to the guarantees requested and obtained starting from 1 January 2025. A ministerial decree issued by Ministry of Enterprises and Made in Italy and Ministry of Economy and Finance will define the criteria to calculate the amount of the additional premium.

In December 2024 the Council of Ministers approved the Law Decree no. 202 of 27 December 2024 (DL Milleproroghe) introducing urgent measures regarding regulatory deadlines. The decree - converted into law no 15 of 21 February 2025 - includes a measure which postpones the payment date of the additional premium, owed by banks to the SMEs Guarantee Fund, to the date on which the MIMIT/MEF decree will come into force. Such decree - to be issued by June 30, 2025 - will define calculation method, thresholds and percentages on which the premium will be calculated.

### Sustainable Finance

UniCredit is also subject to the more recent legislation applicable to banks aimed at supporting the development of sustainable finance.

In May 2018, the European Commission published a package of legislative measures aimed at promoting sustainable finance through the implementation of three main tools: i) a classification system, or “sustainable taxonomy”, ii) a disclosure framework relating to sustainable risks, and iii) benchmarks, standards and labels aiding the selection of sustainable investments.

The final text of Regulation (EU) 852/2020 (the Taxonomy Regulation) has been adopted by the European Parliament and Council and was subsequently published in the EU Official Journal in 2020. The Taxonomy Regulation is a classification system intended to address greenwashing and provide a tool to direct finance towards sustainable investments (the Taxonomy). The Taxonomy Regulation has been substantiated with additional regulatory instruments providing definitions and specific criteria (the so called technical screening criteria) to determine whether an economic activity can be classified as environmentally sustainable, hence “taxonomy-aligned”.

In addition, Regulation (EU) 1214/2022 (the Taxonomy Complementary Delegated Act) covering gas and nuclear related activities is also applicable from 1 January 2023.

In July 2021, the platform on sustainable finance (the Platform) published a consultation paper on “Taxonomy extension options linked to environmental objectives”; and a draft report on “Social Taxonomy”. The consultation paper asked feedback on the possibility to extend the EU Taxonomy to significantly harmful (SH) activities and no significant impact (NSI) activities and if this would fall within the overall framework of EU sustainable finance. The Platform’s final report was published on March 28,

2022. The Commission is expected to assess the two reports in due time and decide whether to put forward a legislative proposal on both a social and extended Taxonomy.

With regards to financial disclosure, Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the Sustainable Finance Disclosure Regulation or SFDR) was published on December 9, 2019. The SFDR lays down harmonized rules on transparency for financial market participants and financial advisers. The SFDR entered into force in March 2021, and the accompanying regulatory technical standards regarding ESG disclosure are applicable since January 2023 following their definition by the three European Supervisory Authorities (the ESAs – namely, the European Banking Authority (the EBA), the European Insurance and Occupational Pensions Authority (the EIOPA) and the European Securities and Markets Authority (the ESMA)).

Directive (EU) 2464/2022 (the Corporate Sustainability Reporting Directive or CSRD), was approved and published in the EU Official Journal in December 2022 and was transposed in Italy with the Legislative Decree 125/2024 in September 2024. The CSRD reviews the existing Non-Financial Reporting Directive (NFRD) to reinforce disclosure obligations through mandatory reporting standards while broadening the application scope. The CSRD provides for:

1. an extension of scope to all large companies, all listed companies (except listed micro enterprises), non- EU companies with branches or subsidiaries in the EU above certain thresholds);
2. the requirement to specify in greater detail the information that companies should report (e.g., information about their strategy, targets, the role of the board and management, principal adverse impacts of the undertaking);
3. the requirement to report against mandatory EU sustainability reporting standards;
4. the requirement for an EU-wide audit (assurance) for reported sustainability information, starting with limited assurance, later reasonable;
5. the requirement that all information is published as part of the firm’s management report and is disclosed in a digital, machine-readable format;

The CSRD’s new sustainability reporting obligations apply to financial years starting with 1 January 2024 (reporting in 2025), according to a three stages-timeline.

As to sustainable financial instruments, Regulation (EU) 2631/2023 (the EU GB Regulation) has been applicable since December 2024. The EU GB Regulation lays down the foundation for a common framework of rules regarding the use and designation of an EU Green Bond Standard (EU GBS) for bonds that pursue environmentally sustainable objectives within the meaning of Taxonomy Regulation. The EU GB Regulation is mainly aimed at issuers who wish to use the voluntary EU GBS. The EU GB Regulation entered into force in December 2023 and is applicable from 21 December 2024 with a transition period for certain requirements until 21 June 2026.

The EU GB Regulation also sets up a system for registering and supervising companies that act as external reviewers for green bonds aligned with this framework.

On 24 January 2022, the EBA published their final drafts on the implementing technical standards (ITS) on the so called pillar III disclosures of ESG risks in accordance with Article 449a of the CRR. In defining the ITS, the EBA took into consideration the sequential approach followed by the European Commission for the disclosure obligations requested by Article 8 of the Taxonomy and proposed the disclosure of a Green Asset Ratio (GAR) for the exposures related to the NFRD companies starting from 2024, while it introduced a transition period until June 2024 for the disclosure of the banking book taxonomy alignment ratio (BTAR - dedicated to exposures towards SMEs and non-EU counterparties) and for the banks’ scope 3 emissions. On 17 October 2022, the EBA accepted the European Commission’s proposed changes on how BTAR should be disclosed by financial institutions to emphasize that: i) credit institutions may choose to disclose the information regarding their exposures towards SMEs and non-EU counterparties instead of being required to report on a “best effort basis” and ii) that the collection of the information from the counterparties will be on a “voluntary basis” including that banks need to inform their counterparties

about the voluntary nature of this request of information. The final standards were adopted by EC and are applicable since January 2023.

Finally, the EBA's report published in October 2023 on the role of environmental and social risks in the prudential framework of credit institutions and investment firms is also relevant to the activities of UniCredit. Taking a risk-based approach, the report recommends targeted enhancements to accelerate the integration of environmental and social risks across Pillar I. In particular, the EBA proposed to: (i) include environmental risk as part of stress testing programs under both the internal ratings-based (IRB) and the internal model approaches (IMA) under the Fundamental Review of the Trading Book (as defined below); (ii) encourage inclusion of environmental and social factors as part of external assessment by the credit rating agencies; (iii) encourage the inclusion of environmental and social factors as part of the due diligence requirements and evaluation of immovable property collateral; (iv) require institutions to identify whether environmental and social factors constitute triggers of operational risk losses; and (v) progressively develop environment-related concentration risk metrics as part of supervisory reporting.

On 9 January 2025, the EBA published its final guidelines on the management of ESG risks as mandated in Article 76 and Article 87a of the CRD VI. The guidelines contain minimum standards and reference methodologies for the identification, measurement and monitoring of ESG risks and the content of the transition plans which banks have to prepare in order to monitor and address the financial risks stemming from ESG factors. These guidelines will apply from 11 January 2026, for large institutions, while smaller and non-complex institutions (SNCI) will be required to comply by 11 January 2027 at the latest.

### Digital Finance

On 24 September 2020, the European Commission published a legislative package on digital finance (the Digital Finance Package) aimed mainly at supporting the EU digital transformation of finance while regulating its risks. Four broad priorities guide the EU's initiatives to promote digital transformation until 2024 with associated actions (legislative and non-legislative) that the Commission put forward.

- Removing fragmentation in the digital single market: in June 2021, the Commission launched a legislative proposal aimed at creating a European Digital Identity which will be available to all EU citizens, residents, and businesses in the EU. The proposal builds on the existing cross-border legal framework for trusted digital identities, such as the European electronic identification and trust services initiative (eIDAS Regulation), adopted in 2014, and providing the basis for cross-border electronic identification, authentication and website certification within the EU. Thanks to the new digital identity wallet, users will be able to authenticate digitally when logging into both public and private online services across the EU, or authorize online transactions, in particular where strong user authentication is required. Examples of these could be accessing a bank account, initiating a payment or applying for a loan. Banks will be obliged to allow users to use the digital identity for these purposes. The regulation entered into force in May 2024 and will be fully implemented by 2026.
- Adapting the EU regulatory framework to facilitate digital innovation: in May 2023, the Regulation on markets in crypto-assets (the MiCAR) was published in the EU Official Journal. MiCAR entered into force on 29 June 2023 and has been applicable since December 2024. The main scope of the MiCAR is to ensure clarity and legal certainty for issuers and providers of crypto assets that are not currently covered by current EU legislation, with safeguards also including capital requirements. Issuers of significant asset-reference token and e-money token (the so-called global "stablecoins") will be subject to stricter requirements (e.g., in terms of capital, investor rights and supervision). The Commission also proposed new legislation on a pilot regime for market infrastructures based on distributed ledger technology (DLT) (the DLT Regulation), which allows temporary derogations from existing rules for market infrastructures interested in trading and settling transactions in financial instruments in crypto-asset form. The DLT Regulation entered into force in June 2022, with most of its provisions now applicable since March 23, 2023. The DLT Regulation has been fully transposed into Italian law by Law Decree No. 25 of 17 March 2023, converted into Law No. 52 of 10 May 2023, which also sets forth provisions aimed at allowing the issuance and transfer of financial instruments in a digital form. In March 2024, the EU Parliament approved Regulation (EU) 2024/1689 (the AI Act) aimed both at promoting the development but also at managing the potential risks of artificial intelligence (AI). The AI Act will create a

comprehensive, harmonized, regulatory framework for AI across the EU, but will also impact use and development of AI systems globally, including within the financial services sector. The AI Act introduces a strict regime and mandatory requirements for “high risk” AI systems, such as those used to evaluate the creditworthiness of natural persons. Some of the AI Act’s provisions have been applicable since 2 August 2024 while others are becoming applicable gradually (such as provisions concerning prohibited systems, applicable from February 2025). The AI Act is then expected to enter into force in its entirety from 2 August 2026.

- In October 2022, the European Commission adopted a legislative proposal to make instant payments in euro available to all citizens and businesses holding a bank account in the EU and in EEA countries. The proposal would oblige all credit institutions to offer (and receive) instant payments to all their customers through all channels (digital and traditional), already offered for SEPA Credit Transfer (SCT). Moreover, the price of an instant payment transaction should be aligned to the one of a regular credit transfer. All Payment Service Providers (PSPs) offering the service of sending euro IPs (Instant Payments) are required to check that the payee’s IBAN matches the payee’s name and must notify the customer of any detected discrepancy. EU Council and Parliament have adopted their respective revisions to the Commission text. The final text was published in the EU Official Journal on 13 March 2024 and entered into force on 8 April 2024, 20 days following the publication. Application is foreseen after several months, (starting from 9 months from the entry into force) depending on the single provision.
- Promoting data-driven innovation in finance: in coordination with the second payment services directive’s (PSD2) review and building on initiatives in the data strategy (including data governance, the Data Act and the Digital Markets Act as well the Digital Services Act), on 28 June 2023, the European Commission published a legislative proposal for a broader open finance framework (FIDA). The proposal aims at establishing clear rights and obligations to manage customer data sharing in the financial sector beyond payment accounts: mortgages, loans, savings, investment, insurance and pensions. The legislative proposal foresees clear obligations for financial institutions (data holders) upon a request from customer to make their data available to customer without delay, free of charge and in real-time. Additionally, banks have an obligation to make the customer data available also to other data users in a standardized way and subject to a compensation regime. The legislative process is ongoing. At the end of 2024, the co-legislators finalized their respective positions and the trilogues are expected to start in February 2025 with the aim of reaching a final agreement on the legal text by end of 2025.
- Addressing the challenges and risks associated with digital transformation: in September 2020, the Commission proposed the Digital Operational Resilience Act (DORA) to prevent and mitigate cyber threats and enhance oversight of outsourced services. The legislation requires all interested firms to ensure that they can withstand all types of information and communication technology (ICT) related disruptions and threats and introduces an oversight framework for ICT providers, such as cloud computing service providers. The DORA entered into force in January 2023 and has become fully applicable in January 2025.

In addition to the legislative initiatives included in the Digital Finance package, it is worth mentioning another initiative with very important implications for the financial sector: the increasingly probable introduction of a digital euro. On 18 October 2023, the Governing Council of the ECB (the Governing Council) decided to move forward to the preparation phase of the project. This decision follows the completion of the investigation phase launched by the eurosystem in October 2021 to explore possible design and distribution models for digital euro.

The preparation phase started in November 2023 and will initially last two years. It will involve *inter alia* finalizing the digital euro rulebook and selecting providers that could develop a digital euro platform and infrastructure. The Governing Council has nonetheless clarified that the launch of the preparation phase is not yet a decision on whether to issue a digital euro. That decision will only be considered by the Governing Council once the European Union’s legislative process on the establishment of this currency, launched in June 2023, has been completed.

*Other recent securities markets related regulations*

In November 2021, the Commission presented its official proposal for a Markets and Financial Instruments Regulation (MiFIR) review as part of a Capital Market Package including other legislative proposals (i.e., the creation of the European Single Access Point (ESAP) – see above – and a review of the European Long-Term Investment Funds (ELTIFs Regulation). Regulation (EU) 2023/606 (the so-called ELTIFs II Regulation), specifically aimed at amending the ELTIFs Regulation as to the requirements pertaining to investment policies and operating conditions of ELTIFs, the scope of eligible investment assets, the portfolio composition, the diversification requirements and the borrowing of cash and other fund rules, was published in the EU Official Journal on 20 March 2023. The ELTIFs II Regulation entered into force on 9 April 2023, with most of its provisions that will apply from 10 January 2024. The EC MiFIR review aims at improving transparency and making the EU market infrastructure more competitive. The review is mainly focused on the establishment of an EU Consolidated Tape (CT) – a centralized database meant to provide a comprehensive view of market data - namely prices and volumes of traded securities across trading venues in the EU. The new rules amending the MiFIR entered into force on March 28, 2024, while certain elements of the regulation phasing in over the coming years.

In May 2023, the European Commission published its Retail Investment Strategy (RIS) legislative package with the aim of ensuring that the legal framework for retail investments sufficiently empowers consumers, encourages improved and fairer market outcomes and ultimately creates the necessary conditions to grow retail investor participation in capital markets. The above mentioned package consists of: (i) an Omnibus Directive amending the Directive on markets in financial instruments (MiFID II), Directive on insurance distribution (IDD), Solvency II Directive, Directive on Undertakings for collective investment in transferable securities (UCITS), Directive on Alternative Investment Fund Managers (AIFMD); (ii) a Regulation amending the so called PRIIPs Regulation (Regulation on key information documents for packaged retail and insurance-based investment products). In particular the package: (i) introduces a partial ban on inducements paid from manufacturers to distributors in relation to the reception and transmission of orders, or the execution of orders to or on behalf of retail clients (where no advice relationship exists between the investment firm and the client); (ii) introduces a Value for Money (VfM) approach amending product oversight and governance rules to ensure that undue costs are not charged and that products deliver VfM to retail investors, with specific comparability tools (benchmarks); (iii) obliges firms, to act in accordance with the best interest of their clients and customers, by introducing a new test; (iv) introduces revisions to the suitability and appropriateness assessment (v) foresees the standardization of information on costs and charges, with a greater degree of detail. The legislative process is ongoing. As both the EU Council and Parliament finalized their own position within the first half of 2024, reviewing several parts of the proposal, the negotiations aimed at reaching an agreement on a final legislative text are expected to take place over 2025. The entry into force of the new package is not expected before end of 2026.

On December 7, 2022, the Commission published its proposal to further review the European Market Infrastructure Regulation (also known as EMIR 3.0) with the aim of reducing reliance from UK clearing houses and fostering EU clearing attractiveness. The key part of the proposal is the introduction of the obligation for counterparties subject to the clearing obligation to hold an active account at an EU central counterparty (CCP), and clear with an EU CCP a portion of their trades of derivatives products considered of systemic importance to the EU or to one or more of its Member States (interest rate derivatives denominated in euro and Polish zloty, credit default swaps (CDS) denominated in euro and short-term interest Rate derivatives (STIR) denominated in euro). EMIR 3.0 reform entered into force in December 2024. Scoped-in financial counterparties must open an Active Account at an EU CCP by June 2025 and clear a number of trades that are representative of their trades of derivatives products considered of systemic importance to the EU."

- 1.4.3. The subsection "Information on the material changes in the Issuer's borrowing and funding structure since the last financial year", on page 41 of the Registration Document, shall be amended by way of mark up as follows in light of the incorporation by reference of the financial statements of the Issuer as at 31 December 2024 (crossed and underlined words are to show the amendments made only):

#### "4.1.7 Information on the material changes in the Issuer's borrowing and funding structure since the last financial year

There are no material changes in the Issuer's borrowing and funding structure since the last financial year ended on 31 December 2023.



**There is no evidence of any material change in the Issuer's borrowing and funding structure occurred from the last financial year (ended on 31 December 2024) up to this Registration Document Date.**

1.4.4. The subsection "Description of the expected financing of the Issuer's activities", on page 41 of the Registration Document, shall be amended as follows in light of the incorporation by reference of the financial statements of the Issuer as at 31 December 2024 (crossed and underlined words are to show the amendments made only):

#### **"4.1.8 Description of the expected financing of the Issuer's activities**

As at ~~30 September~~**31 December** 2024, the loans to deposits ratio (LDR), a ratio between the customer loans and deposits, excluding the repo activity, is equal to ~~88.5~~ per cent. Such ratio **slightly improves compared** ~~is in line with the observation at~~ ~~to 30 June 2024~~**31 December 2023, equal to 86 per cent.**

However the Group's liquidity is always well above the minimum regulatory requirements – liquidity coverage ratio (LCR) and Net Stable Funding Ratio (NSFR) – as provided by EU 2013/575 Regulation and EU/36/2013 Directive.

As at ~~30 September~~**31 December** 2024, the liquidity buffer<sup>2</sup> is equal to Euro ~~163.0~~**162.6** billion (Euro ~~161.5~~**171.6** billion as at ~~30 June 2024~~**31 December 2023**)."

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<sup>2</sup> Average of 12 months, consistently with Pillar 3 disclosure.

- 1.5. The "Section V – Business Overview", on page 42 of the Registration Document, shall be deleted and replaced as follows in light of the incorporation by reference of the financial statements of the Issuer as at 31 December 2024 and of the information of the UniCredit 2025 Equity Registration Document incorporated by reference:

"To the extent specified in the table below, the following information is incorporated by reference in this section of the Registration Document.

<b>BUSINESS</b>		
<b>DOCUMENT</b>	<b>INFORMATION INCORPORATED</b>	<b>PAGE REFERENCE</b>
UniCredit 2025 Equity Registration Document:  <a href="https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf">https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf</a>	Paragraph "Overview"	Page 55
	Paragraph "Description of the Group's principal activities"	Pages 55-56
	Paragraph "Main markets and competitive positioning"	Page 56
	Paragraph "Significant changes impacting the operations and principal activities of the Issuer since the end of period covered by the latest audited and published financial statements"	Pages 57-58
	Paragraph "Investments"	Pages 58-61
	Paragraph "Material Agreements"	Page 61

"

1.6. The "Section VII - Trend Information", on page 46 of the Registration Document, shall be amended by way of mark up as follows in light of the incorporation by reference of the financial statements of the Issuer as at 31 December 2024 (crossed and underlined words are to show the amendments made only):

1.6.1 The subsection "Material adverse change in the prospects of the Issuer and significant change in the financial performance of the Group", on page 46 of the Registration Document, shall be amended as follows (crossed and underlined words are to show the amendments made only):

"7.1 Material adverse change in the prospects of the Issuer and significant change in the financial performance of the Group

~~Except for what reported in the section headed "Risk Factors", paragraph 1.1.1 "Risks associated with the impact of current macroeconomic uncertainties and the effects of the geopolitical tensions",~~ ~~¶~~ There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements as at 31 December ~~2023~~ 2024.

There has been no significant change in the financial performance of the Group since ~~30 September~~ 31 December 2024 to the date of this Supplement."

1.6.2 The subsection "Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year", on page 46 of the Registration Document, shall be amended as follows (crossed and underlined words are to show the amendments made only):

"7.2 Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year

~~Except for what reported in the section headed "Risk Factors", paragraph 1.1.1 "Risks associated with the impact of current macroeconomic uncertainties and the effects of the geopolitical tensions",~~ As at this Registration Document Date, the Issuer is not aware about any other known trends, uncertainties, demands, commitments or ~~fact~~ events that ~~could~~ are reasonably likely to have a material effect on the Issuer's prospects for at least ~~have~~ significant repercussions on the prospects of the Issuer or the Group at least for the current financial year."

- 1.7. The "Section VIII - Profit forecasts or estimates", on page 47 of the Registration Document, shall be deleted in its entirety and the following new sections shall be inserted.

The incorporation by reference of this section has the aim of ensuring consistency with the information provided by the Issuer in the "Risk Factors" section above as well as with the information incorporated by reference included in the UniCredit 2025 Equity Registration Document.

Furthermore, this new amended section provides the investors with a detailed, fully updated and complete set of information about the Issuer.

"To the extent specified in the table below, the following information is incorporated by reference in this section of the Registration Document.

FORECAST DATA AND ESTIMATES		
DOCUMENT	INFORMATION INCORPORATED	PAGE REFERENCE
UniCredit 2025 Equity Registration Document:  <a href="https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf">https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf</a>	General introduction and paragraph "UniCredit 2024 Group Results Presentation and Group financial ambition for 2025-2027"	Page 74-80
	Paragraph "The BPM Guidance and strategic plan update"	Pages 80-83
	Paragraph "Acquisition through the Public Exchange Offer of BPM and potentially of Anima"	Pages 83-87
	Paragraph "Information on BPM and Anima"	Pages 87-88

"

- 1.8. The "Section IX - Administrative, management, and supervisory bodies", on page 48 et seq. of the Registration Document, shall be amended by way of mark up as follows in light of the changes in the management bodies of the Issuer as included in the UniCredit 2025 Equity Registration Document (crossed and underlined words are to show the amendments made only):

## "Section IX – Administrative, management, and supervisory bodies

### 9.1 Names, business addresses and functions of the members of the Board of Directors and Audit Committee and an indication of the principal activities performed by them outside of the Issuer where these are significant with respect to the Issuer

Since its incorporation, UniCredit had adopted the traditional governance model, which is the default option envisaged by Italian law for companies.

Following the adoption of the one-tier management and control system resolved by the Shareholders' Meeting held on 27 October 2023, in lieu of the traditional model, starting from 12 April 2024 UniCredit is managed by a Board of Directors which has sole responsibility for strategic supervision and management of the ~~Company~~ **Issuer**. In compliance with the applicable provisions, within the Board of Directors, ~~it is also established an audit committee~~ **has also been established (the Audit Committee)** performing control functions. Both the members of the Board of Directors and of the Audit Committee are appointed by the Shareholders' Meeting **at a general meeting**.

The board of directors (the **Board** or the **Board of Directors**) is composed of between a minimum of 9 and a maximum of 19 members. Under the UniCredit's By-laws at least three members, and no more than five, compose the Audit Committee. The Directors, and among them the members of the Audit Committee, are elected by UniCredit shareholders at a general meeting for a three financial year term, unless a shorter term is established upon their appointment, and Directors may be re-elected.

The Board of Directors currently in office was appointed by the UniCredit Ordinary Shareholders' Meeting on 12 April 2024 for a term of three financial years, **as integrated on March 27, 2025**, and is composed of 15 members, of whom 4 members compose the Audit Committee.

The term in office of the current members of the Board of Directors and of the Audit Committee will expire on the date of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2026. The members of the Board of Directors, including the Audit Committee members, have been appointed on the basis of a proportional representation mechanism ("voto di lista") and in compliance with the provisions on gender balance.

The following table sets forth the members of UniCredit's Board of Directors and of the Audit Committee as at the date of this Registration Document, **having regard also to the changes occurred in the composition of the Board after the abovementioned ordinary Shareholders' Meeting**.

Name	Position
Pietro Carlo Padoan <sup>1</sup>	Chair
Elena Carletti <sup>1</sup>	Deputy Vice Chair
Andrea Orcel	Chief Executive Officer*
Paola Bergamaschi <sup>1</sup>	Director

Paola Camagni <sup>2-3</sup>	Director and member of the Audit Committee
Vincenzo Cariello <sup>1</sup>	Director
<del>Marcus Johannes Chromik<sup>1</sup></del>	<del>Director</del>
António Domingues <sup>1</sup>	Director
Julie Birgitte Galbo <sup>2</sup>	Director and member of the Audit Committee
Jeffrey Alan Hedberg <sup>1</sup>	Director
<b><u>Doris Honold<sup>1</sup></u></b>	<b><u>Director</u></b>
Beatriz Ángela Lara Bartolomé <sup>1</sup>	Director
Maria Pierdicchi <sup>1</sup>	Director
Marco Rigotti <sup>2-3</sup>	Director and Chair of the Audit Committee
Francesca Tondi <sup>1</sup>	Director
Gabriele Villa <sup>2-3</sup>	Director and member of the Audit Committee

Notes:

- (1) Meets the independence requirements pursuant to Section 148 of the ~~Financial Services Act~~ **Consolidated Financial Act** and the Italian Civil Code, Section 13 of the Treasury Decree no. 169 dated 23 November 2020 and Section 2, recommendation 7, of the Italian Corporate Governance Code. **The assessment of the regulatory requirements of Director Ms. Honold will be carried out by the UniCredit Board of Directors at a next meeting to be held within the deadlines set forth by the applicable provisions.**
- (2) Meets the independence requirements pursuant to Section 148 of the ~~Financial Services Act~~ **Consolidated Financial Act** and the Italian Civil Code, Section 14 of the Treasury Decree no. 169 dated 23 November 2020 and Section 2, recommendations 7 and 9, of the Italian Corporate Governance Code.
- (3) Is enrolled with the Register of Chartered Accounting Auditors of the Italian Ministry of Economy and Finance.

\* Also elected as General Manager by the Board of Directors on 12 April 2024.

The information on the Board of Directors, including the members of the Audit Committee, and its updates are available on the UniCredit website without prejudice to the obligations arising from Article 23 of the Prospectus Regulation in relation to the drafting of a supplement.

The business address for each of the foregoing Directors and members of the Audit Committee is in Milan, 20154, Piazza Gae Aulenti 3, Tower A.

Other principal activities performed by the members of the Board of Directors and of the Audit Committee which are significant with respect to UniCredit are listed below:

***Pietro Carlo Padoan***

- Member of the Board of Directors and **of** the Executive Committee of ABI – Italian Banking Association
- Chair of the Capital Markets Union technical Committee of ABI – Italian Banking Association
- Member of the Institut International d’Etudes Bancaires
- Chair of the High Level Group on Financing Sustainability Transition
- Vice Chair and member of the European Financial Roundtable (EFR)
- Member of the European Banking Group (EBG)
- Member of the Executive Committee of FeBAF (Italian Banking, Insurance and Finance Federation)
- Member of the Executive Committee of Assonime
- Chair of the Committee of Market Operators and Investors (COMI)
- Member of the Governing Council of the School for Economic and Social Politics (AISES)
- Non Resident Fellow, Institute for European Policymaking (Bocconi University)
- Member of the “Comitato Scientifico Osservatorio Banca Impresa 2030”
- Member of the Board of “Istituto Luigi Einaudi per gli Studi bancari, finanziari e assicurativi”
- Member of the Corporate Governance Committee of Borsa Italiana
- Member of the Board of the Institute of International Finance (IIF)
- Member of the FEPs High-Level Group on the New Global Deal
- Member of the Consiglio Generale of AIFI (Associazione Italiana del Private Equity, Venture Capital e Private Debt)
- Vice Chair of IAI – Istituto Affari Internazionali
- Member of the Scientific Council of LUISS Institute for European Analysis and Policy (LEAP)
- Senior Scientific Advisor of Master LUISS Energy and Sustainability
- Honorary Board Member of Scope Foundation
- Member of the Advisory Committee for EMU Lab at European University Institute
- Distinguished Fellow of the Centre for International Governance Innovation (CIGI)

***Andrea Orzel***

- Non-executive Director of EIS Group Ltd
- Chair of the Supervisory Board of UniCredit Bank GmbH
- Chair of the UniCredit Foundation (**ex Unidea**)

***Elena Carletti***

- Full Professor of Finance, Bocconi University, Department of Finance
- Director of the “Banking, Finance and Regulation” Unit, Baffi Center for Applied Research – Bocconi University
- Dean for Research – Bocconi University
- Director of Center for European Policy & Research (CEPR) and of the Research Policy Network (RPN)
- Research Professor, Bundesbank
- Scientific Advisor, European University Institute, Florence School of Banking and Finance (FBF)
- Member of Expert Panel on banking supervision, European Parliament
- Chair of the Scientific Committee, Bruegel

***Paola Bergamaschi***

- Member of the Board of Directors and of the Risk and Audit Committees of AIG Inc.
- ~~Member of the Board of Directors, Chair of the Risk Committee and member of the Audit and Nomination Committees of BNY Mellon International~~
- ~~Chair of the Advisory Board of Depository and Trust business of BNY Mellon International~~
- Member of the Advisory Board of Quantexa Ltd

***Paola Camagni***

- Founder and Managing Partner of “Camagni STP” tax firm
- Independent member of the Board of Directors, Chair of the Related Parties Committee and member of the **Internal** Control and Risks Committee of TIM (Telecom Italia) S.p.A.
- Independent member of the Board of Directors of FSI SGR S.p.A.
- Chair of the Board of Statutory Auditors of A.G.I. Agenzia Giornalistica Italia S.p.A.

***Vincenzo Cariello***

- Founding and Name Partner Studio Legale Professor Cariello
- Member of the Board of Directors, Chair of Related Parties Committee, member of ESG and Rapporto con i Territori Committee of A2A S.p.A.
- Member of Collegio dei Docenti del Dottorato di Ricerca in Impresa, Lavoro, Società – Cattolica University

***Marcus Johannes Chromik***

- ~~Advisor of Hawk Advisor di Hawk AI GmbH~~
- ~~Advisor of AI Hub Frankfurt Ltd~~
- ~~Member of the Supervisory Board of Unzer GmbH~~

***António Domingues***



- Non-executive Director and member of the Remuneration Committee of Banco CTT
- Non-executive Director, Chair of Risk Committee and member of the Corporate Governance Committee of Haitong Investment Bank S.A.

***Julie Birgitte Galbo***

- Chair of the Board of Gro Capital
- Member of the Board of Directors, of the Audit and of the Risk & Compliance Committees of Commonwealth Bank of Australia
- Chair of the Board of Trifork AG
- Senior Advisory, EU AML/CFT Global Facility
- External lecturer at the Board Academy, Board Leadership Society, Copenhagen Business School

***Jeffrey Alan Hedberg***

None

***Doris Honold***

- **Member of the Supervisory Board, Deputy Chair of the Supervisory Board, Chair of the Board Risk Committee and member of the Audit Committee of SEFE.**
- **Non-Executive Director and Presidente Board Audit e Risk Committee of Aion SA/NV.**
- **Non-Executive Director of Encompass.**
- **Non-Executive Director of Regional Voluntary Carbon Market Company in Saudi Arabia.**
- **Chair of Climate Bond Initiative.**
- **Board Member of the Integrity Council of Voluntary Carbon Market.**

***Beatriz Ángela Lara Bartolomé***

- Member of the Board of Directors and of the Digital Transformation Advisory Board of FINCOMÚN S.A.
- Chair of the Board of Directors of Chapter Zero Spain, Universidad de Navarra
- Sole Director of AHAOW Moment S.L.
- Seed Investor & Strategy Advisor at ZELEROS Hyperloop
- Investor & Senior Advisor at OPINNO
- Investor & Strategy Advisor at Bound4Blue
- Mentor at EXSIM (Executive Simulation Lab), International MBA, IESE Business School and at Startup Lab, IMBA, IE Business School
- **Member of the Sustainable Finance Council of Ministry of Economy, Commerce and Business of Government of Spain**

***Maria Pierdicchi***

- Board Member of NED COMMUNITY
- Board Member of Aidexa Holding
- Board Member of Eccellenze d'Impresa S.r.l. ~~HUBLAB S.r.l.~~
- Board Member of EcoDa (European Federation of Directors Institutes)

***Marco Rigotti***

- Chair of the Board of Directors of Alisarda S.p.A.

***Francesca Tondi***

None

***Gabriele Villa***

- Founder and Partner, Studio Corbella Villa Crostarosa Guicciardi
- Statutory Auditor of Edison S.p.A.
- Statutory Auditor of Italmobiliare S.p.A.
- Statutory Auditor of TdE – Transalpina di Energia S.p.A.
- Chair of the Board of Statutory Auditors of Fondazione Accademia Arti e Mestieri del Teatro della Scala.

**Audit Committee**

As described above, pursuant to the provisions of the UniCredit Articles of Association, on 12 April 2024 the Shareholder' Meeting of UniCredit appointed the Audit Committee (established within the Board), which is comprised as follows:

<b>Name</b>	<b>Position</b>
Marco Rigotti <sup>1-2</sup>	Director and Chair of the Audit Committee
Paola Camagni <sup>1-2</sup>	Director and member of the Audit Committee
Julie Birgitte Galbo <sup>1</sup>	Director and member of the Audit Committee
Gabriele Villa <sup>1-2</sup>	Director and member of the Audit Committee

Notes:

<sup>(1)</sup> Meets the independence requirements pursuant to Section 148 of the ~~Financial Services Act~~ Consolidated Financial Act and the Italian Civil Code, Section 14 of the Treasury Decree no. 169 dated 23 November 2020 and Section 2, recommendations 7 and 9, of the Italian Corporate Governance Code.

<sup>(2)</sup> Is enrolled with the Register of Chartered Accounting Auditors of the Italian Ministry of Economy and Finance.

## 9.2 Conflicts of Interest

As at the date of this Registration Document, and to the best of UniCredit knowledge, with regard to the members of the UniCredit Board of Directors and Audit Committee there are no conflicts of interest between any duties to the Issuer, arising from the office or position held within UniCredit, and their private interests and/or other duties.

**In UniCredit any conflict of interest is managed in accordance with the applicable procedures and in strict compliance with existing laws and regulations.**

~~In UniCredit any conflict of interest is managed in accordance with the applicable procedures and in strict compliance with existing laws and regulations. Members of the UniCredit Board of Directors and Audit Committee must indeed comply with the following provisions aimed at regulating instances where there exists a specific interest concerning the implementation of an operation:~~

- ~~• Article 53 paragraph 4, of the Italian Banking Act, without prejudice to the obligations envisaged by paragraph 1 of Article 2391 of the Italian Civil Code, hereinafter quoted, sets forth the duty to abstain from voting for the Directors having a conflicting interest, on their own behalf or on behalf of a third party;~~
- ~~• Article 136 of the Italian Banking Act, which requires a special authorisation procedure (a unanimous decision by the supervisory body with the exclusion of the concerned officers' vote and the favourable vote of all members of the controlling body) should a bank enter into obligations of any kind or enter, directly or indirectly, into purchase or sale agreements with its corporate officers;~~
- ~~• Article 2391 of the Italian Civil Code, which obliges directors to notify fellow directors and the members of the Audit Committee, of any interest, on their own behalf or on behalf of a third party, that they may have, in a specific company transaction, with the concerned member of the Board of Directors having to abstain from carrying out the transaction if he/she is also the CEO; and~~
- ~~• Article 2391 bis of the Italian Civil Code, CONSOB Regulation No. 17221 dated 12 March 2010 (and subsequent updates) concerning transactions with related parties and the relevant communication no. 10078683 dated 24 September 2010, as well as the provisions of the Bank of Italy Circular no 285 dated 17 December 2013 (Part III Chapter 11) concerning risk activities and conflicts of interest of banks and banking groups with associated persons (Supervisory Regulations for the banks).~~

~~In accordance with the said latest provisions, UniCredit has adopted specific policies and procedures in order to ensure, between the others, the transparency and the material and procedural correctness of the transactions with related parties or with associated persons, directly or through controlled companies. For information on related party transactions, please see Part H of the Notes to the consolidated financial statements of UniCredit as at 31 December 2023, incorporated by reference herein.~~

~~Notwithstanding the obligations of Article 2391 of the Italian Civil Code, UniCredit and its corporate bodies have adopted measures and procedures to ensure compliance with the provisions relating to transactions with its corporate officers, as well as transactions with related parties and associated persons."~~

1.9. The "Section X - Major Shareholders", on page 54 of the Registration Document, shall be amended by way of mark up as follows in order to reflect the new shareholder structure of the Issuer and in light of the information of the UniCredit 2025 Equity Registration Document incorporated by reference (crossed and underlined words are to show the amendments made only):

1.9.1 The subsection "Information related to the shareholder structure of the Issuer", on page 54 of the Registration Document, shall be amended as follows (crossed and underlined words are to show the amendments made only):

**"10.1 Information related to the shareholder structure of the Issuer**

No individual or entity controls UniCredit within the meaning provided for in Article 93 of the ~~Financial Services Act~~Consolidated Financial Act.

As ~~at 27 December 2024~~of the Registration Document Date, the major shareholders who have disclosed that they hold, directly or indirectly, a relevant participation in UniCredit, pursuant to Article 120 of the ~~Financial Services Act~~Consolidated Financial Act, were:

<b>Major shareholders</b>	<b>Ordinary shares</b>	<b><del>% owned</del> <u>of share capital</u></b>	<b><u>% of voting rights</u></b>
<del>BlackRock Group</del> <u>Inc.</u>	114,907,383	<del>7.4075</del> <u>1.120</u> <sup>(1)</sup>	<u>5.120</u>
<u>Capital Research and Management Company</u>	<u>80,421,723</u>	<u>5.163</u>	<u>5.163</u>
FMR LLC	48,134,003	3.102 <sup>(1)</sup>	<u>3.102</u>

(1) non-discretionary asset management

The table shows the information notified by the shareholders pursuant to ~~Article~~section 120 of the ~~Financial Services Act~~Consolidated Financial Act following the update disclosed on the CONSOB website on ~~27 December 2024~~as of the Registration Document Date.

The percentages here indicated are calculated on the number of shares representing the share capital as of the date of this Supplement, which takes into account the cancellation of treasury shares carried out on 18 December 2024.

It should be noted that, in the cases provided for by the Issuers' Regulations, management companies and qualified entities that have acquired, as part of their management activities, shareholdings less than 5 ~~per cent.~~% are not required to make disclosures.

The updated information concerning the major shareholders will be available from time to time on the Issuer's website without prejudice to the obligations arising from Article 23 of the Prospectus Regulation in relation to the drafting of a supplement."

- 1.10. The "Section XI - Financial Information concerning the Issuer's assets and liabilities, financial position and profits and losses", on page 55 et seq. of the Registration Document, save for the 2022 and 2023 consolidated accounts of UniCredit Group and non consolidated annual financial statements of the Issuer, already incorporated by reference in the Registration Document, shall be amended adding the following paragraphs.

This section has been amended also including by reference the paragraph "Pro-forma financial information" of the UniCredit 2025 Equity Registration Document in order to provide the investors with a detailed, fully updated and complete set of information about the Issuer:

- 1.10.1 The subsection "Historical financial information", on page 55 et seq. of the Registration Document, shall be amended and the following paragraphs shall be added:

### "11.1 Historical financial information

[...]

The consolidated annual financial statements of the UniCredit Group and the non consolidated annual financial statements of the Issuer for the financial year ended on 31 December 2024 are available to the public on the Issuer's website at the following link: <https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/financial-reports/2024/4Q24/2024-Annual-Reports-and-Accounts.pdf>.

The audited annual financial statements ended on 31 December 2024 have been approved by the ordinary shareholders' meeting on 27 March 2025.

Details in relation to the consolidated annual financial statements of the UniCredit Group and to the non consolidated annual financial statements of the Issuer ended on 31 December 2024 are provided below.

Document	Information incorporated	Page numbers
2024 UniCredit Annual Report and Accounts	<b>Consolidated Report and Accounts of UniCredit Group:</b>	
	Consolidated Report on Operations	103-329
	Consolidated Balance Sheet	351-352
	Consolidated Income Statement	353
	Consolidated Statement of Comprehensive Income	354
	Statement of Changes in the Consolidated Shareholders' Equity	355-358
	Consolidated Cash Flow Statement	359-360
	Notes to the Consolidated Accounts	363-709
	Certification	711
	Report of External Auditors	715-721
Annexes	731-817	
	<b>Report and Accounts of UniCredit S.p.A.:</b>	

<b>Document</b>	<b>Information incorporated</b>	<b>Page numbers</b>
	Report on operations	827-853
	Balance Sheet	857-858
	Income Statement	859
	Statement of Comprehensive Income	860
	Statement of Changes in the Shareholders' Equity	861-862
	Cash Flow Statement	863-864
	Notes to the Accounts	867-1037
	Certification	1039
	Report of External Auditors	1059-1066
	Annexes	1069-1076

[...]

### **Pro-forma financial information**

"To the extent specified in the table below, the following information is incorporated by reference in this section of the Registration Document.

<b>PRO-FORMA FINANCIAL INFORMATION</b>		
<b>DOCUMENT</b>	<b>INFORMATION INCORPORATED</b>	<b>PAGE REFERENCE</b>
UniCredit 2025 Equity Registration Document:  <a href="https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf">https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf</a>	Introduction, Summary description of the Public Exchange Offer and the BPM Offer and paragraph "Basis of preparation of the Pro-Forma Consolidated Condensed Financial Information"	Pages 126-130
	Paragraph "Pro-Forma Consolidated Condensed Financial Information at December 31, 2024"	Pages 130-134
	Paragraph "Explanatory notes to the preparation of the Pro-Forma Consolidated Condensed Financial Information"	Pages 134-135
	Paragraph "Pro-forma adjustments"	Pages 135-142

	Paragraph "Auditors' Report on the examination of the pro-forma consolidated figures"	Pages 142-146
	Paragraph "Pro-forma capital ratios"	Pages 146-147
	Paragraph "Dividend policy and dividend history"	Pages 147-148
	Paragraph "Information on BPM and Anima"	Pages 148-151

"

- 1.10.2 The subsection "Auditing of historical annual financial information", on page 58 of the Registration Document, shall be amended by way of mark up as follows in light of the incorporation by reference of the financial statements of the Issuer as at 31 December 2024 (crossed and underlined words are to show the amendments made only):**

**“11.3 Auditing of historical annual financial information**

11.3.1 KPMG S.p.A. has audited and issued unqualified audit opinions – incorporated by reference in this Registration Document - on the consolidated financial statements of the UniCredit Group and on the financial statements of the Issuer for the year ended on 31 December 2022, 31 December 2023 and 31 December 2024.

11.3.2 Except for the financial information contained in the consolidated financial statements of the UniCredit Group and in the financial statements of the Issuer for the year ended on 31 December 2024, 31 December 2023 and 31 December 2022 and in the condensed interim consolidated financial statements ended on 30 June 2024 and 30 June 2023, no other financial information has been verified by the auditors."

- 1.10.3 The subsection "Legal and arbitration proceedings", on page 58 et seq. of the Registration Document, shall be deleted in its entirety and replaced as follows in order to provide the investors with a detailed, fully updated and complete set of information in accordance with 2025 UniCredit Equity Registration Document and in light of the financial statements of the Issuer as at 31 December 2024:**

**“11.4 Legal and arbitration proceedings**

As of the Registration Document Date, UniCredit and other UniCredit Group companies are named as defendants in several legal proceedings. In particular, as of December 31, 2024, UniCredit and other UniCredit Group companies were named as defendants in 34,805 legal proceedings, of which 5,676 involving UniCredit.

In many cases, there is substantial uncertainty regarding the outcome of the proceedings and the amount of possible losses. Where it is possible to estimate reliably the amount of possible losses and the loss is considered as more likely than not, provisions have been made in the financial statements to the extent UniCredit, or any of

the Group companies involved, deemed appropriate based on the circumstances of the case and in compliance with the IAS.

In order to provide for possible liabilities and costs that may result from pending legal proceedings, as at December 31, 2024, the Group set aside a provision for risks and charges of Euro 969.04 million, of which Euro 261.9 million for UniCredit.

As at December 31, 2024, the total amount of claimed damages relating to legal and arbitration proceedings amounted to Euro 7.7 billion, of which Euro 4.6 billion for the proceedings involving UniCredit.

These figures are affected by both the heterogeneous nature of the pending proceedings and the number of involved jurisdictions in which UniCredit Group companies are named as defendants and their corresponding characteristics. The estimate of reasonably possible liabilities and the provisions are based upon the available information, however, given the many uncertainties inherent in legal proceedings, they involve significant elements of judgment.

In addition, UniCredit – in July 2024 - made an application to the General Court of European Union to obtain definitive legal clarification of the obligations set by the ECB requirements to further reduce the risks associated with UniCredit's activities in Russia, carried out by subsidiaries including UniCredit Bank Russia (“**AO Bank**”). As of the Registration Document Date, the proceedings are ongoing.

Set out below is a summary of information relating to matters involving the Group which are not considered groundless or in the ordinary course of the Group companies’ business. This section also describes pending proceedings against UniCredit and/or other UniCredit Group companies and/or employees (even former employees) that UniCredit considers relevant and which, at the Registration Document Date, are not characterized by a defined claim or for which the respective claim cannot be quantified.

#### ***Claims in relation to guarantee payments and sanctions***

In August 2023, UniCredit Bank GmbH (“**UCB**”) was sued as a defendant in a lawsuit pertaining to guarantee claims commenced by a Russian energy company before the Saint Petersburg Court in Russia. UCB had issued part of a guarantee package in favor of the Russian company on behalf of a German guaranteed client. The Russian company had drawn down the guarantees by making payment claims to UCB, which UCB could not fulfil under the applicable EU sanctions. UCB sought and obtained an anti-suit injunction (a court order restraining a party to litigation proceedings from starting or pursuing proceedings in another jurisdiction) from the English courts (English ASI), which was granted by the English Court of Appeal on January 29, 2024, and upheld by the UK Supreme Court on April 23, 2024. Notwithstanding the English ASI, the Russian company continued the litigation in Russia, including by securing certain injunction measures against UCB and joining AO UniCredit Bank (a member of the UniCredit Group and a bank operating in Russia, AO Bank) as a co-defendant in the lawsuit.

On June 26, 2024, the Russian court fully satisfied the Russian company’s claims. Both UCB and AO Bank have appealed against the ruling. On 19 February 2025 the appeal was rejected. UCB and AO Bank are entitled to a further appeal (cassation) within two months upon publication of the full decision, which does not affect the enforceability of the existing judgment.

In December 2024, the Russian company obtained an anti-suit injunction from the Russian court (Russian ASI) obliging UCB to refrain from any legal action against the Russian company in any jurisdiction and to take steps to annul the English ASI. In the event of violations of the Russian ASI, UCB could become liable to pay a court fine to the Russian company. In light of the injunction imposed by the Russian ASI, on February 11, 2025, UCB obtained a judgment from the English Court of Appeal amending its order of January 29, 2024, and setting aside the English ASI. UCB and AO Bank are entitled to a further appeal (in cassation).

#### ***Claims in relation to counter guarantees and sanctions***

In April 2024, UCB was named as a defendant in a lawsuit brought by AO Bank before a court in Moscow, Russia, in connection with guarantee claims. UCB issued counter-guarantees to AO Bank to a Russian company. When AO Bank made a payment under the guarantees to the Russian company, AO Bank demanded payment under the



counter-guarantees from UCB, which UCB was unable to perform due to applicable EU sanctions. In October 2024, the Russian court ordered UCB to pay the guarantee amounts plus interest.

UCB has appealed against the ruling. In January 2025, the appeal was rejected. UCB has the right to file a further appeal (cassation) within two months of publication of the full decision, which will not affect the enforceability of the existing judgment.

### **Lawsuits filed against UniCredit by members of the former *Cassa di Risparmio di Roma* Fund**

Lawsuits brought against UniCredit by members of the former *Cassa di Risparmio di Roma* Fund aimed to reconstitute the assets of the fund, ascertain and quantify social security individual position of each member. The claims' value is about Euro 384 million.

As of the Registration Document Date, UniCredit is managing one last case before the Italian Supreme Court (one has been declared inadmissible by the same Court in January 2025) concerning the reconstitution of the fund's assets. Regarding the portability and redemption segment, UniCredit is handling cases both for the verification of entitlement and for the quantification of individual pension positions.

### ***Diamond offer***

Over the years, within the diversification of investments to which the available assets are addressed and also considering in this context those investments with the characteristics of the so-called "safe haven" with a long-term horizon, several UniCredit customers have historically invested in diamonds through a specialized intermediary company, with which UniCredit has stipulated, since 1998, a collaboration agreement as "introducer", in order to regulate the "reporting" methods of the offer of diamonds by the same company to UniCredit customers. Since the end of 2016, the liquidity available on the market to meet the requests of customers who intended to divest their diamond assets has contracted to a certain extent until it became nil, with the suspension of the service by the specialized intermediary.

In 2017, UniCredit started a "customer care" initiative which envisaged the availability of the Bank to intervene for the acknowledgement towards the customer of the original cost incurred for the purchase of precious items and the consequent withdrawal of the stones, upon certain conditions.

The initiative has been adopted by UniCredit assessing the absence of responsibility for its role as introducer; nevertheless, the Italian competition and markets authority (the "AGCM") ascertained the responsibility of UniCredit for unfair commercial practice (confirmed in appeal by the Administrative Regional Court in the second half of 2018), imposing, in 2017, a fine of Euro 4 million paid in the same year. UniCredit has filed an appeal to the Council of State.

With a sentence dated March 11, 2021, the Council of State accepted the appeal brought by UniCredit against the fine imposed by reducing the amount of the fine to Euro 2.8 million and sentenced AGCM to return Euro 1.2 million, amount reimbursed in June 2021.

In order to cope with the probable risks of loss related to the repurchases of diamonds, a dedicated provision for risks and charges was set up and its quantification was also based on the outcome of an independent study (commissioned to a primary third company) aiming at evaluating the diamonds' value.

On February 19, 2019, the Court of Milan issued an interim seizure order against UniCredit, freezing Euro 33 million for aggravated fraud and Euro 72 thousand for self-laundering. Investigations pursuant to article 25-*octies* of Legislative Decree No. 231/2001 were carried out to ascertain the Bank's administrative liability for self-laundering.

On October 2, 2019, UniCredit and certain employees received notice of the conclusion of investigations which confirmed the allegations of fraud and self-laundering, with the latter providing the grounds for the Bank's

potential liability. In September 2020 new allegations were made against individuals, for fraud only, leaving the overall investigative framework unchanged.

In June 2021, the public prosecutor requested indictments against some employees. The case, transferred to Trieste following jurisdictional challenges, returned to the investigation stage, and the interim seizures were lifted.

In February 2023, the Trieste Prosecution Office dismissed the case against the Bank for self-laundering, with approval from the General Prosecutor at the Court of Appeal. The Judge for the preliminary investigations formally closed the case against the Bank.

The fraud case against individuals was sent back to the Milan courts. In May 2024, the Public Prosecutor filed a motion to dismiss the case in line with defendants' requests. The court now awaits potential objections, which would trigger a hearing before the Judge for the preliminary investigations. The Issuer expects final dismissal by the Judge, in the absence of any other objections.

As far as the customer care initiative is concerned, at December 31, 2024, UniCredit received reimbursement requests for a total amount of about Euro 417 million (cost originally incurred by the clients) from No. 12,494 customers; according to a preliminary analysis, such requests fulfill the requirements envisaged by the "customer care" initiative; the finalization of the reimbursement requests is currently carried out, aimed at assessing their effective compliance with the "customer care" initiative, and then proceed with the settlement where conditions recur; with reference to the scope outlined above (Euro 417 million), UniCredit reimbursed No. 12,147 customers for about Euro 410 million (equivalent value of original purchases), equal to about 98% of the reimbursement requests said above.

#### ***Euro-denominated bonds issued by EU countries***

On January 31, 2019, UniCredit and UCB received a Statement of Objections from the European Commission referring to the investigation carried out by the European Commission for a suspected violation of antitrust rules in relation to European government bonds.

The subject matter of the investigation extended to certain periods from 2007 to 2011 and included activities carried out by UCB between September and November 2011.

The European Commission concluded its investigation and issued its decision on May 20, 2021. The decision provides for the imposition of a fine of Euro 69 million on UniCredit and UCB. UniCredit and UCB challenged the European Commission's findings and brought an action for the annulment of the decision before the General Court of the European Union on July 30, 2021.

A decision is expected to be issued in 2025.

#### ***Alpine Holding GmbH***

Legal proceedings against UCB Austria arose from bondholders' claims commenced in June/July 2013.

The claims stemmed from the insolvency of Alpine Holding GmbH, as UCB Austria acted as joint lead manager, together with another bank, for the undertaking of Alpine Holding GmbH bond issues in 2010 and 2011. Bondholders' claims are mainly referred to prospectus liability of the joint lead manager, whereas a minority of the cases is based on mis-selling due to allegedly unlawful investment advice. The damage claims amount to Euro 18.7 million in total. These proceedings are mainly pending in the first instance and may be adverse to UCB Austria.

In the proceedings, the courts of first and second instance confirmed the legal position of UCB Austria and the other issuing banks that the prospectuses were correct and complete and fully rejected the bondholders' claims based on prospectus liability. To date, the Supreme Court has not issued any legally binding decisions against

UCB Austria regarding prospectus liability. Therefore, the final outcome of the lawsuits cannot be assessed as of yet.

In addition to the ongoing proceedings against UCB Austria stemming from the Alpine Holding GmbH insolvency, further Alpine Holding GmbH-related actions have been threatened and may be filed in the future. The pending or future actions may have negative consequences for UCB Austria.

Despite the favorable developments mentioned above, as of the Registration Document Date, it is impossible to either estimate reliably the timing and results of the various lawsuits, or to determine the level of liability, if any.

#### ***VIP 4 Medienfonds***

Various investors in “Film & Entertainment VIP Medienfonds 4 GmbH & Co. KG” to whom UCB issued loans to finance their participation, brought legal proceedings against UCB. In the context of the conclusion of the loan agreements, the plaintiffs claimed that the Bank provided inadequate disclosure about the fund structure and the related tax consequences.

A settlement was reached with the vast majority of the plaintiffs.

As of the Registration Document Date, the final decision with respect to the question of UCB’s liability for the prospectus in the proceeding pursuant to the Capital Markets Test Case Act (*Kapitalanleger-Musterverfahrensgesetz*) is pending at Munich Higher Regional Court and it will affect only a few pending cases.

#### ***Giovanni Lombardi Stronati***

In June 2023, Mr. Giovanni Lombardi Stronati commenced proceedings before the Court of Rome seeking a declaration that UniCredit is contractually liable for having ordered the sale of securities in his name, which had been seized in the context of criminal proceedings in which he was charged and then acquitted for embezzlement and fraudulent bankruptcy.

The claim amounts to Euro 420 million.

In September 2024, the Court ruled in favor of the Bank, rejecting the claimant’s arguments. The claimant has since appealed the decision, and, as of the Registration Document Date, the appeal is currently pending.

#### ***Lawsuit brought by Paolo Bolici***

In May 2014, the company wholly owned by Mr. Paolo Bolici (the “**Bolici Company**”) sued UniCredit before the Court of Rome asking for the return of Euro 12 million for compound interest (including alleged usury component) and Euro 400 million for damages. The Bolici Company then went bankrupt.

UniCredit won the case in the first instance and, during the appeal period, the parties reached a settlement, following which the case was definitively discontinued, also after the intervention by Mrs. Beatrice Libernini, Mr. Paolo Bolici’s business partner, was declared inadmissible.

On July 31, 2020, Mrs. Beatrice Libernini sued UniCredit, seeking damages based on facts similar to those alleged in the 2014 proceedings and the Court of Rome ruled in favor of UniCredit. As of the Registration Document Date, the appeal filed by Mrs. Beatrice Libernini is pending.

In February 2023, Mr. Paolo Bolici and Mrs. Beatrice Libernini commenced new proceedings before the Court of Rome, in which, recalling most of the claims already filed by them and identifying UniCredit as the main responsible for their group financial collapse, they claimed further damages for various reasons, invoking new allegations whose merits are currently being assessed. In January 2024, the Court of Rome ruled in favor of the Bank, fully dismissing the claims by the plaintiffs.

As of the Registration Document Date, the appeal filed by Mrs. Beatrice Libernini is pending.

#### ***Fino Arbitration proceedings***

In July 2022, Fino 1 Securitisation S.r.l. (“**Fino 1**”) commenced an ICC arbitration seeking damages in relation to, *inter alia*, the alleged breach of certain representations and warranties included in a transfer agreement for the sale of receivables entered into in 2017.

In March 2023, Fino 2 Securitisation S.r.l. (“**Fino 2**”) also commenced an ICC arbitration seeking damages in relation to another transfer agreement for the sale of receivables also entered into in 2017.

As of the Registration Document Date, the proceedings are still pending.

### ***Proceeding relating to certain types of banking operations***

The Group is sued as a defendant in several proceedings in matters connected to its operations with clients, which are not specific to the UniCredit Group but, rather, affect the financial sector in general.

In this regard, as at December 31, 2024: (i) proceedings against UniCredit pertaining to compound interest, typical of the Italian market, had a total claimed amount of Euro 818 million, mediations included; (ii) proceedings pertaining to derivative products, mainly affecting the Italian market (for which the claimed amount against UniCredit was Euro 344 million, mediations included); and (iii) proceedings relating to foreign currency loans, mainly affecting the CE and EE Countries (for which the claimed amount was around Euro 267 million).

The proceedings pertaining to compound interest mainly involve damages requests from clients arising from the alleged unlawfulness of the calculation methods of the amount of interest payable in connection with certain banking contracts. As of the Registration Document Date, UniCredit has made provisions that it deems appropriate for the risks associated with these claims. With regard to the litigation connected to derivative products, several financial institutions, including UniCredit Group companies, entered into a number of derivative contracts, both with institutional and non-institutional investors. In Germany and Italy, there are several pending proceedings against certain Group companies that relate to derivative contracts concluded by both institutional and non-institutional investors. The filing of such claims affects the financial sector generally and is not specific to UniCredit and its Group companies.

As of the Registration Document Date, UniCredit and the involved Group companies have made provisions deemed appropriate based on the best estimate of the impact which might derive from such proceedings. With respect to proceedings relating to foreign currency (FX) loans, in the last decade, a significant number of customers in the Central and Eastern Europe area took out these types of loans and mortgages denominated in a foreign currency. In a number of instances customers, or consumer associations acting on their behalf, have sought to renegotiate the terms of such FX loans and mortgages, including having the loan principal and associated interest payments redenominated in the local currency at the time that the loan was taken out, and floating rates retrospectively changed to fixed rates. In addition, in a number of countries legislation that impacts FX loans was proposed or implemented. These developments resulted in litigation against subsidiaries of UniCredit in a number of CE and EE Countries including Croatia, Slovenia and Serbia.

In 2015, the Republic of Croatia enacted amendments to the Consumer Lending Act and Credit Institutions Act mandating the conversion with retroactive effect of Swiss franc-linked loans into Euro-linked (the “**Conversion Amendments**”). In 2019, the Supreme Court of the Republic of Croatia ruled that the Swiss franc (“**CHF**”) currency clause contained in certain loan and mortgage documentation was invalid (as later confirmed by the Constitutional Court in March 2021).

In March 2020, the Supreme Court of the Republic of Croatia ruled that agreements entered into following the Conversion Amendments whereby customers converted their CHF mortgages and/or loans into EUR are valid and accordingly no additional payments are due.

In May 2022, the ECJ rendered a preliminary ruling in the court case against Zagrebacka banka d.d. (“**Zaba**”) taking the stance that the Directive on unfair terms in consumer contracts is not applicable in cases in which the conversion was based on national law (as it was in Croatia).

The ECJ also referred to the local Croatian courts to decide on the conversion agreements and their effects.

In December 2022, the Supreme Court publicly announced three legal standings related to CHF loan conversions:

1. Customers who converted their loans under the Conversion Amendments are not entitled to

- damages;
2. Customers who converted their loans are fully entitled to claim both interest and principal;
  3. Customers who converted their loans are entitled to penalty interest on overpayments made prior to the conversion.

The third legal standing, supported by a majority of 13 judges, was officially confirmed, and provisions were booked accordingly. In July 2024, the ECJ ruled in the Hann Invest case (C-554/21) that the Croatian Supreme Court's procedure of withholding final judgments was invalid. Following this, in October 2024, the Supreme Court issued binding rulings on two of its December 2022 legal standings, affirming that:

1. Customers who converted their CHF loans may be fully entitled to claim both interest and principal;
2. Customers may also be entitled to penalty interest on overpayments made prior to the conversion.

These rulings introduced additional legal uncertainty and increased the risk of outflows for the bank. Provisions have been adjusted to reflect these developments and are deemed appropriate.

### ***Bitminer litigation in the Republic of Srpska, Bosnia and Herzegovina***

In 2019, a local customer, Bitminer Factory d.o.o. Gradiška ("**Bitminer**"), filed a lawsuit before the District Commercial Court in Banja Luka claiming damages for unjustified termination of its current bank accounts by UniCredit Bank a.d. Banja Luka ("**UCBL**"), a subsidiary of UniCredit in Bosnia and Herzegovina, Republic of Srpska. Bitminer alleged that termination of the accounts obstructed its Initial Coin Offering relating to a start-up renewable-energy-powered cryptocurrency mining project in Bosnia and Herzegovina. On December 30, 2021, the first instance court allowed most of Bitminer's claims and ordered UCBL to pay damages in the amount of BAM 256,326,152 (Euro 131 million) (the "**Judgment**").

The appeal was filed in January 2022.

On April 18, 2023, the High Commercial Court reversed the Judgment in its entirety, and issued a final, binding, and enforceable second instance judgement (the "**Second-Instance Judgment**"). The Second Instance Judgement established that Bitminer's claim is unfounded and that UCBL is not liable for any damages. Bitminer duly filed a revision, an extraordinary legal remedy, to the Supreme Court of the Republic of Srpska. The revision proceedings do not suspend or otherwise affect the finality and enforceability of the Second-Instance Judgement. In April 2024, the Supreme Court of the Republic of Srpska issued the ruling and rejected the revisions.

As of the Registration Document Date, Bitminer filed an appeal with the Constitutional Court of Bosnia and Herzegovina and the decision has not been issued yet.

### ***Proceedings arising out from the purchase of UniCredit Bank GmbH the related Group reorganization***

#### ***Appraisal Proceeding – Squeeze-out of UCB minority shareholders***

In 2008, approximately 300 former minority shareholders of UCB filed a request before the District Court of Munich to have a review of the price paid to them by UniCredit, equal to Euro 38 per share, in the context of the squeeze out of minority shareholders.

The dispute mainly concerns the valuation of UCB, which is the basis for the calculation of the price to be paid to the former minority shareholders.

On June 22, 2022, the competent court in Munich rejected all applications for a higher compensation than that which UniCredit paid to the former minority shareholders of UCB, hence dismissing all claims.

As of the Registration Document Date, certain claimants have filed appeals.

#### ***Appraisal Proceeding – Squeeze-out of UniCredit Bank Austria AG's minority shareholders***

In 2008, approximately 70 former minority shareholders of UCB Austria commenced proceedings before the Commercial Court of Vienna claiming that the squeeze-out price paid to them, equal to Euro 129.4 per share, was inadequate, and asking the court to review the adequacy of the amount paid.

As of the Registration Document Date, the proceeding is pending in the first instance. In parallel, one contentious proceeding in which the plaintiff claims damages are also pending, involving however insignificant amounts only.

### ***Mazza***

In 2005, UniCredit filed a criminal complaint against the notary, Mr. Mazza, who represented certain companies and disloyal employees of UniCredit in relation to unlawful lending transactions in favor of certain clients for Euro 84 million.

The Criminal Court of Rome acquitted the defendants. The Court of Appeal of Rome reversed this decision and found all the defendants to be guilty. Following a further appeal, while stating that some accusations were time-barred, the Supreme Court confirmed the decisions of the Court of Appeal in respect of the damages sought by UniCredit.

In May 2022, the insurance company indemnified UniCredit under the applicable policy, paying an amount of Euro 33 million in relation to the losses suffered by it.

Following the acquittal in the first-instance criminal proceedings, Mr. Mazza and other persons involved in the criminal proceedings filed two lawsuits for compensation claims against UniCredit: (i) the first one (commenced by Mr. Mazza with a claimed amount of Euro 15 million) was won by UniCredit at first-instance and the judgment is final; and (ii) in the second one (commenced by Como S.r.l. and Mr. Colella with a claimed amount of Euro 379 million), the Court of Rome ruled in favor of UniCredit and plaintiffs have appealed and reduced the claimed amount to Euro 100 million.

### ***Claims in relation to a syndicated loan***

UCB, together with several other financial institutions, has been sued as a defendant in complaints filed by the judicial administrator and foreign representative of a Brazilian oil and gas conglomerate in July 2021 in the United States before the Southern District of New York court claiming damages in connection with the repayment of a syndicated loan for two oil drilling rigs in which UCB participated that defendants are alleged to have unlawfully obtained.

### ***Criminal proceedings***

Certain entities part of the UniCredit Group and certain of their representatives (including those no longer in office), are involved in various criminal proceedings and/or, as far as UniCredit is aware, are under investigation by the competent authorities with regard to various cases linked to banking transactions. As of the Registration Document Date, these criminal proceedings have had no significant negative impact on the reputation of UniCredit and/or the UniCredit Group.

In relation to the criminal proceedings relating to the diamond offer, see paragraph "*Diamond offer*" above.

### ***Proceedings related to actions by regulatory authorities***

As of the Registration Document Date and without prejudice to the below, the Issuer is subject to one on-site inspection carried out by the ECB-SSM. The topic of this on-site inspection, which began in February 2025, concerns the processes for performing financial projections, including any ancillary aspect related such subject matter; the inspection is part of the yearly supervisory program of the ECB-SSM that applies to all Euro area

banks under its direct supervision. The inspection is currently ongoing and there is no expected reputational or financial impact as of the Registration Document Date.

Furthermore, with specific reference to the Bank of Italy investigations relating to anti-money laundering profiles on the UniCredit Group, there is no expected reputational or financial impact as of the Registration Document Date.

With specific reference to investigations by CONSOB, the Issuer is currently subject to an ongoing inspection, started in July 2024, concerning product governance and suitability checks on investment products there is no expected reputational or financial impact as of the Registration Document.

Furthermore, on July 21, 2024, CONSOB imposed an administrative fine of Euro 80,000 on UniCredit, in its capacity as the company that incorporated Cordusio Sim S.p.A., for an ascertained violation of Article 16 of the Market Abuse Regulation, which requires entities to immediately report transactions suspected of constituting abuse, or attempted abuse, of inside information. Payment of said administrative fine has been settled by UniCredit.

Finally, it should be noted that, on February 21, 2024, the Italian Personal Data Protection Authority notified UniCredit of a Euro 2.8 million fine related to the sanctioning proceeding opened in February 2020 and regarding a violation of customers' personal data following a Cyber-attack (data breach) occurred in October 2018. The Issuer has filed a recourse.

In this context it should also be noted that European banking supervision authorities, namely the ECB-SSM in coordination with the EBA, rely on the so called “*EU-wide stress test*” to assess how well banks in the Euro-area are able to cope with financial and economic shocks. This type of stress test is performed bi-annually; the most recent one was performed in 2023 and the new one is started in January 2025 and the results will be published in early August 2025.

#### ***Tax proceedings and/or audits***

As at December 31, 2024, UniCredit has not accounted for new provisions to cover tax risks for disputes and tax audits nor for legal expenses. As at December 31, 2024, the fund for risks and charges amounted to Euro 88 million, including Euro 2 million for legal expenses; while as at December 31, 2023, the fund was equal to Euro 147 million, of which Euro 2 million related to legal expenses.

In relation to the new disputes, the following should be noted:

- Dispute instituted by the Bank before the First Instance Court of Tax Justice of Rome following the tacit denial of the request for reimbursement of IRES paid on dividends distributed by the Bank of Italy in relation to the 2014 tax year, value of dispute Euro 22 million, awaiting a hearing;
- Dispute instituted by the Bank before the First Instance Court of Tax Justice of Rome following the tacit denial of the request for reimbursement of IRES paid on dividends distributed by the Bank of Italy in relation to the 2015 tax year, dispute value Euro 20 million, awaiting a hearing.

#### **Updates on pending litigation and tax audits**

- The dispute initiated by the Bank before the Court of Tax Justice of first instance of Rome following the tacit refusal of the request for reimbursement of the IRES and IRAP substitute tax (and related additional taxes), relating to the revaluation of the participation shares in the capital of the Bank of Italy in relation to the 2014 tax year, disputed value 400 million, the hearing before the Tax Court of Justice of first instance in Rome was held on 22 November 2024. The sentence is pending.
- In relation to the litigation initiated by the Bank, in its capacity as the incorporating company of Pioneer Global Asset Management S.p.A., before the First Instance Tax Court of Justice of Milan following the tacit denial of the request for reimbursement of IRAP on dividends in relation to the tax year 2014, dispute value 3 million, concluded in first instance with a ruling unfavorable to the Bank, the hearing before the Court of Tax Justice of second instance of Lombardy was scheduled on January 13, 2025, but has since been postponed. The Issuer therefore awaits a new hearing date.
- The proceedings instituted by UniCredit following the partial denial of the IRES refund request in relation to the 2007, 2008 and 2009 tax years, with a disputed value of 2 million in capital, was concluded in the second instance with a ruling filed on 19 January 2024 which partially accepted the

Bank's appeal. Both the Bank and the Office appealed the sentence before the Court of Cassation on the unfavorable side. UniCredit is waiting for the hearing to be scheduled.

- The proceedings initiated by UniCredit, in its capacity as the incorporating company UniCredit Services S.C.p.A., following the denial of the VAT refund requests, relating to the 2016 and 2017 tax years (OGSE), total dispute value 5 million, concluded at second instance with a ruling unfavorable to the Bank, the hearing before the Court of Cassation was held on 11 December 2024. Awaiting filing of sentence.
- In relation to the dispute introduced by the former Banco di Sicilia (then UniCredit), as the incorporating company Sicilcassa, against the silent refusal formed on the request for reimbursement of the IRPEG credit for the year 1984, total dispute value 69 million, the second instance Tax Court of Justice of Sicily, upon referral from the Court of Cassation, with a sentence filed on 4 October 2024, rejected the appeal of the Bank which is evaluating the opportunity to continue the proceedings with an appeal to the Supreme Court.
- Denial of reimbursement of the 1989 IRPEG credit of the former Cassa di Risparmio Reggio Emilia, disputed value 2 million as IRPEG and 2 million for interests; the Emilia-Romagna CTR, with sentence filed on 3 January 2022, rejected the Office's appeal, confirming the Bank's right to reimbursement of 2 million. The Office appealed to the Court of Cassation and the Bank filed a counter-appeal with a cross-appeal. Awaiting fixation hearing.
- Denial of reimbursement of 1997 IRPEG credit of the former Banca di Roma S.p.A. total litigation value 44 million; the ruling of the Court of Justice Second instance tax court of Lazio which rejected the Bank's appeal was challenged both in the Court of Cassation and with an appeal for revocation before the same Court of Justice of second instance. The hearing has not yet been scheduled at the Court of Cassation. The second instance Tax Court of Justice of Lazio, with a ruling filed on 10 December 2024, accepted the Bank's appeal, and ordered a new investigation, appointing a technical consultant to examine the documentation in the documents and report to the panel. The hearing for the oath of the consultant took place on January 29, 2025. The Bank has appointed the party consultant to assist in the expert operations and provide his observations on the technical investigations. Following tax authorities rejection of the settlement proposed by the technical consultant, the Bank submitted a further request to the judge on March 13, 2025 requesting to the agency to produce all the documentation regarding the tax payer.
- Denial of reimbursement of IRPEG credit for the years 1994-1997 and ILOR 1996, disputed value 31 million of the former Banca Mediterranea S.p.A.; the 2nd Tax Court of Justice of Basilicata, with sentence filed on 22 January 2024, rejected the Bank's appeal. The Bank has challenged the sentence with an appeal to the Court of Cassation, pending the setting of a hearing.
- The dispute introduced by UniCredit, as transferee of Palmaria s.c.r.l. against the silent rejection of the request for reimbursement of the 1992 IRPEG credit, with a total litigation value of 1 million, was concluded before the Second Instance Tax Court of Justice of Sicily, during the referral from the Court of Cassation, with a sentence filed on 4 October 2024 which rejected the Bank's appeal. There are no valid reasons to continue the litigation.

There are currently no ongoing tax audits.

#### Proceedings related to claims for withholding tax credits

On July 31, 2014, the Supervisory Board of UCB concluded its internal investigations into the so-called “*cum-ex*” transactions (*i.e.*, the short selling of equities around dividend dates and claims for withholding tax credits on German share dividends) at UCB. In this context, criminal investigations have been conducted against current or former employees of UCB and UCB itself as an ancillary party by the Prosecutors in Frankfurt/Main, Cologne



and Munich. With respect to UCB, all proceedings originally initiated by the aforesaid prosecution offices were finally closed with payment of a fine or the payment of a forfeiture. The total amount paid is Euro 9.8 million.

In December 2018, in connection with an ongoing investigation against other financial institutions and former Bank employees, UCB was informed by the Cologne Prosecutor of the initiation of a new investigation in connection with an administrative offence regarding “*cum-ex*” transactions involving Exchange Traded Funds.

In April 2019, these investigations were extended to so called *ex/ex*-transactions, in which an involvement of the Bank in the sourcing of *cum/ex* transactions of other market participants on the ex-day is suspected. The facts are being examined internally. UCB is cooperating with the authorities.

On July 28, 2021, the Federal Criminal Court (“**BGH**”) rendered a decision through which the principle of criminal liability of *cum/ex* structures was determined for the first time.

With its decisions of April 6, 2022, November 17, 2022, September 20, 2023, and October 24, 2024, the BGH confirmed four criminal judgements in other *cum/ex* cases of the Regional Court of Bonn and the Regional Court of Wiesbaden, thus further solidifying its case law. The Federal Constitutional Court rejected several complaints against decisions of the BGH, thereby confirming the case law of the BGH. UCB is monitoring the development.

In June 2023, the Munich tax authorities completed a regular field audit of UCB for the years 2013 to 2016 which includes, among other things, a review of transactions in equities around the dividend record date (so called “*cum/cum*” transactions). During these years UCB performed, among other things, securities-lending transactions with different domestic counterparties which include, but are not limited to, different types of *cum/cum* transactions. It still remains to be clarified whether, and under which circumstances, tax credits can be obtained or taxes refunded with regard to different types of *cum/cum* transactions. Some of the taxes credited from the *cum/cum* transactions are currently not recognized for tax purposes by the tax audit.

UCB appealed against the tax assessments for 2013 to 2015, which were amended based on the findings of the tax audit regarding *cum/cum* transactions. Moreover, with respect to *cum/cum* transactions in which the counterparty of UCB claimed tax credits in the past, it cannot be ruled out that UCB might be exposed to third party claims under civil law."

**1.10.4 The subsection "Significant change in the Issuer's financial position", on page 67 of the Registration Document, shall be amended by way of mark up as follows in light of the incorporation by reference of the financial statements of the Issuer as at 31 December 2024 (crossed and underlined words are to show the amendments made only):**

#### **“11.5 Significant change in the Issuer's financial position**

~~Except for what reported in the section headed “Risk Factors”, paragraph 1.1.1 “Risks associated with the impact of current macroeconomic uncertainties and the effects of the geopolitical tensions”,~~ There has been no significant changes in the financial position of the Group which has occurred since ~~30 September~~ **31 December** 2024.

"

**1.11. The "Section XII – Additional Information", on page 68 of the Registration Document, shall amended by way of mark up as follows in light of the incorporation by reference of the financial statements of the Issuer as at 31 December 2024 (crossed and underlined words are to show the amendments made only):**

### **"12.1 Share capital**

As at the date of this Supplement, UniCredit's share capital, fully subscribed and paid-up, amounted to Euro ~~21,367,680,521.48~~21,453,835,025.48, comprising ~~1,551,419,850~~1,557,675,176 ordinary shares without nominal value.

### **12.2 Memorandum and articles of association**

The Issuer was established in Genoa, Italy, by way of a private deed dated 28 April 1870.

The Issuer is registered with the Company Register of Milano-Monza-Brianza-Lodi under registration number, fiscal code and VAT number no. 00348170101.

The current Articles of Association was registered with the Company Register of Milano-Monza-Brianza-Lodi on ~~19 December 2024~~31 March 2025.

Pursuant to Clause 4 of the Articles of Association, "the purpose of the Issuer is to engage in deposit-taking and lending in its various forms, in Italy and abroad, operating wherever in accordance with prevailing provisions and practice. It may execute, while complying with prevailing legal requirements, all permitted transactions and services of a banking and financial nature. In order to achieve its corporate purpose as efficiently as possible, the Issuer may engage in any activity that is instrumental or in any case related to the above. The Issuer, in compliance with current legal provisions, may issue bonds and acquire shareholdings in Italy and abroad."

1.12. After "Section XIV – Documents available" the following new sections shall be added in light of the information incorporated by reference included in the financial statements of the Issuer as at 31 December 2024 and of the information of the UniCredit 2025 Equity Registration Document incorporated by reference:

## "Section XV – Defined Terms

To the extent specified in the table below and to the extent applicable to this Registration Document, the following information is incorporated by reference in this new section of the Registration Document.

DEFINED TERMS		
DOCUMENT	INFORMATION INCORPORATED	PAGE REFERENCE
UniCredit 2025 Equity Registration Document:  <a href="https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf">https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf</a>	The entire section "Defined Terms"	Pages 175-183

## Section XVI – Glossary

The following is a list of technical terms used within the Registration Document. Said terms, unless otherwise specified, have the meanings set forth below. For the terms below given, whenever the context so requires, the singular form includes the plural form and vice versa.

“APIs”	means the alternative performance measures as defined by the “ESMA Guidelines on Alternative Performance Measures” issued by ESMA on October 5, 2015.
“BaaS”	means banking-as-a-service.
“CBR”	means the combined buffer requirement.
“CCB”	means capital conservation buffer.
“CCyB”	means counter cyclical capital buffer.
“CoR”	means cost of risk.
“CVA”	means credit valuation adjustments.
“DTAs”	means deferred tax assets.
“EAD”	means exposures at default.
“EL”	means expected loss.
“FV”	means fair value.
“FVtOCI”	means fair value through other comprehensive income.
“FVtPL”	means financial assets at fair value through profit and loss.
“GBV”	means gross book value.
“G-SIIs”	means globally systemically important institutions.
“IAS”	means International Accounting Standards as endorsed by the European Union.
“IFRS”	means the International Financial Reporting Standards as endorsed by the European Union.
“LCR”	means liquidity coverage ratio.
“LGD”	means Loss Given Default.
“LLPs”	means loan loss provisions.
“NPEs”	means non-performing exposures.
“NPLs”	means non-performing loans.
“NSFR”	means net stable funding ratio.
“OCR”	means overall capital requirement.
“OLRR”	means overall leverage ratio requirement.
“O-SIIs”	means other systemically important institutions.
“PD”	means Probability to Default.
“PPA”	means purchase price allocation.
“P2R”	means the Pillar 2 capital requirement.

“P2R-LR” .....	means the Pillar 2 leverage ratio.
“RWAs” .....	means risk-weighted assets.
“SyRB” .....	means systemic risk buffer.
“TA” .....	means total assets.
“TLCF” .....	means tax losses carried forward.
“TLTRO” .....	means targeted longer-term refinancing operation
“VaR” .....	means value at risk.
“VIU” .....	means value in use.

”

**ANNEX A**  
**CONSOLIDATED VERSION OF THE REGISTRATION DOCUMENT**

This document constitutes a registration document, as supplemented from time to time (the “**Registration Document**”) within the meaning of article 6, paragraph 3, of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the “**Prospectus Regulation**”) in connection with article 7 and Annex 6 of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, as amended (the “**Delegated Regulation**”). This Registration Document is valid for a period of twelve months from the date of its approval. For the avoidance of doubt, the Issuer shall have no obligation to supplement this Registration Document in the event of significant new factors, material mistakes or material inaccuracies when this Registration Document is no longer valid. This Registration Document is valid for a period of twelve months from the date of its approval (*i.e.* 7 August 2025). This Registration Document is an update of the registration document dated 30 November 2023 and, therefore, from 7 August 2024, and as amended on 7 April 2025, it replaces the latter.



**UNICREDIT S.p.A.**

("UniCredit" or the "Issuer", and together with its consolidated subsidiaries, the "UniCredit Group")

(incorporated with limited liability as a *Società per Azioni* in the Republic of Italy under registered number 00348170101)

**7 April 2025**

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## Section I - Risk Factors

The following is a disclosure of risk factors (the "**Risk Factors**") that are material with respect to the ability of UniCredit to fulfill its obligations under securities issued by it.

### A.1 RISKS ASSOCIATED WITH THE FINANCIAL SITUATION OF UNICREDIT AND THE UNICREDIT GROUP

#### A.1.1. Risks associated with the completion of the acquisition of BPM, the consequent process of integration and potential failure to realize the expected synergies

On November 25, 2024, the Issuer announced the launch of the voluntary public exchange offer (the "**Offer**" or "**Public Exchange Offer**") aimed at acquiring all the 1,515,182,126 ordinary shares of Banco BPM S.p.A. as parent company of the BPM banking group ("**BPM**" or, where the context so requires, the "**BPM Group**"). The Offer's terms provide for the Issuer to pay a consideration equal to 0.175 UniCredit shares in exchange for each share of BPM tendered to the Offer (without prejudice to the adjustments that will be described in the Offer Document) and the UniCredit shares given as consideration for the BPM shares will originate from a share capital increase of a maximum of 278,000,000 UniCredit shares. In such regard, on March 27, 2025 the shareholders' meeting of UniCredit in extraordinary session resolved, *inter alia*, to (a) grant the Board of Directors, pursuant to art. 2443 of the Italian civil code (the "**Italian Civil Code**" or the "**Civil Code**"), the authority, until December 31, 2025, to increase the share capital, in one or more tranches and in a severable manner, with exclusion of the pre-emptive right pursuant to art. 2441, paragraph 4, first sentence, of the Civil Code, for a maximum nominal amount of Euro 3,828,060,000, plus share premium, through the issuance of up to 278,000,000 ordinary shares of UniCredit, to be paid by means of contribution in-kind of the BPM' shares tendered in adherence to the Offer, (b) authorize the Board of Directors to determine from time to time, by exercising the delegation and in compliance with applicable law, the overall amount of the capital increase to be resolved, also in a severable manner, and thus the number of shares to be issued, the issue price of the new shares, including the share premium, in accordance with the provisions of art. 2441, paragraph 6, of the Civil Code and any other terms and conditions of the delegated capital increase, and (c) amend accordingly article 6 of the by-laws.

By launching the Offer, the Issuer ultimately aims at acquiring the entire share capital of BPM and intends to proceed, subject to the approval of the competent corporate bodies and the necessary authorizations by the competent authorities, with the activities aimed at the merger by incorporation of BPM into UniCredit (the "**Merger**") in pursuit of the goals of continued integration, synergy and growth of the UniCredit Group. As at the Registration Document Date, the Issuer has, however, not yet taken any definitive decision as to the possible Merger, nor as to the manner in which it will be carried out. The nature of the Offer (and the related transactions of acquisition and merger envisaged in connection with it) are such that investors should take into account a number of risks associated with any forecasts concerning the Issuer's performance in the context of its own strategic targets, those of the Offer itself and the wider economic context in which the Offer has been launched.

On March 26, 2025, BPM announced to have received a communication from the ECB in which the authority stated that, in its own view, the so-called Danish Compromise should not be applied to the acquisition of Anima. Furthermore, on March 27, 2025, the European Banking Authority ("**EBA**") rejected the query submitted by BPM relating to the applicability to the acquisition of Anima of the "Q&A FAQ 2021\_6211" regarding acquisitions carried out by insurance companies controlled by banks ("Calculation of goodwill included in significant investments in insurance undertakings") because, in the EBA's view, the issue raised is beyond, and cannot be resolved in the context of, the EBA's Q&A process, since it requires a broader investigation not compatible with this instrument. On the same date, BPM announced that the relevant management bodies of both BPM Vita and Banco BPM, within the scope of their respective powers, have resolved to waive the condition on the granting of Danish Compromise to the BPM Offer. On March 26, 2025, BPM responded to the ECB letter dated March 21, 2025 asking the ECB to clarify the underlying reasons related to its view regarding the non-application of the Danish Compromise to Anima's acquisition and maintaining that, in its own view, the prudential treatment outlined in said communication is not consistent with the underlying principles related to the deduction regulatory framework set forth in the CRR and the rules governing financial conglomerates. Therefore, on the basis of the information publicly available and made publicly available by BPM as at the Registration Document Date and in view of the pending uncertainties relating to the applicability of the Danish Compromise, also

following the above-mentioned recent BPM initiative, UniCredit considers appropriate to provide the information and scenarios described below.

With reference to the capital impacts of the proposed acquisition of BPM, based on the information publicly available and made publicly available by BPM and assuming the acquisition of 100% of Anima by BPM and the application of the Danish Compromise (also to Anima), the transaction would have the following negative impacts on the UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024:

- 78 basis points in the event of 100% adherence to the Offer;
- 93 basis points in the event of 70% adherence to the Offer;
- 104 basis points in case of adherence to the Offer equal to 50% + 1 share.

It should be noted that the impacts in the cases of adherence at 70% and 50% + 1 share have been calculated on the assumption that at the end of the Offer minority shareholders (representing respectively 30% and 50% - 1 share of BPM's capital) remain in BPM's shareholder base and that the merger between BPM and UniCredit is not completed. As a result of a possible merger between BPM and UniCredit, the impacts in these two scenarios would coincide with the impact calculated in the case of a 100% adherence to the Offer.

In the absence of the Danish Compromise with reference to the acquisition of Anima, also assuming the continued application of this regime to the insurance companies of the BPM Group, the additional negative impact on UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024 would be:

- 44 basis points in the event of 100% adherence to the Offer;
- 31 basis points in the event of 70% adherence to the Offer;
- 22 basis points in case of adherence to the Offer equal to 50% + 1 share.

For the sake of completeness of information, the additional effects on UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024, in the hypothetical scenario of the temporary disapplication of the prudential treatment currently granted to the BPM Group with reference to its insurance companies are as follows:

- 29 basis points in the event of 100% adherence to the Offer;
- 20 basis points in the event of 70% adherence to the Offer;
- 14 basis points in case of adherence to the Offer equal to 50% + 1 share.

In this context, it should be noted that the pro-forma figures exposed in this paragraph do not include the Purchase Price Allocation (PPA) impact, including any potential fair value adjustments.

For reference, UniCredit Group's fully loaded consolidated CET1 ratio as at December 31, 2024 stood at 15.9%, with an MDA buffer equal to 549 basis points (MDA buffer including a gap of 9bps vs. the 1.88% AT1 bucket requirement computed vs MDA requirement 10.28% as of the same date).

With regard to the impact on the UniCredit Group's MREL ratio (expressed with reference to RWA), assuming the acquisition of 100% of BPM (and also assuming the latter's acquisition of 100% of Anima) and considering a pro-forma situation as at December 31, 2024, with full computability of BPM's eligible liabilities (e.g., as a result of the merger of BPM into UniCredit), the negative impact would be approximately 65 basis points if the Danish Compromise were to be applied (also to Anima). In the absence of the Danish Compromise with reference to the acquisition of Anima, the additional impact would be approximately 15 basis points.

It should be noted that in the case of a partial acquisition of BPM and in the absence of a merger between BPM and UniCredit, the two entities (UniCredit and BPM) would maintain separate MREL's requirements. In general, the MREL requirement is indeed determined by the Resolution Authorities and communicated to the banks on the basis of an annual Resolution Planning cycle. In this context, the decisions regarding the MREL requirements applicable to UniCredit and BPM existing at the time of the potential transaction would remain in force until they are replaced or superseded by new decisions. During the annual Resolution Planning cycle, the Resolution Authorities will analyse and discuss with the UniCredit Group the need for any changes to the MREL requirements applicable as a result of the transaction.

For reference, the MREL ratio on RWA stood at 32.73% as December 31, 2024.

Given the uncertainty characterizing any estimate, UniCredit capital and MREL actual impacts may differ from those described above or these could be higher or lower, considering the wide range of scenarios, levers and effects which are embedded in a combination transaction and in light of the macro scenario and all other risk factors highlighted in this Registration Document, including for instance the adherence to the Offer, the outcome of the BPM Offer and potential granting or absence of the application of the Danish Compromise regulatory treatment with reference to the acquisition of Anima, as described below.

With regard to possible effects of the transaction on the UniCredit's Deferred Tax Assets ("DTAs"), it should be noted that, based on the information and findings available to date, the transaction would have no impact on the amount of DTAs existing as at December 31, 2024. Moreover, as of today, based on future profitability, no write-downs of DTAs recorded in UniCredit's financial statements are expected.

The completion of the Offer and of the potential Merger exposes the Issuer and its Group to risks and challenges. These include, by way of example:

- (i) the need to make unforeseen investments in equipment, information management, information technology ("IT") systems as well as IT services and other business crucial infrastructure as well as unforeseen technological challenges and interruptions related to the integration of the IT systems of the two companies;
- (ii) the ability to react to market and business environment changes while in the process of combining business and support functions;
- (iii) the placement of considerable demands on UniCredit's and BPM's resources to manage the business combination and contemplated post-completion integration measures, including requiring significant amounts of time and attention of the management of UniCredit and BPM, respectively, which may impair the ability of their management bodies to manage the businesses effectively during the Offer process, the following process of integration and in the future;
- (iv) the ability to successfully control the change and adaptation process regarding personnel, including reserving sufficient time for the implementation of necessary changes to its organization;
- (v) the unsuccessful management of the integration planning process, including the inability to complete any post-completion integration measures or any delays to such post-completion integration measures, and any disturbances to the efficiency, reliability, continuity and consistency of the functions of the post-acquisition entity, its operations as well as administrative, support and control functions, such as risk, financial control and reporting, IT, communications, human resources, legal and compliance functions;
- (vi) the working capacity and retention of senior management and key personnel within the post-acquisition entity; and
- (vii) the ability to successfully retain relationships and contractual arrangements with customers, suppliers and commercial counterparties in the future.

In this context it should be noted that the envisaged acquisition of the BPM Group may not reflect the scope and timing it is expected to be characterized by, also given the different scenarios of adherence to the Public Exchange Offer that might occur.

In particular, should the Issuer acquire a certain percentage of BPM (in any case higher than the Threshold Condition or 50% + 1 of the shares of BPM in case the Threshold Condition is waived) without, however, carrying out the Merger, the Issuer estimates that approximately 85% of the estimated cost and revenues synergies could be achieved, amounting to an overall value of approximately Euro 1 billion before tax, including revenues synergies of approximately Euro 300 million, and cost synergies of approximately Euro 700 million. The risk of the Merger being hindered is higher if the Issuer acquires a stake lower than 66.6% of the shares of BPM because of the lower proportion of voting shares held by UniCredit and the resulting likely difficulty in ensuring that proposals concerning the Merger (and the future conduct of the business of the UniCredit Group) reach the quorum required for approval. In fact, shareholders of BPM hostile to the Offer may give rise to risks by engaging in conflicting and/or obstructing behaviors. Obstructive shareholders of BPM might also pose risks to the timing of, and ways in which, the post-acquisition integration process is carried out causing a deviation from current estimates. In addition, regardless of the percentage of shareholding that UniCredit may acquire upon conclusion of the Offer, there may be other events concerning BPM that are outside the control of the Issuer and that may delay and/or reduce the

achievement of the estimated cost and revenues synergies as well as potentially having a negative impact on the UniCredit Group's results, performance and strategic objectives.

In addition, if the Issuer, following the envisaged acquisition of the BPM Group and the potential Merger pursuant to the Offer, fails to realize the anticipated synergies or other benefits, or the estimated implementation costs of the Offer and of the contemplated integration measures are materially exceeded, the targets, benefits and future outcomes on which the Offer is based may not be realized or realized with a different timeline. The materialization of all synergies resulting from the acquisition is, in fact, highly uncertain also in light of the fast-changing macroeconomic context. The existence of the aforementioned risks stems in large part from the fact that, at the Registration Document Date, the acceptance period of the Offer has not yet begun, and the Issuer has been relying solely on data which is in the public domain as a basis for formulating its estimates concerning the cost and revenues synergies expected to originate from it. Should such estimates turn out to be inaccurate or should the expected synergies fail to materialize to the extent and within the timeframes expected by the Issuer, the revenues and costs of the UniCredit Group may, in the future, be different from those estimated and this may have a negative impact on the market value of UniCredit's shares and the return that investors may obtain from them.

It should be noted that the revenues and cost synergies expected from the transaction have been estimated regardless of the outcome of the BPM Offer and thus do not take into account any synergies which may be extracted from the integration of Anima and BPM, considering that the Issuer had no access to the detailed assumptions underlying any potential synergies deriving from the integration of Anima and BPM.

In this context, it should be noted that, as at the Registration Document Date, the process relating to the voluntary tender offer launched pursuant to Articles 102, paragraph 1, and 106, paragraph 4, of the Consolidated Financial Act made on November 6, 2024, by Banco BPM Vita S.p.A. ("**BPM Vita**") in concert with BPM on all the ordinary shares of Anima Holding S.p.A. (the "**Anima**") (the "**BPM Offer**") is underway. Subject to the completion of the Offer, in case the BPM Offer is successfully completed, Anima and its subsidiaries will also be brought into the UniCredit Group.

Given the uncertainty characterizing any estimate and forecast data described above, including those related to revenues and cost synergies estimates, UniCredit may not be able to achieve the results described above or these could be achieved in a different time frame, in some cases even faster considering the wide range of levers and effects which are embedded in a combination transaction and in light of the macro scenario and all other risk factors highlighted in this Registration Document.

The Issuer believes that the aforementioned events have a low probability of occurrence and, considering their possible negative impact, UniCredit considers this risk to be of medium significance.

Finally, if the acquisition of the BPM Group by UniCredit is completed, the scope of consolidation of the Issuer's Group will change, giving rise to risks connected with the interpretation and comparison of the Issuer's 2024 Consolidated Financial Statements against any future financial statements of the UniCredit Group; investors should, in fact, consider the discontinuity and the limits to the comparability of the UniCredit Group's post-acquisition annual and interim reports with the UniCredit Group's financial information as at December 31, 2024. In particular, the metrics of reference for evaluating the future results of UniCredit that will be most subject to possible discrepancies with the 2024 results have economic (e.g., P&L), financial (e.g., balance sheet) and regulatory (e.g., Common Equity Tier 1 ratio) nature. Such discrepancies and overall non-comparability could make UniCredit's performance more difficult to assess for the investors.

#### *Risks associated with the completion of the acquisition of Banco BPM*

Without prejudice to the conditions precedent to the Offer as set out in the Offer Document, after completion of the acquisition of BPM, the Issuer will be exposed to the risks associated with the execution of an extraordinary acquisition of the entire share capital or of a controlling stake in another bank (including, *inter alia*, any current or contingent liabilities that were unknown or, in any event, not found during pre-acquisition analysis) and also to the more specific risks resulting from the defining features of BPM, the procedure of the Offer and of the potential subsequent Merger. There are, in fact, risks related to the fact that the Issuer does not benefit from any contractual guarantee and indemnity undertaking given by BPM or BPM's current shareholders (e.g., representations and warranties and associated seller indemnity obligations) due to the structure of the transaction (acquisition through a public exchange offer). In addition, the Issuer's sole reliance on publicly available information concerning BPM for the purposes of the Offer and the fact that it has not conducted any due diligence on the BPM Group exposes it to the risk of not being able to ascertain all the critical aspects concerning the target entity and the future risks that might derive from the acquisition of BPM. Both UniCredit and, as far as is known, BPM have entered into

distribution agreements, including in the asset management sector, with the scope, terms and conditions and maturities set forth in their respective contracts. However, UniCredit did not have access to the terms and conditions of the partnerships and distribution agreements entered into by the BPM Group, including the one with the Anima Group, due to the specific characteristics of the transaction (*i.e.*, since it was a market transaction, no prior due diligence was carried out).

In light of the above, there is a risk inherent in the completion of the Offer that the UniCredit Group will have to deal with unexpected liabilities and/or with having to recognize lower values for assets of the BPM Group than those previously reported on BPM balance sheets.

In addition, assuming the acquisition is completed as planned pursuant to the Offer, the Issuer will likely see an increase in its exposure associated to risks connected with the insurance business, primarily as a result of acquiring those companies of the BPM Group that carry out insurance activities, in addition to the insurance business activities that the UniCredit Group already carries out through its bancassurance joint ventures.

*Risks associated with the completion of the acquisition on more onerous terms than initially anticipated*

At the Registration Document Date, the Issuer has obtained: (i) the authorizations of the Serbian Competition Authority (unconditional clearance), (ii) the authorization from the Insurance Supervisory Authority (IVASS) to acquire - upon the positive outcome of the Offer - the indirect controlling stakes equal to 100% of the share capital of Banco BPM Vita S.p.A. and of Vera Vita S.p.A. and the indirect qualifying stakes equal to 35% of the share capital of Banco BPM Assicurazioni S.p.A. and of Vera Assicurazioni S.p.A., (iii) the authorization from the ECB to (a) amend the by-laws by including a delegation to the Board of Directors to resolve on the share capital increase to serve the Offer and (b) classify the new shares to be issued within such capital increase as CET1, (iv) the non-objection letter from the Central Bank of Ireland to acquire the indirect controlling shareholding in BBPM LIFE DAC., and (v) the authorization from the ECB and Bank of Italy for, *inter alia*, the direct acquisition of a controlling interest in BPM, as well as the indirect acquisition of a controlling interest in Banca Akros S.p.A. and Banca Aletti S.p.A. Aletti Fiduciaria S.p.A., Agos Ducato S.p.A. and Numia S.p.A., pursuant to Articles 19, 22 and 114-*quinquies* of the Consolidated Banking Act; the indirect acquisition of a controlling stake in Banco BPM Invest SGR S.p.A., and the qualified indirect participation in Etica SGR S.p.A., Anima SGR S.p.A., Anima Alternative SGR S.p.A., Kairos Partners SGR S.p.A., Castello SGR S.p.A., Vorvel SIM S.p.A. pursuant to Article 15 of the Consolidated Financial Act. The Issuer is still waiting for the authorization from the European Commission, under Regulation (EU) 139/2004 (“EUMR”) and Regulation (EU) 2022/2560 (“**Foreign Subsidies Regulation**”), that the Issuer currently expects to receive, respectively, by end of June and by the end of May 2025, considering, however, that the review process may last longer. The Issuer is still waiting also for the clearance from the Presidency of the Council of Ministers pursuant to Law Decree No. 21 of 15 March 2012, as amended and supplemented (so called *golden power*).

There is a risk connected to the issuance of authorizations by any such relevant authorities if these are issued upon the condition that the Issuer makes certain commitments in order to obtain clearance for the acquisition of BPM. The materialization of this risk cannot be excluded and while the significant impact that may derive from it cannot in principle be ruled out, the Issuer does not expect it to be of such nature as to materially affect the terms of this transaction. Such commitments may involve the requirement that the Issuer implements the transaction (and potentially the subsequent merger) only provided that it meets certain conditions (which may include, for instance, the condition that the Issuer sells some of its bank branches, assets or equity stakes and/or commitments to behave in a certain way following the acquisition, including possibly the requirement that the Issuer modifies its strategy in certain respects, as a condition for clearance by an antitrust authority).

Without prejudice to the conditions precedent to the Offer as set out in the Offer Document, the timing and procedures for obtaining all the required authorizations carry a risk that the Issuer is required to take actions and complete the acquisition of BPM on more onerous terms compared to what has been planned at the outset of the transaction.

**A.1.2. Risk connected with the potential failure by BPM to obtain the Danish Compromise treatment**

According to article 49 of Regulation (EU) 575/2013 (the “**Capital Requirements Regulation**” or “**CRR**”), the so-called Danish Compromise capital treatment (the “**Danish Compromise**”) can be granted, with an assessment on a case-by-case basis, by the ECB to financial conglomerates in order to favorably risk-weight insurance participations, instead of their full deduction from the relevant CET1.

On November 6, 2024, BPM has clarified, in connection with the launch of the BPM Offer on the ordinary shares of Anima that the confirmation of granting of the Danish Compromise also to the conglomerate resulting from the business integration of BPM, Banco BPM Vita and Anima is a condition precedent to the settlement of the BPM Offer.

BPM's board of directors has been delegated by the BPM shareholders' meeting held on February 28, 2025, to resolve whether to waive, fully or partially, any of the conditions of the BPM Offer; therefore, BPM Vita might proceed with the BPM Offer also (i) in case of failure by BPM to be granted the confirmation of the Danish Compromise, or (ii) should the relevant decision of the ECB on the granting of the Danish Compromise not be known, in its final terms, by the settlement date of the BPM Offer.

Even though BPM mentioned on January 20, 2025, that the dialogue with the ECB is ongoing and that the latter is proceeding with its assessment on the matter with the involvement of the European Banking Authority, it has to be noted that no information has been disclosed by BPM on (i) the degree of likelihood of achieving the Danish Compromise treatment, and (ii) the expected terms of such special regime being applicable to BPM (*i.e.*, full approval or only partial approval of the Danish Compromise regime), other than what is contained in the explanatory note published on February 27, 2025.

The explanatory note to the shareholders' meeting of BPM of February 28, 2025 states that *"the capital absorption in case of denial of Danish Compromise is computed by multiplying Banco BPM's RWAs as of 31.12.2024 by the 268 bps impact"*.

As a consequence, if the Anima transaction is completed without the Danish Compromise being obtained there might be negative effects on the capital of the Issuer and the Group resulting from the business integration with BPM that cannot be fully and properly assessed based on the information currently available. At the same time, the granting of this treatment to the BPM Group following a potential integration of Anima into its business may not necessarily mean that such treatment would also be granted to the UniCredit Group in a post-Merger configuration. In this regard, it should be noted that, in the event of a positive response, it cannot be excluded that the ECB will adopt prescriptions and/or measures towards the UniCredit Group that would have a potential negative impact on the capital position of the Issuer, although the fact that the UniCredit Group would be the controlling entity of the BPM Group assuming the positive outcome of the transaction, as of the Registration Document Date, it is potentially unlikely a contradictory scenario whereby BPM will be awarded by a positive outcome while UniCredit Group not.

On March 26, 2025, BPM announced to have received a communication from the ECB in which the authority stated that, in its own view, the so-called Danish Compromise should not be applied to the acquisition of Anima. Furthermore, on March 27, 2025, the EBA rejected the query submitted by BPM relating to the applicability to the acquisition of Anima of the "Q&A FAQ 2021\_6211" regarding acquisitions carried out by insurance companies controlled by banks ("Calculation of goodwill included in significant investments in insurance undertakings") because, in the EBA's view, the issue raised is beyond, and cannot be resolved in the context of, the EBA's Q&A process, since it requires a broader investigation not compatible with this instrument. On the same date, BPM announced that the relevant management bodies of both BPM Vita and Banco BPM, within the scope of their respective powers, have resolved to waive the condition on the granting of Danish Compromise to the BPM Offer. On March 26, 2025, BPM responded to the ECB letter dated March 21, 2025 asking the ECB to clarify the underlying reasons related to its view regarding the non-application of the Danish Compromise to Anima's acquisition and maintaining that, in its own view, the prudential treatment outlined in said communication is not consistent with the underlying principles related to the deduction regulatory framework set forth in the CRR and the rules governing financial conglomerates. Therefore, on the basis of the information publicly available and made publicly available by BPM as at the Registration Document Date and in view of the pending uncertainties relating to the applicability of the Danish Compromise, also following the above-mentioned recent BPM initiative, UniCredit considers appropriate to provide the information and scenarios described below.

Based on the information published and made available by BPM, in the absence of the aforementioned Danish Compromise, and assuming the acquisition of 100% of Anima based on the revised terms of the BPM Offer (price increased to Euro 7.00 per Anima share), also assuming the continued application of this regime to the insurance companies of the BPM Group, the additional negative impact on UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024 would be:

- 44 basis points in the event of 100% adherence to the Offer;
- 31 basis points in the event of 70% adherence to the Offer;

- 22 basis points in case of adherence to the Offer equal to 50% + 1 share.

In this context it should be noted that pro-forma figures do not include the Purchase Price Allocation (PPA) impact, including any potential fair value adjustments.

For the sake of completeness of information, the additional effects on UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024, in the hypothetical scenario of the temporary disapplication of the prudential treatment currently granted to the BPM Group with reference to its insurance companies are as follows:

- 29 basis points in the event of 100% adherence to the Offer;
- 20 basis points in the event of 70% adherence to the Offer;
- 14 basis points in case of adherence to the Offer equal to 50% + 1 share.

As already stated, the pro-forma figures do not include the Purchase Price Allocation (PPA) impact, including any potential fair value adjustments.

Regarding the MREL ratio as expressed in terms of RWA, in the absence of the Danish Compromise with reference to the acquisition of Anima the additional negative impact can be estimated equal to approximately 15 bps.

### **A.1.3. Risks associated with the UniCredit Group's activities in different geographical areas**

Despite the Group's business being materially connected to Italy and, therefore, to the state of its economy (Italy accounted for approximately 45% of the Group's revenues in 2024, computed as sum of Italy, Germany, Central Europe including Austria, Eastern Europe and Russia) the UniCredit Group is also present in Germany (accounting for approximately 22% of the Group's revenues in 2024), in Central Europe (accounting for approximately 17% and covering Austria, Czech Republic and Slovakia, Hungary and Slovenia) in Eastern Europe (accounting for approximately 11% of the Group's revenues in 2024 and covering Croatia, Bulgaria, Romania, Bosnia and Herzegovina and Serbia). UniCredit also has marginal activities in Russia (accounting for approximately 5% of the Group's revenues in 2024).

With regards to the Issuer's activities in Italy, any changes in the macroeconomic environment of the country due to geopolitical developments, any trends in the prices of commodities and energy and the impact of high interest rates on sovereign bonds might cause significant negative impacts on the UniCredit Group's business, especially following the potential completion of the Offer and Merger, due to the BPM Group's more pronounced presence in certain regions in Italy. In addition, the UniCredit Group's geographical spread will also continue to expose it (even in its potential post-Merger configuration) to risks and uncertainties affecting each of the various countries in which it operates. Such risks and uncertainties may be of various nature and magnitude and could turn out to be more complex in relation to those countries that are not part of the European Union. Central and Eastern European countries in particular have historically experienced volatile capital and foreign exchange markets, often coupled with political, economic and financial instability (at present potentially increased due to spillover effects of the Ukrainian crisis). The events that such instability and lower degree of development might give rise to, could affect negatively and limit the operations of the UniCredit Group, also as a result of governmental actions such as nationalization or other restrictions on businesses, all of which may be capable of impacting UniCredit's assets, balance sheets and/or income statement. The evolution of the geopolitical landscape remains under continuous monitoring by UniCredit, with current factors including recent and constantly evolving U.S. trade policy decisions, that could have potential implications on global trade relationships both with upsides (e.g. new trade partnerships) and downsides (e.g. impact on export/import) as possible outcomes. This area is at the early stage of evolution and potential impacts, if any, on UniCredit's primary geographies will be duly taken into account as part of the normal processes of the risk management framework. The events leading to the materialization of this risk are considered by the Issuer to have a low probability of occurrence and, given the likely impact this risk would have, it is considered to be of medium significance.

At the date of this Registration Document, the Issuer's presence in Russia exposes it to the specific risks connected to the ongoing Ukrainian crisis. These risks are also recognized by the ECB which, in April 2024, issued a decision requesting UniCredit to perform certain activities to minimize them; UniCredit – in compliance with the ECB's decision – is acting to reduce such risks. Should ECB assess that UniCredit actions are not complying with its decision, ECB could take additional supervisory measures. UniCredit considered the possible effects of a hypothetical extreme scenario on its relevant activities and credit exposures, by assuming total non-recoverability and cancellation of its positions. While the robust capital position of UniCredit was confirmed as being such that it would allow for the full absorption of such

effects, this does not eliminate the risk of any more severe and unexpected developments in the Ukrainian crisis. Such risk exposure also requires the Issuer to constantly employ a significant amount of resources for the dynamic management of risks and ongoing assessment of the possible effects of the geopolitical crisis, while maintaining an overall prudent and sustainable approach to distributions.

With regards to the assets and liabilities of Russian subsidiaries, the Group holds investments in Russia through AO UniCredit Bank and its subsidiaries OOO UniCredit Garant, and OOO UniCredit Leasing. The line-by-line consolidation determined the recognition of total assets as of December 31, 2024, in the form of investments in Russia to be equal to Euro 5,597 million, as opposed to Euro 8,668 million as of December 31, 2023. Such a difference in total assets is mainly attributable to a reduction in financial assets at amortized cost. As of December 31, 2024, the foreign exchange revaluation reserve arising from the conversion of assets and liabilities in EUR is equal to Euro - 3,243 million. The negative delta for Euro 456 million in comparison with the same figure for year-end 2023 (Euro - 2,787 million) is mainly due to the depreciation of the Russian Ruble over the same period.

Since the start of the Ukrainian crisis, the Russian subsidiary has reduced its exposure to domestic customers and the amount of deposits collected locally by 86% and 89% respectively, and the rest of the UniCredit Group (in particular UniCredit S.p.A.) has reduced its exposure to Russian counterparties by 94%; this result was achieved with extremely limited impacts and already fully factored into the Group's consolidated capital ratios as at December 31, 2024.

Any event of loss of control over AO UniCredit Bank – including a nationalization – would determine the derecognition of net assets having a carrying value of Euro 5.5 billion. Such value includes the deconsolidation effects and embeds the negative revaluation reserve, mainly linked to foreign exchange, equal to Euro -3.3 billion. This event, if occurred in 2024, would have led UniCredit to report a positive stated FY24 Group result of Euro 4.2 billion, instead of Euro 9.7 billion. Under a regulatory capital perspective: (i) the impact stemming from the revaluation reserves (Euro 3.3 billion, including the Foreign exchange reserve) would have been neutral, since they are already considered in the CET1 capital calculation as of 31 December 2024, according to the CRR requirements; (ii) the CET1 ratio would have benefited from the deconsolidation of the RWA generated by the Russian entities exposures. As a consequence, the overall impact on UniCredit's capital ratio is lower than the consolidated carrying value of AO UniCredit Bank and it is confirmed in line with the extreme loss scenario already disclosed to the market (-47 bps of the CET1 ratio as of December 2024 or -55bps including impact from threshold deduction, if this were applicable at the time the event occurs). Such value decreased over time as consequence of the mitigation actions linked to the reduction of the Russian exposure executed by UniCredit over time.

#### **A.1.4. Risks connected with forecasts and estimates concerning UniCredit, BPM and the expected post-Merger process of integration and expected synergies**

This Registration Document includes provisional figures based on information taken from: (a) the guidance published by UniCredit in connection with the Group's 2024 results; (b) the guidance publicly disclosed by Banco BPM in connection with the BPM Group's 2024 results and strategic plan update; and (c) additional considerations of UniCredit on possible synergies and integration costs concerning the potential business combination of UniCredit and BPM and, to the extent the BPM Offer is successfully completed, Anima.

Investors should note that the overview of BPM's strategy and guidance is being provided by UniCredit in this Registration Document on the basis of the information and documents publicly disclosed by Banco BPM and exclusively for the purposes of a complete disclosure and, as such, it should not be understood by investors to entail any judgment, endorsement or acceptance of responsibility by UniCredit with regards to its contents.

In addition, it should be noted that such forecasts and estimates should be given relative weight by investors, considering that plans for the combined entity resulting from the integration of BPM into the UniCredit Group will only be approved after the completion of the Public Exchange Offer (as a result of which UniCredit would have a greater insight on the above elements) and according to a timeline still to be defined as at the Registration Document Date. Similarly, forecasts and estimates even regarding the UniCredit Group's ambition for its future performance (the "2025-27 Ambitions") are, therefore, subject to a number of uncertainties and additional factors, many of which are outside the control of UniCredit.

UniCredit's ability to meet the 2025-27 Ambitions and all the forward-looking statements made in the relevant section of this Registration Document rely on several assumptions, expectations, projections and provisional data concerning future events. More in detail, the 2025-27 Ambitions is based on a set of macroeconomic assumptions that are not under the control of the Bank's management, including:



- Eurozone GDP growth at +0.9% in 2025, +1.2% in 2026, +1.3% in 2027;
- Eurozone inflation at +1.9% both in 2025 and 2026, +2% in 2027; and
- ECB's deposit facility rate equal to 2% by the end of 2025 and stable up to 2027.

The 2025-27 Ambitions includes the contribution of “Alpha” business initiatives (“Alpha Initiatives”) that are influenced by the Bank’s management - albeit many of them are subject to uncertainty – which are aimed at: net profit growth in UniCredit’s geographies, client business segment mix enhancement, product offering enhancement, distribution channels integration, organization & processes improvement, technology & data investments and evolution. As a consequence of the uncertainty of the factors that are not under the control of the Bank’s management or that can be influenced but not totally controlled by it, the Bank’s actual results can be also materially different from the explicit or implicit contents of any forward-looking statements in the UniCredit guidance and thus, such forward-looking statements do not constitute a fully reliable indicator of future performances.

There are many variables, in fact, which may cause the actual results and performance of the UniCredit Group alone, or in its potential post-Merger configuration (which may or may not include Anima) to be materially different from those expressly (or impliedly) set out in any forward-looking statements made. Such variables include developments of a macro-economic and geopolitical nature, as well as any possible knock-on effects these developments might have on global and regional growth and progress.

Investors should note that all of the uncertainties described above equally apply to the forecasts and estimates specifically related to the targets and expected synergies of the Public Exchange Offer, including any results which have been forecast as a consequence of the BPM Offer, as these may or may not materialize. Any commitments that the Issuer could be required to make by the antitrust authorities, such as disposal of branches, may have an impact on the assumptions and targets described in this Registration Document.

With particular reference to such targets and expected synergies, these have also been set by reference to estimates concerning the one-off costs of integration relating to the acquisition and the following cost and revenues synergies arising once BPM has been integrated into the Issuer’s Group. In particular, the Issuer expects estimated revenues synergies of approximately Euro 300 million before tax per year and estimated cost synergies of approximately Euro 900 million before tax per year. UniCredit expects 50% of both costs and revenues synergies to materialize in 2026 and to be then fully realized in 2027. The one-off costs of the integration process have been estimated at approximately Euro 2 billion before tax, expected to be mostly concentrated at the initial stage of the process.

Said synergies, however, remain dependent on UniCredit’s ability to: firstly, react to market and business environment changes while in the process of combining business and support functions.

Secondly, its ability to successfully and safely control the change and adaptation process regarding personnel, including reserving sufficient time for the implementation of necessary changes, which form a key part of the strategic, financial and operational benefits as well as cost and revenues synergy benefits behind the rationale of the Offer. This is relevant especially with regards to the integration and coordination of management and staff, IT systems, structures and services of the two banking groups, as well as the extension of any UniCredit policies. Said migrations into the UniCredit Group will inevitably involve the transfer of a significant volume of activity and data, due to the high numbers of customers (about 4 million customers of BPM compared with about over 15 million customers of UniCredit) and branches (about 1,400 branches for BPM compared with the about 3,039 branches belonging to the UniCredit Group). These procedures carry an inherent risk of delays or unexpected issues arising, that imperil the security of the information systems being migrated, affecting the operational continuity of the UniCredit Group also in its potential post-Merger configuration. Security problems might in fact be generated by the BPM Group’s possibly lower (or different) levels of security than those applied by UniCredit, especially concerning the segregation of data networks or security settings of the devices that connect to the internet or third parties.

Thirdly, UniCredit’s ability to successfully define and implement a new strategy, organizational and governance model for the entity resulting from the acquisition.

The abovementioned revenues and cost synergies, presented in the various scenarios, have been estimated regardless of the outcome of the BPM Offer and thus do not take into account any synergies which may be extracted from the integration of Anima and BPM, considering that UniCredit had no access to the detailed assumptions underlying any potential synergies deriving from the integration of Anima and BPM.

On the other side, the Bank has set ambitions for 2027 of a net profit of approximately Euro 10 billion, coupled with RoTE (“Return on Tangible Equity”) above 17% and average organic capital generation for the full-years

2025-2027 broadly in line with net profit. All the above allow for yearly distributions ambition (subject to supervisory, board of directors and shareholder approvals, inorganic opportunities and delivery of financial ambitions) for the full-years 2025-2027 greater than in 2024, of which cash dividends at 50% of net profit and additional distributions including the excess capital to a 12.5-13% of CET1 ratio. As of the Registration Document Date, the guidelines provided by UniCredit regarding the Phase II of UniCredit Unlocked are valid.

On February 12, 2025, Banco BPM published its updated strategic plan for 2026-27 with the net income expected to grow from Euro 1.69 billion in full-year 2024 to Euro 2.15 billion in full-year 2027 (assuming the acquisition of Anima). Banco BPM has not stated that the BPM 2026-27 Strategic Plan is not valid as of the Registration Document Date. At the Registration Document Date, the Issuer has not yet approved a new consolidated business plan for the UniCredit Group that reflects the completion of the acquisition of BPM. In this regard, the Issuer expects that plans for the combined entity resulting from the integration of BPM into the UniCredit Group will only be approved after the completion of the Public Exchange Offer (as a result of which UniCredit would have a greater insight on the above elements) and according to a timeline still to be defined as at the Registration Document Date.

Based on (a) the UniCredit net profit ambitions for 2027 (as described above) and (b) the standalone net profit estimates for 2027 from broker consensus for BPM (broker consensus average for reported net profit retrieved from FactSet on March 20, 2025) and Anima (broker consensus average for reported net profit retrieved from FactSet on March 20, 2025) and assuming (i) the successful completion of the BPM Offer, (ii) the successful completion of the Offer and the Merger and (iii) the realization of the full revenues and cost synergies in 2027 (as described above), the combined group would have a combined net profit of approximately Euro 12.8 billion in 2027. Such estimate has been calculated as the algebraic sum of (i) the net profit ambitions for 2027 for UniCredit, (ii) the reported net profit for 2027 from broker consensus average for BPM, (iii) the 78% (i.e., the percentage of Anima not owned by BPM prior to the BPM Offer) of the reported net profit for 2027 from broker consensus average for Anima and (iv) the post-tax run rate amount of expected revenues and cost synergies. The estimated combined net profit in 2027 is the result of a complex range of facts, events and situations which could happen in different shape, form and sequence and they could affect in a more positive or alternatively negative manner the transaction and therefore such net profit could diverge, even significantly, from the forward-looking trend formulated, due to the uncertainties associated with the underlying assumptions.

Thus, investors are requested not to rely exclusively on those forecasts and estimates included in this Registration Document when taking their own decisions to invest in financial instruments of the Issuer, given the uncertainty characterizing any forecast data, including those retrieved from FactSet and based on broker consensus estimates.

Finally, it is noted that certain of the assumptions and/or actions taken as the basis for the forecasts and estimates might turn out to be imprecise and, consequently, might not materialize or might materialize to an extent and at times different from those forecasted, just as events that could not be foreseen at the time they were formulated might occur, or might occur with some delay. Moreover, due to the uncertainty associated with the realization of any future event, both in terms of its occurrence, its extent and timing, there might be significant discrepancies between the forecast values and the final values, even if such events on the basis of assumptions do materialize, which might have significant negative effects on the Issuer and the Group's activities, as well as its economic, equity and/or financial situation. A significant delay in the completion of the integration measures could result in additional costs for the entity resulting from the potential Merger, in additional resources from its management and personnel, as well as in future alternative business opportunities being lost. The UniCredit Group may further incur additional significant legal, accounting and other transaction fees and costs relating to the carrying out of such integration measures, some of which will be payable irrespective of whether or not the integration is completed.

Given the uncertainty characterizing any forecast data described above, including those retrieved from FactSet and based on broker consensus estimates, UniCredit may not be able to achieve the results described above or these could be achieved in a different time frame, in some cases even faster considering the wide range of levers and effects which are embedded in a combination transaction and in light of the macro scenario and all other risk factors highlighted in this Registration Document.

#### **A.1.5. Credit risk and risk of credit quality deterioration**

The financial and capital strength, as well as the profitability of the UniCredit Group depend, among other things, on the creditworthiness of its customers. In carrying out its credit activities, the Group is, in fact, exposed to the risk that an unexpected change in the creditworthiness of a counterparty may generate a corresponding change in the value of the associated credit exposure and give rise to the need to write it down partially or totally. The credit risk inherent in the traditional activity of providing credit is material, regardless of the form it takes (cash loan or endorsement loan, secured or unsecured, etc.).

As at December 31, 2024, the value of the UniCredit Group's non-performing exposures ("NPEs") was equal to Euro 11.2 billion (with a gross NPE ratio of 2.6%), down by 4.6% Y/Y, while as at December 31, 2023 they were equal to Euro 11.7 billion, with a gross NPE ratio of 2.7%. The stock of loan loss provisions ("LLPs") as at December 31, 2024, was equal to Euro 5.1 billion with a coverage ratio of 45.87%. With reference to categories of NPEs:

- Euro 3.1 billion were classified as bad loans (coverage 69.33%),
- Euro 7.3 billion were classified as unlikely to pay (coverage 37.44%),
- Euro 0.8 billion were classified as impaired past due (coverage 32.47%).

As at December 31, 2024, the Group's net NPEs stood at Euro 6 billion, slightly decreased compared to the value of Euro 6.2 billion recorded as at December 31, 2023 (equal to, respectively, 1.4% and 1.4% of total exposures of the Group). Starting from the year 2015 the overall reduction of the Group's NPE amounted to about Euro 66.7 billion, down from the amount of Euro 77.8 billion of 2015 to Euro 11.2 billion recorded at December 31, 2024 (this amount includes the loans disposed of in July 2017 and IFRS 5 positions).

The UniCredit Group's cost of risk ("CoR") increased by 2 bps to 15 bps as at December 31, 2024. On the other hand, as at December 31, 2024 the amount of the Group's overlays on performing exposures is of approximately Euro 1.7 billion.

UniCredit's LLPs, excluding Russia, increased by 42.2% Y/Y to Euro 785 million in 2024. Therefore, the cost of risk excluding Russia, increased by 5 bps Y/Y to 18 bps in 2024.

The UniCredit Group's asset quality ratios are broadly in line with European peers' average. The following comparison shows the main asset quality ratios between the UniCredit Group and a benchmark sample, *i.e.*, the 2024 EU wide transparency exercise, part of the EBA ongoing initiatives to promote transparency and strengthen market discipline within the EU financial market. Comparable UniCredit Group and EU-wide (calculated on the full perimeter of countries in scope of the exercise) figures are respectively presented below:

- Gross NPE ratio: 2.2% (Q4 2024 data) compared to 1.9% (EBA data as of Q3 2024);
- NPE coverage ratio: 45.9% (Q4 2024 data) compared to 41.6% (EBA data as of Q3 2024).

The data are consistent with the EBA transparency methodology; in particular, the last available data for the EBA transparency are as of Q3 2024; while the UniCredit FY 2024 data have been recalculated to be consistent with the EBA perimeter (more extensive, for example including also cash balances vs. central banks).

The current environment continues to be characterized by highly uncertain elements due to geo-political tensions and by the related effects of the evolution of the macro-economic scenario, potentially prone to generating a worsening of the Issuer's loan portfolio quality, with NPE classification occurrences and increase in the loan loss provisions allocation (including of a performing nature, due to the update in credit parameters). Besides, and consistently with the IFRS 9 framework, UniCredit has built additional and complementary provisions measures ("overlays") to the IFRS 9 core model allocated to performing assets to address negative scenario developments likely to impact sub-portfolios considered sensitive to geopolitical and real estate risks. These measures may absorb default events and/or scenario worsening or be released if the underlying risks do not manifest themselves.

With reference to performing cash exposures toward customers, 9.2% were classified in the so called stage 2 (Euro 51 billion) with a coverage ratio equal to 6.14%. It should be noted that these amounts have been calculated on the basis of the regulatory consolidation perimeter and including all balance-sheet assets classified as assets at fair value through other comprehensive income, assets at amortized cost and assets held for sale.

The UniCredit Group is also exposed to the non-traditional credit risk arising in the context of negotiations of derivative contracts and repurchase transactions (repos) on a wide range of products, such as interest rates, exchange rates, share prices/indices, commodities (precious metals, base metals, oil and energy materials), both with institutional counterparties, including brokers and dealers, central counterparties, central governments and banks, commercial banks, investment banks, funds and other institutional customers, and with non-institutional customers of the Group. Non-traditional credit risk is related to counterparty credit risk. These expose the UniCredit Group to counterparty risk, meaning that a counterparty may become insolvent before maturity of the loan or expiration of the applicable contract and is, therefore, unable to fulfil its obligations towards the Issuer or one of the other Group companies.

With regards to the BPM Group's exposure to this type of risk, as far as known to the Issuer as at the Registration Document Date and on the basis of the disclosure that is currently in the public domain, the value of the BPM Group's NPEs for the year 2024 has been disclosed as being equal to Euro 2.9 billion, while the disclosed value of cost of risk for the year 2024 stood at 46 bps. Therefore, BPM's exposure to this type of risks appears to be overall proportionate to the size of its business and in line with the Issuer's evaluations concerning the potential post-Merger vulnerability of the Group to this risk.

As far as the presence in Italy is concerned, given the complementarity of the two banks' networks, the risk of geographical concentration appears limited. In fact, a preliminary analysis based on available data suggests that the combined entity could potentially result in a meaningful overlap in no more than 10% of Italian provinces. As a consequence, and net of potential commitments that may be necessary for the competent merger control authority to clear the proposed transaction, the risk of concentration by client appears limited, but is not specifically quantifiable as it would need a set of data concerning BPM which are not available. Based on publicly available information, BPM's key asset quality metrics appear solid. Therefore, the Issuer believes that the combined entity will not face material issues in terms of asset quality.

As of December 31, 2024, with regard to securitizations relevant for credit risk purposes, the UniCredit Group acts as:

1. Originator for own significant risk transfer ("**SRT**") securitizations, both cash and synthetic, both on performing and non-performing exposures. In accordance with the CRR and its amendments, the Group evaluates SRT through the mezzanine/junior test, commensurateness test and by verifying the absence of the contractual conditions that could affect the recognition of the SRT. In order to verify the commensurateness test on performing transactions, the Group has adopted an internal method that compares two indicators to demonstrate that the own fund requirement reduction obtained through the securitization is commensurate to the risk transferred to third parties. In addition to this methodology the UniCredit Group applies the recommendations of the EBA report 2020/32 on Significant Risk Transfer in securitization under articles 244(6) and 245(6) of the CRR, both for the SRT quantification and the interaction with the regulators. As of December 31, 2024, the securitization transactions recognized for risk transfer that produce benefits in terms of regulatory capital are 41, of which 27 are synthetic securitizations, and 14 true sale securitizations, of which 10 on NPE exposures. Originated SRT securitizations are structured by several legal entities within the Group.
2. Sponsor for its Asset-Backed Commercial Paper ("**ABCP**") program in UCB GmbH. UniCredit calculates risk weights based on the internal assessment approach ("**IAA**") for unrated securitization positions towards the ABCP program amounting to Euro 5.9 billion as of December 31, 2024; this exposure stems from liquidity facilities towards the 41 vehicles (Elektra Purchases) of the ABCP program in order to provide credit enhancement; the exposure amounts to 0.75% of Group total assets as of December 31, 2024.
3. Investor in both i) high credit-quality Asset Backed Securities (ABSs) issued by Third Parties (Public Securitisations) and ii) Client-driven Securitisations, structured upon customer request (Private Securitisations), for a total exposure of Euro 19.64 billion as of December 31, 2024 of which:
  - (i) With regards to Third-Parties ABSs (Euro 9.34 billion), the Group invests primarily in European Collateralized Loan Obligations (CLOs), Auto ABSs, Consumer ABSs and Residential Mortgage Backed Securities (RMBS) rated AAA (76%), AA (16%) A (0.2%), BBB (4%) and unrated positions (3.8% amounting to Euro 0.4 billion) originated by other banking groups. In line with the development of the financial markets and, specifically, the securitisation market, the Third-Parties ABS Portfolio was transformed from a separate portfolio in liquidation to a strategic investment portfolio for the Group in 2011 and was integrated into the Markets Strategic Portfolio (MSP), managed with a view to diversifying the investment portfolio, generating a profit margin and creating an appreciable capital return through long-term investments in fixed-income securities.
  - (ii) With regards to Client-driven Securitisations (Euro 10.3 billion), the Group supports its main banking and automotive sector clients, investing in unrated senior exposures of private securitisations; the securitized credit exposures of the automotive sector are typically car rental receivables, leasing contracts and loans to finance car purchases.

Both the Public and the Private Securitisation portfolios are carried out in conformity with established credit approval processes, policies and procedures and are subject to credit/market risk limits, regular monitoring and reporting by the business and risk management functions. Given that the retention requirement shall be satisfied by originators, sponsors or original lenders, for exposures where UniCredit Group acts as investor, the retention rule is not required.

The total amount of unrated securitisation positions is Euro 10.7 billion (Euro 10.3 billion of the Client-driven Securitisations plus Euro 0.4 billion of the Third-Parties ABS), equal to 1.4% of Group total assets as of December 31, 2024.

Based on data concerning BPM retrieved from publicly disclosed documents as of June 30, 2024, assuming that the Offer is successful, the UniCredit Group exposures to securitizations are expected to increase, but without material impacts. In fact, BPM acts as:

- 1) Originator, for own SRT securitizations, both cash and synthetic, both on performing and non-performing exposures; given that the SRT process is supervised by the regulators, we do not envisage specific issues in case of a potential acquisition and Merger of BPM. Retained tranches of originated SRT securitizations may expose the Bank to the credit risk of the underlying exposures, which is anyway considered ordinary; protected tranches of originated SRT securitizations may bear some credit risk due to the creditworthiness of the guarantor, if the guarantee is unfunded and granted by non-supranational investors;
- 2) Sponsor, for a Euro 49 million exposure;
- 3) Investor, on a portfolio of approximately Euro 700-800 million asset backed securities by third parties primarily with an associated risk-weight lower than 20%.

The size of the BPM investor portfolio is relatively small compared to the UniCredit Group's one, and even though UniCredit does not envisage a deterioration of the Group risk profile following the integration of BPM, the Issuer would only be able to provide a complete evaluation of any impact on credit risk (including that relating specifically to securitizations) only after the completion of the transaction.

The information contained in this risk factor is a key audit matter identified in the Independent Auditor's Report on UniCredit 2024 Consolidated Financial Statements as "measurement of loans and receivables with customers recognized under financial assets at amortized cost".

#### **A.1.6. Risks associated with the exposure of the UniCredit Group to sovereign debt**

The book value of sovereign debt securities exposures of the UniCredit Group as at December 31, 2024 amounted to Euro 116,130 million (as at December 31, 2023 it amounted to Euro 108,256 million) of which more than 75% is concentrated in eight countries as follows: Italy (Euro 39,824 million), Spain (Euro 15,475 million), Germany (Euro 7,646 million), United States of America (Euro 6,478 million), France (Euro 5,365 million), Japan (Euro 5,239 million), Austria (Euro 3,849 million) and Czech Republic (Euro 3,547 million). UniCredit's exposure to sovereign debt securities issued by the Italian central and local governments amounted to Euro 39,824 million as at December 31, 2024. It should be noted that sovereign debt securities exposures account for approximately 14.8% of Group total assets as of December 31, 2024, and 186% of Group net equity as of December 31, 2024.

Sovereign exposures are bonds issued by, and loans given to, central and local governments and governmental bodies. Exposures held through asset-backed securities are not included for the purposes of evaluating this risk.

Any worsening of the spread between the return on government bonds and risk-free benchmark rates, any downgrading of a sovereign entity's rating might have a negative impact on the value of UniCredit's own portfolio of securities. Such phenomena, which may often involve more widespread tensions and volatility in the sovereign bond market, especially with regards to the spread between Italian government bonds and other benchmark government bonds, may increase instability on the market, reduce the value of UniCredit's portfolio and be of detriment to the capital position and operating results of the Issuer.

With respect to the above exposures, as of December 31, 2024, there were no indications that defaults have occurred and the Group constantly monitors the evolution of the situation. With particular reference to the book value of the Group's sovereign debt securities exposure to Russia amounting to Euro 574 million, it is almost totally held by the Russian controlled bank in local currency and accordingly classified in the banking book. During 2022, the Russian debt securities belonging to the Amortized cost and FVtOCI portfolios were classified in stage 2 and downgraded, given the increase in credit risk according to the internal models. As at December 31, 2024:

- the collective staging measure was removed for AO UniCredit Bank Debt securities portfolio as well, with non-material LLP impact;
- the related LLPs stock amounts to Euro 66 million (Euro 132 million as of year-end 2023) with reference to Euro 640 million gross exposure (Euro 766 million as of year-end 2023). The decrease in LLPs mainly stems from the removal of (i) the stage 2 classification and (ii) previous fixing of LLPs to the level of March 2022.

In addition, as at December 31, 2024, the Group also issued loans to central and local governments as well as government bodies for a total amount of Euro 26,515 million.

On the basis of publicly available information, in fact, the Issuer is aware of the extent of the BPM Group's exposure to debt securities issued by sovereign states (stated to be equal to Euro 32,855 million as of December 31, 2024, of which Euro 12,642 million related to bonds issued by the Italian state). Potential completion of the Merger, by extending UniCredit's portfolio, would involve an increase of the exposure to sovereign debt which is proportionate to that held by the BPM Group at the time of the completion of the transaction and consequent potential acquisition of control over BPM.

#### **A.1.7. Risks associated with deferred tax assets**

Deferred tax assets (“DTAs”) and liabilities are, and will continue to be, recognized even following the potential completion of the Offer and of the Merger, in the consolidated financial statements of the Issuer according to the IAS 12 accounting principle. Under Law No. 214 of December 22, 2011 (the “**Law 214/2011**”), DTAs related to loan impairments and loan losses, or to goodwill and certain other intangible assets, may be converted into tax credits if a company has a full-year loss in its non-consolidated accounts relating to convertible DTAs (to which such convertible DTAs relate). A proportion of the deferred tax assets are converted in accordance with a ratio between the amount of the full-year loss and a company's shareholders' equity. Law 214/2011 also provides for such conversion if there is a tax loss on a non-consolidated basis, recognized in the financial statements against the tax loss, and limited to the loss generated from the deduction of the same categories of negative income components (loan impairments and loan losses, or losses related to goodwill and other intangible assets). In accordance with Law 207/2024 (the “**2025 Budget Law**”), the convertible DTAs reversal for the full-year 2025 will be subject to four deferrals on a straight-line basis starting from full-year 2026 and, in relation to full-year 2026, they will be subject to three deferrals on a straight-line basis, starting from full-year 2027.

As at December 31, 2024, total DTAs amounted to Euro 9,588 million, of which Euro 2,995 million may be converted into tax credits pursuant to Law 214/2011. As of December 31, 2023, total DTAs amounted to Euro 10,749 million, of which Euro 4,380 million may be converted into tax credits pursuant to Law 214/2011.

As at December 31, 2024, the remaining DTAs (*i.e.*, those non-convertible into tax credits) were related to costs and write-offs which may become deductible in future years, and amounting to Euro 2,525 million, and to tax losses carried forward (“**TLCF**”) for Euro 4,068 million. DTAs on TLCF mainly related to (i) UniCredit for Euro 3,661 million, (ii) UniCredit IRAP tax credit deriving from the conversion of the so called “*Aiuto alla Crescita Economica*” (ACE) for Euro 115 million, (iii) UniCredit Bank Austria AG for Euro 18 million, and (iv) UniCredit Leasing S.p.A. for Euro 263 million. Such amounts resulted from the sustainability test provided for by IAS 12, that takes into account the economic projections foreseeable for future years and the peculiarities of the fiscal legislations of each country, in order to check whether there are future taxable incomes against which TLCF can be offset. At Group (subsidiaries) level, the total of non-recognized TLCF are equal to Euro 357 million and mainly referred to UniCredit Leasing S.p.A. for Euro 35 million, to UniCredit Bank GmbH and its subsidiaries for Euro 222 million and to UniCredit Bank Austria AG and its subsidiaries for Euro 76 million. In respect of foreign permanent establishments of UniCredit, relevant tax losses not utilized are equal to Euro 7,553 million, due to start-up expenses or other operating costs. Such tax losses are only relevant to the taxable income of each foreign permanent establishment for the taxes due in the applicable country.

This risk concerns the further unforeseeable possibility that the tax legislation of any country to which the Issuer's Group is subject may change, even significantly, and cause the Issuer to have a lower taxable future income than estimated in the sustainability test mentioned above, insufficient to guarantee the re-absorption of the relevant DTAs. This might also happen following an update of the Issuer's income statement estimates in accordance with its latest available projections.

The Issuer deems such events to have a low likelihood of occurring and, should they occur, would be expected to be re-assessed based on the relevant tax legislation. Therefore, the Issuer considers this risk to

be of residual significance. Overall, the materialization of this risk might have significant negative effects on the Issuer and the Group's activities, as well as its economic, equity and/or financial situation.

#### **A.1.8. Risks associated with current macroeconomic uncertainties and geopolitical tensions impacting on the earnings performance of the UniCredit Group**

The performance of the UniCredit Group is and will remain, following the potential completion of the Offer and of the Merger, significantly influenced by the macroeconomic conditions of the different markets in which it operates (Italy, Germany, Austria, Central and Eastern Europe and Russia) and by the situation of the global financial markets.

In light of the publicly available disclosure made by the BPM Group in its financial statements, the potential Merger, assuming the Offer is successful, is likely, on one hand, to cause an increase of the UniCredit Group's presence in the Italian market while, on the other, it would also expand the geographic presence of the Group in foreign countries, such as Switzerland, with the associated exposure to the macroeconomic conditions of such countries. In particular, should the Offer be successfully completed and should the potential Merger be implemented, the UniCredit Group will increase its presence in Italy, especially in the northern regions of the country, which would cause the UniCredit Group to be relatively more subject to the impact of changes in the conditions of the Italian economy. More specifically, an integration with BPM would cause an increase indicatively of approximately up to 14% in terms of loan and deposit Italian market share of the UniCredit Group.

The overall market environment, however, continues to be affected by high levels of uncertainty for both the short and the medium-term outlook meaning that the Group is very likely to be exposed to similar macroeconomic risks also following an acquisition of BPM. The economic consequences stemming from the geopolitical tensions, not only in Russia, pushed up inflationary pressures and could continue to determine the state of increasing uncertainty for the Euro area economy which, in turn, could have an impact on the performance of the Group. The Ukrainian crisis caused a sharp rise in commodities prices, further global supply-chain disruption, a tightening of financial conditions, heightened uncertainty, and a sharp drop in consumer confidence. From mid-2022, with inflation building up due to the increase in energy price and supply disruptions, the ECB changed its monetary stance (with the following deposit facility rate: -50 bps in June 2022, 0 bps in July 2022, 75 bps in September 2022, 150 bps in October 2022, 200 bps in December 2022, 250 bps in February 2023, 300 bps in March 2023, 325 bps in May 2023, 350 bps in June 2023, 375 bps in July 2023, 400 bps in September 2023) and the market repriced interest rate expectations accordingly. Subsequently, from 2023, inflation started to record a declining path and, to support the economy, the ECB started to revert its monetary policy (lowering the deposit facility rate to 375 bps in June 2024, to 350 bps in September 2024, to 325 bps in October 2024, 300 bps in December 2024, 275 bps in January 2025 and 250 bps in March 2025) with currently a more dovish approach. The macroeconomic and geopolitical backdrop remains complicated and unpredictable. The outlook is still surrounded by risks arising in connection with various factors, such as the indicators of economic activity still displaying weaknesses, financing conditions that remain restrictive, the constant geopolitical tensions which have the potential to cause shocks on commodity and/or energy prices, the possible intensification of the Ukrainian crisis and/or of the tensions in the Middle East and/or the potential impacts on global trade from tariffs influencing the volatility of the financial markets. Any expectations regarding the performance of the global economy remain still uncertain in both the short and medium term and such elements of uncertainty could generate a worsening of the loan portfolio quality of the Group, also in its potential post-Merger configuration, leading to an increase of the non-performing loans and the necessity to recognize a greater amount of provisions charged to the income statement.

According to the ECB's projections, in March 2025 the Euro area economy growth is expected to be weaker than at the end of 2024. Both domestic and trade policy uncertainty are high, coupled with persistent competitiveness challenges. Despite these headwinds, the conditions remain in place for Euro area GDP growth to strengthen again over the projection horizon. Overall, annual average real GDP growth is expected to be 0.9% in 2025, and to strengthen to 1.2% in 2026 and to 1.3% in 2027. Compared with the December 2024 ECB macroeconomic projections, the outlook for GDP growth has been revised down by 0.2 percentage points for both 2025 and 2026 but is unchanged for 2027. The weaker outlook is mainly due to downward revisions to exports and, to a lesser extent, to investment, reflecting a stronger impact of uncertainty than previously assumed, as well as expectations that competitiveness challenges will likely persist for longer than had been anticipated.

Compared with the December 2024 ECB projections, the outlook for inflation has been revised up by 0.2 percentage points for 2025 (to 2.3%) on account of higher energy commodity price assumptions and the

depreciation of the Euro, while it has been marginally revised down for 2027 (to 2.0%) owing to a slightly weaker outlook for the energy component at the end of the horizon.

The ECB released latest updated macro projections in March 2025, after the publication of UniCredit's guidance and 2025-27 Ambitions on February 11, 2025. ECB Eurozone GDP and inflation are broadly aligned with the scenario underlying UniCredit's guidance and 2025-27 Ambitions: Eurozone GDP is the same (+0.9% in 2025, +1.2% in 2026 and +1.3% in 2027), updated ECB Eurozone inflation in 2025 is at 2.3%, higher than UniCredit's guidance and 2025-27 Ambitions at 1.9%, and the same for 2026-2027 at 1.9% and 2% respectively.

Material adverse effects on the business and profitability of the Group, also in its potential post-Merger configuration, may also result from further developments of the monetary policies (and related impacts on financial entities and markets) and additional events occurring on an extraordinary basis (such as political instability, terrorism and any other similar event/correlated effects occurring in the countries where the Group operates and, as already experienced, a new pandemic emergency). Furthermore, economic and geopolitical uncertainty has also introduced considerable volatility and uncertainty in the financial markets, potentially impacting on credit spreads/cost of funding and therefore on the values the Group can realize from sales of financial assets.

The materialization of unfavorable macroeconomic and geopolitical developments leading the earnings performance of the Issuer to decline are, in fact, likely to be reflected in the main metrics showing the consolidated results reported by UniCredit from time to time. Among these: total revenues, net interest income ("NII"), fees, trading income, provisions on loans, other charges and provisions would be the main metrics/indicators signaling an overall decreased earnings performance of the Group. With regards to such metrics and indicators, on February 11, 2025, UniCredit presented the consolidated results of the Group as at and for the year ended 2024:

- total revenues stood at Euro 24,844 million, up by 4.3% Y/Y, mainly thanks to the positive contribution of net interest income and commissions.
- NII stood at Euro 14,358 million up by 2.5% Y/Y.
- Fees and commissions stood at Euro 8,139 million up by 7.6% Y/Y, driven by greater commercial boost on asset management products, investment funds first and foremost, the increase in commissions on loans and the growth recorded on payment systems and cards.
- Trading income stood at Euro 1,739 million, substantially stable compared to the previous year. This trend was positively impacted by the increase in profits from foreign exchange hedging activities in Russia, offset by the decrease in Italy mainly explained by lower profits from the sale of securities.
- Stated net profit stood at Euro 9,719 million, up by 2.2% Y/Y.

Regarding the fourth quarter, total revenues stood at Euro 6.0 billion, down 2.3% Q/Q, driven by resilient NII at Euro 3.7 billion (+2.5% Q/Q) and fees at Euro 2.0 billion (+1.7% Q/Q). Trading stood at Euro 270 million (-38.9% Q/Q). Total revenues were up 0.7% Y/Y, mainly driven by fees (+8.9% Y/Y) and NII (+1.1% Y/Y), partially offset by trading (-20.5% Y/Y).

In detail:

- NII in 4Q24 stood at Euro 3.7 billion, up 2.5% Q/Q, and up 1.1% Y/Y notwithstanding a lower average Euribor and lower loan volumes. The Q/Q growth was mainly driven by Italy and supported by better results on non-commercial components, especially investment portfolio and treasury & other.
- Fees stood at Euro 2.0 billion in 4Q24, up 1.7% Q/Q mainly thanks to the performance of insurance products and payments fees, especially in Italy. Fees were up 8.9% Y/Y mainly thanks to investments and insurance fees and the result of client hedging fees mostly in Germany.
- Trading income stood at Euro 270 million in 4Q24, down 38.9% Q/Q reflecting, among others, lower treasury contribution and impacts from the investment in Commerzbank. Trading income was down 20.5% Y/Y.

Given the context of persisting uncertainty in which the UniCredit Group continues to operate, evaluations made by the Group for the purposes of its financial statements continue to be made by reference to different macroeconomic scenarios (Positive, Baseline and Alternative weighed as appropriate). More in detail, with reference to:



- (i) credit exposures, the base scenario was weighed at 60%, while the positive scenario was weighted 5% and the alternative scenario 35%, and
- (ii) deferred tax assets, the base and the alternative scenarios were weighed respectively 65% and 35%. These weightings were applied coherently with the weightings applied for the measurement of credit exposures, by converging the positive scenario into the base scenario.

In particular, should the features of the “Alternative” scenario actually materialize, the projections showed a downward forecast in the expected profitability of the UniCredit’s business, in line with the macroeconomic parameters and a generally persistent level of uncertainty.

With reference to UniCredit’s credit exposures as at December 31, 2024, the macroeconomic scenarios used for calculation of credit risk parameters (probability of default, loss given default, exposure at default) were updated according to the Group policies, on the basis of scenarios mentioned above.

The UniCredit Group might, in the future, execute transactions (including non-recurring transactions) or be subject to events marked by non-recurring economic components (e.g., impairment of goodwill or the need to make additional contributions to the resolution fund and deposit guarantee schemes) over the next few years that may negatively impact any and all of the main indicators of UniCredit’s earnings performance listed above, more pronounced in case of unfavorable macroeconomic and geopolitical developments. A declining earnings performance would likely affect in a negative way the activity, prospects, economic results, balance sheet and financial situation of the Issuer and the UniCredit Group. At the date of this Registration Document, only those corporate transactions that have been recently completed (e.g., acquisition of 90.1% of Alpha Bank Romania S.A. and Aion Bank SA/NV and Vodeno) or are under way (e.g. the process for internalization of the life bancassurance), have been considered in the development of the Issuer’s strategic targets and performance forecasts.

#### **A.1.9. Risks associated with the distribution of dividends**

Pursuant to the law applicable to the Issuer, the amount distributed by UniCredit as dividends or other distribution of unrestricted equity may not exceed the amount of distributable funds shown on the latest audited financial statements of the UniCredit Group. The BPM Group, as a banking institution, is also subject to the same laws concerning the distribution of dividends and, accordingly, these will continue to apply in much the same way to the UniCredit Group in its potential post-Merger configuration. The possible distribution of dividends or other unrestricted equity will depend on the Group’s income generation capacity, capital and funding position, investments, future prospects of asset quality, terms of its financing agreements, ability to transfer income from the subsidiaries to UniCredit, regulatory constraints and other factors.

In line with UniCredit’s dividend policy, as set out in the “UniCredit Unlocked” plan, which prioritizes the creation of shareholder value by improving the UniCredit profitability and enhancing UniCredit per-share metrics, the distribution is planned through a mix of cash dividends and share buybacks (subject to regulatory and shareholder approval).

For 2023, the total ordinary distribution was set at Euro 8.6 billion with a cash dividend of Euro 3.0 billion (35% relative to the net profit (i.e., stated (or accounting) net profit adjusted for impacts from DTAs from tax loss carry forward sustainability test), equivalent to DPS of Euro 1.80), and a share buyback component equal to Euro 5.6 billion.

On February 11, 2025, UniCredit announced its distribution policy for 2024, approved by the Shareholders Meeting on March 27, 2025, which sets the amount of total distributions at Euro 9.0 billion, of which approximately Euro 3.7 billion to be distributed as cash dividends (of which Euro 1.44 billion has already been paid as interim dividend in November 2024, while the remaining Euro 2.29 billion, corresponding to a preliminary estimated final dividend per share of Euro 1.4764, remains to be paid after the Shareholders’ approval); and Euro 5.3 billion in the form of a share buy-back (of which Euro 1.7 billion have already been paid with the 2024 share buy-back anticipation; while the residual Euro 3.6 billion will be completed after supervisory and shareholder approval and is expected to be commenced post completion of the Offer).

Any payment of dividends or any distribution of other unrestricted equity will however always be at the discretion of the Issuer’s Board of Directors and, ultimately, be dependent on a resolution of the shareholders’ meeting of UniCredit. Additionally, pursuant to the applicable banking regulations, the distribution of dividends and other distributions of unrestricted equity is not permitted if it would jeopardize the Group’s solvency (including that of the Group in its potential post-Merger configuration).

On November 6, 2024, the Issuer communicated its intention to distribute cash dividends corresponding to a UniCredit Group payout ratio (i.e., the ratio between the total amount of dividends to be distributed and the stated net profit for the year, adjusted for the impacts from TLCF DTAs sustainability test and potential one-offs related to strategic items) of 40% for the year 2024 and 50% for the year 2025. Following the prospective acquisition and integration of BPM, UniCredit will continue to assess annually the preconditions for distributing dividends or other unrestricted equity coherently with its dividend policy and considering, among other things, the Group's structure, financial condition, general economic and business conditions, and future prospects, which may result in a deviation from, or change, in the dividend policy, including a decision not to distribute any dividends or carry out a share buy-back. The amount of any dividends to be potentially paid by UniCredit in any given financial year is thus uncertain and there can be no guarantee that dividends will be paid at all. Any dividends paid, or other unrestricted equity distributed by UniCredit in previous financial periods are not an indication of the dividends that will be paid in the future.

#### **A.1.10. Risks associated with the ratings assigned to the Issuer and the UniCredit Group**

At the Registration Document Date, the UniCredit Group has been assigned the following ratings by the international agencies Standard & Poor's ("S&P"), Moody's ("Moody's") and Fitch Ratings ("Fitch"):

- Standard & Poor's: Short Term Credit Rating of A-2, Long Term Issuer Credit Rating of BBB, stable Outlook and Standalone Rating of bbb+;
- Moody's: Short Term Credit Rating of P-2, Long Term Issuer Credit Rating of Baa1, stable Outlook and Standalone Rating of baa3;
- Fitch Ratings: Short Term Credit Rating of F2, Long Term Issuer Credit Rating of BBB+, positive Outlook and Standalone Rating of bbb+.

After the announcement of the intention to launch the Offer, Moody's and Fitch Ratings affirmed their above mentioned ratings, while Standard & Poor's stated that it views the potential combination of the two banks as ratings neutral for UniCredit. However, should the credit rating of the UniCredit Group resulting from the successful completion of the Offer and potentially of the Merger drop to a level such that the investment guidelines or regulations applicable to key investors prohibit the holding of UniCredit securities, investors might be forced to decrease their investments in it, which, in turn, could lead to the increase in the cost of new funding or restrict the UniCredit Group's ability to obtain new funding in the first place. The determination of ratings by the above mentioned agencies require them to consider (and to monitor thereafter) various indicators of the creditworthiness of the UniCredit Group, such as profitability, liquidity, quality and experience of top management, asset quality and capacity to maintain its own capital ratios above certain levels. If the Issuer and/or one of the subsidiaries that is assigned a rating does not keep one or more of these indicators at adequate levels, the ratings assigned by the agencies might be downgraded.

There is, in addition, an execution risk associated with the inherent complexity of the Offer and of the potential Merger, which is specifically related to the possibility that the overall transaction is not executed as intended by the Issuer. UniCredit might, in fact, face a variety of problems affecting the completion of the Offer and/or any of the consequent integration processes related to it, including those part of the potential Merger and, as a result, there might be gaps between the synergies that the Issuer intends to achieve and those actually realized once the Offer and the potential Merger are finally completed. Actions and measures that UniCredit plans to implement for integrating the business of BPM into its Group might be disrupted or delayed due to, for instance, low employee morale and/or any inadequate allocation of resources to which UniCredit might fail to respond in a timely or flexible enough manner. In addition, some parts of the business of BPM might turn out to be more difficult than others to integrate into UniCredit as initially planned. As a result of such execution difficulties and of any repercussion these might have on UniCredit's financial position, earnings, liquidity and asset quality, the ratings assigned to the Issuer might suffer a downgrade.

Finally, the deterioration of the sovereign rating of the Italian government and of the wider macroeconomic trends could be factors material to the ratings of the Issuer, as they have the potential to impact its creditworthiness and, therefore, the evaluations of the rating agencies, which consider the domestic sovereign rating as one of the key inputs in their rating methodologies. As disclosed by S&P, Moody's, and Fitch in the rating sensitivity analyses performed by each rating agency, a downgrade of the Italian sovereign rating would likely lead to a downgrade of UniCredit's rating by the respective rating agency. UniCredit is rated better than the Italian sovereign by both Moody's (two notches above sovereign) and Fitch (one notch above sovereign).

Overall, the Issuer, given the public comments made by the rating agencies following the announcement of the intention to launch the Offer, deems the events related to the possible downgrading of its issuer credit rating to have a low probability of occurring and, given their possible impact, the Issuer considers the risk of a downgrade to be of medium significance.

#### **A.1.11. Risks associated with the impairment of goodwill**

As at December 31, 2024 the UniCredit Group recognized goodwill as an intangible asset for an overall value of Euro 38 million, representing 0.005% of the total assets of the Group and 0.061% of the shareholders' equity as at the same date. The same value of goodwill for the previous year stood at nil. Goodwill is defined as the difference between the consideration paid and the pro-quota fair value of the identifiable assets and liabilities acquired. As the test for measuring impairment of goodwill relies on the use of estimates concerning cash flows and discount rates deriving from the tested assets as well as other assumptions as to their financial return that are necessarily connected to the wider market context in which the Issuer operates, there is a risk that events external to the Issuer's activities, such as volatile and uncertain macroeconomic conditions, lead to the need to recognize higher values relating for impairment of goodwill in the future. This risk has, based on the Issuer's evaluations, a low probability of occurrence. Impairment of goodwill in the financial statements has the potential to have a negative impact on the financial position and results of the UniCredit Group, and will continue to do so also following the potential successful completion of the Offer and Merger. Given the degree of likelihood of this risk actually occurring and its potential impact should it occur, UniCredit considers it to be of low significance to the evaluation of investors.

The value of the Group's goodwill, as well as the pro-forma values of goodwill relevant to a potential post-Merger scenario, are tested in accordance with IAS 36, by:

- Allocating goodwill to Cash Generating Units (each a "CGU"), which represent the smallest identifiable group of assets that generates cash inflows that are clearly independent of the cash inflows from other assets or groups of assets;
- Comparing the recoverable amount of the CGU (*i.e.*, higher of value in use (VIU) and fair value (FV) less cost to sell) with the corresponding carrying amount.

IAS 36 requires the Issuer to recognize impairment on goodwill in case the recoverable amount of a CGU goodwill is allocated to is lower than its carrying amount.

As of December 31, 2024, the Group's goodwill allocated to the CGUs of the UniCredit Group was equal to Euro 38 million and entirely allocated to the Eastern Europe CGU.

As of December 31, 2024, the incidence of goodwill, intangible assets (including goodwill) and tangible assets of the UniCredit Group on a pro forma basis amounts to 0.05%, 0.27% and 1.16% with respect to total assets and 0.61%, 3.56% and 15.28% with respect to equity of the UniCredit Group on a pro forma basis, as a result of the potential Merger. The recoverable amount is affected by the overall macroeconomic trend and the trend of the Group results. Therefore, if such variables are worse than expected an impairment may arise.

Moreover, the risks outlined above also characterize the operations of the BPM Group. As far as the Issuer is aware and based on the available data the BPM Group held intangible assets amounting to Euro 1,257 million.

The degree of sensitivity with which certain assets or liabilities react to changes in rates or other reference parameters is determined by the Issuer by employing methods of sensitivity analysis. If the macroeconomic conditions in which the UniCredit Group operates (or will operate in the future, following the potential Merger) deteriorate significantly, the Issuer might face the need to run additional or different sensitivity analyses concerning the recoverable amounts with regards to its CGUs and, therefore, this might give rise to the need to recognize unexpected and/or greater than expected values for goodwill impairment, depending on how sensitive a specific asset is. The effect that unexpected or significant changes in the market might have on the estimate of assumed cash flows, and on the principal financial assumptions considered, might consequently entail the necessity of impairing of goodwill, even for significant amounts and have negative impacts on the economic results, balance sheet and financial situation of the UniCredit Group.

Moreover, further to the deterioration of the macro-economic conditions, the combined entity could face the risk of material adverse impacts to its overall business strategy in case revenues synergies and/or cost synergies (as well as other industrial synergies) are not achieved according to the assumptions underlying

the business combination. Should such circumstance materialize, goodwill might not be sustained and therefore an impairment need could arise. Such risk is present both in the year of the potential business combination, and in the subsequent years, in case the progress towards meeting acquisition-date objectives and targets are not being met.

The risk of goodwill impairment also encompasses the circumstance that - after the business combination - the overall amount of intangible assets can significantly increase, as a result of the PPA process, when also other intangible assets - further to goodwill - might be recognized (e.g., Trademark, Customer relationships and Core deposit intangible).

**A.1.12. Risks associated with the assumptions and methods used to measure UniCredit's assets and liabilities**

Under the IFRS, management must make judgments, estimates and assumptions that affect the application of accounting principles and the amounts of assets/liabilities and income and expenses reported in the accounts, as well as the disclosure concerning contingent assets and liabilities. Estimates and related assumptions (a) are based on previous experience and on the available information framework with reference to the current and expected context and (b) have been used to estimate the carrying values of assets and liabilities not readily available from other sources.

Estimates and assumptions are regularly reviewed. Any change resulting from these reviews is recognized in the period in which the review was carried out, provided the change only concerns that period. If the review concerns both current and future periods, it is recognized accordingly in both current and future periods.

In particular, estimated figures have been used for the recognition and measurement of some of the main items in the Consolidated financial statements as required by IFRS.

This risk has, based on the Issuer's evaluations, a medium probability of occurrence. The use of certain assumptions and methods instead of others to prepare the Issuer's financial statements have the potential to have a significantly negative impact on the financial position and results of the UniCredit Group. Given the degree of likelihood of this risk actually occurring and its potential impact should it occur, UniCredit considers it to be of medium significance.

As of December 31, 2024, the assets and liabilities of the UniCredit Group measured at fair value consist of:

- (i) financial assets measured at fair value through profit or loss which amounted to Euro 61,677 million and consisted of: (a) financial assets held for trading (for Euro 55,083 million); (b) financial assets designated at fair value (for Euro 247 million); and (c) other financial assets mandatorily recorded at fair value (for Euro 6,347 million);
- (ii) financial assets measured at fair value through comprehensive income which amounted to Euro 78,019 million;
- (iii) hedging derivatives assets which amounted to Euro 1,351 million;
- (iv) real estate assets which amounted to Euro 5,906 million;
- (v) financial liabilities held for trading which amounted to Euro 31,349 million;
- (vi) financial liabilities designated at fair value which amounted to Euro 13,746 million; and
- (vii) hedging derivative liabilities which amounted to Euro 1,112 million.

In this regard, it should be noted that Euro 47,932 million related to financial assets measured at fair value are classified under level 2 (Euro 40,666 million) or level 3 (Euro 7,266 million) of the fair value hierarchy, while Euro 40,281 million of financial liabilities measured at fair value are classified under level 2 (Euro 38,237 million) or level 3 (Euro 2,044 million) of the fair value hierarchy. With specific reference to the financial assets measured at fair value and classified under level 2 or level 3 (Euro 47,932 million):

- Euro 6,791 million are debt securities (Euro 5,125 million at level 2 and Euro 1,666 million at level 3);
- Euro 1,550 million are equity securities (Euro 472 million at level 2 and Euro 1,078 million at level 3);
- Euro 3,387 million are units in investment funds (Euro 1,104 million at level 2 and Euro 2,283 million at level 3);

- Euro 7,486 million are loans (Euro 6,680 million at level 2 and Euro 806 million at level 3);
- Euro 28,718 million are derivatives (Euro 27,285 million at level 2 and Euro 1,433 million at level 3).

With specific reference to the financial liabilities measured at fair value and classified under level 2 or level 3 (Euro 40,281 million):

- Euro 724 million are deposits (Euro 692 million at level 2 and Euro 32 million at level 3);
- Euro 16,595 million are debt securities (Euro 15,855 million at level 2 and Euro 740 million at level 3);
- Euro 22,962 million are derivatives (Euro 21,690 million at level 2 and Euro 1,272 million at level 3).

The main items in the financial statements of the Issuer that are subject to valuation uncertainties are DTAs, the value of the Issuer's real estate portfolio and its credit exposures (in particular those related to Russia, for which additional information is reported at p. 365 of the 2024 Consolidated Financial Statements). Other balance sheet items that might be significantly affected by risks and uncertainties in their valuation, even if not directly connected with the uncertainty or slowing down of the economic activity and recovery, are the following:

- fair value of financial instruments not listed in active markets;
- severance pay (in Italy) and other employee's benefits (including defined benefit obligation);
- provisions for risks and charges.

Indeed, with reference to such items, the following remarks are worth to be mentioned:

- UniCredit applies the DTAs sustainability test according to its own methodology, also following the ESMA requirements when estimates are made (regarding, e.g., time-horizon, probability, convincing evidences); thus, the DTAs written-up during the past periods were recognized to the extent that it was deemed probable that future taxable profits would have been available in the next years, against which the unused tax losses and unused tax credits could have been utilized. However, it cannot be excluded that the combined entity could face the risk of not achieving its overall business strategy according to the assumptions underlying the business combination (in case either revenues synergies or cost synergies are not achieved, or in presence of deteriorated market conditions); in such a situation, future taxable profits might be lower than those assumed in the forecasts, therefore leading to derecognition of DTAs with impact in P&L.
- UniCredit's real estate portfolio is measured at current value model (fair value/revaluation approach) to provide reliable and more relevant information for financial statements' users. According to the Internal Regulation, real estate valuations (on-site and desktop) are regularly updated by external independent appraisers. Considering that the trend related to real estate markets depends on several variables (e.g., macro-economic conditions, investors' decisions based on alternative investments, modernization of buildings, location of assets, etc.), it cannot be excluded that future evolutions can generate a direct impact on the Issuer's real estate portfolio, with direct impact on either profit and loss, or revaluation reserves, according to the asset type.
- Regarding credit exposures, at each reporting date accounting standards require an entity to assess whether credit risk on financial instruments has increased significantly since initial recognition; the objective of the impairment requirements is to recognize lifetime expected credit losses for all financial instruments for which there has been a significant increase in credit risk, considering all reasonable and supportable information, including those of a forward looking nature. In this regard, entities can make use of multiple / alternative macro-economic scenarios, whose weights (in a blended approach) and related parameters (e.g., interest rate, inflation rate, occupation rate, etc.) generate different impacts on the evaluation of financial instruments. Hence, considering the uncertainty featuring the macro-economic conditions in the recent periods, it cannot be excluded that additional negative macro-economic scenarios are worth to be considered in the forecasts, thus impacting the carrying value of credit exposures. Such circumstance is also applicable to credit exposures either located in Russia or located in Europe towards Russian borrowers, given the current geopolitical framework.

While the most recent valuations have been made on the basis of information deemed to be reasonable and capable of being substantiated as at December 31, 2024, they still involve a risk because they remain

subject to changes not foreseeable at the moment, as a result of the evolution in the parameters used for their valuation.

The information contained in this risk factor is a key audit matter identified in the Independent Auditor's Report on UniCredit's 2024 Consolidated Financial Statements as "measurement of financial assets and liabilities at fair value levels 2 and 3".

**A.1.13. Risks associated with the inclusion of pro-forma financial information concerning the acquisition of BPM and the BPM Offer**

The Pro-Forma Consolidated Condensed Financial Information contained in this Registration Document has been prepared exclusively for illustrative purposes to represent the estimated retroactive effects of the planned acquisition of BPM on the financial performance of the UniCredit Group. The Pro-Forma Consolidated Condensed Financial Information is not intended to represent the financial position and actual results of the UniCredit Group and, most importantly, must not be considered as a forecast of its future results neither with regards to the pro-forma information that has been elaborated to reflect the integration of BPM, nor to that which has been set out taking into account the possible outcomes of the BPM Offer. In particular, with regards to the latter, the Pro-Forma Consolidated Condensed Financial Information has not been developed on the basis of any strategic action plan and/or intended approach for a future integration of Anima into the UniCredit Group as a consequence of the BPM Offer given that, as at the Registration Document Date, the Issuer has not elaborated any such strategy.

The pro-forma financial information included in this Registration Document is represented by the Pro-Forma Consolidated Condensed Financial Information (comprised of the pro-forma consolidated balance sheet and the pro-forma consolidated income statement for the year ended December 31, 2024) and by the accompanying explanatory notes of the UniCredit Group. The information contained in the Pro-Forma Consolidated Condensed Financial Information represents a merely illustrative simulation of the possible effects that might result from (i) an acquisition and subsequent Merger of BPM into UniCredit (disregarding any potential integration by BPM of a stake in Anima pursuant to the BPM Offer) and, where applicable (ii) an acquisition and subsequent Merger of BPM into UniCredit in addition to the concomitant acquisition by BPM of a controlling stake in Anima, in accordance with the various scenarios that might materialize pursuant to the terms of the BPM Offer (together, the "Acquisitions").

The Pro-Forma Consolidated Condensed Financial Information was drawn up employing measurement criteria consistent with IFRS. Their aim is to show the hypothetical effects of the Acquisitions on the financial position and results of the UniCredit Group, as if they had virtually taken place on December 31, 2024 (in relation to the effects on the consolidated balance sheet), and between January 1 and December 31, 2024 (in relation to the effects on the balance sheet and on the pro-forma consolidated income statement). The practical issues faced by UniCredit in the process of preparing the Pro-Forma Consolidated Condensed Financial Information primarily concerned the lack of in-depth information on BPM and Anima (other than that which is in the public domain), as well as difficulties of a more technical nature involving the selection of assumptions and of the most appropriate accounting policies to rely on. In particular, the lack of access to data on the target company does not allow to properly estimate the value, under IFRS 3, of the assets and liabilities acquired and, therefore, the amount of goodwill/negative goodwill arising from the transaction.

The Pro-Forma Consolidated Condensed Financial Information was prepared relying on the Issuer's best knowledge concerning the circumstances of BPM itself and those surrounding the BPM Offer solely by relying on publicly available data, which was processed and elaborated without the support or collaboration of neither BPM nor Anima. In preparing the Pro-Forma Consolidated Condensed Financial Information the Issuer relied exclusively on information and data published by (i) the BPM Group and (ii) Anima relating to the period from January 1, 2024, to December 31, 2024. All such publicly available information has not been verified by the Issuer. As such, the Pro-Forma Consolidated Condensed Financial Information prepared by UniCredit which considers the possible scenarios stemming from the completion of the BPM Offer might be materially different from the pro-forma financial information provided by BPM for the same purposes, due to different reasons, including the use of different assumptions and, possibly, BPM's access to data regarding Anima given BPM's status as one of its shareholders (unlike UniCredit) that are not publicly available.

The Pro-Forma Consolidated Condensed Financial Information has been derived from data selected on the basis of its materiality and was extrapolated from the following sources:

- (i) UniCredit's 2024 annual reports and accounts (prepared in accordance with IFRS);

- (ii) the press release on BPM's results as at and for the year ended December 31, 2024;
- (iii) Anima's 2024 annual reports and accounts as at and for the year ended December 31, 2024;
- (iv) the offer document related to the BPM Offer.

The pro-forma information above has been elaborated mainly by adopting a hypothetical approach, which involved simulating possible effects that may result from the Acquisitions by making the applicable pro-forma adjustments that were determined by assuming the application of IFRS 3 for business combinations transactions. In particular, the pro-forma adjustments related to the Share Capital Increase Reserved to the Offer (thus relating to positive or negative goodwill) were determined on the basis of the official closing price of the UniCredit Shares on December 30, 2024 (Euro 38,525 - *i.e.*, the last available traded price as of December 31, 2024) being it the date of reference of the pro-forma figures on the assumption that BPM shareholders fully subscribe to the Offer. In contrast (again, consistently with the provisions of IFRS 3) UniCredit is required to recognize the New Shares at fair value, which corresponds to the stock market price of the UniCredit Shares at the trading date immediately preceding the settlement date of the Offer. Therefore, the increase in the shareholders' equity of UniCredit after issuance of the New Shares and, therefore, the acquisition's cost, will be known only on the day when control of BPM is acquired by UniCredit. Similarly, the final value of the assets and liabilities (and the final value of goodwill or negative goodwill) that will be recognized in the UniCredit consolidated financial statements will only be known after UniCredit acquires control of BPM and following the completion of the purchase price allocation as required by IFRS 3. The Pro-Forma Consolidated Condensed Financial Information included in this Registration Document have been examined by the KPMG, who issued their own report on March 28, 2025.

Furthermore, in connection with the integration of the BPM Group into UniCredit as a consequence of the Offer, the pro-forma negative goodwill is estimated at Euro 1,518 million, while the pro-forma goodwill including also the concomitant integration of Anima into the BPM Group before the integration into the UniCredit Group as a consequence of the BPM Offer is estimated at Euro 412 million.

Given the above, a correct interpretation of the information provided by the Pro-Forma Consolidated Condensed Financial Information requires investors to consider that:

- (i) they constitute representations constructed on the basis of hypotheses and assumptions, so the same results represented in the Pro-Forma Consolidated Condensed Financial Information would not necessarily have been achieved if the Acquisitions had actually been carried out at the stated reference dates used to prepare the Pro-Forma Consolidated Condensed Financial Information;
- (ii) they do not in any way intend to represent a forecast of future results and, therefore, must not be interpreted in that sense;
- (iii) the pro-forma representations do not reflect prospective data, as they are prepared in such a way as to represent only those effects of the acquisition that are capable of being isolated and objectively measurable, without taking into account the potential effects caused by changes in market conditions, management policies and UniCredit's operational decisions resulting from the outcome of this transaction and, as such, the pro-forma figures are not intended to depict a current or prospective financial position of the effects related to the Acquisition; and
- (iv) the pro-forma consolidated balance sheet and pro-forma consolidated income statement should be read and interpreted separately, without looking for accounting links between them given the different purposes of pro-forma figures compared to that of normal financial statements and because the related effects of the acquisition and of the share capital increase on them are calculated differently.

Finally, the Pro-Forma Consolidated Condensed Financial Information were prepared solely by relying on the Issuer's best knowledge concerning the circumstances of BPM itself and those surrounding the BPM Offer, without the support or collaboration of neither BPM nor Anima (but rather, by reference to the data relating to the period between January and December 2024 as published by the BPM Group and Anima). All such publicly available information has not been verified by the Issuer. As a result, the Pro-Forma Consolidated Condensed Financial Information included in this Registration Document:

- (i) have an overall limited value, given the various possible outcomes of the concomitant BPM Offer; and

- (ii) might be materially different from the pro-forma financial information provided by BPM in the context of the BPM Offer due to, *inter alia*, its reliance on different assumptions and, possibly, BPM's access to data regarding Anima (in its capacity as one of Anima's shareholders, unlike UniCredit).

## **A.2. RISKS RELATED TO THE TRANSACTION**

### **A.2.1. Risks associated with the information concerning the BPM Group contained in the Registration Document**

This Registration Document contains information concerning BPM that has been taken exclusively from publicly available data and information (primarily, from BPM's press release on its results as at and for the year ended December 31, 2024). In this regard, the Issuer has not taken any additional and/or independent measures to review the data and information concerning BPM. For this reason, the Issuer might not be aware of current, potential, contingent or prior liabilities, and/or of any operational issues affecting the BPM Group, which expose it to the risk that, following the acquisition of BPM, it will become aware of any greater liabilities and/or lower asset values than those reported in the financial statements of the BPM Group. Such possibility may well have negative impacts, including significant ones, on the expected benefits of the Offer and the related acquisition and/or potential Merger.

Moreover, the Pro-Forma Consolidated Condensed Financial Information prepared by UniCredit which considers the possible scenarios stemming from the completion of the BPM Offer might be materially different from the pro-forma financial information provided by BPM for the same purposes, due to a variety of reasons including the use of different assumptions and, possibly, BPM's access to data regarding Anima, of which Banco BPM is a shareholder (unlike UniCredit) that are not publicly available and, therefore, investors should not rely exclusively on the Pro-Forma Consolidated Condensed Financial Information when making their own investment decisions.

The likelihood of occurrence of this type of situation is considered by the Issuer to be medium but, should such situation materialize, it could have negative impacts of a significant nature on the economic results, balance sheet and financial situation of the UniCredit Group. Considering the above, the Issuer considers this risk to be highly significant as, due to previously unknown liabilities and/or lower asset values, the Issuer might be required to bear costs and expenses not foreseeable at the Registration Document Date, all of which might negatively impact on the activity, prospects and economic results, balance sheet and financial situation of the Issuer and the UniCredit Group.

### **A.3. RISKS ASSOCIATED WITH THE BUSINESS ACTIVITIES AND INDUSTRY OF UNICREDIT AND THE UNICREDIT GROUP**

#### **A.3.1. Liquidity risk**

The UniCredit Group is and will be, in its potential post-Merger configuration, exposed to the possibility of being unable to meet its current and future, anticipated and unforeseen cash payment and delivery obligations without impairing its day-to-day operations or financial position. Liquidity risk is relevant to the activity of the UniCredit Group in particular with regards to funding liquidity risk, market liquidity risk, mismatch risk and contingency risk. More specifically, funding liquidity risk refers to the risk that the Issuer may not be able to meet its payment obligations, including financing commitments, when these become due.

The liquidity profile of the UniCredit Group is assessed by reference to the following regulatory indicators:

- Liquidity Coverage Ratio ("LCR"), which expresses the ratio between the amount of available readily monetizable assets (cash and any securities held by UniCredit that are readily available for liquidation) and the net cash imbalance accumulated over a 30-day stress period. This indicator is subject to a minimum regulatory requirement of 100%; and
- Net Stable Funding Ratio ("NSFR"), a 12-month structural liquidity indicator, which corresponds to the ratio between the available amount of stable funding and the required amount of stable funding. This indicator is subject to a minimum regulatory requirement of 100%.

As of December 31, 2024, the LCR of the UniCredit Group was equal to 144% whereas at December 31, 2023 it was equal to 154% (calculated as the average of the 12 latest end of month ratios). As of December 31, 2024, the NSFR was above 128%.

The Group's access to liquidity could be damaged by the inability of the Issuer and/or the Group companies to access the debt market, including with regards to other forms of borrowing from retail customers, thus



compromising the compliance with prospective regulatory requirements, with consequent negative effects on the operating results and capital and/or financial position of the Issuer and/or of the Group.

The liquidity risk relevant to UniCredit may materialize in a variety of ways including, for instance, with an exceptionally high usage of the committed and uncommitted lines granted to corporate customers, an unusual withdrawal of sight and term deposits by UniCredit's retail and corporate customers, the decline in the market value of the securities in which UniCredit invests its liquidity buffer or the capacity to roll over the expiring wholesale funding and the potential cash or collateral outflows the Group may suffer in case of rating downgrades of both the banks or the sovereign debt in the geographies in which it operates.

Any limitations applicable to cross-border lending activities among banks may also constitute a source of risk for UniCredit. In addition, sudden changes in market conditions (interest rates and creditworthiness in particular) can have significant effects on the time needed to sell any assets, typically represented by government securities and could make it more difficult to easily liquidate the securities under favorable economic terms. Another risk that could impact UniCredit's day-to-day liquidity management is constituted by having differences in the amounts or in the maturities of incoming and outgoing cash flows (mismatch risk) and the risk that potentially unexpected future funding requirements (such as the use of credit lines, withdrawal of deposits, increase in any guarantees provided as collateral) may use a greater amount of liquidity than that initially considered necessary for the Issuer's day-to-day activities (contingency risk).

The Issuer deems such events to have a low probability of occurring however, should they occur, they would be expected to generate a material deterioration in UniCredit's liquidity profile. Therefore, the Issuer considers this risk to be of medium significance.

Finally, any evolution of the macroeconomic scenario and of the geopolitical situation may continue to have an impact on the Group in the various countries in which it operates, as the risks described above may be amplified. In this context, the ECB responded to the generalized crisis experienced by the global financial markets involving the overall reduced liquidity available to operators, with important interventions in monetary policy in the form of liquidity support, such as the Targeted Longer-Term Refinancing Operation ("TLTRO") in 2014 and the TLTRO II in 2016.

Assuming that the Offer is successful, the exposure of the UniCredit Group to liquidity risk is expected to remain substantially unchanged upon completion of the potential Merger. In such instance and based on publicly available information, UniCredit believes that the integration of BPM into the UniCredit Group could have a substantially neutral impact on liquidity risk as it expects no significant changes in the most relevant regulatory liquidity indicators, the most representative of which are reported below and compared with those of BPM:

- In terms of LCR: the UniCredit Group had an LCR of 144% in 2024 (154% in 2023), while BPM had an LCR of 172% in 2024 (183% in 2023);
- The NSFR of UniCredit in 2024 stood at 128% (130% in 2023), while for BPM it stood at 126% in 2024 (129% in 2023);
- Loan to Deposit Ratio ("LTD") for UniCredit stood at 85% in 2024 (86% in 2023), while for BPM it was equal to 79% in 2024 and 84% in 2023. In this context it should be noted that the ratios of the two banks are not fully comparable as the components might slightly differ;
- Current accounts and demand deposits over total financial liabilities at amortized cost due to customers of UniCredit in 2024 stood at 73% (74% in 2023), while for BPM they stood at 96% both for 2024 and 2023.

The above mentioned figures are reported as of December 2023 and June 2024 based on the consolidated (interim) financial report and Public Disclosure by Entities Pillar 3 for BPM LCR and NSFR.

### **A.3.2. Risks related to the property markets' trends**

The UniCredit Group is exposed to risks relating to the property market as a result of its significant property portfolio (both in Italy and abroad), as well as due to loans granted to companies operating in the commercial real estate market, whose cash flow is generated mainly by the rental or sale of commercial properties and loans to individuals secured by real estate property. Reduced liquidity and geopolitical tensions might cause a downturn in property prices in the short-medium term, which could translate in having to recognize a reduction in the book value of the property owned by the UniCredit Group in accordance with a decrease in its market value. Given the relative weight of the real estate assets of UniCredit on its books, such a decrease in value has the potential to have material adverse effects on UniCredit's business, capital and results of operations overall.

The Group has adopted the fair value model (for assets held for investment) and the revaluation model (for assets used in the course of business) since December 31, 2019, for recognizing the value of its real estate portfolio. Measuring real estate assets at current values (and no longer at cost) allows, in line with the provisions of IAS 8 concerning changes in accounting policies, to provide reliable and more relevant information on the effects of business management as well as the Group's financial position and economic results. However, the future fair value of these assets might be different from the fair value observed as at December 31, 2024, as a result of the possible evolution of real estate market, which is itself affected by the evolution of the geopolitical tensions and overall macro-economic conditions.

As of December 31, 2024, fair value of both properties held for investment and properties used in business was re-determined through external appraisals following the Group guidelines, as detailed below:

- Euro 6,988 million, for real estate assets used in business (line item "property, plant and equipment"); and
- Euro 1,363 million, for real estate assets held for investment (line item "property, plant and equipment").

To derive the fair value of an asset, UniCredit uses either a "Market Comparable Approach" (*i.e.*, taking into consideration the current market conditions and prices of observable transactions, relying on an external appraisal) or an "Income Approach" (*i.e.*, discounting market level rental fees, with an external appraisal converts future cash flows to a single current capital value). With specific reference to investment properties, the entire portfolio is subject to periodic full/on-site appraisals.

The UniCredit Group also makes a significant amount of loans to individuals with residential property as security, which represents most of the collateral securing UniCredit's loans. Any fall in the market value of real estate property would, therefore, have a significant impact on the value of such collateral, causing it to fall as well.

The Issuer deems such events to have a low probability of occurring and it considers this risk to be of low significance for its real estate portfolio.

### **A.3.3. Market risks**

The UniCredit Group measures and deals with market risks mainly by relying on two sets of metrics: "Broad Market Risk" measures and "Granular Market Risk" measures. The former are meant to set a boundary to the regulatory capital absorption and to the economic loss accepted for financial asset at fair value through other comprehensive income ("FVtOCI") and/or financial assets at fair value through profit and loss ("FVtPL") exposures, while the latter allow a more detailed and stringent control of risk exposures than Broad Market Risk measures. The main tool used by the UniCredit Group to measure market risk on trading positions is the so called value at risk tool ("VaR").

VaR is a statistical metric that indicates the maximum amount the Bank can potentially lose in a day with a confidence level of 99%. UniCredit adopts historical VaR. Under the historical simulation method positions are fully revaluated based on returns in market prices over an observation period of 1yr (250 business days). The empirical distribution of profits/losses deriving therefrom is analyzed to determine the effect of extreme market movements on the portfolios.

During 2024, the regulatory VaR at Group level averaged Euro 7.2 million. The historical VaR approach is similar to BPM's one; and BPM's regulatory VaR at the end of June 2024 was Euro 1.8mn.

UniCredit's exposure to market risk derives from the effect that changes in market variables (such as, for example, interest rates, securities prices, exchange rates) can have on the economic value of the Group's portfolio of financial instruments, including on its portfolio in a potential post-Merger configuration. Such financial instruments (an asset or a liability, cash or derivative) are, and will continue to be following the transaction, exposed to changes over time driven by fluctuations in the markets that might be generated by changes in general economic performance, investor confidence, monetary and fiscal policies, global market liquidity, the availability and cost of capital, actions by rating agencies, political events at the local and international levels and armed conflicts, acts of terrorism, the spread of epidemics and/or pandemics impacting public health and/or the wider economy. The standard market risk factors categories that are relevant to the UniCredit Group's portfolio of assets are the following:

- Credit risk: the risk that the value of the instrument decreases due to credit spread changes, issuer correlation and recovery rates;
- Equity risk: the risk that the value of the instrument decreases due to increase/decrease of

index/stock prices, equity volatilities, implied correlation;

- Interest rate risk: the risk that the value of the instrument decreases due to interest rates changes, basis risk, interest rates volatility;
- Currency risk: the risk that the value of the instrument decreases due to foreign exchange rates changes, foreign exchange rates volatility;
- Commodity risk: the risk that the value of the instrument decreases due to changes of commodity prices, for example gold, crude oil, commodity prices volatility.

Market risk arises both in connection with instruments held in the trading book and in the banking book.

The trading book includes all investments in financial instruments and commodities held either with trading intent, or in order to hedge positions held with trading intent (including those arising from client servicing and market making, those intended to be resold in the short term and those intended to benefit from actual or expected short-term price differences between buying and selling prices or from other price or interest rate variations), as well as internal or intra-group hedging derivatives transferring risk from the banking book into the trading book.

The banking book, instead, includes financial assets designated at fair value, those mandatorily at fair value, those at fair value through other comprehensive income and those at amortized cost, relevant to both the operations characteristically involved in commercial banking and in the choice of strategic investments.

As of December 31, 2024, the value of so called risk-weighted assets (“**RWAs**”) of the Group for the purposes of assessing market risk (excluding credit valuation adjustments “**CVA**”) amounted to Euro 8.7 billion out of a total of Euro 277 billion of the total RWAs of the Group. Total RWAs (excluding CVA) are split between the part calculated by using the internal model (Euro 3.3 billion) and the standardized approach (Euro 5.4 billion) and settlement risk (Euro 14 million).

Assuming that the Offer is successful, the exposure of the UniCredit Group to market risk is expected to remain substantially unchanged upon completion of the potential Merger. In such instance and based on publicly available information, UniCredit believes that the integration of BPM into the UniCredit Group could have a negative impact on market risk as it expects an increase in terms of RWA. BPM covers the valuation of market risk almost entirely by using the internal model. Its main metrics computation (VaR, stressed value-at-risk (“**SVaR**”) and incremental risk charges (“**IRC**”)) appear to be in line with the UniCredit Group’s internal models, hence the RWA figures relevant to market risk turn out to be comparable. Since more than half of BPM’s RWA relevant to market risk are stemming from IRC, a conservative assumption can be made in this respect that the merging of trading books would not lead to much diversification, with a potential increase in RWA relevant to market risk of up to Euro 1 billion.

Approximately 30-40% of BPM debt securities exposure is booked as FVtOCI and is mainly represented by sovereign bond issuances. Composition in terms of issuers is quite similar to that of UniCredit, which may lead to a potential increase in the concentration of the relevant sovereign debt issuers (that is, Italy, Spain, France and Germany). Considering the trend of the market variables and the heightened uncertainty in the overall macroeconomic hence market context, possible negative effects on the activities and the economic, capital and/or financial situation of the Issuer and/or the Group cannot be ruled out.

#### **A.3.4. Interest rate fluctuation and exchange rate risk**

The earnings and economic values reported in the banking book are exposed to changes in (i) interest rates; (ii) behavioral models; (iii) the basis of interest rate curve tenors; (iv) volatility of interest rates; and (v) credit spreads.

Interest rate risk relates to the Group’s commercial portfolio, including non-maturing deposits, its investment portfolio, own issuances and derivative transactions and would continue to affect the Group also in its potential post-Merger configuration. Fluctuations in interest rates may, in fact, affect returns on fixed income investments and derivative transactions, altering their respective market value. When market interest rates rise, the balance sheet values of fixed income securities fall, potentially having an immediate impact on the Group’s earnings and equity capital. A decrease in market interest rates, instead, causes the balance sheet values of fixed income securities to rise. In particular, during long periods of lower interest rates, investment income may fall as higher yielding fixed income securities are called, repaid at maturity or are repurchased and their proceeds are reinvested at lower rates.

Integrating BPM’s NII as reported in 2023 with that of UniCredit, the overall NII would have been Euro 17.3 billion (of which Euro 3.3 billion for BPM, of which Euro 14.0 billion for UniCredit), with a BPM

incidence of 19% on the total combined. According to the NII figures reported in the BPM market presentation, 2024 NII is Euro 3.4 billion approximately, hence the consolidation between the two banks would have been Euro 17.8 billion (of which Euro 14.4 billion of UniCredit), with a BPM incidence of 19.3% on the total combined.

Consolidating the latest BPM NII sensitivity at -100 bps average three-month Euribor as reported in the 4Q24 results (specifically, in BPM's 4Q24 results presentation, in which it reported approximately  $\pm$  €250 million of NII for  $\pm$ 100 bps average three-month Euribor, excluding NFR level and cost of certificates) total NII sensitivity at -100 bps average three-month Euribor would have been equal to approximately Euro -0.9 billion (of which approximately Euro -0.25 billion for BPM, and approximately Euro -0.6 billion for UniCredit, as stated in the latter's 4Q24 results presentation, in which UniCredit reported approximately  $\pm$  €0.3 billion of annualized NII for  $\pm$  50bps average three-month Euribor/ECB Deposit Facility Rate). Similarly to UniCredit, which exploits the execution of derivatives (typically interest rate swaps) in hedge accounting of assets and liabilities, BPM manages interest rate risk predominantly through a natural hedge strategy which is then optimized entering into fair value hedges classified under hedge accounting. Both hedging approaches broadly aim to minimize the interest rate risk exposures, in fact NII sensitivity incidence on respective NII for 2024 is limited and consistent (BPM -7%, UniCredit -4% for -100 bps average three-month Euribor).

The Group's policy on the management of interest rate risk aims to cover the key minimum requirements of common harmonized Group methodological and operative standards, formalized in dedicated Group operational and process regulations which provide operative instructions for legal entities to steer a regulatory and RAF compliant framework.

The main target of UniCredit's interest rate risk on the banking book strategy is to limit NII volatility due to interest rate movements in a multiyear horizon by hedging deposits and capital through replicating strategies also in coherence with the evolution of behavioral risk models, maintaining a prudential approach on replicating strategy, prioritizing execution via swaps, to minimize risks from interest rate volatility and changing clients' behavior. Finally, with reference to Russian Ruble FX rate, the ECB stopped the quotation of EUR/RUB exchange rate since 2 March 2022. Therefore, as at 31 December 2024 and in coherence with the previous years, the Group is applying an OTC foreign exchange rate provided by Electronic Broking Service (EBS57). In this regard it cannot be excluded that, once the ECB will restart listing RUB/EUR FX rate, these quotes might be different from EBS quotes, thus requiring the recognition of an impact in Net Equity and in P&L.

#### **A.3.5. Risk of market fluctuations on trading and investment activities**

UniCredit Group maintains trading positions across all asset classes (debt, interest rate, currency, commodity and equity) and investment positions in the debt and equity markets, including through derivative contracts, which may be held for trading, hedging or investment purposes. These positions could be adversely affected by the volatility of financial markets, *i.e.*, the degree to which prices fluctuate over a particular period under certain market conditions.

To the extent that UniCredit Group has net long or net short market positions in any of those asset classes, a market downturn or upturn could result in gain or losses from the change in the value of those positions. In either case, UniCredit Group's results and financial conditions could be affected.

UniCredit Group's trading portfolio is subject to dedicated limitations meant to minimize the risk of significant losses from market volatility. Positions held for investment purposes are typically hedged against the volatility of the underlying market risk factors. Extreme market movements might however reduce the effectiveness of UniCredit Group's hedging strategies.

As of any reporting date, the carrying value of such financial instruments is re-measured, thus generating effects (negative/positive) on either income statement or other comprehensive income, according to their classification.

In addition, with reference to its exposure in derivative instruments, it has to be noted that, while UniCredit Group seeks to reduce its exposure to counterparty risk by using risk mitigation techniques, such as collateralization, obtaining guarantees, entering into credit derivatives and entering into netting agreements, it cannot be certain that these techniques will be fully effective to offset losses resulting from counterparty defaults that are covered by such mitigants. Moreover, UniCredit Group is also exposed to the risk of default by the party providing the counterparty risk coverage (such as a counterparty in a derivative or a loan insurance contract) or to the risk of loss of value of any collateral. Only a residual portion of the UniCredit Group's overall counterparty risk is not covered by these techniques.

Accordingly, UniCredit Group has exposure to these risks and may incur in losses on its trading, hedging and investment activities, including through derivative contracts, due to market fluctuations and volatility.

#### **A.3.6. Operational risk**

UniCredit is (and will continue to be, following the transaction and in its potential post-Merger configuration) exposed to different types of operational risks inherent in its activities. These include, for example, legal and compliance risk (made particularly complex as a result of the various jurisdictions in which the Issuer operates), defects and malfunctions in the information or telecommunication systems, fraud, swindles or losses due to employee misconduct and/or violation of control procedures, operational errors, fraud by external parties, computer virus and cyber-attacks, default by suppliers on their contractual obligations, terrorist attacks and natural disasters.

Operational risk, as opposed to strategic and business risks, is often event-based and can be traced back to a single place and point in time. While it is not possible to identify one consistently predominant source of operational risk, more relevant ones are related to improper business practices, internal and external frauds, and errors in processes execution. In addition, risks related to IT security (e.g. malwares and other form of abuse perpetrated via digital channels) and supply-chains are increasing.

Notwithstanding the Group has a specific framework for managing operational risks, such risks might still materialize in any of its various forms and any measures implemented by the Issuer to deal with it might turn out to be inadequate. For instance, third party suppliers of services might fail to comply with the minimum contractual standards agreed with UniCredit, causing adverse effects on the Group's results. The Group's own systems may be unreliable at times and imperil the quality, integrity and confidentiality of the data being managed. Any changes to the software in use could also have negative effects on the operations of the Group and on its capital and/or financial position.

In 2024, UniCredit received 39,507 written complaints (in line with the 39,574 complaints received in 2023). The main reasons for the complaints received concerned: monetics, cards and POS, salary-backed loans (so called CQS), general complaints and mortgages and other loans, accounting for 55% of total written complaints. The complaints accepted with refunds in 2024 gave rise to reimbursements for a total of Euro 8.1 million (decreasing compared to 2023) with the main disbursement item relating to monetics - cards (increasing due to refunds on unauthorized transactions). The operational issues that arise from the complaints' analysis are dealt with by the Complaints Discussion Group organized by the Compliance Function, and by the permanent work group (PWG) for what concerns operational risks. The different functions of the Bank monitor the related complaints and are responsible for implementing corrective actions.

Assuming that the Offer is successful, the exposure of the UniCredit Group to operational risk is expected to increase following the completion of the potential Merger given that, based on publicly available information, UniCredit believes that the integration of BPM into the UniCredit Group could have a negative impact on operational risk as it expects an increase in operational losses and digital complexity due to integration of different IT systems, assets and technologies. Digital evolution is particularly relevant to UniCredit as a key driver of its strategy, and its digital transformation roadmap is aimed at having a reliable and resilient infrastructure, to comply with all relevant regulatory requirements (such as ECB expectations, requirements related to the Regulation (EU) 2022/2554 (the Digital Operational Resilience Act or "DORA"), Basel Committee standards on data aggregation). Risks associated with the digitalization journey are also subject to enhanced scrutiny by the ECB with the SSM, as a general supervisory priority. It is, however, not possible to exclude that, following the acquisition and potential Merger additional risks may arise in connection with the IT infrastructure of BPM (on which no detailed information is currently available) in the context of its migration into the UniCredit Group. Overall, considering that the Issuer expects BPM's operational risk framework to be already aligned with the EBA standards (*i.e.*, with the requirements of the DORA) and that the UniCredit Group's operational risk framework will be progressively implemented starting from high priority areas and businesses, the overall exposure to operational risk is expected to remain overtime under acceptable levels.

#### **A.3.7. Risks connected with legal proceedings in progress**

As at the Registration Document Date, UniCredit and other UniCredit Group companies are involved as defendants in several legal proceedings. To the Issuer's knowledge and based on publicly available information, the BPM Group and its subsidiaries are also involved in legal proceedings from time to time. Legal proceedings may stem from a variety of different situations and potentially also from the failure by the Issuer to comply with the multitude of legal and regulatory requirements in relation to the different aspects of UniCredit's activity, such as the rules on conflicts of interest, ethical issues, anti-money

laundering, EU, US and international sanctions, customers' assets, rules governing competition, privacy and security of information and other regulations.

In many proceedings there is substantial uncertainty regarding their process and the amount of possible losses deriving from their outcome. These can include criminal proceedings, administrative proceedings brought by supervisory or prosecution authorities and/or claims in which the claimed damages and/or potential liabilities of the Group are not and cannot be determined in advance, either because of how the claims are presented and/or because of the highly uncertain nature of the legal proceedings. In such cases, until it becomes possible to make more reliable estimates on the sums to be paid based on the outcome of such proceedings, no provisions are made. On the contrary, if losses are capable of being estimated reliably and a loss is actually considered likely in the first place, the financial statements include the provisions made to the extent deemed appropriate by the parent company UniCredit or any of the Group companies involved, based on the circumstances of a specific case and in accordance with IAS.

As of December 31, 2024, to provide for possible liabilities and costs that may result from pending legal proceedings (with the exclusion of tax cases), the UniCredit Group sets aside provisions for risks and charges of Euro 969.04 million, of which 261.9 million for the parent company UniCredit. As of December 31, 2024, the total amount of claimed damages relating to judicial legal proceedings other than tax and debt collections proceedings was Euro 7.7 billion of which Euro 4.6 billion concerned the parent company UniCredit. This figure is affected by both the heterogenous nature of the pending proceedings and the number of jurisdictions involved, and the individual circumstances in which UniCredit Group companies are named as defendants.

Following the potential successful completion of the Offer and of the Merger, the UniCredit Group's exposure to the risks connected with ongoing and possible future legal proceedings is unlikely to decrease.

#### **A.3.8. Risks arising from tax disputes**

As of the Registration Document Date, there are various pending tax-related proceedings regarding UniCredit and other companies belonging to the UniCredit Group, as well as ongoing tax inspections by the competent authorities in the various countries in which the Group operates. Considering the uncertainty that characterizes the tax proceedings in which the Group is involved, there is the risk that an unfavorable outcome and/or the emergence of new proceedings could lead to a heightened exposure for the UniCredit Group to risks of a fiscal nature, with the consequent need to make further provisions and/or outlays, which can have possible negative effects on the operating results and capital and/or financial position of UniCredit and/or the Group.

As of December 31, 2024, the total amount of such provisions amounted to Euro 88.4 million (mainly referred to active tax lawsuits) of which Euro 1.9 million for legal expenses. As of December 31, 2023, the total amount of such provisions amounted to Euro 146.9 million of which Euro 2.2 million for legal expenses. In addition, in the event of a presumed breach or of an actual failure to comply with any of the various tax laws in force in different countries, the UniCredit Group could experience an increase in tax disputes and possible reputational damage.

#### **A.3.9. Risks associated with leveraged transactions**

The UniCredit Group is exposed to risks that may arise in the context of leveraged transactions or any leveraged buy-outs it carries out as part of its activities. These transactions are mainly loans provided to counterparts with higher leverage but also private equity funds in order to finance the acquisition of a company through a financial transaction based on the cash flow generation capacity of the company which is being targeted by the acquisition. This can result in a higher level of debt and therefore a higher level of risk, the origination of which is often connected to a deterioration in the general macroeconomic context. Risks involved in leveraged transactions are, therefore, sensitive to economic conditions and the reduced operating capacity of borrowers that these might give rise to, often with an increase in the default rates of different counterparties and in the capacity of borrowers to repay debt.

The UniCredit Group manages its exposure to this type of risks with a comprehensive framework (including also proper steering and monitoring through the Risk Appetite Framework) and guidelines to manage the portfolio, in particular through a proper assessment of incremental exposure during the underwriting phase, highly selective approach on transactions (especially LBOs and highly leveraged deals), and optimization of existing credit lines already in stock, as well as minimization of LBO tickets to maintain a granular portfolio. The UniCredit Group, in its potential post-Merger configuration, will continue to be faced with the need to manage the risks relating to its exposure to leveraged transactions,

also in light of the fact that the similar nature of the Issuer and BPM's activities would not cause a decrease in such type of exposure and, accordingly, to this type of risk.

#### **A.3.10. Reputational risk**

The UniCredit Group is, and will continue to be, following the successful completion of the acquisition of BPM, vulnerable to adverse market perception as it operates in a regulated industry where it must display a high level of integrity and maintain the trust and the confidence of its customers. Reputational risk is defined as a possible deterioration of the Issuer and the Group's image and it is perceived from the perspective of different stakeholders (such as shareholders, customers, debt investors, staff, business partners or the general public). This risk may also arise as a result of the materialization of other categories of risks and through external distribution channels, risks which are difficult to control. Any future negative media coverage or campaigns against the UniCredit Group on social media could occur as a result of non-compliance with laws and regulations, erroneous claims handling, poor sales and marketing practices, changes in customer and partner expectations in respect of sustainability, or failure by the UniCredit Group to meet such expectations. UniCredit Group, over the course of 2024, did not bear events and/or incidents which were deemed of having a material negative impact on its reputation/perception on the market and toward its stakeholders. Clients relationships and transactions classified as potentially relevant from a reputational risk standpoint are assessed ex-ante according to the group methodology. Any such occurrence could have a material adverse effect on the Issuer's business, financial position, results of operations and future prospects.

UniCredit's Reputational & Operational Risks structure is responsible for defining the methodologies for assessing the reputational risk related to activities performed by the Group, providing reputational risk assessments for UniCredit and non-binding opinions for the other legal entities of the Group. During the period covered by the Issuer's most recent consolidated financial information there have been no cases or events the occurrence of which had or may have negative consequences on the reputation of the Issuer.

#### **A.3.11. Risks associated with the uncertainty of results with regards to future stress tests or any other future tests for review of the asset quality**

European banking supervision authorities, namely the ECB SSM in coordination with the EBA, rely on the so called "EU-wide stress test" to assess how well banks in the Euro-area are able to cope with financial and economic shocks. This type of stress test is performed bi-annually; the most recent one was performed in 2023 and the new one is started in January 2025 and the results will be published in early August 2025.

The "EU-wide stress test", whose methodology is public and homogenous for all the supervised banks, while not being a pass or fail exercise, is designed to be used as an important source of information for the purposes of the SREP. The results of the stress test will assist the ECB SSM in assessing UniCredit's ability to meet applicable prudential requirements under stressed scenarios and will continue to perform such an assessment of the Group's resilience also in its potential post-Merger configuration.

The UniCredit Group is, and will in fact continue to be, following the potential completion of the transaction, subject to stress testing exercises.

The uncertainty involved in stress tests, and the possibility that the Issuer and its Group are subject to measures following a stress test, by way of a SREP assessment, even as a consequence of unforeseeable shortcomings, is deemed by the Issuer to be of low likelihood and the related risk is considered to be of low significance, due to the low impact that any such shortcomings and/or related corrective measures would have on the Issuer and its Group.

#### **A.3.12. Counterparty risk**

The UniCredit Group is exposed, in the context of its banking and financial activities, to the risk of defaulting counterparties, primarily as a result of activities related to the trade in derivatives and to repurchase agreements (repos). The materialization of counterparty risk involves the potential non-payment and/or realization of any guarantees provided by counterparty guarantors in agreements relating to derivatives and/or repurchase agreements (so called repos), with possible negative impacts on the activities, prospects and economic results, balance sheet and financial situation of the Issuer and the UniCredit Group.

At December 31, 2024, the total exposure to counterparty risk, measured in terms of RWAs, was equal to Euro 7,227,423,227 equivalent to 2.6% of the total RWAs of the UniCredit Group. Counterparties to a transaction involving specific financial instruments (derivatives or repos) may at any time default or become insolvent before final settlement of the cash flows of the transaction. In addition, any collateral guarantees offered in favor of the Issuer (or in favor of another UniCredit Group company) are not or

cannot be realized or paid at the times, in the ways and in the amounts sufficient to hedge a specific exposure to counterparty risk.

Write-downs and write-backs of derivatives to take account of counterparty risk are determined in line with the procedure used to assess other credit exposures. Exposures at Default (“**EAD**”) are derived with simulation techniques and combined with Probability of Default (“**PD**”) and Loss Given Default (“**LGD**”) implied by current market default rates obtained from credit and loan-credit default swaps, in order to obtain a value in terms of expected loss (“**EL**”) to be used for items designated and measured at fair value maximizing the usage of inputs from the market. Similar adjustments to the fair value of derivatives are calculated to account for own-name and funding risks.

The positive fair value of the UniCredit Group’s derivative trades at December 31, 2024, totaled Euro 30,870 million, of which Euro 29,519 million represented by trading derivatives and Euro 1,351 million represented by hedging derivatives. The negative fair value of derivative trades at the same date totaled Euro 26,279 million, of which Euro 25,167 million represented trading derivatives and Euro 1,112 million hedging derivatives.

In terms of repo trades, the Group had an outstanding total of Euro 52,500 million at December 31, 2024, of which Euro 23,605 million related to repos with customers, in addition to outstanding lending transactions totaling Euro 44,497 million at the same date, of which Euro 44,235 million in amortized cost portfolio (Euro 14,060 million with customers), and further Euro 262 million in the trading portfolio.

### **A.3.13. Risks deriving from the insurance business**

Assuming the acquisition is completed as planned pursuant to the Offer, the Issuer will likely see an increase in its exposure associated to risks connected with the insurance business, primarily as a result of acquiring those companies of the BPM Group that carry out insurance activities, in addition to the insurance business activities that the UniCredit Group already carries out through its subsidiary companies.

In particular, these subsidiary companies are UniCredit Allianz Vita S.p.A. (“**UAV**”, 50% owned by UniCredit and 50% owned by Allianz S.p.A. (“**Allianz**”)), CNP UniCredit Vita S.p.A. (“**CUV**”, 49% owned by UniCredit and 51% owned by CNP Assurances S.A. (“**CNP**”)), and UniCredit Allianz Assicurazioni S.p.A. (“**UAA**”, 50% owned by UniCredit and 50% owned by Allianz).

In particular, such companies recorded the following results as at December 31, 2023 (being this the last date for which the relevant definite figures are available, as opposed to the 2024 figures which remain provisional as at the Registration Document Date):

As to the life bancassurance business (local GAAP):

#### **UAV:**

- technical reserves of Euro 8.236.649.665;
- technical reserves of Euro 21.213.027.358 (in those cases where investment risk is borne by policyholders and reserves arising from pension fund management); and
- gross premiums on the books of Euro 4.725.784.886.

#### **CUV:**

- technical reserves of Euro 5.517.230.356; and
- technical reserves of Euro 9.948.078.907 (in those cases where investment risk is borne by policyholders and reserves arising from pension fund management); and
- gross premiums on the books of Euro 2.821.524.729.

As to the non-life bancassurance business:

#### **UAA:**

- technical reserves (IFRS GAAP) of Euro 522.846.905;
- gross premiums on the books (local GAAP) of Euro 226.125.361.

The UniCredit Group’s insurance business contributes to its results, taking into account the current configuration (*i.e.*, UniCredit as a distributor of insurance products and shareholder of the above subsidiaries, which are not fully consolidated). Such contributions take the form of:



- (i) commissions for the distribution of insurance products: Euro 909 million, 10% of total Group Fees and commissions income (*source: 2024 Consolidated Financial Statements, p. 494*); and
- (ii) earnings (pro-rata) of insurance companies valued at equity: UAV (Euro 78 million), CUV (Euro 33 million), UAA (Euro 19 million) (*source: 2024 Consolidated Financial Statements, p. 510*).

Regarding the BPM Group's insurance business as of December 31, 2024, the Group's financial statements are not (assuming their accuracy) published yet; in any case, the comparison could not be homogeneous, as BPM owns 100% of the life companies and therefore fully consolidates these components. The only public data, taken from BPM's presentation of results for 2024 (on February 12, 2025), concerns the income from the insurance business for the year 2024, amounting to Euro 93.4 million (which includes the contribution of Banco BPM Vita, Vera Vita, and the Banco BPM life companies), accounting for 4.4% of other operating income and 3.1% of profit (loss) from operations.

In 2024, UniCredit started the process for internalization of the life bancassurance business through the termination of the current agreements with Allianz and CNP. Closing of each of the transactions is subject to the standard authorizations by the competent authorities and is expected to take place in 2025. For both companies, which are planned to be merged, operations will rely on the current setup including, for a transitional period, on the services provided by the current insurance partners, according to the agreements between the shareholders. More in detail, CUV is an almost fully-fledged company while UAV mainly leverages on the activities carried out by personnel seconded from Allianz and services outsourced by the Allianz Group. In this regard, it is agreed contractually that UAV will continue to benefit from all services/activities currently provided by the Allianz Group for the period and according to the agreed terms. In view of the closing of the corporate transactions and the subsequent merger between CUV and UAV and the migration of information systems, the relevant assessment activities have been under way for months with the aim of identifying points of attention and areas to be strengthened (concerning the mentioned companies and UniCredit) and joint working groups are defining plans for the activities needed for the integration and management of the related risks.

The transactions will be cash funded. The impact on the Group's capital position will depend on the purchase prices that will be determined. Based on preliminary estimates, the overall impact on the Group's CET1 ratio is expected to be approximately 20 bps (based on the capital position as of June 2024, which represents the latest available data, as a result of UniCredit being acknowledged by the ECB as a fully-fledged financial conglomerate subject to supplementary supervision and to the application of the so called Danish Compromise (which allows financial conglomerates to risk-weight insurance participations instead of fully deducting them from equity)): in this respect, interactions with the ECB- SSM for obtaining the application of such regime are progressing in line with the timescales of both transactions. To this aim the interactions with ECB-SSM are focused on the key elements of the integrated risk management system that are necessary to effectively manage the insurance risk, which are currently being enhanced by UniCredit. In addition, it cannot be excluded that there may be a risk connected to the integration process of these companies into the UniCredit Group.

The process of internalization of UniCredit's life insurance business, as reported above, envisages the closing of the corporate transactions by 2025. As of the Registration Document Date, the Presidency of the Council of Ministers authorized the UAV and CNP transactions without prescriptions, considering that the conditions for the exercise of special powers under the golden power framework are not applicable. In addition, the European Commission – DG Competition authorized both CUV and UAV transactions from an antitrust perspective, pursuant to the EUMR. Other filings to the competent authorities are in progress and, in particular, the request for authorization by IVASS to acquire control of the two companies.

The (indirect) potential acquisition of the BPM Group's life insurance companies (as part of the overall transaction) is fully consistent with the strategy of internalization of the life insurance business being implemented by the UniCredit Group, as outlined above. The timing and methods of such integration will be assessed in line with the conclusion of the acquisition of BPM in the second half of 2025 (even though the Merger may not take place before 2026), leveraging on the experience, safeguards and structures already implemented in recent months for the purpose of the internalization of the UniCredit insurance business, which will also allow to manage the risks associated with this transaction (expected to be the usual risks associated with corporate merger and IT migration transactions).

By and large risks for the insurance business are connected with the adequacy of pricing and the setting of rates for insurance products, with any fluctuations in the number and value of requests for claims settlement and with any risks connected with the calculation of technical reserves of the insurance companies and their

potential inadequacy to cover the obligations deriving from the insurance policies with which they are associated.

With specific reference to life policies and pension funds, the Issuer is also exposed to the risk of being able to make correct statistical and actuarial projections according to life expectancy and the factors connected with the accrual of pension benefits. The adequate determination of any type of insurance premiums may be compromised by different factors, including unavailability of sufficiently reliable data, incomplete or imprecise analysis of such data, incorrect prior assessments and forecasts concerning the fluctuation in the number and value of claims that the relevant premiums are required to cover, the use of imprecise or inappropriate formulas or methods in carrying out such assessments, any unforeseeable changes in applicable laws or regulations or prevailing trends in case law, and the uncertainty inherent in the procedures for settling disputes. There is a real risk that the number and amount of future claims could considerably exceed the forecasts made during the insurance product pricing process, with consequent negative effects on the activity and results of the insurance business and on the economic results, balance sheet and financial situation of the Issuer and the UniCredit Group on a wider scale. The technical reserves of the insurance companies of the UniCredit Group might, in fact, be insufficient in the future, despite the allocation measures adopted by the insurance companies of the UniCredit Group. Given the highly uncertain nature of forecasts and estimates that characterize the insurance business in general and the fact that the Issuer might not have an entirely accurate appreciation of the BPM Group's exposures in relation to its insurance business (due to the Issuer's sole reliance on publicly disclosed data), the risks connected to insurance activities are, and will remain following the acquisition, of a significant nature.

#### **A.3.14. Environmental and climate-related risks connected with the UniCredit Group's banking and insurance activities**

UniCredit's banking and insurance businesses are exposed to risks stemming from climate and environmental changes and events. By their very nature these risks are evolving, uncertain and difficult to quantify.

Climate-related risks can be categorized into physical risks and transition risks. Transition risks refer to risks arising from the shift to a low carbon economy, for example changes in technology, legislation, and consumer sentiment. Physical risks can be further classified into long-term weather changes and extreme weather events such as storms, floods, droughts or other unforeseen and sudden climate events.

Both physical and transition risks can directly affect UniCredit's banking activities by having a negative impact on specific investment portfolios of the Issuer (financial or real estate) or on the individual assets held by UniCredit as collateral in the context of financing agreements. The same risks may indirectly affect UniCredit by damaging the solvency (hence, the ability to pay) and reputation of its counterparties to financing agreements. Unlike physical risks, climate-related transitional risks for UniCredit (such as changes in environmental regulations that impose additional layers of selection criteria for counterparties or assets to acquire, increased costs of monitoring compliance, or damaged customer perception of the Issuer's activities) may materialize in the long-term and cause a diversion of the Issuer's resources and, possibly, their erosion. Physical risks instead tend to materialize more suddenly and are also relevant to UniCredit's physical assets. The severity of this type of risks is, for example, dependent on the trajectory of global warming which is difficult to accurately anticipate. Acute temperature rises may have a severe impact on the Issuer's infrastructure (UniCredit's offices and branches) and on its significant real estate portfolio, or it may even result in the decreased productivity of UniCredit's personnel in hotter areas.

#### **A.3.15. Risks connected with related-party transactions and Corporate Governance framework**

As at December 31, 2024 transactions with related parties of the UniCredit Group amounted to 0.16% of total assets and 0.87% of total liabilities. The main risk affecting transactions with related parties concerns the fact that they possibly have not been carried out at the most advantageous terms for UniCredit. The same transactions and the related agreements, in fact, might have been negotiated with more advantageous terms and conditions if they had been carried out between or with parties that are entirely unrelated to the Group.

The Issuer deems this risk to have an overall low probability of occurring and accordingly, the Issuer considers it to be of low significance.

Over the course of 2024, transactions carried out with related parties reported in the data streams provided by the reference standards, were executed and carried out based on assessments of the economic convenience and interest of the Group.

UniCredit applies the IAS 24 standards for the purposes of disclosing data on transactions with related parties and, accordingly, UniCredit's related parties include (i) companies belonging to the UniCredit Group and companies controlled by UniCredit but not consolidated within its Group, (ii) associates and joint ventures, as well as their subsidiaries, (iii) UniCredit's key management personnel and their close family members, (iv) companies controlled (or jointly controlled) by key management personnel or their close family members, and (v) the UniCredit Group employees post-employment benefit plans. Pursuant to CONSOB and Bank of Italy regulations, UniCredit has adopted a specific policy (the "**Global RPT Policy**") on transactions with related parties, associated persons, as well as corporate officers in accordance with article 136 of the Consolidated Banking Act, designed to define preliminary and conclusive rules with respect to related party transactions executed by UniCredit, including those conducted through subsidiaries. As an Italian banking institution, the BPM Group is also subject to the same regulations requiring it to adopt specific policies on transactions with related parties. Despite the existence of such policies and procedures, the Issuer and its Group, including in its potential post-Merger configuration are, and will remain, subject to the risk that transactions with related parties may involve inefficiencies in the resource allocation process and/or expose the UniCredit Group to unforeseen risks, with possible negative impacts on the activity, prospects and economic results, balance sheet and financial situation of the Issuer and the UniCredit Group.

UniCredit's Global RPT Policy, reviewed annually, was approved in December 2024 by UniCredit's Board of Directors with the preliminary positive opinion of the Related-Parties and the Audit Committees, in order to bring-in limited reviews aimed at making specific updates which became necessary during the current financial year, while also expecting it to be reviewed more widely, once the relevant CONSOB communication on its interpretation is published. More specifically, recent reviews concerned:

- (i) the need to adapt the text of the Global RPT Policy to reflect the change in the governance model with the adoption, by UniCredit, of the one-tier administration and control system;
- (ii) on the basis of the application experience of the Global RPT Policy, some clarifications were made concerning the discipline of the so-called cumulation of transactions and two cases of exemption, namely the one for small transactions and the one relating to the remuneration of delegated bodies and key managers.

The Global RPT Policy regulates the information flows to the Audit Committee, in accordance with applicable regulations.

UniCredit places a central focus on corporate governance as a fundamental element to ensure transparent, solid management aligned with best practices. Since 2001, the Bank has adopted the Corporate Governance Code, applying the recommendations for large companies and ensuring continuous alignment with market and stakeholder expectations.

As part of its periodic monitoring of the Corporate Governance Code's implementation by listed companies, the Corporate Governance Committee has identified certain areas for potential improvement common to all listed companies on the Italian regulated market. This annual process aims to foster the continuous evolution of corporate governance, promoting greater efficiency and transparency in decision-making processes.

In its letter dated December 17, 2024, the Committee highlighted three areas for further enhancement:

- completeness and timeliness of pre-board information, ensuring directors receive all necessary materials for an informed and effective discussion during board meetings;
- transparency and effectiveness of the remuneration policy, with a focus on clarity regarding performance targets and market disclosures;
- the executive role of the Chair, particularly regarding the separation between strategic oversight and managerial functions.

As with all listed companies, UniCredit carefully analyzed these recommendations, bringing them to the attention of its governing bodies. Following this analysis, these bodies concluded that no risk profiles emerged, as UniCredit's governance model is already robust, structured, and aligned with the best market practices and the Corporate Governance Code's recommendations.

Specifically:

- Pre-board information: According to a specific provision of the Regulation of the Board of Directors and its Committees (Section 1. Board of Directors, paragraph 1.2 Functioning),

UniCredit applies best practices, ensuring that pre-board documentation and the information necessary for directors to make informed decisions are generally made available at least three days before meetings. This requirement may be waived only in exceptional cases. In such situations, the Chair ensures that the topics are properly presented by the Chief Executive Officer during board meetings and that sufficient time is dedicated to explanations and subsequent discussions. In 2024, these situations occurred only in a limited number of cases, primarily involving particularly sensitive topics. The Audit Committee has acknowledged the importance of balancing the timeliness of pre-board information with the need to ensure the confidentiality of sensitive data and prevent leakage risks. The Board of Directors has therefore assessed that the current system effectively maintains this balance while ensuring that any exceptions are managed transparently and properly documented. As part of its continuous improvement approach, the Board will continue to monitor this aspect closely and evaluate any initiatives to further optimize the pre-board information process, ensuring both maximum confidentiality and increasingly effective discussions during board meetings.

- **Remuneration policy:** UniCredit applies a Group Incentive System that fully complies with the Corporate Governance Code's recommendations and the highest standards of transparency and governance. The system is based on clear and measurable targets, defined ex-ante and assessed at the end of the performance period, in accordance with the Group Compensation Policy. For senior executives (CEO, members of the Group Executive Committee, and first-line managers), the remuneration policy includes specific and measurable sustainability KPIs, as disclosed in the Group Compensation Policy Report and the Compensation Paid Report. Additionally, all remuneration decisions follow structured and multi-level deliberative processes, involving the Remuneration Committee, the Audit Committee, and, where necessary, the Related-Party Committee. These decisions are communicated transparently to the market and shareholders, in line with best industry practices.
- **Chair's role:** The Chair of UniCredit's Board of Directors does not hold any executive role, in full compliance with the Bank's governance model and the Corporate Governance Code's recommendations. The Chair's responsibilities are limited to strategic oversight and coordinating the Board's activities, with no involvement in the Bank's operational management.

Based on these findings, it is confirmed that no risk profiles emerge regarding these governance aspects.

#### **A.3.16. Risks associated with information about UniCredit's competitive position and statements made in such respect**

This Registration Document contains statements concerning the competitive position of the Issuer and of the UniCredit Group. Such statements are made by the Issuer on the basis of its specific knowledge of its own sector, available information and its own experience. Currently, the major themes of sustainable business practices in general and, in particular, the issues related to ESG aspects are changing the preferences and values of different stakeholders and, as a result, the competitive environment surrounding the UniCredit Group's operations is also changing in different ways. In order for the UniCredit Group to remain competitive and profitable, it will need to anticipate and respond to these changes, which requires continued investment in, and time spent on, innovation and research and development.

As such, any statements – including those related to the competitive position, performance of the UniCredit Group in the sectors of activity and/or geographic areas where it operates – might change or no longer be confirmed in the future due to known and unknown risks, significant and sudden changes in consumer preferences and additional factors of uncertainty, such as the geopolitical shocks. Any such statements might also differ, even significantly, from any other data produced by third parties.

This risk affects the accuracy of information that is contained in the description of the activities of the UniCredit Group, the markets in which it exercises its activities and its competitive position, future programs and strategies, which could possibly be subject to currently unforeseeable changes in order to adapt to any sudden changes in the macroeconomic conditions. Therefore, investors are advised not to rely exclusively on those statements relating to the competitive position, estimates and valuations, and to consider the entire contents of this Registration Document.

In addition, there is a risk attached to the mandatory clearance of the transaction at stake pursuant to merger control laws. The European Commission is competent in this respect and the engagement with the European Commission in order to obtain such clearance is currently ongoing. It is possible that such clearance will be conditional upon certain commitments being made binding upon the Issuer. This risk cannot be excluded and, although as a matter of principle a material impact of such commitments cannot be

excluded, the Issuer does not expect that they would materially impact the transaction. Such commitments could include, by way of example, the obligation to sell certain branches, assets or equity stakes and/or commitments to behave in a certain way following completion of the transaction.

### **A.3.17. Risks connected with the use of Alternative Performance Indicators (APIs)**

This Registration Document contains Alternative Performance Indicators (“**APIs**”) to facilitate comprehension of the operating and financial performance of the Issuer and the UniCredit Group.

APIs are measures the determination of which is not specifically regulated by the accounting and financial reporting standards used to prepare the separate and consolidated financial statements and they are not subject to audit. UniCredit uses certain APIs both for actual figures and for figures pertaining to the guidance and 2025-27 Ambitions scenario. APIs reported in this document related to actual figures are the following: including: Cost/Income ratio, Economic Value Added (“**EVA**”), RoTE, Net bad loans to customers/Loans to customers, Net non-performing loans to customers/Loans to customers, Absorbed capital, Return On Allocated Capital (“**ROAC**”), Return On Assets (“**ROA**”), CoR. APIs reported in this Registration Document related to guidance and 2025-27 Ambitions are the following: Cost/Income ratio, CoR, RoTE, ROAC gross NPE ratio, net NPE ratio.

Other entities may use the same type of APIs calculating them, however, differently and the standards applied by the Issuer for their calculation might not be consistent with the standards adopted by other entities. Despite such calculation methods being applied by the Issuer in accordance with the European Securities and Markets Authority (“**ESMA**”) Guidelines of October 5, 2015, they may pose a risk for investors associated with their interpretation, given that the APIs (i) when derived from historic figures of the UniCredit Group do not provide any indication concerning its future performance; (ii) are not prescribed measurements in accordance with the IFRS and are not subject to audit; (iii) must not be considered replacements for the measures prescribed by the IFRS; (iv) must be interpreted together with the financial information of the UniCredit Group taken from its consolidated financial statements; (v) might not be consistent with the definitions adopted by other companies/groups and thus might not be comparable (including with any APIs used by BPM prior to the transaction); and (vi) are consistently provided and defined for all periods for which financial information is included in this Registration Document.

The APIs used by the Issuer might, therefore, represent a risk for investors who might be misled in their independent assessment of the UniCredit Group’s economic results, balance sheet and financial situation potentially causing them to make incorrect, inappropriate or inadequate investment decisions.

## **A.4. RISKS ASSOCIATED WITH THE LEGAL AND REGULATORY FRAMEWORK**

### **A.4.1. Bank capital adequacy**

#### **A.4.1.1. Risks associated with capital adequacy requirements**

On December 11, 2024, UniCredit was informed by the ECB of its final decision concerning capital requirements following the results of its annual SREP (“**SREP 2024**”). The P2R was left unchanged, keeping it at 200 basis points. The P2R is to be held in the form of 1.13% of Common Equity Tier 1 (“**CET1**”) capital and 1.50% of Tier 1 capital, as a minimum.

The ECB has also communicated to UniCredit a leverage ratio P2R-LR equal to zero and no additional liquidity requirements.

As a consequence, starting from January 1, 2025, UniCredit is required to meet the following overall capital requirement (“**OCR**”) and overall leverage ratio requirement (“**OLRR**”) on a consolidated basis:

- CET1 ratio: 10.28%;
- Tier 1 ratio: 12.16%;
- Total Capital ratio: 14.66%; and
- Leverage ratio: 3%.

The above OCR requirements include a Combined Buffer Requirement composed as follows:

- Capital Conservation Buffer (“**CCB**”) at 2.5%;
- O-SIIs buffer at 1.50% (in place from January 1, 2024, and applicable also in 2025);

- Systemic Risk Buffer (“**SyRB**”) at 0.20% estimated as of December 31, 2024, (which will then increase to 0.37% as of June 2025) – calculated as a weighted average of the exposures to which a SyRB is applied (*i.e.*, Italy and Germany);
- Counter Cyclical Capital Buffer (“**CCyB**”) of 0.46% as of December 31, 2024. It consists of the weighted average, by credit exposure, of the CCyB rates applied by the jurisdictions/countries where the Group has a credit exposure. The main jurisdictions adopting a CCyB affecting the Group specific CCyB are, as of December 2024, Germany (0.75%), Bulgaria (2.0%), Czech Republic (1.25%), Croatia (1.5%), and Romania (1.0%).

As of December 31, 2024, the consolidated CET1 Capital, Tier 1 and Total Capital ratios were equal to, respectively: 15.96%, 17.75% and 20.41%. As of December 31, 2024, the LRE was 5.60%.

In addition to the above capital requirements, following the communication received by the Single Resolution Board (the “**SRB**”) and the Bank of Italy in June 2024, UniCredit is required to comply, on a consolidated basis, with:

- **MREL requirement** equal to 22.84% of RWAs – plus the applicable Combined Buffer Requirement (the “**CBR**”) – and 6.09% for Leverage Ratio Exposures (“**LRE**”);
- **subordinated MREL** (*i.e.*, to be met with subordinated instruments) equal to 15.06% of RWAs plus the applicable CBR – and 6.09% for the LRE.

All in all, the outcome of the 2024 SREP as summarized by the P2R is in line with previous years’ assessment, and there are no other impacts stemming from that relating to 2024. In this context, there is the risk that after future supervisory assessments – *inter alia* upon completion of the acquisition of BPM – the Supervisory Authority could require the Issuer, among other things, to maintain higher capital adequacy ratios than those applicable at the Date of the Registration Document. Moreover, after future assessment, the ECB might require the Issuer to implement some measures, which might impact management of the UniCredit Group, actions to reinforce the systems, procedures and processes involved in risk management, control mechanisms, assessment of capital adequacy and/or RWA calculation.

#### **A.4.2. Risks associated with the evolution of prudential and other regulations applicable to banks**

The Issuer and its Group operate in a stringent and highly complex regulatory context. Both are subject to the supervision by a number of competent supervisory authorities, which include the ECB, the Bank of Italy and CONSOB. The Issuer is also subject to the further provisions of a specific regime enacted by CONSOB due to its status as a listed entity and, more generally, it must also comply with a variety of other laws concerning anti-money laundering, usury and consumer protection. Such regulatory framework is characterized by ongoing developments in the laws and in the supervision activities of the various authorities.

Despite the Issuer’s undertaking to comply with all the applicable regulations, there is a risk of non-compliance with the multitude of different legal and regulatory requirements. Such non-compliance could lead to additional legal risk and financial losses, as a result of regulatory fines or any warnings received, litigation proceedings, reputational damage and, in extreme scenarios, forced suspension of operations or even the withdrawal of the authorization to carry out banking business. The failure to comply with any of the legal and regulatory provisions currently in force or to keep pace with any changes relating to the interpretation of the applicable legislation by the competent authorities could negatively impact on the operating results and capital and financial position of UniCredit.

Some of the most recent changes concerned the CRR III and the CRD VI, and were published on June 19, 2024 in the EU Official Journal, entering into force on July 9, 2024. Save for certain exemptions, the majority of the CRR III provisions applied starting from January 1, 2025, with certain elements of it phasing in over the years. On January 9, 2025, the EBA published its final guidelines on the management of ESG risks as mandated in Articles 76 and 87a of the CRD VI. The guidelines contain minimum standards and reference methodologies for the identification, measurement and monitoring of ESG risks and the content of the prudential transition plans which banks have to prepare in order to monitor and address the financial risks stemming from ESG factors. These guidelines will apply from January 11, 2026, for large institutions.

In addition, on April 18, 2023, the European Commission published a proposal for the further amendment of the BRRD, including, among other things, the amendment of the ranking of claims in insolvency to provide for a general depositor preference, pursuant to which the insolvency laws of Members States would be required by the BRRD to extend the legal preference of claims in respect of deposits relative to ordinary

unsecured claims to all deposits. The proposal will need to be agreed by the Member States and the European Parliament.

Furthermore, in July 2024, the Artificial Intelligence (AI) act (the “**AI Act**”) was published in the EU Official Journal. The AI Act requires, *inter alia*, qualification and classification of AI systems (built in house or provided by third parties) and defines criteria for the identification of prohibited and high risk AI systems, providing requirements and deadlines for their dismissal or proper management.

Failure to comply with any of the above regulatory requirements and the ongoing developments that characterize them could lead the Issuer and its Group to suffer serious consequences and to experience significant impacts on the economic results, balance sheet and financial situation of the Issuer and/or the UniCredit Group.

UniCredit is also subject to the risks associated with changes to the wider regulatory context that can impact banking and insurance activities. In particular, UniCredit is, and will be as a result of the Merger with BPM, exposed primarily to the risks of having to sustain expenses and use its resources to achieve compliance and/or act in alignment with evolving legal requirements in various fields affecting the exercise of its banking activities. More specifically, as to sustainable finance: (i) Regulation 2020/852/EU (the “**Taxonomy Regulation**”) provides a classification system intended to address greenwashing and provides a tool to direct finance towards sustainable investments, (ii) Regulation (EU) 2019/2088 concerning sustainability-related disclosures in the financial services sector (the “**Sustainable Finance Disclosure Regulation**” or “**SFDR**”), lays down harmonized rules for financial market participants and financial advisers on transparency, and (iii) Regulation 2023/2631/EU (the “**EU GB Regulation**”) lays down rules regarding the use and designation of green bonds for bonds that pursue environmentally sustainable objectives within the meaning of Taxonomy Regulation. Among the measures concerning digital finance, the recently introduced DORA is also relevant to the activities of UniCredit for preventing and mitigating cyber threats and enhancing oversight of outsourced services. While the above represent legal developments that could have an impact on the activities of UniCredit in said sectors, achieving compliance with the constantly evolving legal background (also following the Merger) is expected to remain a key factor of risk as, if the UniCredit Group fails to do so, it may face unexpected financial burdens.

Finally, the very process of integration of BPM into UniCredit might also give rise to the risk of non-compliance with any of the above regulations, for which UniCredit would be responsible. Carrying out the Merger while remaining compliant at all times with the complex and evolving regulatory background applicable to banks might in fact require the Issuer to employ a greater than expected amount of its resources to rectify any unknown shortcomings of BPM and/or the post-Merger UniCredit Group, the extent of which might become clear only after the Merger is actually implemented. For instance, reliance on the two banks’ IT systems to carry out the practical steps involved in the integration of the two groups might give rise to issues affecting digital resilience of IT infrastructure and greater expenditure by UniCredit to ensure compliance with the requirements of DORA concerning protection from cyber-threats.

#### **A.4.3. Risks associated with ordinary and extraordinary contributions to funds established under the scope of the banking crisis rules**

The Issuer and the Group are subject to certain obligations to make contributions in support of the banking system pursuant to bank resolution legislation, as part of the various risk-reducing measures that were implemented following the 2008 financial crisis both at European and single Member State level. Such contributions involve significant outlays for individual financial institutions such as the Issuer, and may in the future increase or require the Issuer to make extraordinary payments in addition to the ordinary (and therefore foreseeable) sums paid. The funds to which the Issuer is required to contribute include the Deposit Guarantee Scheme (“**DGS**”) established under Directive (EU) 49/2014 and aimed at protecting depositors, the Single Resolution Fund (“**SRF**”) established under Directive (EU) 59/2014 and requiring compulsory contributions by members.

Contributions to these schemes are accounted for in the Issuer’s financial statements in accordance with IFRIC 21 as “Levies”. With reference to 2024, contributions for Euro 277 million were recognized in P&L (Euro 728 million in 2023), a breakdown of which is as follows:

- (i) as to contributions to resolution funds (pursuant to Directive (EU) 59/2014), the Group contributions recognized on the income statement totaled Euro -23 million (no contributions were recognized by UniCredit specifically). These contributions are entirely referred to ordinary contributions paid by certain legal entities to local resolution funds; while no contributions were recognized for SRF, having reached already the relevant

target level. The Group did not make recourse to any irrevocable payment commitments in this context; and

- (ii) regarding DGS contributions (pursuant to Directive (EU) 59/2014), the Group contributions recognized on the income statement totaled Euro -254 million, of which Euro -187 million were ordinary contributions (Euro -104 million referred specifically to UniCredit) and Euro -67 million as additional and supplementary contributions (entirely referred to UniCredit specifically). Such contribution also includes the amounts recognized by UniCredit Bank GmbH and referred to the contribution to the statutory and voluntary compensation schemes applicable to German banks. The Group did not make recourse to irrevocable payment commitments in this context.

Given that ordinary contributions already play a part in reducing the UniCredit Group's profitability and have a negative impact on its capital resources, the risk that such contributions increase or that fewer banks commit to making such payments might materialize at any time and have a significant impact on the Issuer's resources.

#### **A.4.4. Risks connected with the entry into force of new accounting principles and changes to applicable accounting principles**

The UniCredit Group is exposed, like other companies operating in the banking sector, to the effects of the entry into force and subsequent application of new accounting principles or standards and regulations and/or changes to them (including those affecting the IFRS as endorsed and adopted by European legislation).

In particular, in the future, the UniCredit Group may need to revise the accounting and regulatory treatment of some existing assets and liabilities and transactions (and related income and expenses), with possible negative effects, including significant ones, on the estimates made in financial plans for future years, potentially leading to adjustments to the carrying amounts of the affected assets and liabilities. In 2024, the following standards, amendments or interpretations of the existing accounting standards came into force:

- amendments to IFRS16 Leases: Lease Liability in a Sale and Leaseback (EU Regulation 2023/2579);
- amendments to IAS1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current; Classification of Liabilities as Current or Non-current - Deferral of Effective Date and Non-current Liabilities with Covenants (EU Regulation 2023/2822);
- amendments to IAS7 Statement of Cash Flows and IFRS7 Financial Instruments: Disclosures: Supplier Finance Arrangements (EU Regulation 2024/1317).

The entry into force of these new standards, amendments or interpretations has not determined substantial effects on the amounts recognized in the balance sheet or income statement.

As of December 31, 2024, the following document, applicable to reporting starting from January 1, 2025, has been endorsed by the European Commission:

- amendments to IAS21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (EU Regulation 2024/2862).

The Group does not expect significant impacts arising from the entry into force of such amendments.

As of December 31, 2024, the IASB issued the following accounting standards, amendments or interpretations of the existing accounting standards, whose application is subject to completion of the endorsement process by the competent bodies of the European Union:

- IFRS18 Presentation and Disclosure in Financial Statements (issued on April 9, 2024);
- IFRS19 Subsidiaries without Public Accountability: Disclosures (issued on May 9, 2024);
- amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS9 and IFRS7) (issued on May 30, 2024);
- Annual Improvements Volume 11 (issued on July 18, 2024);
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on December 18, 2024) to restatements of previously published financial data.



As a result of the above, there are risks connected to the adoption of new accounting principles, as the future comparison of the financial results of UniCredit prepared prior to such adoption may be difficult. More specifically, changes in accounting standards may cause the UniCredit Group to face additional expenditure for carrying out any necessary restatements, and/or due to the need to adjust existing processes to comply with accounting standard requirements. In detail, with regard to the amendments to the classification and measurement of financial instruments (amendments to IFRS9 and IFRS7) the Group is assessing the impacts of new requirements, and it expects to update the Group policies coherently.

Prospective investors are, therefore, cautioned against placing undue reliance on any of the above comparisons.

#### **A.4.5. Risks associated with privacy, information security and personal data protection regulations**

The UniCredit Group is subject to various regulations governing the protection, collection and processing of personal data in the jurisdictions in which it operates. While the Group maintains internal procedures that are compliant with applicable regulations, it remains exposed to the risk that the data it comes into its possession could be damaged or lost, removed, disclosed or processed for purposes other than those authorized by the customers (potentially giving rise to data breaches) or for which the customers have been informed, including by unauthorized parties (such as third parties or employees of the Group). Instances of data processing for purposes other than those for which they were initially collected or of data processing by unauthorized parties may include the viewing of data by employees outside their work duties or for clients of other branches/portfolios of other managers; viewing of data by the employee of a supplier appointed as the data processor, processing the data with procedures/methods or for purposes other than those stated in the relevant data processing agreement.

There is also a possibility that such personal data turns out to be processed relying on an allegedly insufficient lawful basis, such as in those cases in which standard contractual clauses are not included in agreements concerning the transfer of personal data outside the European Economic Area. In July 2020, European Court of Justice (“**ECJ**”) confirmed in its decision No. 559/2020 that standard contractual clauses are a valid instrument of transfer of personal data (meaning they do provide a lawful basis), but added that the party actually exporting such personal data remains responsible for assessing whether the country of destination of the data offers a level of protection of the rights and freedoms of the data subject equivalent to the level guaranteed in Europe by Regulation (EU) 2016/679 (General Data Protection Regulation). Moreover, following the ECJ’s decision, the European Data Protection Board stated that even simple access to the data (for example, by an employee of the third-party company engaged for any IT platform maintenance activities) may constitute a transfer of personal data.

The occurrence of any such data breaches could negatively impact the activity of the UniCredit Group, including its reputation, and might lead to the imposition of sanctions by the competent authorities, with consequent negative impacts on the activity, prospects and economic results, balance sheet and financial situation of the Issuer and/or the UniCredit Group.

On February 21, 2024, the Italian Data Protection Authority (*Garante*) notified to the Bank a fine of Euro 2.8 million, originating from a data breach that occurred in October 2018 relating to the cyber-attack to the Bank’s online banking platform. The bank challenged the decision by filing an appeal.

With reference to the only measure mentioned above, the Issuer expects that this is unlikely to be impacted by the integration with BPM Group.

During 2024 142 data breaches have been detected, of which 8 have been notified to the Authority and 7 also to the data subjects: also in this case, the Issuer expects this is unlikely to be impacted by the integration with BPM Group.

#### **A.4.6. Risks associated with the administrative liability of legal entities and any inadequacy of the organization and management model of the Issuer pursuant to Italian Legislative Decree 231/2001**

Under Italian law, Legislative Decree 231/2001 (“**Decree 231**”) regulates the administrative liability of companies, including companies such as UniCredit and BPM, arising as a consequence of certain offences committed by a company’s directors, senior managers and employees on behalf and for the benefit of the company. The adoption of organizational, management and control models as well as a supervisory body by companies does not exclude by itself the applicability of penalties pursuant to Decree 231: if such models are found to be unfit for purpose, not effectively implemented or inadequately monitored, sanctions might still be imposed.

In compliance with Decree 231, UniCredit established its internal supervisory body (the “**Supervisory Body**”) attributing this role to UniCredit’s Audit Committee since April 12, 2024, and adopted the Organization and Management Model (the “**UniCredit Model**”).

The potential Merger will likely result in a structural change for the Group with the incorporation of the BPM Group. This transformation might require an update to the UniCredit Model. Any such amendments, if necessary at all, along with those related to the integration of the BPM Group, will be undertaken following the completion of a successful Offer and potential Merger. As at the Registration Document Date, however, the Issuer does not have sufficient elements to predict with certainty whether the current UniCredit Model will or will not be updated during the interim period prior to the completion of the Merger, giving rise to the risk that UniCredit might become aware of the need for a revised model to cater for the management of this risk by the newly acquired BPM Group companies (whose organization and management models may not as yet be accurately known to the Issuer) only after the Merger is completed. Even after defining such a revised model, however, UniCredit would still remain exposed to the risk of being found liable for its potential inability to implement it effectively and rapidly enough across its newly defined – and most importantly, more extended – Group structure.

The risk that UniCredit or any company belonging to the UniCredit Group to which Decree 231 is applicable are prosecuted and possibly fined because the relevant model is not considered to be adequate or appropriately implemented and monitored, remains therefore relevant at all times. Overall, the Issuer deems the materialization of such risk to have a low probability of occurring and accordingly, it considers it to be of low significance.

#### **A.4.7. Risks associated with the activities of the relevant Supervisory Authorities**

The UniCredit Group is subject to the supervision of (i) the ECB with the SSM, (ii) the national supervisory authorities, (iii) the SRB, and (iv) the compliance supervisory authorities (together, the “**Supervisory Authorities**”). The Supervisory Authorities exercise their supervision by leveraging on a variety of tools, such as on-site inspections, off-site inspections, deep-dives, thematic reviews, stress test exercises, questionnaires, benchmarking, interviews, meetings, workshops. The outcome of these supervisory activities typically takes the form of structured reports containing findings for which the Issuer is requested to present a plan of remedies. Once the remedial actions are implemented, the Supervisory Authorities follow up on them to make sure that the outcome is in line with the initial supervisory expectations. This is an ongoing process and UniCredit adopts a structured approach in terms of (i) information flows to top management, Committees and the Board, (ii) interactions with the Supervisory Authorities, and (iii) follow-ups and monitoring of the defined action plans. The risk associated to the outcome of such supervisory activities, that may be launched from time to time and the related potential outcome in terms of findings is deemed by the Issuer to be of low significance, as it is the case for the ongoing inspection on the process for performing financial projections, given the low impact that any finding and related corrective measures would have on the Issuer and its Group. The possibility that ongoing or future supervisory activities reveal profiles of risk that could affect the financial situation, profitability or reputation of the UniCredit and/or the UniCredit Group cannot be entirely ruled out.

## Section II - Persons responsible, third party information, experts' reports and competent authority approval

### 2.1 Persons responsible for the Registration Document

UniCredit S.p.A, having its registered, head office and principal centre of business, at Piazza Gae Aulenti, 3 Tower A, 20154 Milan, Italy, accepts responsibility for the information contained in this Registration Document.

### 2.2 Responsibility Declaration

UniCredit declares that the information contained in this Registration Document is, to the best of its knowledge, in accordance with the facts and that the Registration Document makes no omission likely to affect its import.

### 2.3 Experts' reports

No statement or report attributed to a person as an expert is included in this Registration Document, except for the reports of the external auditors of the Issuer who have audited the consolidated financial statements of the UniCredit Group and the financial statements of the Issuer as at 31 December 2024, 31 December 2023 and 31 December 2022 and who have carried out the review of the condensed interim consolidated financial statements of UniCredit Group as at 30 June 2023 and 30 June 2024.

For further information please see Section 3 and Sections 11.1, 11.2 and 11.3 below.

### 2.4 Third party information

The Registration Document contains third-party information that has been accurately reproduced and, as far as the Issuer is aware or able to ascertain from information published by that third-party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

In particular, the following table presents the third-party information contained in the Registration Document:

Source	Topic
FactSet (as of March 20, 2025)	Standalone net profit estimates for 2027 from broker consensus for BPM and Anima
Fitch	Rating of the Issuer
S&P	Rating of the Issuer
Moody's	Rating of the Issuer
Consolidated financial statements of BPM as at December 31, 2023	Information on BPM
Consolidated interim financial report of BPM as at June 30, 2024	Information on BPM
Bank of Italy	Market data

### 2.5 Competent Authority approval

The Issuer states that:

- this Registration Document has been approved by the *Commission de Surveillance du Secteur Financier* (the **CSSF**) in its capacity as competent authority under Prospectus Regulation;
- the **CSSF** only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by Prospectus Regulation;

- c) such approval should not be considered as an endorsement of the Issuer that is the subject of this Registration Document;
- d) the CSSF gives no undertaking as to the economic and financial soundness of the transaction or the quality or solvency of the Issuer pursuant to Article 6(4) of the Luxembourg Law on prospectuses for securities.

## Section III - Statutory Auditors

### **3.1 Names and addresses of the Issuer's auditors**

At the ordinary shareholders' meeting of UniCredit held on 9 April 2020, KPMG S.p.A. (**KPMG**) has been appointed to act as UniCredit's external auditor for the 2022-2030 nine-year period pursuant to Article 13, paragraph 1, of Legislative Decree no. 39/2010 and to CONSOB Communication 97001574 dated 20 February 1997.

KPMG is a company incorporated under the laws of Italy, enrolled with the Companies' Register of Milan under number 00709600159 and registered with the Register of Statutory Auditors (*Registro dei Revisori Legali*) maintained by Minister of Economy and Finance with registration number no: 70623, having its registered office at Via Vittor Pisani 25, 20124 Milan, Italy. KPMG is a member of ASSIREVI, the Italian association of auditing firms.

KPMG has carried out the review of the consolidated financial statements of UniCredit Group for the year ended on 31 December 2024, 31 December 2023 and 31 December 2022 incorporated by reference in this Registration Document.

### **3.2 Information concerning the resignation, revocation or non-renewal of an audit engagement**

No auditors have resigned, have been removed or have not been re-appointed during the financial statements 2023 and 2024.

## Section IV – Information about the Issuer

### 4.1 History and development of the Issuer

UniCredit (formerly UniCredito Italiano S.p.A.) and the UniCredit Group of which UniCredit is the parent company are the result of the October 1998 business combination between the Credito Italiano national commercial banking group (established in 1870 with the name *Banca di Genova*) and UniCredito S.p.A. (at the time the holding company owning a controlling interest in Banca CRT (*Banca Cassa di Risparmio di Torino S.p.A.*), CRV (*Cassa di Risparmio di Verona Vicenza Belluno e Ancona Banca S.p.A.*) and Cassamarca (*Cassa di Risparmio della Marca Trivigiana S.p.A.*).

Since its formation, the Group has grown in Italy and Eastern Europe through both organic growth and acquisitions, consolidating its role in relevant sectors outside Europe and strengthening its international network.

Such expansion has been characterised, in particular:

- by the business combination with HypoVereinsbank, realised through a public tender offer launched in summer 2005 by UniCredit to acquire the control over Bayerische Hypo- and Vereinsbank AG (**HVB**) - subsequently renamed UniCredit Bank AG (and then renamed to UniCredit Bank GmbH) - and its subsidiaries, such as Bank Austria Creditanstalt AG, subsequently renamed "UniCredit Bank Austria AG" (**BA** or **Bank Austria**). At the conclusion of the offer perfected during 2005, UniCredit acquired a shareholding for an amount equal to 93.93 per cent of the registered share capital and voting rights of HVB. On 15 September 2008, the squeeze-out of HVB's minority shareholders, resolved upon by the bank's shareholders' meeting in June 2007, was registered with the Commercial Register of Munich. Therefore, the HVB shares held by the minority shareholders - equal to 4.55 per cent of the share capital of the company - were transferred to UniCredit by operation of law and HVB became a UniCredit wholly-owned subsidiary. In summer 2005 UniCredit also conducted an exchange offer for the acquisition of all shares of BA not held by HVB at the time. At the conclusion of the offer, the Group held 94.98 per cent of the aggregate share capital of BA. In January 2007, UniCredit, which at the time held 96.35 per cent of the aggregate share capital of BA, including a stake equal to 77.53 per cent transferred to UniCredit by HVB, resolved to commence the procedures to effect the squeeze-out of the minority shareholders of BA. As at the date of this Registration Document, UniCredit's interest in BA is equal to 99.996 per cent; and
- by the business combination with Capitalia S.p.A. (**Capitalia**), the holding company of the Capitalia banking group (the **Capitalia Group**), realised through a merger by way of incorporation of Capitalia into UniCredit effective as of 1 October 2007.

In 2008 the squeeze outs<sup>1</sup> of the ordinary BA and HVB shares held by minority shareholders were completed.

Proceedings as to the adequacy of the squeeze-out price and in relation to the challenge to the relevant shareholders' resolutions promoted by certain BA and HVB shareholders are still pending. For more details, please see Section 11.4 ("*Legal and arbitration proceedings*") of this Registration Document.

UniCredit S.p.A. shares are listed on the Milan, Frankfurt and Warsaw regulated markets, respectively on the Borsa Italiana S.p.A. (Euronext Milan), on the Frankfurt Stock Exchange, segment General Standard, and on the Warsaw Stock Exchange.

UniCredit has adopted, ever since its incorporation, the traditional governance model, which is the default option envisaged by Italian law for corporations.

The UniCredit Extraordinary Shareholders' Meeting held on 27 October 2023, resolved to adopt the one-tier corporate governance system, in lieu of the traditional model, which provides for the appointment within the Board of Directors of an Audit Committee performing control functions, in place of the Board of Statutory Auditors, effective upon the renewal of the corporate bodies resolved by the 12 April 2024 Shareholders' Meeting.

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<sup>1</sup> The squeeze out is the process whereby a pool of shareholders owning a certain amount of a listed company's shares (in Germany 95 per cent, and in Austria 90 per cent) exercises its right to "squeeze out" the remaining minority of shareholders from the company paying them an adequate compensation.

## Recent Developments

- On 11 September 2024, UniCredit S.p.A. announced that it has acquired an equity stake equal to around 9% in the share capital of Commerzbank AG. 4.49% has been acquired in an accelerated book building offering on behalf of the Federal Republic of Germany in line with its intention to reduce its stake in Commerzbank AG, and the rest of the stake has been acquired through market activity. UniCredit is supportive of Commerzbank AG's management board and supervisory board and the progress that they have made in improving the bank's performance. The acquisition of the stake in Commerzbank AG is consistent with UniCredit's strategy and the parameters within which it will make any investment. UniCredit will engage with Commerzbank AG to explore value creating opportunities for all stakeholders in both banks. Any decision on the stake will again depend on the investment meeting UniCredit's strict financial parameters which have been clearly and consistently communicated to the market.
- On 23 September 2024 UniCredit S.p.A., consistent with its statement on 11 September 2024, announced that it has submitted the required regulatory filing for acquiring a stake in Commerzbank in excess of 10% up to 29.9%. Meanwhile, UniCredit has entered into financial instruments relating to ca. 11.5% Commerzbank shares. Physical settlement under the new financial instruments may only occur after the required approvals have been obtained. Together with the position of ca. 9% communicated previously, UniCredit's overall position totals ca. 21%.
- On 25 September 2024, UniCredit S.p.A. has started the process to internalize its life bancassurance business in Italy through the termination of the current agreements with CNP Assurances S.A. ("**CNP Assurances**") and Allianz S.p.A. ("**Allianz**"). This entails the exercise of the related rights to acquire CNP Assurances 51% stake in CNP UniCredit Vita S.p.A. ("**CUV**") and Allianz's 50% stake in UniCredit Allianz Vita S.p.A. ("**UAV**"). Upon closing, UniCredit will hold 100% in CUV and UAV.

The current set-up of the non-life bancassurance business will not be impacted and will continue to be operated through the joint ventures with Allianz at the terms communicated to the market in January 2022.

As part of the mentioned internalization process, the Board of Directors of UniCredit approved: (1) the termination of the shareholders' agreement with CNP Assurances and the simultaneous exercise of the call option on the entire stake (51%) held by CNP Assurances in CUV and (2) the termination of the shareholders' agreement with Allianz and the related acquisition of the entire stake (50%) held by Allianz in UAV.

The exercise of the call option on CUV is based on the terms of the shareholders' agreement entered in 2017, as amended from time to time. Under this agreement, the purchase price will be determined through a specific procedure based on agreed methodologies.

The exercise of the termination right from the agreement with Allianz and related acquisition of the Allianz stake in UAV is based on the terms of the shareholders' agreement originally entered in 1996, last renewed in 2022. Also under this agreement, the purchase price will be determined through a specific procedure based on agreed methodologies. The process, among other, foresees the engagement of an independent expert to certify the purchase price.

For both companies, which are planned to be eventually merged, operations will rely on the current setup including, for a transitional period, on the services provided by the current insurance partners, according to the shareholders' agreements.

Closing of each of the transactions is subject to the standard authorizations by the competent authorities and is expected in 2025.

The transactions will be cash funded. The impact on the Group's capital position will depend on the purchase prices that will be determined.

- On 6 November 2024, UniCredit S.p.A. announced that on 5 November 2024 its Board of Directors, having fulfilled the requirements pursuant to art. 2433 bis of the Italian Civil Code, and on the basis of Company's balance sheet as at 30 June 2024, approved a resolution to distribute an interim dividend to

shareholders on the 2024 results, for a total amount of 1,440,000,000 euro, equal to a "per share" amount for each of N°1,554,803,184 outstanding and having the right shares at 4 November 2024 and, therefore, also deducting the N°72,497,676 of the treasury shares in portfolio at the same date, of 92.61 euro/cent (DPS), before tax.

The interim dividend will be paid, in accordance with the applicable laws and regulations, on 20 November 2024, with the "ex-dividend date" on 18 November 2024 (coupon n 9), through the intermediaries participating in the settlement service (Monte Titoli). The shareholders entitled to receive the interim dividend will be those with evidenced ownership at the end of the day 19 November 2024 (*record date*).

Subject to what is stated above, own shares purchased by the Bank after the 4 November 2024 and held in the treasury shares portfolio at the record date, are not entitled to receive the interim dividend, which will be allocated to the Statutory Reserve.

- On 25 November 2024, UniCredit S.p.A. announced, pursuant to Article 102, paragraph 1, of Legislative Decree No. 58 of February 24, 1998, as subsequently amended, and Article 37 of the regulation adopted by Consob with resolution No. 11971 of May 14, 1999, as subsequently amended, a voluntary public exchange offer launched for all of the shares of Banco BPM S.p.A.. The relevant press releases are incorporated by reference in this Registration Document and are available to the public on the Issuer's website at the following links:

- (i) [Notice-pursuant-art.102-TUF-UniCredit\\_Banco-BPM-exchange-offer\\_25112024.pdf](#) (the "Exchange Offer Notice");
- (ii) [PR-UniCredit\\_Banco-BPM-exchange-offer\\_25112024.pdf](#) (the "Exchange Offer Press Release").

The following table shows where the information required under article 19(2) of Regulation (EU) 2017/1129 can be found in the above-mentioned documents:

Documents	Information Incorporated	Page Reference
Exchange Offer Notice	Entire document	
Exchange Offer Press Release	Entire document	

- On 25 November 2024, UniCredit S.p.A. announced the convening of the Shareholders' Meeting in extraordinary session, in Milan, UniCredit Tower Hall, via Fratelli Castiglioni 12 on April 10 2025 at 10:00 a.m., in a single call. The Meeting is convened to decide on the following agenda:

#### Extraordinary part

- Proposal to grant the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, with the power, to be exercised within 31 December 2025, to increase the share capital, in one or more tranches and in a divisible form, without pre-emption right pursuant to Art. 2441, paragraph 4, first sentence, of the Italian Civil Code, and with issuance of maximum no. 266,000,000 ordinary shares, with ordinary rights and the same characteristics as the shares already outstanding on the issue date, whose issuance price shall be determined by the Board of Directors pursuant to applicable laws, to be paid up by way of contribution in kind functional to a voluntary public exchange offer (*offerta pubblica di scambio volontaria*) on all the ordinary shares of Banco BPM S.p.A.; subsequent amendment of Art. 6 of the Company's by-laws; related and subsequent resolutions.

For further information please see the Issuer's website.

- On 11 December 2024, UniCredit S.p.A. informed that Mr Marcus Johannes Chromik, independent member of UniCredit's Board of Directors and member of the Risk Committee, has resigned from the Board with immediate effect.



Mr Chromik has declared that his decision to resign from his role is due to new professional ventures.

The Chair Pietro Carlo Padoan, also on behalf of the entire Board of Directors, wishes him well in these new endeavours and thanks him for his contribution to the Board of Directors and to the Risk Committee.

The Board of Directors will assess the necessary consequent actions.

- On 11 December 2024, UniCredit S.p.A. announced that, following the communication received from the ECB in relation to the 2024 Supervisory Review and Evaluation Process (SREP), UniCredit's Pillar 2 Capital Requirement (P2R) remains at 200 basis points<sup>2</sup>.

From 1 January 2025 UniCredit will respect the following capital requirements on a consolidated basis:

- 10.27 per cent CET1 ratio
- 12.14 per cent Tier 1 ratio
- 14.64 per cent Total Capital ratio

The above capital ratios include the Combined Buffer Requirement to be met with CET1 instruments, composed by 2.50 per cent Capital Conservation Buffer (CCB), 1.50 per cent O-SII buffer, 0.44 per cent Countercyclical Capital Buffer (CCyB) and 0.20 per cent Systemic Risk Capital buffer (SyRB)<sup>3</sup>.

As of 30 September 2024, UniCredit's capital ratios on a consolidated basis stood at:

- 16.13 per cent CET 1 ratio, fully loaded
  - 16.24 per cent CET 1 ratio, transitional
  - 18.02 per cent Tier 1 ratio, transitional
  - 20.68 per cent Total Capital ratio, transitional
- On 13 December 2024, UniCredit S.p.A. announced, pursuant to and for the purposes of article 102, paragraph 3, of the Consolidated Law on Finance and Article 37-ter of the Issuers' Regulation, that it has filed with the Italian National Commission for Companies and the Stock Exchange (*Commissione Nazionale per le Società e la Borsa*) the offer document relating to the voluntary exchange offer launched pursuant to Articles 102 et seq. of the Consolidated Law on Finance over all the ordinary shares of Banco BPM S.p.A.. The relevant press releases is incorporated by reference in this Registration Document and is available to the public on the Issuer's website at the following link:

- (i) [PR-UniCredit-filing-Banco-BPM-offer-document-to-Consob\\_13122024.pdf](#) (the "**Filing of the Offer Document notice**").

The following table shows where the information required under article 19(2) of Regulation (EU) 2017/1129 can be found in the above-mentioned document:

<b>Document</b>	<b>Information Incorporated</b>	<b>Page Reference</b>
Filing of the Offer Document notice	Entire document	

<sup>2</sup> Following CRD V Art. 104a, banks shall meet the Pillar 2 Capital Requirement (P2R) with at least 75% of Tier 1 capital and at least 56.25% of Common Equity Tier 1 (CET1) capital.

<sup>3</sup> CCyB and SyRB calculated according to the exposures as of 30 September 2024 and the requirements as of 31 December 2024. These buffers are recalculated on a quarterly basis and therefore could vary accordingly.

- On 18 December 2024, UniCredit S.p.A. announced that it has entered into new financial instruments relating to Commerzbank shares, in line with its previously stated ambition to reach a 29.9% stake.

UniCredit's overall position now totals circa 28%, of which 9.5% through a direct stake and circa 18.5% through derivative instruments.

UniCredit has submitted the necessary regulatory filings to acquire a stake in Commerzbank in excess of 10% up to 29.9%. The authorization process is now activated, and interactions with authorities ongoing.

UniCredit's average entry price for the entire position is below current trading levels and fulfills the full financial metrics that we have committed to our shareholders to abide by.

UniCredit's economic exposure is almost fully hedged, displaying prudence in approach and providing full flexibility and optionality.

This move reinforces UniCredit's view that substantial value exists within Commerzbank that needs to be crystallized. It reflects the belief in Germany, its businesses and its communities, and the importance of a strong banking sector in powering Germany's economic development.

The position remains at this time solely an investment and does not have any impact on the public exchange offer with Banco BPM.

The primary focus for UniCredit's management team remains on the continued execution of UniCredit Unlocked and the delivery of sustainable profitable growth and distributions for shareholders. Indeed, this is where UniCredit continues to believe it can extract the most value for all its stakeholders.

- On 24 December 2024, UniCredit S.p.A. communicated that, with reference to the voluntary public exchange offer launched by UniCredit S.p.A. (the "**Offeror**") on maximum of all the 1,515,182,126 ordinary shares of Banco BPM S.p.A., in relation to Articles 102 and 106, paragraph 4, of Legislative Decree 24 February 1998, no. 58, as subsequently amended, which was communicated on 25 November 2024, pursuant to Article 102, paragraph 1, of the Consolidated Law on Finance (TUF) and Article 37 of the Issuers' Regulation, and subject of a press release concerning the filing of the offer document with Consob on 13 December 2024, notice is given as regards the following ordinary business of UniCredit Bank GmbH., an Offeror's subsidiary, in respect of Banco BPM ordinary shares.

As part of its ordinary trading business, UniCredit Bank GmbH., as a result of the exercise of American call options, expiring on 20 December 2024 and sold before 25 November 2024, has today settled the following transaction of delivery in respect of Banco BPM ordinary shares (ISIN IT0005218380) that are subject to reporting obligations pursuant to Article 41, paragraph 2, letter c), number 1) of the Issuers' Regulation:

Date	Transaction mode	Kind of transaction	Number of shares	Currency	Unit price per share
24/12/2024	Option settlement expiry date December 2024 IDEM market	Our physical delivery after option exercise	860,000	EUR	6.80

- On 27 January 2025, UniCredit, upon a request by Consob and in connection with the voluntary public exchange offer launched on the totality of shares of Banco BPM S.p.A. announced on 25 November 2024 with a notice pursuant to art. 102 of the TUF (the "**Announcement**") gave notice of some information related to the exchange offer. The relevant press releases is incorporated by reference in this Registration Document and is available to the public on the Issuer's website at the following link:

- i. [PR-UniCredit-clarifications-on-Banco-BPM-offer-27012025.pdf](#) (the "**Annoucement**")

The following table shows where the information required under article 19(2) of Regulation (EU) 2017/1129 can be found in the above-mentioned document:

<b>Document</b>	<b>Information Incorporated</b>	<b>Page Reference</b>
Annoucement	Entire document	

- On 20 February 2025, UniCredit informed that UniCredit Board of Directors' Meeting has passed, *inter alia*, the following resolutions:

#### **CALL FOR THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING**

The UniCredit Board of Directors has decided to call an Ordinary and Extraordinary Shareholders' Meeting in Milan, in a single call, to be held on 27 March 2025 (previously scheduled for 10 April 2025) to agree resolutions on the following matters:

##### **Ordinary part**

- Approval of the 2024 financial statements.
- Allocation of the net profit of the year 2024.
- Elimination of negative reserves for the components not subject to change by means of their definitive coverage.
- Authorisation to purchase treasury shares aimed at remunerating the shareholders. Consequent and inherent resolutions.
- Integration of the Board of Directors.
- 2025 Group Remuneration Policy.
- Remuneration Report.
- 2025 Group Incentive System.

##### **Extraordinary part**

- Proposal to grant the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, with the power, to be exercised within 31 December 2025, to increase the share capital, in one or more tranches and in a divisible form, without pre-emption right pursuant to Art. 2441, paragraph 4, first sentence, of the Italian Civil Code, and with issuance of maximum no. 278,000,000 ordinary shares, with ordinary rights and the same characteristics as the shares already outstanding on the issue date, whose issuance price shall be determined by the Board of Directors pursuant to applicable laws, to be paid up by way of contribution in kind functional to a voluntary public exchange offer (*offerta pubblica di scambio volontaria*) on all the ordinary shares of Banco BPM S.p.A.; subsequent amendment of Art. 6 of the Company's by-laws; related and subsequent resolutions.
- Cancellation of treasury shares with no reduction of share capital; consequent amendment of Article 5 of the Articles of Association. Related and consequent resolutions.
- Delegation to the Board of Directors to carry out a free capital increase by a maximum of 1,540 UniCredit ordinary shares to service the 2019 Group Incentive System and consequent integration of clause 6 of the Articles of Association.

4. Delegation to the Board of Directors to carry out a free capital increase by a maximum of 250,000 UniCredit ordinary shares to service the 2020 Group Incentive System and other forms of variable compensation and consequent integration of clause 6 of the Articles of Association.
5. Delegation to the Board of Directors to carry out a free capital increase by a maximum of 850,000 UniCredit ordinary shares to service the 2022 Group Incentive System and other forms of variable compensation and consequent integration of clause 6 of the Articles of Association.
6. Delegation to the Board of Directors to carry out a free capital increase by a maximum of 600,000 UniCredit ordinary shares to service the 2023 Group Incentive System and other forms of variable compensation and consequent integration of clause 6 of the Articles of Association.
7. Delegation to the Board of Directors to carry out a free capital increase by a maximum of 3,300,000 UniCredit ordinary shares to service the 2024 Group Incentive System and other forms of variable compensation and consequent integration of clause 6 of the Articles of Association.
8. Delegation to the Board of Directors to carry out a free capital increase by a maximum of 650,000 UniCredit ordinary shares to service the 2020-2023 LTI Plan and consequent integration of clause 6 of the Articles of Association.

For further details, please refer to Company's website [www.unicreditgroup.eu](http://www.unicreditgroup.eu).

- On 28 February 2025, UniCredit informed that, with reference to the voluntary public exchange offer pursuant to and for the purposes of art. 102 and 106, paragraph 4, of the TUF (the "**Offer**"), concerning all the ordinary shares of Banco BPM S.p.A. ("**BPM**"), it has filed with Consob for approval the prospectus prepared pursuant to Regulation (EU) 1129/2017, relating to the UniCredit shares to be assigned to the shareholders of BPM who shall adhere to the Offer. On 7 March 2025, UniCredit announced that, having received approvals from all the relevant authorities, it acquired the entire share capital of Aion Bank SA/NV ("**Aion Bank**") and Vodeno Sp. z o.o. ("**Vodeno**" and, together with Aion Bank, the "**Companies**") for an aggregate consideration equal to Euro 376 million.

The closing of this transaction - first announced on 24 July 2024 - is perfectly aligned with the new acceleration phase of the UniCredit Unlocked strategy, enabling UniCredit to accelerate its organic growth, entering new markets, businesses and client segments. It also further demonstrates our M&A discipline, where we keep a laser focus on the incremental value we can create with investments that also enhance our ability to support clients and communities across Europe.

The transaction marks an acceleration of the bank's activity in the digital banking space, standing as one of the first moves by a bank to acquire full ownership of a new technology (without any dependencies from third-party providers), ensuring strong differentiation from pure technology providers, neobanks and incumbents undergoing digital transformation.

Through the combined capabilities of Aion Bank and Vodeno, UniCredit now has access to an innovative, scalable, and flexible cloud-based platform, based on API connectivity and with smart contract technology built in - all of which can be integrated with the processes and procedures of a fully-fledged bank. This is the foundation for a digital offering that combines the high-quality user experience of a neo-bank with the financial strength and regulatory oversight of a traditional player.

UniCredit will also benefit from unique advantages by accessing Vodeno's technology and talents. This means high flexibility in developing new products and integrate external solutions, an extremely low cost to serve - far below that of traditional banks - and improved time-to-market in developing and testing new solutions to further penetrate targeted clients' segments and to enter in new countries.

UniCredit's initial pilots consist, among others, of re-entering the Polish market, expanding in adjacent Western European countries, and offering Embedded Finance solutions. Beyond leveraging Aion Bank's ECB banking licence and established mobile-first offering for retail and SME clients, we can expand Aion Bank and Vodeno's existing Banking-as-a-Service (BaaS) offering across key European markets, including Germany and Poland. This would see the bank embed its services - ranging from account access and deposits to lending, payments and loyalty programs - directly into non-banking digital platforms, facilitating seamless customer experiences.

UniCredit plans to progressively invest up to €200m, with payback of under two years. UniCredit has the ambition to add 2.5 million clients, achieving a ROAC above 25% and a cost income ratio of 34% within three years, all leading to a meaningful impact on Group net profit - as presented with our 2024 year-end results.

- On 12 March 2025, UniCredit announced that, with reference to the voluntary public exchange offer launched pursuant to articles 102 et seq. of the TUF on all the ordinary shares of Banco BPM S.p.A., it has received from the Insurance Supervisory Authority (IVASS) the authorization to acquire - upon the positive outcome of the Offer - the indirect controlling stakes equal to 100% of the share capital of Banco BPM Vita S.p.A. and of Vera Vita S.p.A. and the indirect qualifying stakes equal to 35% of the share capital of Banco BPM Assicurazioni S.p.A. and of Vera Assicurazioni S.p.A..
- On 13 March 2025, UniCredit announced that, with reference to the voluntary public exchange offer (the '**Offer**') launched pursuant to articles 102 et seq. of the TUF on all the ordinary shares of Banco BPM S.p.A., UniCredit S.p.A. announces that today it has received from the European Central Bank the authorizations (i) to amend its bylaws by including a delegation to the Board of Directors to resolve on the share capital increase to serve the Offer and (ii) to classify the new shares to be issued within such capital increase as CET1. The decision of the European Central Bank is subject to the condition that the extraordinary shareholders' meeting of UniCredit S.p.A., called for March 27<sup>th</sup> 2025, approves the above mentioned amendment.
- On 14 March 2025, UniCredit announced that it has received ECB authorization to acquire a direct stake in Commerzbank of up to 29.9%. While the approval underscores UniCredit's financial strength and regulatory compliance, there are still many factors that will determine any further steps and their associated timeline.

However, several further approvals are still required before the c.18.5% shares held through derivatives can be converted into physical shares, including from the Germany Federal Cartel Office.

In addition, UniCredit is awaiting the opportunity to initiate a constructive dialogue with the new German government once formed.

UniCredit's focus remains on executing on the second phase of our UniCredit Unlocked strategy, which in today's increasingly volatile external environment will further positively differentiate its performance and distributions from those of the rest of the sector.

- On 20 March 2025, UniCredit announced, with reference to the voluntary public exchange offer launched pursuant to articles 102 et seq. of the TUF on all the ordinary shares of Banco BPM S.p.A., that it has received from the Central Bank of Ireland the non-objection letter to acquire the indirect controlling shareholding in BBPM LIFE DAC.
- On 27 March 2025, UniCredit S.p.A. ordinary and extraordinary shareholders' meeting was held in Milan and approved all the resolutions.
- On 28 March 2025, UniCredit announced that, with reference to the voluntary public exchange offer (the '**Offer**') launched pursuant to articles 102 et seq. of the TUF on all the ordinary shares of Banco BPM, it has received ECB and Bank of Italy permission to acquire - upon the positive outcome of the Offer - the direct control of Banco BPM S.p.A. and the indirect control and indirect qualified participation of banks, financial and asset management companies of Banco BPM Group and Anima Group<sup>4</sup>. The Supervisory Authority also granted the authorization for the acquisition of direct and indirect participations that, in aggregate, exceed ten per cent of the consolidated own funds of UniCredit Group.

The authorizations received represent the last step needed to enable Consob to finalize the approval process of the Offer document, submitted to it on December 13, 2024, expected next week.

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<sup>4</sup> The direct acquisition of a controlling interest in Banco BPM S.p.A., the indirect acquisition of a controlling interest in Banca Akros S.p.A., Banca Aletti S.p.A., Aletti Fiduciaria S.p.A., Banco BPM Invest SGR S.p.A.; and the indirect qualified participation in Agos Ducato S.p.A., Numia S.p.A., Etica SGR S.p.A., Anima SGR S.p.A., Anima Alternative SGR S.p.A., Kairos Partners SGR S.p.A., Castello SGR S.p.A., Alba Leasing S.p.A., Aosta Factor S.p.A. and in Vorvel SIM S.p.A.

Following the resolution of the EGM held on March 27th, the Board of UniCredit will be called on March 30th to exercise the capital increase delegation instrumental for the offer launched on Banco BPM S.p.A. on November 25th, 2024.

UniCredit will continue to assess with due care recent developments - in particular but not only with respect to BPM proceeding with its offer on Anima without the benefit of the Danish Compromise - in accordance with press release of March 27th, 2025. All conditions precedent of the Offer remain unchanged.

- On 30 March 2025, the Board of Directors of UniCredit S.p.A. ("**UniCredit**") has unanimously resolved, in execution of the delegation granted by the Extraordinary Shareholders' Meeting of 27 March 2025, the share capital increase against payment, in one or more tranches and in severable form, with the exclusion of the pre-emptive right pursuant to article 2441, paragraph 4, first sentence, of the Italian Civil Code, reserved to the voluntary public exchange offer launched by UniCredit on all the ordinary shares of Banco BPM S.p.A. ("**BPM**") pursuant to Articles 102 and 106, paragraph 4, of Legislative Decree no. 58/1998 (the "**Offer**").

In the context of the share capital increase resolution, the Board of Directors of UniCredit has also provided the information pursuant to article 2343-*quater*, paragraph 3, letters a), b), c) and e), of the Italian Civil Code.

In accordance with applicable law, the following documents will be made available tomorrow to the public at the Company's Registered Office, on the website of the authorised storage mechanism managed by Teleborsa S.r.l. ([www.emarketstorage.it/en](http://www.emarketstorage.it/en)) as well as on UniCredit website ([www.unicreditgroup.eu](http://www.unicreditgroup.eu)):

- the explanatory report of the Board of Directors prepared pursuant to article 2441, paragraph 6 of the Italian Civil Code, and article 70, paragraph 7, letter a) of Consob Regulation no. 11971/1999;
  - the fairness opinion of the audit firm, KPMG S.p.A., on the issue price (*parere sulla congruità del prezzo di emissione*) of the UniCredit shares to be offered as consideration in the context of the Offer, pursuant to article 2441, paragraph 6, of the Italian Civil Code, and article 158 of Legislative Decree no. 58/1998.
- On 31 March 2025, UniCredit announced that the minutes of the Board of Directors' of UniCredit held on 30 March 2025 have been registered with the Milan Monza Brianza Lodi Company Register within the terms provided by applicable law.
  - On 2 April 2025, UniCredit announced, with reference to the voluntary public exchange offer for maximum 1,515,182,126 ordinary shares of Banco BPM S.p.A. ("**BPM**"), which was communicated on 25 November 2024 and was the subject of a subsequent press release on 13 December 2024 concerning the filing of the offer document (the "**Offer Document**") with Consob (the "**Public Exchange Offer**"), that, on 1 April 2025 Consob approved, and on 2 April 2025, filed with Consob and published:
    - the Offer Document relating to the Public Exchange Offer; and
    - the registration document, the securities note and the summary note (together, the "**Prospectus**") concerning the offer to the public of the ordinary shares resulting from the increase in the share capital of UniCredit S.p.A. ("**UniCredit**") reserved to the Public Exchange Offer (the "**Share Capital Increase for the Offer**"), against payment and in a divisible form, without pre-emption rights pursuant to Article 2441, paragraph 4, of the Italian Civil Code, which was approved by the Board of Directors of UniCredit at its meeting of 30 March 2025 in execution of the powers granted to the Board at the extraordinary shareholders' meeting of UniCredit on 27 March 2025, pursuant to Article 2443 of the Italian Civil Code.

**Tender period:** the tender period, agreed with Borsa Italiana S.p.A. pursuant to Article 40, paragraph 2, of Consob Regulation 11971/1999, as subsequently amended and supplemented (the "**Issuers' Regulation**"), will start at 8:30 (Italian time) of 28 April 2025 and close at 17:30 (Italian time) of 23 June 2025 (first and last day included).

The 23 June 2025 will, therefore, be the closing date of the Public Exchange Offer, unless the tender period is extended in accordance with applicable regulations.

**Consideration:** For each BPM share tendered in the Public Exchange Offer, UniCredit will offer a consideration represented by no. 0.175 newly issued UniCredit ordinary shares, with no nominal value, enjoying regular dividend rights and having the same characteristics as the ordinary shares of UniCredit already in circulation at the time of issuance, subject to the adjustments described in the Offer Document (the "**Consideration**").

The Consideration will be paid at the **payment date**, that is on 1 July 2025 (unless the tender period is extended in accordance with applicable regulations).

The Offer Document and the Prospectus have been filed with Consob and are available for public consultation at:

- (i) the registered office of UniCredit, in Milan, Piazza Gae Aulenti, no. 3, Tower A;
- (ii) the registered office of the intermediaries appointed to coordinate the collection of acceptances, namely (a) as regards Equita SIM S.p.A., in Milan, via Filippo Turati, no. 9 and (b) as regards UniCredit Bank GmbH, Milan Branch, in Milan, Piazza Gae Aulenti, no. 4;
- (iii) the registered office of the intermediaries appointed to collect the tenders (UniCredit Bank GmbH, Succursale di Milano, Equita SIM S.p.A., BANCA MONTE DEI PASCHI DI SIENA S.p.A., BNP Paribas, Succursale Italia, BPER BANCA S.p.A., CASSA DI RISPARMIO DI BOLZANO S.p.A.);
- (iv) the UniCredit website [www.unicreditgroup.eu](http://www.unicreditgroup.eu); and
- (v) the website of global information agent, Sodali S.p.A., <https://transactions.sodali.com/>.

It is notified that BPM's announcement as per Article 103, paragraph 3, of Legislative Decree no. 58/98 and Article 39 of the Issuers' Regulation is not attached to the Offer Document. That announcement will be disclosed by BPM to the market in accordance with the terms and modalities established in Article 39 of the Issuers' Regulation.

It should also be noted that for requests and information relating to the Public Exchange Offer, the holders of BPM shares can use a dedicated email account ([ops.bancobpm@investor.sodali.com](mailto:ops.bancobpm@investor.sodali.com)) or the toll-free number 800 126 3411 provided by the global information agent (for persons calling from Italy; for those calling from outside Italy, mobile or from abroad, the number available is +39 06 85870096) and WhatsApp number: +39 340 4029760.

These channels will be active for the entire duration of the Tender Period, on weekdays, from 9:00 a.m. (Central European Time) to 6:00 p.m. (Central European Time). The global information agent's reference website is [transactions.sodali.com](http://transactions.sodali.com).

The tender period referred to in this press release has not yet started and, therefore, this press release is published for information purposes only and does not constitute an offer to buy, or a solicitation to sell, securities.

#### **4.1.1. The legal and commercial name of the Issuer**

The legal and commercial name of the Issuer is "UniCredit, società per azioni", in short "UniCredit S.p.A.".

#### **4.1.2 The place of registration of the Issuer, its registration number and legal entity identifier ('LEI')**

UniCredit is registered with the Company Register of Milano-Monza-Brianza-Lodi under registration number 00348170101. UniCredit is also registered with the National Register of Banks; it is the parent company of the UniCredit Group registered with the Register of Banking Groups held by the Bank of Italy pursuant to Article 64 of the Legislative Decree No. 385 of 1 September 1993 as amended (the **Italian Banking Act**) under number

02008.1; and it is a member of the National Interbank Deposit Guarantee Fund (*Fondo Interbancario di Tutela dei Depositi*) and of the National Compensation Fund (*Fondo Nazionale di Garanzia*).

The Legal Entity Identifier (LEI) is 549300TRUWO2CD2G5692.

#### **4.1.3 The date of incorporation and the length of life of the Issuer, except where the period is indefinite**

UniCredit is a joint-stock company established in Genoa, Italy, by way of a private deed dated 28 April 1870 with a duration until 31 December 2100.

#### **4.1.4 The domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the Issuer**

*UniCredit S.p.A. is a joint stock company established in Italy and operating under Italian law. The Registered and Head Offices of the Issuer are located in Milan, Italy, Piazza Gae Aulenti, 3 — Tower A. UniCredit's telephone number is +39 02 88 621, and UniCredit's website is [www.unicreditgroup.eu](http://www.unicreditgroup.eu). The information on the website of the Issuer does not form part of this Registration Document unless that information is incorporated by reference into this Registration Document.*

*UniCredit, in carrying out its activities, is subject to both the Italian provisions (e.g., to the provisions on anti-money laundering, transparency and fairness in customer relations, usury, consumer protection, labour law, safety at the workplace and privacy laws) and European provisions as well as to the supervision of various Authorities, each for their respective areas of competence. In particular, UniCredit is subject to the provisions contained in the Supervisory Regulations issued by the Bank of Italy and, as a significant bank, to the direct prudential supervision of the European Central Bank.*

#### **CRR, CRD, BRRD, SSM and SRMR**

The capital adequacy requirements applicable to banks are based on a set of agreements on banking regulations concerning capital risk, market risk, and operational risk, making up the global international standard known as the Basel Accord (the **Basel Accord**). This international standard was expanded and reviewed over time also in response to the 2008 financial crisis, reaching the current formulation known as Basel IV (**Basel IV**). The Basel standards have been implemented in the EU through: Directive (EU) 36/2013 of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the **CRD IV Directive**) and Regulation (EU) 575/2013 (the **CRR**, together with the CRD IV Directive, the **CRD IV Package**) subsequently updated by Regulation (EU) 676/2019 (the **CRR II**) and by Directive (EU) 878/2019 (the **CRD V** and, together with the CRR II, the **Banking Reform Package**) and, most recently, by Directive (EU) 1619/2024 (the **CRD VI**) and Regulation (EU) 1623/2024 (the **CRR III**).

In addition to the capital requirements, Directive (EU) 59/2014 and its following amendments (the **Bank Recovery and Resolution Directive** or **BRRD**) introduced, among other things, requirements for banks to maintain at all times a sufficient aggregate amount of own funds and eligible liabilities (the Minimum Requirement for Own Funds and Eligible Liabilities, **MREL**). From 1 January 2022, the Issuer has to comply on a consolidated basis with a binding target for MREL (including a subordinated component i.e., to be met with subordinated instruments) received from the Single Resolution Board (the **Single Resolution Board** or **SRB**) and the Bank of Italy, which became fully loaded from 1 January 2024.

The ECB SSM is required under Regulation (EU) 1024/2013 (the **SSM Regulation**, establishing the Single Supervisory Mechanism (**SSM**) – The First Pillar of the Banking Union) to carry out a Supervisory Review and Evaluation Process (**SREP**) at least on an annual basis. The key purpose of the SREP is to ensure that institutions have adequate arrangements as well as capital and liquidity to ensure sound management and coverage of the risks to which they are or might be exposed, including those revealed by stress testing, as well as risks the institution may pose to the financial system. The outcome of the yearly SREP exercise in terms of quantitative requirements may encompass: (i) Pillar 2 capital requirement (the **P2R**), (ii) Pillar 2 Leverage Ratio requirement (the **P2R-LR**), (iii) liquidity coverage ratio (the **LCR**) and net stable funding ratio (the **NSFR**) additional requirements.



The Issuer is also subject to Regulation 2014/806/EU (**Single Resolution Mechanism Regulation** or **SRM Regulation** – the Second Pillar of the Banking Union) as amended by Regulation 2019/877/EU and published in the EU Official Journal on 7 June 2019 (the **SRMR II**) applicable from 28 December 2020 and setting out uniform rules and procedures for the resolution of credit institutions and certain investment firms under the Single Resolution Mechanism (the **SRM**) and the Single Resolution Fund (the **SRF**).

Based on the above-described legal framework, UniCredit is subject to the following requirements:

- Minimum own funds requirements composed as follows: (i) a CET1 Capital ratio of 4.5%; (ii) a tier 1 capital ratio of 6%; (iii) a total capital ratio of 8%; and (iv) a leverage ratio of 3%.
- Additional capital buffers (where applicable) which, together, form the Combined Buffer Requirement (the **CBR**):
  - Capital Conservation Buffer (**CCB**) of 2.5% of CET1,
  - institution-specific CounterCyclical Capital Buffer (**CCyB**),
  - capital buffers for Globally Systemically Important Institutions (**G-SIIs**),
  - capital buffers for Other Systemically Important Institutions (**O-SIIs**),
  - systemic risk buffer (**SyRB**),
- a Pillar 2 Requirement (**P2R**), a Pillar 2 Leverage Ratio Requirement (**P2R-LR**), and potential additional liquidity requirements stemming from the SREP assessment. These are institution specific, and defined annually by the ECB SSM as a result (among other things) of the yearly SREP
- liquidity requirements in terms of minimum (i) LCR and (ii) NSFR of liquidity,
- MREL and subordinated MREL requirements according to the annual definition made by the SRB.

#### *Regulatory and supervisory framework on non-performing exposures*

Among the measures adopted at European level to reduce non-performing exposures (**NPEs**) within adequate levels, the following legislative interventions are worth mentioning:

- Regulation (EU) 630/2019 amending the CRR as regards minimum loss coverage for non-performing exposures (the **Loss Coverage Regulation**): the Loss Coverage Regulation establishes, in the context of Pillar I, the prudential treatment of the non-performing exposures where the exposure was originated prior to 26 April 2019, requiring a deduction from own funds where NPEs are not sufficiently covered by provisions or other adjustments. The Loss Coverage Regulation's purpose is to encourage timely and proactive management of the NPEs. The prudential treatment is applicable to: (i) unsecured exposures from the third year after the classification as NPEs, (ii) exposures secured by immovable collateral and residential loans guaranteed by an eligible protection provider as defined in the CRR, from the ninth year after the classification as NPEs; and (iii) secured exposures, from the seventh year after the classification as NPEs. The Loss Coverage Regulation outlines the convergence process to its full application to secured and unsecured exposures classified as NPEs for less than 3/7/9 years.
- The proposed directive on credit servicers, credit purchasers and the recovery of collateral (COM/2018/0135) (**Proposed Directive**): aimed at achieving the development of secondary markets for NPLs in the EU's markets standardizing the regulatory regime for credit servicers and credit purchasers. The second part of the Proposed Directive aimed at better management of NPLs by increasing the efficiency of debt recovery procedures through the availability of a distinct common accelerated extrajudicial collateral enforcement procedure (so called AECE) is still put on hold.

- On 24 July 2020, as part of the so called capital markets recovery package, the European Commission presented amendments to review, *inter alia*, some regulatory constraints in order to facilitate the securitization of non-performing loans (*i.e.*, increasing the risk sensitivity for NPE securitizations by assigning different risk weights to senior tranche) in order to promote the economic recovery after the coronavirus (the **COVID-19**) crisis. The new measures - through Regulation (EU) 2021/557 amending the Securitization Regulation and Regulation (EU) 2021/558 amending the CRR - entered into force on 9 April 2021.
- In addition, the European Commission published in December 2020 a new action plan on tackling NPLs. More specifically, in order to prevent a renewed build-up of NPLs on banks' balance sheets, the Commission proposed a series of actions with four main goals: (i) further develop secondary markets for distressed assets (in particular call for finalization of a directive on credit servicers, credit purchasers and the recovery of collateral; establishing a data hub at European level; reviewing the EBA templates to be used during the disposal of NPLs); (ii) reform to the EU's corporate insolvency and debt recovery legislation; (iii) support for the establishment and cooperation of national asset management companies at EU level; (iv) introduction of precautionary public support measures, where needed, to ensure the continued funding of the real economy under the EU's Bank Recovery and Resolution Directive and State aid frameworks.

From a supervisory perspective, the ECB made the following interventions:

- Guidance to banks on non-performing loans (**NPLs**) published by ECB on 20 March 2017 (the **NPLs Guidance**). The NPLs Guidance contains recommendations and lays out the bank's approach, processes and objectives regarding the effective management of exposures. The NPL Guidance addresses all NPEs, as well as foreclosed assets, and also touches on performing exposures with an elevated risk of turning non-performing, such as "watch-list" exposures and performing forbore exposures. According to the guidance, the banks need to establish a strategy to optimize their management of NPLs based on a self-assessment of the internal capabilities to effectively manage NPLs; the external conditions and operating environment; and the impaired portfolios specifications.
- On 15 March 2018, the ECB published an addendum to the NPL Guidance (the **ECB Addendum**) which sets out supervisory expectations for the provisioning of exposures reclassified from performing to NPEs after 1 April 2018. In addition, the ECB's supervisory expectations for individual banks for the provisioning of the stock of NPLs (before 31 March 2018), was set out in its 2018 Supervisory Review and Evaluation Process (**SREP**) letters and the ECB will discuss any divergences from these prudential provisioning expectations with institutions as part of future SREP exercises.
- On 22 August 2019, the ECB decided to revise its supervisory expectations for prudential provisioning of new non-performing exposures. The decision was made after taking into account the adoption of the new EU regulation of that Banking Reform Package which makes further changes to the treatment for NPEs in accordance with the so-called pillar 1 rules, governing the calculation of RWAs for credit, market, and operational risks (**Pillar I**), in revisions contained in the CRR II.

### ***Italian legislative Framework***

Among the measures adopted at Italian level worth mentioning are the following:

In October 2023, the Council of Ministers approved the Law Decree No. 145 of 18 October 2023, converted into Law No. 191 of December 15, 2023, (**Fiscal Decree**) which contains urgent measures in economic and fiscal matters, in favour of local entities, to protect employment and for non-deferrable needs. The Decree reduces from 2,000,000 to 500,000 the minimum amount of the single bond included in portfolio (**Basket Bonds**, bonds issued by companies up to 499 employees), covered by SMEs guarantee Fund.

In October 2023, the Council of Ministers also approved Law No. 213 of 30 December 2023 (the **2024 Budget Law**), which was definitively approved by the Parliament in December 2023. The Budget Law 2024 includes several measures in favor of enterprises among which:

- the possibility for the Italian insurance-financial group (**SACE**) – until 31 December 2029 - to issue guarantees linked to investments in certain sectors of strategic interest. These guarantees:
  - can be issued in favor of entities identified as implementing partners within the so called InvestEU program or in favor of banks, national and international financial institutions;
  - can concern financing, in any form, including portfolios of financing, granted to companies with registered office in Italy (and to companies with registered office abroad with a permanent establishment in Italy) other than SMEs and companies in difficulty;
  - can be granted following a preliminary assessment by SACE carried out in line with the best practices of the banking and insurance sector;
  - are granted for a maximum of 25 years and a coverage percentage not exceeding 70 per cent. (60 per cent. if issued in relation to sureties, guarantees and other signature commitments, which companies are required to provide for the execution of public contracts and the disbursement of contractual advances; 50 per cent. in the case of subordinate exposures). For guarantees on loan portfolios, the maximum coverage percentage of each tranche - even with asymmetric percentages between tranches - is equal to 50 per cent. (100 per cent. if no more than 50 per cent. of each loan is included in the tranche, without prejudice to the fact that for the "junior" or "mezzanine" tranches the relative thickness cannot in any case exceed 15 per cent. of the overall amount of the portfolio and the maximum coverage percentage is equal to 50 per cent.).

In January 2024, the Council of Ministers approved the Law Decree No. 9 of February 2, 2024 (**DL “Ilva BIS”**) containing urgent measures to protect the related industries of large strategic companies - such as *Acciaierie d'Italia* - in extraordinary administration. The decree law - merged into the Law Decree No. 4 of January 18, 2024, converted into Law No. 28 of 15 March 2024 (**DL “Ex Ilva”**) – provides for a special FCG guarantee in favor of micro enterprises and SMEs that have difficulty in accessing credit due to the worsening of the debt position of large strategic companies, admitted to the extraordinary administration procedure. The guarantee is granted - until the closure of the extraordinary administration procedure - free of charge, with a coverage percentage of 80 per cent. in the case of direct guarantee (both for liquidity and investment needs) and 90 per cent. in the case of reinsurance. Companies in band 5 can also benefit from such guarantee. To access the guarantee, micro-enterprises and SMEs must have produced - in the last 5 financial years preceding the request - at least 35 per cent. of their turnover towards the company subjected to extraordinary administration procedure.

In October 2024, the Council of Ministers also approved Law No. 207 of 30 December 2024 (the **2025 Budget Law**), definitively approved by the Parliament in December 2024. The following are some of the measures included in the 2025 Budget Law:

- suspension of the deductions of allowances for write-downs, impairment losses and goodwill related to DTAs (deferred tax asset) for 2025 and 2026. For 2025 only the offset of Tax losses and ACE surpluses has been decreased to 54% (from ordinary measure of 80%) of the higher taxable income determined as a result of the DTAs deferral.
- shift of tax deductibility of share-based payments (Stock Option) to the moment the option is exercised, starting from 2025.
- extension of the SMEs Guarantee Fund’s regulations until 31 December 2025 under the following condition:
  - maximum guaranteed amount for single enterprise (both SMEs and mid-caps): 5 million
  - redefinition of coverage percentages for SMEs based on the operation purpose:
    - financing for liquidity needs: 50 per cent. guarantee for all businesses (except those in 5 risk band)
    - financing of investment needs: 80 per cent. guarantee for all risk bands (except those in 5 risk band)

- financing SMEs in the start-up phase: 80 per cent. guarantee for any need
- o free guarantee for micro-enterprises;
- o direct guarantee for mid-caps (companies up to 499 employees, considering association and connection with other companies) with different coverage percentages: 30 per cent. for liquidity and 40 per cent. for investments;
- o possibility for third sector entities to access to the SMEs guarantee Fund - provided they are registered in the so called “Single National Register of the Third Sector” - for financial operations of amounts not exceeding Euro 60,000 and without applying the evaluation model;
- introduction of an additional premium to be paid by banks to the SMEs guarantee Fund, in relation to the guarantees requested and obtained starting from 1 January 2025. A ministerial decree issued by Ministry of Enterprises and Made in Italy and Ministry of Economy and Finance will define the criteria to calculate the amount of the additional premium.

In December 2024 the Council of Ministers approved the Law Decree no. 202 of 27 December 2024 (DL Milleproroghe) introducing urgent measures regarding regulatory deadlines. The decree - converted into law no 15 of 21 February 2025 - includes a measure which postpones the payment date of the additional premium, owed by banks to the SMEs Guarantee Fund, to the date on which the MIMIT/MEF decree will come into force. Such decree - to be issued by June 30, 2025 - will define calculation method, thresholds and percentages on which the premium will be calculated.

### ***Sustainable Finance***

UniCredit is also subject to the more recent legislation applicable to banks aimed at supporting the development of sustainable finance.

In May 2018, the European Commission published a package of legislative measures aimed at promoting sustainable finance through the implementation of three main tools: i) a classification system, or “sustainable taxonomy”, ii) a disclosure framework relating to sustainable risks, and iii) benchmarks, standards and labels aiding the selection of sustainable investments.

The final text of Regulation (EU) 852/2020 (the **Taxonomy Regulation**) has been adopted by the European Parliament and Council and was subsequently published in the EU Official Journal in 2020. The Taxonomy Regulation is a classification system intended to address greenwashing and provide a tool to direct finance towards sustainable investments (the **Taxonomy**). The Taxonomy Regulation has been substantiated with additional regulatory instruments providing definitions and specific criteria (the so called technical screening criteria) to determine whether an economic activity can be classified as environmentally sustainable, hence “taxonomy-aligned”.

In addition, Regulation (EU) 1214/2022 (the **Taxonomy Complementary Delegated Act**) covering gas and nuclear related activities is also applicable from 1 January 2023.

In July 2021, the platform on sustainable finance (the **Platform**) published a consultation paper on “Taxonomy extension options linked to environmental objectives”; and a draft report on “Social Taxonomy”. The consultation paper asked feedback on the possibility to extend the EU Taxonomy to significantly harmful (**SH**) activities and no significant impact (**NSI**) activities and if this would fall within the overall framework of EU sustainable finance. The Platform’s final report was published on March 28, 2022. The Commission is expected to assess the two reports in due time and decide whether to put forward a legislative proposal on both a social and extended Taxonomy.

With regards to financial disclosure, Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the **Sustainable Finance Disclosure Regulation** or **SFDR**) was published on December 9, 2019. The SFDR lays down harmonized rules on transparency for financial market participants and financial advisers. The SFDR entered into force in March 2021, and the accompanying regulatory technical standards regarding ESG disclosure are applicable since January 2023 following their definition by the three European Supervisory Authorities (the **ESAs** – namely, the European Banking Authority (the **EBA**), the European Insurance and Occupational Pensions Authority (the **EIOPA**) and the European Securities and Markets Authority (the **ESMA**)).

Directive (EU) 2464/2022 (the **Corporate Sustainability Reporting Directive** or **CSRD**), was approved and published in the EU Official Journal in December 2022 and was transposed in Italy with the Legislative Decree 125/2024 in September 2024. The CSRD reviews the existing Non-Financial Reporting Directive (**NFRD**) to reinforce disclosure obligations through mandatory reporting standards while broadening the application scope. The CSRD provides for:

1. an extension of scope to all large companies, all listed companies (except listed micro enterprises), non- EU companies with branches or subsidiaries in the EU above certain thresholds);
2. the requirement to specify in greater detail the information that companies should report (e.g., information about their strategy, targets, the role of the board and management, principal adverse impacts of the undertaking);
3. the requirement to report against mandatory EU sustainability reporting standards;
4. the requirement for an EU-wide audit (assurance) for reported sustainability information, starting with limited assurance, later reasonable;
5. the requirement that all information is published as part of the firm's management report and is disclosed in a digital, machine-readable format;

The CSRD's new sustainability reporting obligations apply to financial years starting with 1 January 2024 (reporting in 2025), according to a three stages-timeline.

As to sustainable financial instruments, Regulation (EU) 2631/2023 (the **EU GB Regulation**) has been applicable since December 2024. The EU GB Regulation lays down the foundation for a common framework of rules regarding the use and designation of an EU Green Bond Standard (**EU GBS**) for bonds that pursue environmentally sustainable objectives within the meaning of Taxonomy Regulation. The EU GB Regulation is mainly aimed at issuers who wish to use the voluntary EU GBS. The EU GB Regulation entered into force in December 2023 and is applicable from 21 December 2024 with a transition period for certain requirements until 21 June 2026.

The EU GB Regulation also sets up a system for registering and supervising companies that act as external reviewers for green bonds aligned with this framework.

On 24 January 2022, the EBA published their final drafts on the implementing technical standards (**ITS**) on the so called pillar III disclosures of ESG risks in accordance with Article 449a of the CRR. In defining the ITS, the EBA took into consideration the sequential approach followed by the European Commission for the disclosure obligations requested by Article 8 of the Taxonomy and proposed the disclosure of a Green Asset Ratio (**GAR**) for the exposures related to the NFRD companies starting from 2024, while it introduced a transition period until June 2024 for the disclosure of the banking book taxonomy alignment ratio (**BTAR** - dedicated to exposures towards SMEs and non-EU counterparties) and for the banks' scope 3 emissions. On 17 October 2022, the EBA accepted the European Commission's proposed changes on how BTAR should be disclosed by financial institutions to emphasize that: i) credit institutions may choose to disclose the information regarding their exposures towards SMEs and non-EU counterparties instead of being required to report on a "best effort basis" and ii) that the collection of the information from the counterparties will be on a "voluntary basis" including that banks need to inform their counterparties about the voluntary nature of this request of information. The final standards were adopted by EC and are applicable since January 2023.

Finally, the EBA's report published in October 2023 on the role of environmental and social risks in the prudential framework of credit institutions and investment firms is also relevant to the activities of UniCredit. Taking a risk-based approach, the report recommends targeted enhancements to accelerate the integration of environmental and social risks across Pillar I. In particular, the EBA proposed to: (i) include environmental risk as part of stress testing programs under both the internal ratings-based (**IRB**) and the internal model approaches (**IMA**) under the Fundamental Review of the Trading Book (as defined below); (ii) encourage inclusion of environmental and social factors as part of external assessment by the credit rating agencies; (iii) encourage the inclusion of environmental and social factors as part of the due diligence requirements and evaluation of immovable property collateral; (iv) require institutions to identify whether environmental and social factors constitute triggers of operational risk losses; and (v) progressively develop environment-related concentration risk metrics as part of supervisory reporting.

On 9 January 2025, the EBA published its final guidelines on the management of ESG risks as mandated in Article 76 and Article 87a of the CRD VI. The guidelines contain minimum standards and reference methodologies for the identification, measurement and monitoring of ESG risks and the content of the transition plans which banks have to prepare in order to monitor and address the financial risks stemming from ESG factors. These guidelines will apply from 11 January 2026, for large institutions, while smaller and non-complex institutions (SNCI) will be required to comply by 11 January 2027 at the latest.

### ***Digital Finance***

On 24 September 2020, the European Commission published a legislative package on digital finance (the **Digital Finance Package**) aimed mainly at supporting the EU digital transformation of finance while regulating its risks. Four broad priorities guide the EU's initiatives to promote digital transformation until 2024 with associated actions (legislative and non-legislative) that the Commission put forward.

- Removing fragmentation in the digital single market: in June 2021, the Commission launched a legislative proposal aimed at creating a European Digital Identity which will be available to all EU citizens, residents, and businesses in the EU. The proposal builds on the existing cross-border legal framework for trusted digital identities, such as the European electronic identification and trust services initiative (**eIDAS Regulation**), adopted in 2014, and providing the basis for cross-border electronic identification, authentication and website certification within the EU. Thanks to the new digital identity wallet, users will be able to authenticate digitally when logging into both public and private online services across the EU, or authorize online transactions, in particular where strong user authentication is required. Examples of these could be accessing a bank account, initiating a payment or applying for a loan. Banks will be obliged to allow users to use the digital identity for these purposes. The regulation entered into force in May 2024 and will be fully implemented by 2026.
- Adapting the EU regulatory framework to facilitate digital innovation: in May 2023, the Regulation on markets in crypto-assets (the **MiCAR**) was published in the EU Official Journal. MiCAR entered into force on 29 June 2023 and has been applicable since December 2024. The main scope of the MiCAR is to ensure clarity and legal certainty for issuers and providers of crypto assets that are not currently covered by current EU legislation, with safeguards also including capital requirements. Issuers of significant asset-reference token and e-money token (the so-called global “stablecoins”) will be subject to stricter requirements (e.g., in terms of capital, investor rights and supervision). The Commission also proposed new legislation on a pilot regime for market infrastructures based on distributed ledger technology (**DLT**) (the **DLT Regulation**), which allows temporary derogations from existing rules for market infrastructures interested in trading and settling transactions in financial instruments in crypto-asset form. The DLT Regulation entered into force in June 2022, with most of its provisions now applicable since March 23, 2023. The DLT Regulation has been fully transposed into Italian law by Law Decree No. 25 of 17 March 2023, converted into Law No. 52 of 10 May 2023, which also sets forth provisions aimed at allowing the issuance and transfer of financial instruments in a digital form. In March 2024, the EU Parliament approved Regulation (EU) 2024/1689 (the **AI Act**) aimed both at promoting the development but also at managing the potential risks of artificial intelligence (**AI**). The AI Act will create a comprehensive, harmonized, regulatory framework for AI across the EU, but will also impact use and development of AI systems globally, including within the financial services sector. The AI Act introduces a strict regime and mandatory requirements for “high risk” AI systems, such as those used to evaluate the creditworthiness of natural persons. Some of the AI Act’s provisions have been applicable since 2 August 2024 while others are becoming applicable gradually (such as provisions concerning prohibited systems, applicable from February 2025). The AI Act is then expected to enter into force in its entirety from 2 August 2026.
- In October 2022, the European Commission adopted a legislative proposal to make instant payments in euro available to all citizens and businesses holding a bank account in the EU and in EEA countries. The proposal would oblige all credit institutions to offer (and receive) instant payments to all their customers through all channels (digital and traditional), already offered for SEPA Credit Transfer (**SCT**). Moreover, the price of an instant payment transaction should be aligned to the one of a regular credit transfer. All Payment Service Providers (**PSPs**) offering the service of sending euro IPs (**Instant Payments**) are required to check that the payee’s IBAN matches the payee’s name and must notify the customer of any detected discrepancy. EU Council and Parliament have adopted their respective revisions to the Commission text. The final text was

published in the EU Official Journal on 13 March 2024 and entered into force on 8 April 2024, 20 days following the publication. Application is foreseen after several months, (starting from 9 months from the entry into force) depending on the single provision.

- Promoting data-driven innovation in finance: in coordination with the second payment services directive's (PSD2) review and building on initiatives in the data strategy (including data governance, the **Data Act** and the **Digital Markets Act** as well the **Digital Services Act**), on 28 June 2023, the European Commission published a legislative proposal for a broader open finance framework (**FIDA**). The proposal aims at establishing clear rights and obligations to manage customer data sharing in the financial sector beyond payment accounts: mortgages, loans, savings, investment, insurance and pensions. The legislative proposal foresees clear obligations for financial institutions (data holders) upon a request from customer to make their data available to customer without delay, free of charge and in real-time. Additionally, banks have an obligation to make the customer data available also to other data users in a standardized way and subject to a compensation regime. The legislative process is ongoing. At the end of 2024, the co-legislators finalized their respective positions and the trilogues are expected to start in February 2025 with the aim of reaching a final agreement on the legal text by end of 2025.
- Addressing the challenges and risks associated with digital transformation: in September 2020, the Commission proposed the Digital Operational Resilience Act (**DORA**) to prevent and mitigate cyber threats and enhance oversight of outsourced services. The legislation requires all interested firms to ensure that they can withstand all types of information and communication technology (**ICT**) related disruptions and threats and introduces an oversight framework for ICT providers, such as cloud computing service providers. The DORA entered into force in January 2023 and has become fully applicable in January 2025.

In addition to the legislative initiatives included in the Digital Finance package, it is worth mentioning another initiative with very important implications for the financial sector: the increasingly probable introduction of a digital euro. On 18 October 2023, the Governing Council of the ECB (the **Governing Council**) decided to move forward to the preparation phase of the project. This decision follows the completion of the investigation phase launched by the eurosystem in October 2021 to explore possible design and distribution models for digital euro.

The preparation phase started in November 2023 and will initially last two years. It will involve *inter alia* finalizing the digital euro rulebook and selecting providers that could develop a digital euro platform and infrastructure. The Governing Council has nonetheless clarified that the launch of the preparation phase is not yet a decision on whether to issue a digital euro. That decision will only be considered by the Governing Council once the European Union's legislative process on the establishment of this currency, launched in June 2023, has been completed.

#### ***Other recent securities markets related regulations***

In November 2021, the Commission presented its official proposal for a Markets and Financial Instruments Regulation (**MiFIR**) review as part of a Capital Market Package including other legislative proposals (*i.e.*, the creation of the European Single Access Point (**ESAP**) – see above – and a review of the European Long-Term Investment Funds (**ELTIFs Regulation**). Regulation (EU) 2023/606 (the so-called **ELTIFs II Regulation**), specifically aimed at amending the ELTIFs Regulation as to the requirements pertaining to investment policies and operating conditions of ELTIFs, the scope of eligible investment assets, the portfolio composition, the diversification requirements and the borrowing of cash and other fund rules, was published in the EU Official Journal on 20 March 2023. The ELTIFs II Regulation entered into force on 9 April 2023, with most of its provisions that will apply from 10 January 2024. The EC MiFIR review aims at improving transparency and making the EU market infrastructure more competitive. The review is mainly focused on the establishment of an EU Consolidated Tape (**CT**) – a centralized database meant to provide a comprehensive view of market data - namely prices and volumes of traded securities across trading venues in the EU. The new rules amending the MiFIR entered into force on March 28, 2024, while certain elements of the regulation phasing in over the coming years.

In May 2023, the European Commission published its Retail Investment Strategy (**RIS**) legislative package with the aim of ensuring that the legal framework for retail investments sufficiently empowers consumers, encourages improved and fairer market outcomes and ultimately creates the necessary conditions to grow retail investor participation in capital markets. The above mentioned package consists of: (i) an Omnibus Directive amending the Directive on markets in financial instruments (**MiFID II**), Directive on insurance distribution (**IDD**), Solvency II Directive, Directive on Undertakings for collective investment in transferable securities

(UCITS), Directive on Alternative Investment Fund Managers (**AIFMD**); (ii) a Regulation amending the so called **PRIIPs Regulation** (Regulation on key information documents for packaged retail and insurance-based investment products). In particular the package: (i) introduces a partial ban on inducements paid from manufacturers to distributors in relation to the reception and transmission of orders, or the execution of orders to or on behalf of retail clients (where no advice relationship exists between the investment firm and the client); (ii) introduces a Value for Money (**VfM**) approach amending product oversight and governance rules to ensure that undue costs are not charged and that products deliver VfM to retail investors, with specific comparability tools (benchmarks); (iii) obliges firms, to act in accordance with the best interest of their clients and customers, by introducing a new test; (iv) introduces revisions to the suitability and appropriateness assessment (v) foresees the standardization of information on costs and charges, with a greater degree of detail. The legislative process is ongoing. As both the EU Council and Parliament finalized their own position within the first half of 2024, reviewing several parts of the proposal, the negotiations aimed at reaching an agreement on a final legislative text are expected to take place over 2025. The entry into force of the new package is not expected before end of 2026.

On December 7, 2022, the Commission published its proposal to further review the European Market Infrastructure Regulation (also known as **EMIR 3.0**) with the aim of reducing reliance from UK clearing houses and fostering EU clearing attractiveness. The key part of the proposal is the introduction of the obligation for counterparties subject to the clearing obligation to hold an active account at an EU central counterparty (**CCP**), and clear with an EU CCP a portion of their trades of derivatives products considered of systemic importance to the EU or to one or more of its Member States (interest rate derivatives denominated in euro and Polish zloty, credit default swaps (**CDS**) denominated in euro and short-term interest Rate derivatives (**STIR**) denominated in euro). EMIR 3.0 reform entered into force in December 2024. Scoped-in financial counterparties must open an Active Account at an EU CCP by June 2025 and clear a number of trades that are representative of their trades of derivatives products considered of systemic importance to the EU.

#### **4.1.5 Details of any recent events particular to the Issuer and which are to a material extent relevant to an evaluation of the issuer’s solvency**

There are no recent events particular to the Issuer which are to a material extent relevant to an evaluation of the Issuer’s solvency.

#### **4.1.6 Credit ratings**

As at the date of this Registration Document, UniCredit has been rated as follow:

<b>Rating Agencies</b>	<b>Short Term Counterparty Credit Rating</b>	<b>Long Term Counterparty Credit Rating</b>	<b>Outlook</b>	<b>Last update</b>
Fitch	F2 <sup>(1)</sup>	BBB+ <sup>(2)</sup>	positive <sup>(3)</sup>	2 December 2024
S&P	A-2 <sup>(4)</sup>	BBB <sup>(5)</sup>	stable <sup>(6)</sup>	25 October 2023
Moody's	P-2 <sup>(7)</sup>	Baa1 <sup>(8)</sup>	stable <sup>(9)</sup>	27 November 2024

##### Fitch Ratings

- (1) F2: indicates a good capacity for timely payment of financial commitments relative to other issuers or obligations in the same country or monetary union. However, the margin of safety is not as great as in the case of the higher ratings (**Source: Fitch**).
- (2) BBB: indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity (**Source: Fitch**).



**Note:** A "+" or "-" may be appended to a rating to denote relative status within a major rating category. Such suffixes are not added to the AAA rating category, to categories below CCC, or to Short-Term Credit Ratings other than F1 (**Source: Fitch**).

- (3) Outlooks indicate the direction a rating is likely to move over a one- to two-year period. They reflect financial or other trends that have not yet reached or been sustained the level that would cause a rating action, but which may do so if such trends continue. A Positive Rating Outlook indicates an upward trend on the rating scale. Conversely, a Negative Rating Outlook signals a negative trend on the rating scale. Positive or Negative Rating Outlooks do not imply that a rating change is inevitable, and similarly, ratings with Stable Outlooks can be raised or lowered without a prior revision to the Outlook. Occasionally, where the fundamental trend has strong, conflicting elements of both positive and negative, the Rating Outlook may be described as "Evolving" (**Source: Fitch**).

#### S&P

- (4) A-2: an obligor has satisfactory capacity to meet its financial commitments. However, it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in the highest rating category (**Source: S&P**).
- (5) BBB: an obligor has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments (**Source: S&P**).  
**Note:** ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories (**Source: S&P**).
- (6) Outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in economic and/or fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future CreditWatch action. A stable outlook is assigned when S&P believes that ratings is not likely to change (**Source: S&P**).

#### Moody's

- (7) P-2: issuers (or supporting institution) rated Prime-2 have a strong ability to repay short-term debt obligations (**Source: Moody's**).
- (8) Baa: obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess speculative characteristics (**Source: Moody's**).  
**Note:** Moody's appends numerical modifiers 1, 2 and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category (**Source: Moody's**).
- (9) Outlook is an opinion regarding the likely rating direction over the medium term. A stable outlook indicates a low likelihood of a rating change over the medium term (**Source: Moody's**).

During the validity of this Registration Document, the updated Issuer's ratings information which could occur, will be available from time to time on the Issuer's website, without prejudice to the obligations arising from Article 23 of the Prospectus Regulation in relation to the drafting of a supplement.

The rating agencies Fitch, S&P and Moody's are established in the European Economic Area, are registered in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended, and are included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at <https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation>.

### **4.1.7 Information on the material changes in the Issuer's borrowing and funding structure since the last financial year**

There is no evidence of any material change in the Issuer's borrowing and funding structure occurred from the last financial year (ended on 31 December 2024) up to this Registration Document Date.

### **4.1.8 Description of the expected financing of the Issuer's activities**

As at 31 December 2024, the loans to deposits ratio (LDR), a ratio between the customer loans and deposits, excluding the repo activity, is equal to 85 per cent. Such ratio slightly improves compared to 31 December 2023, equal to 86 per cent.

However the Group's liquidity is always well above the minimum regulatory requirements – liquidity coverage ratio (LCR) and Net Stable Funding Ratio (NSFR) – as provided by EU 2013/575 Regulation and EU/36/2013 Directive.

As at 31 December 2024, the liquidity buffer<sup>5</sup> is equal to Euro 162.6 billion (Euro 171.6 billion as at 31 December 2023).

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<sup>5</sup> Average of 12 months, consistently with Pillar 3 disclosure.

## Section V – Business Overview

To the extent specified in the table below, the following information is incorporated by reference in this section of the Registration Document.

<b>BUSINESS</b>		
<b>DOCUMENT</b>	<b>INFORMATION INCORPORATED</b>	<b>PAGE REFERENCE</b>
UniCredit 2025 Equity Registration Document:  <a href="https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf">https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf</a>	Paragraph "Overview"	Page 55
	Paragraph "Description of the Group's principal activities"	Pages 55-56
	Paragraph "Main markets and competitive positioning"	Page 56
	Paragraph "Significant changes impacting the operations and principal activities of the Issuer since the end of period covered by the latest audited and published financial statements"	Pages 57-58
	Paragraph "Investments"	Pages 58-61
	Paragraph "Material Agreements"	Page 61

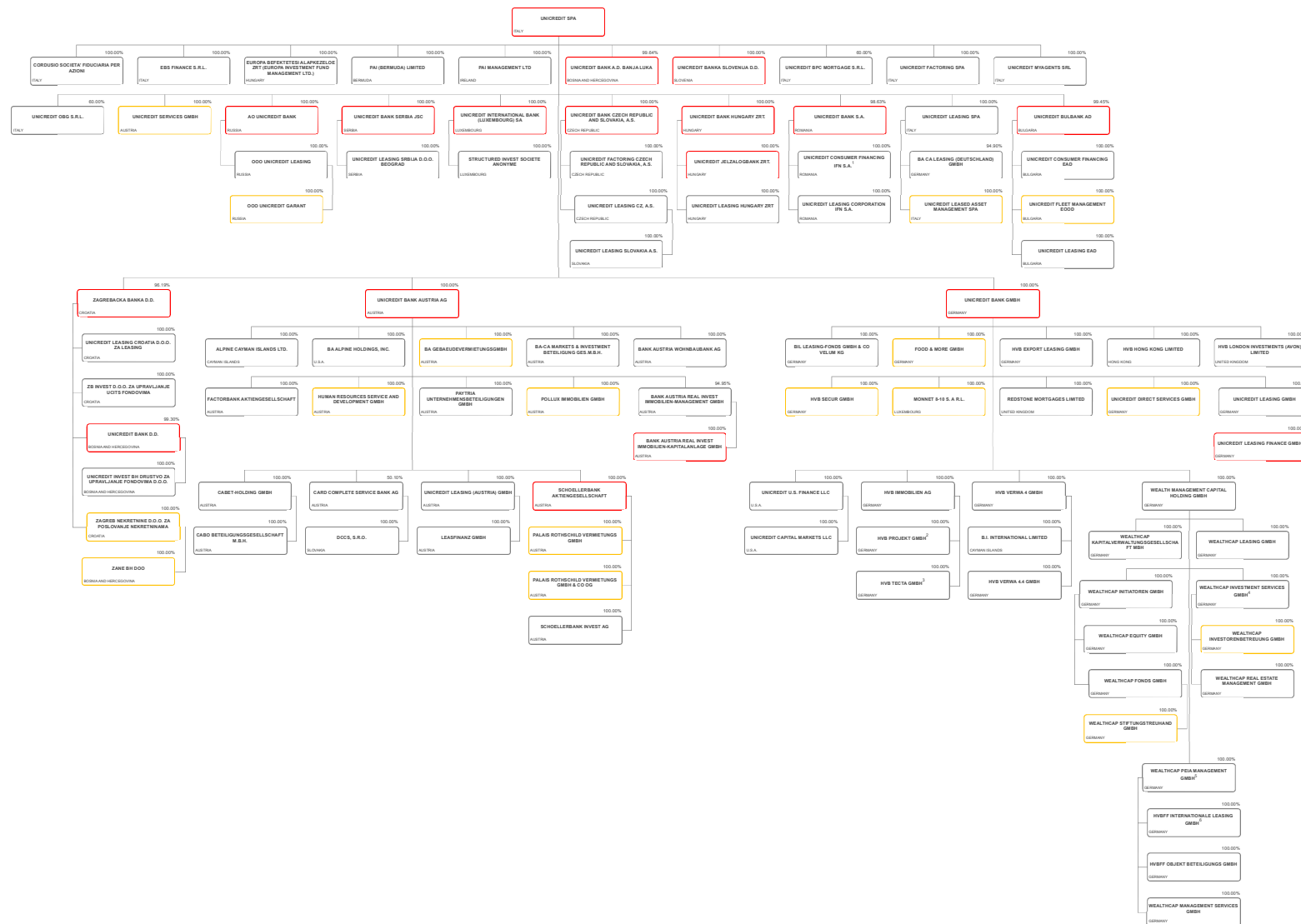
## Section VI – Organisational Structure

### **6.1 Brief description of the Group and the Issuer’s position within the group.**

UniCredit is the parent company of the UniCredit Group and, in addition to banking activities, it carries out organic policy, governance and control functions vis-à-vis its subsidiary banking, financial and instrumental companies.

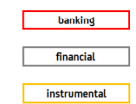
UniCredit, as a bank which undertakes management and co-ordination activities for the UniCredit Group, pursuant to Article 61 of the Italian Banking Act issues, when exercising the management and co-ordination activities, instructions to the other members of the banking group to ensure the compliance with the supervisory regulations, including the execution of the measures laid down by the Supervisory Authorities in the interest of the banking group's stability.

The following diagram illustrates the banking group companies as at 1 July 2024:



<sup>1</sup> 50.1% UNICREDIT BANK S.A. - 49.9 UNICREDIT SPA  
<sup>2</sup> 90% HVB IMMOBILIEN AG - 10% UNICREDIT BANK GMBH  
<sup>3</sup> 94% HVB IMMOBILIEN AG - 6% UNICREDIT BANK GMBH  
<sup>4</sup> 90% WEALTH MANAGEMENT CAPITAL HOLDING GMBH - 10% UNICREDIT BANK GMBH  
<sup>5</sup> 94% WEALTH MANAGEMENT CAPITAL HOLDING GMBH - 4% UNICREDIT BANK GMBH  
<sup>6</sup> 90% WEALTHCAP PEIA MANAGEMENT GMBH - 10% HVBFF OBJEKT BETEILIGUNGS GMBH

Companies belonging to the Banking Group



Note: % considering shares held directly and/or indirectly

## **6.2 Dependence upon other entities within the Group**

At the date of this Registration Document UniCredit is not dependent upon other entities within the Group and no individual or entity controls UniCredit within the meaning provided for in Article 93 of Legislative Decree No. 58 dated 24 February 1998, as amended (the **Financial Services Act**).

## Section VII – Trend Information

### **7.1 Material adverse change in the prospects of the Issuer and significant change in the financial performance of the Group**

There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements as at 31 December 2024.

There has been no significant change in the financial performance of the Group since 31 December 2024 to the date of this Supplement.

### **7.2 Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer’s prospects for at least the current financial year**

As at this Registration Document Date, the Issuer is not aware of any known trends, uncertainties, demands, commitments or facts that could reasonably have significant repercussions on the prospects of the Issuer or the Group at least for the current financial year.

## Section VIII – Profit forecasts or estimates

To the extent specified in the table below, the following information is incorporated by reference in this section of the Registration Document.

<b>FORECAST DATA AND ESTIMATES</b>		
<b>DOCUMENT</b>	<b>INFORMATION INCORPORATED</b>	<b>PAGE REFERENCE</b>
UniCredit 2025 Equity Registration Document:  <a href="https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf">https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf</a>	General introduction and paragraph "UniCredit 2024 Group Results Presentation and Group financial ambition for 2025-2027"	Page 74-80
	Paragraph "The BPM Guidance and strategic plan update"	Pages 80-83
	Paragraph "Acquisition through the Public Exchange Offer of BPM and potentially of Anima"	Pages 83-87
	Paragraph "Information on BPM and Anima"	Pages 87-88

## Section IX – Administrative, management, and supervisory bodies

### 9.1 Names, business addresses and functions of the members of the Board of Directors and Audit Committee and an indication of the principal activities performed by them outside of the Issuer where these are significant with respect to the Issuer

Since its incorporation, UniCredit had adopted the traditional governance model, which is the default option envisaged by Italian law for companies.

Following the adoption of the one-tier management and control system resolved by the Shareholders' Meeting held on 27 October 2023, in lieu of the traditional model, starting from 12 April 2024 UniCredit is managed by a Board of Directors which has sole responsibility for strategic supervision and management of the Issuer. In compliance with the applicable provisions, within the Board of Directors, an audit committee has also been established (the Audit **Committee**) performing control functions. Both the members of the Board of Directors and of the Audit Committee are appointed by the Shareholders' Meeting at a general meeting.

The board of directors (the **Board** or the **Board of Directors**) is composed of between a minimum of 9 and a maximum of 19 members. Under the UniCredit's By-laws at least three members, and no more than five, compose the Audit Committee. The Directors, and among them the members of the Audit Committee, are elected by UniCredit shareholders at a general meeting for a three financial year term, unless a shorter term is established upon their appointment, and Directors may be re-elected.

The Board of Directors currently in office was appointed by the UniCredit Ordinary Shareholders' Meeting on 12 April 2024 for a term of three financial years, as integrated on March 27, 2025, and is composed of 15 members, of whom 4 members compose the Audit Committee.

The term in office of the current members of the Board of Directors and of the Audit Committee will expire on the date of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2026. The members of the Board of Directors, including the Audit Committee members, have been appointed on the basis of a proportional representation mechanism ("voto di lista") and in compliance with the provisions on gender balance.

The following table sets forth the members of UniCredit's Board of Directors and of the Audit Committee as at the date of this Registration Document, having regard also to the changes occurred in the composition of the Board after the abovementioned ordinary Shareholders' Meeting.

<b>Name</b>	<b>Position</b>
Pietro Carlo Padoan <sup>1</sup>	Chair
Elena Carletti <sup>1</sup>	Deputy Vice Chair
Andrea Orcel	Chief Executive Officer*
Paola Bergamaschi <sup>1</sup>	Director
Paola Camagni <sup>2,3</sup>	Director and member of the Audit Committee
Vincenzo Cariello <sup>1</sup>	Director
António Domingues <sup>1</sup>	Director
Julie Birgitte Galbo <sup>2</sup>	Director and member of the Audit Committee
Jeffrey Alan Hedberg <sup>1</sup>	Director



Doris Honold <sup>1</sup>	Director
Beatriz Ángela Lara Bartolomé <sup>1</sup>	Director
Maria Pierdicchi <sup>1</sup>	Director
Marco Rigotti <sup>2-3</sup>	Director and Chair of the Audit Committee
Francesca Tondi <sup>1</sup>	Director
Gabriele Villa <sup>2-3</sup>	Director and member of the Audit Committee

Notes:

- (1) Meets the independence requirements pursuant to Section 148 of the Consolidated Financial Act and the Italian Civil Code, Section 13 of the Treasury Decree no. 169 dated 23 November 2020 and Section 2, recommendation 7, of the Italian Corporate Governance Code. The assessment of the regulatory requirements of Director Ms. Honold will be carried out by the UniCredit Board of Directors at a next meeting to be held within the deadlines set forth by the applicable provisions.
- (2) Meets the independence requirements pursuant to Section 148 of the Consolidated Financial Act and the Italian Civil Code, Section 14 of the Treasury Decree no. 169 dated 23 November 2020 and Section 2, recommendations 7 and 9, of the Italian Corporate Governance Code.
- (3) Is enrolled with the Register of Chartered Accounting Auditors of the Italian Ministry of Economy and Finance.

\* Also elected as General Manager by the Board of Directors on 12 April 2024.

The information on the Board of Directors, including the members of the Audit Committee, and its updates are available on the UniCredit website without prejudice to the obligations arising from Article 23 of the Prospectus Regulation in relation to the drafting of a supplement.

The business address for each of the foregoing Directors and members of the Audit Committee is in Milan, 20154, Piazza Gae Aulenti 3, Tower A.

Other principal activities performed by the members of the Board of Directors and of the Audit Committee which are significant with respect to UniCredit are listed below:

***Pietro Carlo Padoan***

- Member of the Board of Directors and of the Executive Committee of ABI – Italian Banking Association
- Chair of the Capital Markets Union technical Committee of ABI – Italian Banking Association
- Member of the Institut International d'Etudes Bancaires
- Chair of the High Level Group on Financing Sustainability Transition
- Vice Chair and member of the European Financial Roundtable (EFR)
- Member of the European Banking Group (EBG)
- Member of the Executive Committee of FeBAF (Italian Banking, Insurance and Finance Federation)
- Member of the Executive Committee of Assonime
- Chair of the Committee of Market Operators and Investors (COMI)

- Member of the Governing Council of the School for Economic and Social Politics (AISES)
- Non Resident Fellow, Institute for European Policymaking (Bocconi University)
- Member of the “Comitato Scientifico Osservatorio Banca Impresa 2030”
- Member of the Board of “Istituto Luigi Einaudi per gli Studi bancari, finanziari e assicurativi”
- Member of the Corporate Governance Committee of Borsa Italiana
- Member of the Board of the Institute of International Finance (IIF)
- Member of the FEPs High-Level Group on the New Global Deal
- Member of the Consiglio Generale of AIFI (Associazione Italiana del Private Equity, Venture Capital e Private Debt)
- Vice Chair of IAI – Istituto Affari Internazionali
- Member of the Scientific Council of LUISS Institute for European Analysis and Policy (LEAP)
- Senior Scientific Advisor of Master LUISS Energy and Sustainability
- Honorary Board Member of Scope Foundation
- Member of the Advisory Committee for EMU Lab at European University Institute
- Distinguished Fellow of the Centre for International Governance Innovation (CIGI)

***Andrea Orcel***

- Non-executive Director of EIS Group Ltd
- Chair of the Supervisory Board of UniCredit Bank GmbH
- Chair of the UniCredit Foundation (ex Unidea)

***Elena Carletti***

- Full Professor of Finance, Bocconi University, Department of Finance
- Director of the “Banking, Finance and Regulation” Unit, Baffi Center for Applied Research – Bocconi University
- Dean for Research – Bocconi University
- Director of Center for European Policy & Research (CEPR) and of the Research Policy Network (RPN)
- Research Professor, Bundesbank
- Scientific Advisor, European University Institute, Florence School of Banking and Finance (FBF)
- Member of Expert Panel on banking supervision, European Parliament
- Chair of the Scientific Committee, Bruegel

***Paola Bergamaschi***

- Member of the Board of Directors and of the Risk and Audit Committees of AIG Inc.
- Member of the Advisory Board of Quantexa Ltd

***Paola Camagni***

- Founder and Managing Partner of “Camagni STP” tax firm
- Independent member of the Board of Directors, Chair of the Related Parties Committee and member of the Internal Control and Risks Committee of TIM (Telecom Italia) S.p.A.
- Independent member of the Board of Directors of FSI SGR S.p.A.
- Chair of the Board of Statutory Auditors of A.G.I. Agenzia Giornalistica Italia S.p.A.

***Vincenzo Cariello***

- Founding and Name Partner Studio Legale Professor Cariello
- Member of the Board of Directors, Chair of Related Parties Committee, member of ESG and Rapporto con i Territori Committee of A2A S.p.A.
- Member of Collegio dei Docenti del Dottorato di Ricerca in Impresa, Lavoro, Società – Cattolica University

***António Domingues***

- Non-executive Director and member of the Remuneration Committee of Banco CTT
- Non-executive Director, Chair of Risk Committee and member of the Corporate Governance Committee of Haitong Investment Bank S.A.

***Julie Birgitte Galbo***

- Chair of the Board of Gro Capital
- Member of the Board of Directors, of the Audit and of the Risk & Compliance Committees of Commonwealth Bank of Australia
- Chair of the Board of Trifork AG
- Senior Advisory, EU AML/CFT Global Facility
- External lecturer at the Board Academy, Board Leadership Society, Copenhagen Business School

***Jeffrey Alan Hedberg***

None

***Doris Honold***

- Member of the Supervisory Board, Deputy Chair of the Supervisory Board, Chair of the Board Risk Committee and member of the Audit Committee of SEFE.
- Non-Executive Director and Presidente Board Audit e Risk Committee of Aion SA/NV.
- Non-Executive Director of Encompass.

- Non-Executive Director of Regional Voluntary Carbon Market Company in Saudi Arabia.
- Chair of Climate Bond Initiative.
- Board Member of the Integrity Council of Voluntary Carbon Market.

***Beatriz Ángela Lara Bartolomé***

- Member of the Board of Directors and of the Digital Transformation Advisory Board of FINCOMÚN S.A.
- Chair of the Board of Directors of Chapter Zero Spain, Universidad de Navarra
- Sole Director of AHAOW Moment S.L.
- Seed Investor & Strategy Advisor at ZELEROS Hyperloop
- Investor & Senior Advisor at OPINNO
- Investor & Strategy Advisor at Bound4Blue
- Mentor at EXSIM (Executive Simulation Lab), International MBA, IESE Business School and at Startup Lab, IMBA, IE Business School
- Member of the Sustainable Finance Council of Ministry of Economy, Commerce and Business of Government of Spain

***Maria Pierdicchi***

- Board Member of NED COMMUNITY
- Board Member of Aidexa Holding
- Board Member of Eccellenze d'Impresa S.r.l.
- Board Member of EcoDa (European Federation of Directors Institutes)

***Marco Rigotti***

- Chair of the Board of Directors of Alisarda S.p.A.

***Francesca Tondi***

None

***Gabriele Villa***

- Founder and Partner, Studio Corbella Villa Crostarosa Guicciardi
- Statutory Auditor of Edison S.p.A.
- Statutory Auditor of Italmobiliare S.p.A.
- Statutory Auditor of TdE – Transalpina di Energia S.p.A.
- Chair of the Board of Statutory Auditors of Fondazione Accademia Arti e Mestieri del Teatro della Scala.

### ***Doris Honold***

- Member of the Supervisory Board, Deputy Chair of the Supervisory Board, Chair of the Board Risk Committee and member of the Audit Committee of SEFE.
- Non-Executive Director and Presidente Board Audit e Risk Committee of Aion SA/NV.
- Non-Executive Director of Encompass.
- Non-Executive Director of Regional Voluntary Carbon Market Company in Saudi Arabia.
- Chair of Climate Bond Initiative.
- Board Member of the Integrity Council of Voluntary Carbon Market.

### **Audit Committee**

As described above, pursuant to the provisions of the UniCredit Articles of Association, on 12 April 2024 the Shareholder' Meeting of UniCredit appointed the Audit Committee (established within the Board), which is comprised as follows:

<b>Name</b>	<b>Position</b>
Marco Rigotti <sup>1-2</sup>	Director and Chair of the Audit Committee
Paola Camagni <sup>1-2</sup>	Director and member of the Audit Committee
Julie Birgitte Galbo <sup>1</sup>	Director and member of the Audit Committee
Gabriele Villa <sup>1-2</sup>	Director and member of the Audit Committee

Notes:

<sup>(1)</sup> Meets the independence requirements pursuant to Section 148 of the Consolidated Financial Act and the Italian Civil Code, Section 14 of the Treasury Decree no. 169 dated 23 November 2020 and Section 2, recommendations 7 and 9, of the Italian Corporate Governance Code.

<sup>(2)</sup> Is enrolled with the Register of Chartered Accounting Auditors of the Italian Ministry of Economy and Finance.

## **9.2 Conflicts of Interest**

As at the date of this Registration Document, and to the best of UniCredit knowledge, with regard to the members of the UniCredit Board of Directors and Audit Committee there are no conflicts of interest between any duties to the Issuer, arising from the office or position held within UniCredit, and their private interests and/or other duties. In UniCredit any conflict of interest is managed in accordance with the applicable procedures and in strict compliance with existing laws and regulations.

## Section X – Major Shareholders

### 10.1 Information related to the shareholder structure of the Issuer

No individual or entity controls UniCredit within the meaning provided for in Article 93 of the Consolidated Financial Act.

As of the Registration Document Date, the major shareholders who have disclosed that they hold, directly or indirectly, a relevant participation in UniCredit, pursuant to Article 120 of the Consolidated Financial Act, were:

<b>Major shareholders</b>	<b>Ordinary shares</b>	<b>% of share capital</b>	<b>% of voting rights</b>
BlackRock Inc.	114,907,383	5.120	5.120
Capital Research and Management Company	80,421,723	5.163	5.163
FMR LLC	48,134,003	3.102	3.102

The table shows the information notified by the shareholders pursuant to section 120 of the Consolidated Financial Act as of the Registration Document Date.

It should be noted that, in the cases provided for by the Issuers' Regulations, management companies and qualified entities that have acquired, as part of their management activities, shareholdings less than 5% are not required to make disclosures.

The updated information concerning the major shareholders will be available from time to time on the Issuer's website without prejudice to the obligations arising from Article 23 of the Prospectus Regulation in relation to the drafting of a supplement.

### 10.2 A description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer

As at the date of this Registration Document, as far as the Issuer is aware, there are no arrangements the operation of which, at a subsequent date, could result in a change in control of the Issuer.

## Section XI – Financial Information concerning the Issuer’s assets and liabilities, financial position and profits and losses

### 11.1 Historical financial information

11.1.1 The Issuer’s financial information is included in the financial statements incorporated by reference – pursuant to article 19 of the Prospectus Regulation – in this Registration Document related to the consolidated and non-consolidated annual financial statements for the financial year ended on 31 December 2023 and 31 December 2022. The consolidated annual financial statements of the UniCredit Group and the non consolidated annual financial statements of the Issuer for the financial year ended on 31 December 2023 are available to the public on the Issuer’s website at the following link: [unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/financial-reports/2023/4Q23/2023-Annual-Reports-and-Accounts.pdf](https://unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/financial-reports/2023/4Q23/2023-Annual-Reports-and-Accounts.pdf) , and the consolidated annual financial statements of the UniCredit Group and the non consolidated annual financial statements of the Issuer for the financial year ended on 31 December 2022 are available to the public on the Issuer’s website at the following link: <https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/financial-reports/2022/4Q22/2022-Annual-Reports-and-Accounts.pdf>.

The audited annual financial statements ended on 31 December 2023 have been approved by the ordinary shareholders’ meeting on 12 April 2024.

Details in relation to the consolidated annual financial statements of the UniCredit Group and to the non consolidated annual financial statements of the Issuer ended on 31 December 2023 and 31 December 2022 are provided below.

<b>Document</b>	<b>Information incorporated</b>	<b>Page numbers</b>
<b>2023 UniCredit Annual Report and Accounts</b>	<b>Consolidated Report and Accounts of UniCredit Group:</b>	
	Consolidated Report on Operations	145-185
	Consolidated Balance Sheet	205-206
	Consolidated Income Statement	207
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<b>Document</b>	<b>Information incorporated</b>	<b>Page numbers</b>
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The 4Q24 & FY24 Group Results as of 31 December 2024, as approved by the UniCredit Board of Directors on 10 February 2025, is incorporated by reference in this Registration Document and is available to the public on the Issuer's website at the following link: [https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/press-and-media/price-sensitive/2025/february/4Q24\\_UniCredit\\_PR\\_ENG.pdf](https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/press-and-media/price-sensitive/2025/february/4Q24_UniCredit_PR_ENG.pdf)

Details are provided below.

<b>Document</b>	<b>Information incorporated</b>	<b>Page numbers</b>
<b>Press Release “UniCredit: 4Q24 and FY24 Group Results” dated 10 February 2025</b>	UniCredit Group: Reclassified Income Statement	15
	UniCredit Group: Reclassified Balance Sheet	16
	Other UniCredit Group Tables (UniCredit Group: Sovereign Debt Securities – breakdown by country/portfolio; UniCredit Group: Weighted Duration; UniCredit Group: Ratings)	17 - 18
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The consolidated annual financial statements of the UniCredit Group and the non consolidated annual financial statements of the Issuer for the financial year ended on 31 December 2024 are available to the public on the Issuer's website at the following link: <https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/financial-reports/2024/4Q24/2024-Annual-Reports-and-Accounts.pdf>

The audited annual financial statements ended on 31 December 2024 have been approved by the ordinary shareholders' meeting on 27 March 2025.

Details in relation to the consolidated annual financial statements of the UniCredit Group and to the non consolidated annual financial statements of the Issuer ended on 31 December 2024 are provided below.

<b>Document</b>	<b>Information incorporated</b>	<b>Page numbers</b>
<b>2024 UniCredit Annual Report and Accounts</b>	<b>Consolidated Report and Accounts of UniCredit Group:</b>	
	Consolidated Report on Operations	103-329

<b>Document</b>	<b>Information incorporated</b>	<b>Page numbers</b>
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The Issuer confirms that the profit estimates contained in such financial information have been compiled and prepared on a basis which is both comparable with historical financial information of the Issuer and consistent with the Issuer's accounting policies.

#### **Pro-forma financial information**

To the extent specified in the table below, the following information is incorporated by reference in this section of the Registration Document.

PRO-FORMA FINANCIAL INFORMATION		
DOCUMENT	INFORMATION INCORPORATED	PAGE REFERENCE
UniCredit 2025 Equity Registration Document:  <a href="https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf">https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf</a>	Introduction, Summary description of the Public Exchange Offer and the BPM Offer and paragraph "Basis of preparation of the Pro-Forma Consolidated Condensed Financial Information"	Pages 126-130
	Paragraph "Pro-Forma Consolidated Condensed Financial Information at December 31, 2024"	Pages 130-134
	Paragraph "Explanatory notes to the preparation of the Pro-Forma Consolidated Condensed Financial Information"	Pages 134-135
	Paragraph "Pro-forma adjustments"	Pages 135-142

## 11.2 Interim and other financial information

11.2.1 The Issuer has published also the Consolidated First Half Financial Report as at 30 June 2023, which is incorporated by reference in this Registration Document and available to the public on the Issuer's website: <https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/financial-reports/2023/2Q23/Consolidated-First-Half-Financial-Report-as-at-30-June-2023.pdf> and the First Half Financial Report as at 30 June 2024, which is incorporated by reference in this Registration Document and available to the public on the Issuer's website: <https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/financial-reports/2024/2Q24/Consolidated-First-Half-Financial-Report-as-at-30-June-2024.pdf>.

Details are provided below.

Document	Information incorporated	Page numbers
<b>Consolidated First Half Financial Report as at 30 June 2024</b>	Consolidated Balance Sheet	59-60
	Consolidated Income Statement	61
	Consolidated Statement of Comprehensive Income	62
	Statement of changes in the Consolidated Shareholder's Equity	63-66
	Consolidated Cash Flow Statement	67-68
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<b>Document</b>	<b>Information incorporated</b>	<b>Page numbers</b>
<b>Consolidated First Half Financial Report as at 30 June 2023</b>	Consolidated Balance Sheet	59-60
	Consolidated Income Statement	61
	Consolidated Statement of Comprehensive Income	62
	Statement of changes in the Consolidated Shareholder's Equity	63-64
	Consolidated Cash Flow Statement	65-66
	Explanatory Notes	69-228
	Certification	231
	Report of External Auditors	233-234
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Issuer also publishes, on a voluntary basis, additional financial information, other than the annual and interim financial report. Such consolidated interim reports refer to 31 March and 30 September of each year, are approved by the Board of Directors of the Issuer but they are not audited by the external auditors.

The consolidated interim reports as at 30 September 2024 and as at 30 September 2023 are incorporated by reference in this Registration Document. The consolidated interim reports as at 30 September 2024 is available to the public on the Issuer's website: [https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/press-and-media/price-sensitive/2024/november/3Q24\\_UniCredit\\_PR\\_ENG.pdf](https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/press-and-media/price-sensitive/2024/november/3Q24_UniCredit_PR_ENG.pdf) and the consolidated interim reports as at 30 September 2023 is available to the public on the Issuer's website: [https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/press-and-media/price-sensitive/2023/3Q23\\_UniCredit\\_PR\\_ENG.pdf](https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/press-and-media/price-sensitive/2023/3Q23_UniCredit_PR_ENG.pdf).

Details are provided below.

<b>Document</b>	<b>Information incorporated</b>	<b>Page numbers</b>
<b>Unaudited Consolidated Interim Report as at 30 September 2024 – Press Release</b>	UniCredit Group: Reclassified Income Statement	13
	UniCredit Group: Reclassified Balance Sheet	14

Other UniCredit Group Tables (Ratings, Sovereign Debt Securities – Breakdown by Country/Portfolio, Weighted Duration)	15-17
Basis of Preparation	18-21
Declaration by the manager charged with preparing the financial reports	24
Significant events during and after 3Q24	12
Key recent events in 3Q24	3-4

<b>Document</b>	<b>Information incorporated</b>	<b>Page numbers</b>
<b>Unaudited Consolidated Interim Report as at 30 September 2023 – Press Release</b>	UniCredit Group: Reclassified Income Statement	14
	UniCredit Group: Reclassified Balance Sheet	15
	Other UniCredit Group Tables (Ratings, Sovereign Debt Securities – Breakdown by Country/Portfolio, Weighted Duration)	16-18
	Basis of Preparation	19-23
	Declaration by the manager charged with preparing the financial reports	26
	Significant events during and after 3Q23	13

For the avoidance of doubt, any parts of a document not included in the cross-reference lists of this Section 11 are not incorporated by reference into this Registration Document as these parts are either not relevant for the investor or covered elsewhere in this Registration Document.

Such parts of the documents which are explicitly listed above shall be deemed to be incorporated in, and form part of this Registration Document, save that any statement contained in such a document shall be deemed to be modified or superseded for the purpose of this Registration Document to the extent that a statement contained in this Registration Document modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Document.

This Registration Document and the documents incorporated by reference will be published on the website of the Luxembourg Stock Exchange, at <https://www.luxse.com/>. Furthermore, the Registration Document will be

published in the following webpage: <https://www.investimenti.unicredit.it/it/info/documentazione.html#>. Except for the copies of the documents incorporated by reference in the Registration Document available on the website of the Luxembourg Stock Exchange, at <https://www.luxse.com/>, and the Issuer website, <https://www.unicreditgroup.eu/en.html>, the content of any website referred to in this Registration Document does not form part of this Registration Document and the information on such websites has not been scrutinised or approved by the CSSF as competent authority under the Prospectus Regulation.

### **11.3 Auditing of historical annual financial information**

11.3.1 KPMG S.p.A. has audited and issued unqualified audit opinions – incorporated by reference in this Registration Document - on the consolidated financial statements of the UniCredit Group and on the financial statements of the Issuer for the year ended on 31 December 2022, 31 December 2023 and 31 December 2024.

11.3.2 Except for the financial information contained in the consolidated financial statements of the UniCredit Group and in the financial statements of the Issuer for the year ended on 31 December 2024, 31 December 2023 and 31 December 2022 and in the condensed interim consolidated financial statements ended on 30 June 2024 and 30 June 2023, no other financial information has been verified by the auditors.

### **11.4 Legal and arbitration proceedings**

As of the Registration Document Date, UniCredit and other UniCredit Group companies are named as defendants in several legal proceedings. In particular, as of December 31, 2024, UniCredit and other UniCredit Group companies were named as defendants in 34,805 legal proceedings, of which 5,676 involving UniCredit.

In many cases, there is substantial uncertainty regarding the outcome of the proceedings and the amount of possible losses. Where it is possible to estimate reliably the amount of possible losses and the loss is considered as more likely than not, provisions have been made in the financial statements to the extent UniCredit, or any of the Group companies involved, deemed appropriate based on the circumstances of the case and in compliance with the IAS.

In order to provide for possible liabilities and costs that may result from pending legal proceedings, as at December 31, 2024, the Group set aside a provision for risks and charges of Euro 969.04 million, of which Euro 261.9 million for UniCredit.

As at December 31, 2024, the total amount of claimed damages relating to legal and arbitration proceedings amounted to Euro 7.7 billion, of which Euro 4.6 billion for the proceedings involving UniCredit.

These figures are affected by both the heterogeneous nature of the pending proceedings and the number of involved jurisdictions in which UniCredit Group companies are named as defendants and their corresponding characteristics. The estimate of reasonably possible liabilities and the provisions are based upon the available information, however, given the many uncertainties inherent in legal proceedings, they involve significant elements of judgment.

In addition, UniCredit – in July 2024 - made an application to the General Court of European Union to obtain definitive legal clarification of the obligations set by the ECB requirements to further reduce the risks associated with UniCredit's activities in Russia, carried out by subsidiaries including UniCredit Bank Russia (“**AO Bank**”). As of the Registration Document Date, the proceedings are ongoing.

Set out below is a summary of information relating to matters involving the Group which are not considered groundless or in the ordinary course of the Group companies’ business. This section also describes pending proceedings against UniCredit and/or other UniCredit Group companies and/or employees (even former employees) that UniCredit considers relevant and which, at the Registration Document Date, are not characterized by a defined claim or for which the respective claim cannot be quantified.

#### ***Claims in relation to guarantee payments and sanctions***

In August 2023, UniCredit Bank GmbH (“**UCB**”) was sued as a defendant in a lawsuit pertaining to guarantee claims commenced by a Russian energy company before the Saint Petersburg Court in Russia. UCB had issued part of a guarantee package in favor of the Russian company on behalf of a German guaranteed client. The Russian company had drawn down the guarantees by making payment claims to UCB, which UCB could not

fulfil under the applicable EU sanctions. UCB sought and obtained an anti-suit injunction (a court order restraining a party to litigation proceedings from starting or pursuing proceedings in another jurisdiction) from the English courts (English ASI), which was granted by the English Court of Appeal on January 29, 2024, and upheld by the UK Supreme Court on April 23, 2024. Notwithstanding the English ASI, the Russian company continued the litigation in Russia, including by securing certain injunction measures against UCB and joining AO UniCredit Bank (a member of the UniCredit Group and a bank operating in Russia, AO Bank) as a co-defendant in the lawsuit.

On June 26, 2024, the Russian court fully satisfied the Russian company's claims. Both UCB and AO Bank have appealed against the ruling. On 19 February 2025 the appeal was rejected. UCB and AO Bank are entitled to a further appeal (cassation) within two months upon publication of the full decision, which does not affect the enforceability of the existing judgment.

In December 2024, the Russian company obtained an anti-suit injunction from the Russian court (Russian ASI) obliging UCB to refrain from any legal action against the Russian company in any jurisdiction and to take steps to annul the English ASI. In the event of violations of the Russian ASI, UCB could become liable to pay a court fine to the Russian company. In light of the injunction imposed by the Russian ASI, on February 11, 2025, UCB obtained a judgment from the English Court of Appeal amending its order of January 29, 2024, and setting aside the English ASI. UCB and AO Bank are entitled to a further appeal (in cassation).

#### ***Claims in relation to counter guarantees and sanctions***

In April 2024, UCB was named as a defendant in a lawsuit brought by AO Bank before a court in Moscow, Russia, in connection with guarantee claims. UCB issued counter-guarantees to AO Bank to a Russian company. When AO Bank made a payment under the guarantees to the Russian company, AO Bank demanded payment under the counter-guarantees from UCB, which UCB was unable to perform due to applicable EU sanctions. In October 2024, the Russian court ordered UCB to pay the guarantee amounts plus interest.

UCB has appealed against the ruling. In January 2025, the appeal was rejected. UCB has the right to file a further appeal (cassation) within two months of publication of the full decision, which will not affect the enforceability of the existing judgment.

#### **Lawsuits filed against UniCredit by members of the former *Cassa di Risparmio di Roma* Fund**

Lawsuits brought against UniCredit by members of the former *Cassa di Risparmio di Roma* Fund aimed to reconstitute the assets of the fund, ascertain and quantify social security individual position of each member. The claims' value is about Euro 384 million.

As of the Registration Document Date, UniCredit is managing one last case before the Italian Supreme Court (one has been declared inadmissible by the same Court in January 2025) concerning the reconstitution of the fund's assets. Regarding the portability and redemption segment, UniCredit is handling cases both for the verification of entitlement and for the quantification of individual pension positions.

#### ***Diamond offer***

Over the years, within the diversification of investments to which the available assets are addressed and also considering in this context those investments with the characteristics of the so-called "safe haven" with a long-term horizon, several UniCredit customers have historically invested in diamonds through a specialized intermediary company, with which UniCredit has stipulated, since 1998, a collaboration agreement as "introducer", in order to regulate the "reporting" methods of the offer of diamonds by the same company to UniCredit customers. Since the end of 2016, the liquidity available on the market to meet the requests of customers who intended to divest their diamond assets has contracted to a certain extent until it became nil, with the suspension of the service by the specialized intermediary.

In 2017, UniCredit started a "customer care" initiative which envisaged the availability of the Bank to intervene for the acknowledgement towards the customer of the original cost incurred for the purchase of precious items and the consequent withdrawal of the stones, upon certain conditions.

The initiative has been adopted by UniCredit assessing the absence of responsibility for its role as introducer; nevertheless, the Italian competition and markets authority (the "AGCM") ascertained the responsibility of

UniCredit for unfair commercial practice (confirmed in appeal by the Administrative Regional Court in the second half of 2018), imposing, in 2017, a fine of Euro 4 million paid in the same year. UniCredit has filed an appeal to the Council of State.

With a sentence dated March 11, 2021, the Council of State accepted the appeal brought by UniCredit against the fine imposed by reducing the amount of the fine to Euro 2.8 million and sentenced AGCM to return Euro 1.2 million, amount reimbursed in June 2021.

In order to cope with the probable risks of loss related to the repurchases of diamonds, a dedicated provision for risks and charges was set up and its quantification was also based on the outcome of an independent study (commissioned to a primary third company) aiming at evaluating the diamonds' value.

On February 19, 2019, the Court of Milan issued an interim seizure order against UniCredit, freezing Euro 33 million for aggravated fraud and Euro 72 thousand for self-laundering. Investigations pursuant to article 25-*octies* of Legislative Decree No. 231/2001 were carried out to ascertain the Bank's administrative liability for self-laundering.

On October 2, 2019, UniCredit and certain employees received notice of the conclusion of investigations which confirmed the allegations of fraud and self-laundering, with the latter providing the grounds for the Bank's potential liability. In September 2020 new allegations were made against individuals, for fraud only, leaving the overall investigative framework unchanged.

In June 2021, the public prosecutor requested indictments against some employees. The case, transferred to Trieste following jurisdictional challenges, returned to the investigation stage, and the interim seizures were lifted.

In February 2023, the Trieste Prosecution Office dismissed the case against the Bank for self-laundering, with approval from the General Prosecutor at the Court of Appeal. The Judge for the preliminary investigations formally closed the case against the Bank.

The fraud case against individuals was sent back to the Milan courts. In May 2024, the Public Prosecutor filed a motion to dismiss the case in line with defendants' requests. The court now awaits potential objections, which would trigger a hearing before the Judge for the preliminary investigations. The Issuer expects final dismissal by the Judge, in the absence of any other objections.

As far as the customer care initiative is concerned, at December 31, 2024, UniCredit received reimbursement requests for a total amount of about Euro 417 million (cost originally incurred by the clients) from No. 12,494 customers; according to a preliminary analysis, such requests fulfill the requirements envisaged by the "customer care" initiative; the finalization of the reimbursement requests is currently carried out, aimed at assessing their effective compliance with the "customer care" initiative, and then proceed with the settlement where conditions recur; with reference to the scope outlined above (Euro 417 million), UniCredit reimbursed No. 12,147 customers for about Euro 410 million (equivalent value of original purchases), equal to about 98% of the reimbursement requests said above.

#### ***Euro-denominated bonds issued by EU countries***

On January 31, 2019, UniCredit and UCB received a Statement of Objections from the European Commission referring to the investigation carried out by the European Commission for a suspected violation of antitrust rules in relation to European government bonds.

The subject matter of the investigation extended to certain periods from 2007 to 2011 and included activities carried out by UCB between September and November 2011.

The European Commission concluded its investigation and issued its decision on May 20, 2021. The decision provides for the imposition of a fine of Euro 69 million on UniCredit and UCB. UniCredit and UCB challenged the European Commission's findings and brought an action for the annulment of the decision before the General Court of the European Union on July 30, 2021.

A decision is expected to be issued in 2025.



### ***Alpine Holding GmbH***

Legal proceedings against UCB Austria arose from bondholders' claims commenced in June/July 2013.

The claims stemmed from the insolvency of Alpine Holding GmbH, as UCB Austria acted as joint lead manager, together with another bank, for the undertaking of Alpine Holding GmbH bond issues in 2010 and 2011. Bondholders' claims are mainly referred to prospectus liability of the joint lead manager, whereas a minority of the cases is based on mis-selling due to allegedly unlawful investment advice. The damage claims amount to Euro 18.7 million in total. These proceedings are mainly pending in the first instance and may be adverse to UCB Austria.

In the proceedings, the courts of first and second instance confirmed the legal position of UCB Austria and the other issuing banks that the prospectuses were correct and complete and fully rejected the bondholders' claims based on prospectus liability. To date, the Supreme Court has not issued any legally binding decisions against UCB Austria regarding prospectus liability. Therefore, the final outcome of the lawsuits cannot be assessed as of yet.

In addition to the ongoing proceedings against UCB Austria stemming from the Alpine Holding GmbH insolvency, further Alpine Holding GmbH-related actions have been threatened and may be filed in the future. The pending or future actions may have negative consequences for UCB Austria.

Despite the favorable developments mentioned above, as of the Registration Document Date, it is impossible to either estimate reliably the timing and results of the various lawsuits, or to determine the level of liability, if any.

### ***VIP 4 Medienfonds***

Various investors in "Film & Entertainment VIP Medienfonds 4 GmbH & Co. KG" to whom UCB issued loans to finance their participation, brought legal proceedings against UCB. In the context of the conclusion of the loan agreements, the plaintiffs claimed that the Bank provided inadequate disclosure about the fund structure and the related tax consequences.

A settlement was reached with the vast majority of the plaintiffs.

As of the Registration Document Date, the final decision with respect to the question of UCB's liability for the prospectus in the proceeding pursuant to the Capital Markets Test Case Act (*Kapitalanleger-Musterverfahrensgesetz*) is pending at Munich Higher Regional Court and it will affect only a few pending cases.

### ***Giovanni Lombardi Stronati***

In June 2023, Mr. Giovanni Lombardi Stronati commenced proceedings before the Court of Rome seeking a declaration that UniCredit is contractually liable for having ordered the sale of securities in his name, which had been seized in the context of criminal proceedings in which he was charged and then acquitted for embezzlement and fraudulent bankruptcy.

The claim amounts to Euro 420 million.

In September 2024, the Court ruled in favor of the Bank, rejecting the claimant's arguments. The claimant has since appealed the decision, and, as of the Registration Document Date, the appeal is currently pending.

### ***Lawsuit brought by Paolo Bolici***

In May 2014, the company wholly owned by Mr. Paolo Bolici (the “**Bolici Company**”) sued UniCredit before the Court of Rome asking for the return of Euro 12 million for compound interest (including alleged usury component) and Euro 400 million for damages. The Bolici Company then went bankrupt.

UniCredit won the case in the first instance and, during the appeal period, the parties reached a settlement, following which the case was definitively discontinued, also after the intervention by Mrs. Beatrice Libernini, Mr. Paolo Bolici’s business partner, was declared inadmissible.

On July 31, 2020, Mrs. Beatrice Libernini sued UniCredit, seeking damages based on facts similar to those alleged in the 2014 proceedings and the Court of Rome ruled in favor of UniCredit. As of the Registration Document Date, the appeal filed by Mrs. Beatrice Libernini is pending.

In February 2023, Mr. Paolo Bolici and Mrs. Beatrice Libernini commenced new proceedings before the Court of Rome, in which, recalling most of the claims already filed by them and identifying UniCredit as the main responsible for their group financial collapse, they claimed further damages for various reasons, invoking new allegations whose merits are currently being assessed. In January 2024, the Court of Rome ruled in favor of the Bank, fully dismissing the claims by the plaintiffs.

As of the Registration Document Date, the appeal filed by Mrs. Beatrice Libernini is pending.

#### ***Fino Arbitration proceedings***

In July 2022, Fino 1 Securitisation S.r.l. (“**Fino 1**”) commenced an ICC arbitration seeking damages in relation to, *inter alia*, the alleged breach of certain representations and warranties included in a transfer agreement for the sale of receivables entered into in 2017.

In March 2023, Fino 2 Securitisation S.r.l. (“**Fino 2**”) also commenced an ICC arbitration seeking damages in relation to another transfer agreement for the sale of receivables also entered into in 2017.

As of the Registration Document Date, the proceedings are still pending.

#### ***Proceeding relating to certain types of banking operations***

The Group is sued as a defendant in several proceedings in matters connected to its operations with clients, which are not specific to the UniCredit Group but, rather, affect the financial sector in general.

In this regard, as at December 31, 2024: (i) proceedings against UniCredit pertaining to compound interest, typical of the Italian market, had a total claimed amount of Euro 818 million, mediations included; (ii) proceedings pertaining to derivative products, mainly affecting the Italian market (for which the claimed amount against UniCredit was Euro 344 million, mediations included); and (iii) proceedings relating to foreign currency loans, mainly affecting the CE and EE Countries (for which the claimed amount was around Euro 267 million).

The proceedings pertaining to compound interest mainly involve damages requests from clients arising from the alleged unlawfulness of the calculation methods of the amount of interest payable in connection with certain banking contracts. As of the Registration Document Date, UniCredit has made provisions that it deems appropriate for the risks associated with these claims. With regard to the litigation connected to derivative products, several financial institutions, including UniCredit Group companies, entered into a number of derivative contracts, both with institutional and non-institutional investors. In Germany and Italy, there are several pending proceedings against certain Group companies that relate to derivative contracts concluded by both institutional and non-institutional investors. The filing of such claims affects the financial sector generally and is not specific to UniCredit and its Group companies.

As of the Registration Document Date, UniCredit and the involved Group companies have made provisions deemed appropriate based on the best estimate of the impact which might derive from such proceedings. With respect to proceedings relating to foreign currency (FX) loans, in the last decade, a significant number of customers in the Central and Eastern Europe area took out these types of loans and mortgages denominated in a foreign currency. In a number of instances customers, or consumer associations acting on their behalf, have sought to renegotiate the terms of such FX loans and mortgages, including having the loan principal and associated interest payments redenominated in the local currency at the time that the loan was taken out, and floating rates retrospectively changed to fixed rates. In addition, in a number of countries legislation that

impacts FX loans was proposed or implemented. These developments resulted in litigation against subsidiaries of UniCredit in a number of CE and EE Countries including Croatia, Slovenia and Serbia.

In 2015, the Republic of Croatia enacted amendments to the Consumer Lending Act and Credit Institutions Act mandating the conversion with retroactive effect of Swiss franc-linked loans into Euro-linked (the “**Conversion Amendments**”). In 2019, the Supreme Court of the Republic of Croatia ruled that the Swiss franc (“**CHF**”) currency clause contained in certain loan and mortgage documentation was invalid (as later confirmed by the Constitutional Court in March 2021).

In March 2020, the Supreme Court of the Republic of Croatia ruled that agreements entered into following the Conversion Amendments whereby customers converted their CHF mortgages and/or loans into EUR are valid and accordingly no additional payments are due.

In May 2022, the ECJ rendered a preliminary ruling in the court case against Zagrebacka banka d.d. (“**Zaba**”) taking the stance that the Directive on unfair terms in consumer contracts is not applicable in cases in which the conversion was based on national law (as it was in Croatia).

The ECJ also referred to the local Croatian courts to decide on the conversion agreements and their effects.

In December 2022, the Supreme Court publicly announced three legal standings related to CHF loan conversions:

1. Customers who converted their loans under the Conversion Amendments are not entitled to damages;
2. Customers who converted their loans are fully entitled to claim both interest and principal;
3. Customers who converted their loans are entitled to penalty interest on overpayments made prior to the conversion.

The third legal standing, supported by a majority of 13 judges, was officially confirmed, and provisions were booked accordingly. In July 2024, the ECJ ruled in the Hann Invest case (C-554/21) that the Croatian Supreme Court’s procedure of withholding final judgments was invalid. Following this, in October 2024, the Supreme Court issued binding rulings on two of its December 2022 legal standings, affirming that:

1. Customers who converted their CHF loans may be fully entitled to claim both interest and principal;
2. Customers may also be entitled to penalty interest on overpayments made prior to the conversion.

These rulings introduced additional legal uncertainty and increased the risk of outflows for the bank. Provisions have been adjusted to reflect these developments and are deemed appropriate.

#### ***Bitminer litigation in the Republic of Srpska, Bosnia and Herzegovina***

In 2019, a local customer, Bitminer Factory d.o.o. Gradiška (“**Bitminer**”), filed a lawsuit before the District Commercial Court in Banja Luka claiming damages for unjustified termination of its current bank accounts by UniCredit Bank a.d. Banja Luka (“**UCBL**”), a subsidiary of UniCredit in Bosnia and Herzegovina, Republic of Srpska. Bitminer alleged that termination of the accounts obstructed its Initial Coin Offering relating to a start-up renewable-energy-powered cryptocurrency mining project in Bosnia and Herzegovina. On December 30, 2021, the first instance court allowed most of Bitminer’s claims and ordered UCBL to pay damages in the amount of BAM 256,326,152 (Euro 131 million) (the “**Judgment**”).

The appeal was filed in January 2022.

On April 18, 2023, the High Commercial Court reversed the Judgment in its entirety, and issued a final, binding, and enforceable second instance judgement (the “**Second-Instance Judgment**”). The Second Instance Judgment established that Bitminer’s claim is unfounded and that UCBL is not liable for any damages. Bitminer duly filed a revision, an extraordinary legal remedy, to the Supreme Court of the Republic of Srpska. The revision proceedings do not suspend or otherwise affect the finality and enforceability of the Second-Instance Judgment. In April 2024, the Supreme Court of the Republic of Srpska issued the ruling and rejected the revisions.

As of the Registration Document Date, Bitminer filed an appeal with the Constitutional Court of Bosnia and Herzegovina and the decision has not been issued yet.

### ***Proceedings arising out from the purchase of UniCredit Bank GmbH the related Group reorganization***

#### ***Appraisal Proceeding – Squeeze-out of UCB minority shareholders***

In 2008, approximately 300 former minority shareholders of UCB filed a request before the District Court of Munich to have a review of the price paid to them by UniCredit, equal to Euro 38 per share, in the context of the squeeze out of minority shareholders.

The dispute mainly concerns the valuation of UCB, which is the basis for the calculation of the price to be paid to the former minority shareholders.

On June 22, 2022, the competent court in Munich rejected all applications for a higher compensation than that which UniCredit paid to the former minority shareholders of UCB, hence dismissing all claims.

As of the Registration Document Date, certain claimants have filed appeals.

#### ***Appraisal Proceeding – Squeeze-out of UniCredit Bank Austria AG’s minority shareholders***

In 2008, approximately 70 former minority shareholders of UCB Austria commenced proceedings before the Commercial Court of Vienna claiming that the squeeze-out price paid to them, equal to Euro 129.4 per share, was inadequate, and asking the court to review the adequacy of the amount paid.

As of the Registration Document Date, the proceeding is pending in the first instance. In parallel, one contentious proceeding in which the plaintiff claims damages are also pending, involving however insignificant amounts only.

### ***Mazza***

In 2005, UniCredit filed a criminal complaint against the notary, Mr. Mazza, who represented certain companies and disloyal employees of UniCredit in relation to unlawful lending transactions in favor of certain clients for Euro 84 million.

The Criminal Court of Rome acquitted the defendants. The Court of Appeal of Rome reversed this decision and found all the defendants to be guilty. Following a further appeal, while stating that some accusations were time-barred, the Supreme Court confirmed the decisions of the Court of Appeal in respect of the damages sought by UniCredit.

In May 2022, the insurance company indemnified UniCredit under the applicable policy, paying an amount of Euro 33 million in relation to the losses suffered by it.

Following the acquittal in the first-instance criminal proceedings, Mr. Mazza and other persons involved in the criminal proceedings filed two lawsuits for compensation claims against UniCredit: (i) the first one (commenced by Mr. Mazza with a claimed amount of Euro 15 million) was won by UniCredit at first-instance and the judgment is final; and (ii) in the second one (commenced by Como S.r.l. and Mr. Colella with a claimed amount of Euro 379 million), the Court of Rome ruled in favor of UniCredit and plaintiffs have appealed and reduced the claimed amount to Euro 100 million.

### ***Claims in relation to a syndicated loan***

UCB, together with several other financial institutions, has been sued as a defendant in complaints filed by the judicial administrator and foreign representative of a Brazilian oil and gas conglomerate in July 2021 in the

United States before the Southern District of New York court claiming damages in connection with the repayment of a syndicated loan for two oil drilling rigs in which UCB participated that defendants are alleged to have unlawfully obtained.

### ***Criminal proceedings***

Certain entities part of the UniCredit Group and certain of their representatives (including those no longer in office), are involved in various criminal proceedings and/or, as far as UniCredit is aware, are under investigation by the competent authorities with regard to various cases linked to banking transactions. As of the Registration Document Date, these criminal proceedings have had no significant negative impact on the reputation of UniCredit and/or the UniCredit Group.

In relation to the criminal proceedings relating to the diamond offer, see paragraph "*Diamond offer*" above.

### ***Proceedings related to actions by regulatory authorities***

As of the Registration Document Date and without prejudice to the below, the Issuer is subject to one on-site inspection carried out by the ECB-SSM. The topic of this on-site inspection, which began in February 2025, concerns the processes for performing financial projections, including any ancillary aspect related such subject matter; the inspection is part of the yearly supervisory program of the ECB-SSM that applies to all Euro area banks under its direct supervision. The inspection is currently ongoing and there is no expected reputational or financial impact as of the Registration Document Date.

Furthermore, with specific reference to the Bank of Italy investigations relating to anti-money laundering profiles on the UniCredit Group, there is no expected reputational or financial impact as of the Registration Document Date.

With specific reference to investigations by CONSOB, the Issuer is currently subject to an ongoing inspection, started in July 2024, concerning product governance and suitability checks on investment products there is no expected reputational or financial impact as of the Registration Document.

Furthermore, on July 21, 2024, CONSOB imposed an administrative fine of Euro 80,000 on UniCredit, in its capacity as the company that incorporated Cordusio Sim S.p.A., for an ascertained violation of Article 16 of the Market Abuse Regulation, which requires entities to immediately report transactions suspected of constituting abuse, or attempted abuse, of inside information. Payment of said administrative fine has been settled by UniCredit.

Finally, it should be noted that, on February 21, 2024, the Italian Personal Data Protection Authority notified UniCredit of a Euro 2.8 million fine related to the sanctioning proceeding opened in February 2020 and regarding a violation of customers' personal data following a Cyber-attack (data breach) occurred in October 2018. The Issuer has filed a recourse.

In this context it should also be noted that European banking supervision authorities, namely the ECB-SSM in coordination with the EBA, rely on the so called "*EU-wide stress test*" to assess how well banks in the Euro-area are able to cope with financial and economic shocks. This type of stress test is performed bi-annually; the most recent one was performed in 2023 and the new one is started in January 2025 and the results will be published in early August 2025.

### ***Tax proceedings and/or audits***

As at December 31, 2024, UniCredit has not accounted for new provisions to cover tax risks for disputes and tax audits nor for legal expenses. As at December 31, 2024, the fund for risks and charges amounted to Euro 88 million, including Euro 2 million for legal expenses; while as at December 31, 2023, the fund was equal to Euro 147 million, of which Euro 2 million related to legal expenses.

In relation to the new disputes, the following should be noted:

- Dispute instituted by the Bank before the First Instance Court of Tax Justice of Rome following the tacit denial of the request for reimbursement of IRES paid on dividends distributed by the Bank of Italy in relation to the 2014 tax year, value of dispute Euro 22 million, awaiting a hearing;

- Dispute instituted by the Bank before the First Instance Court of Tax Justice of Rome following the tacit denial of the request for reimbursement of IRES paid on dividends distributed by the Bank of Italy in relation to the 2015 tax year, dispute value Euro 20 million, awaiting a hearing.

Updates on pending litigation and tax audits

- The dispute initiated by the Bank before the Court of Tax Justice of first instance of Rome following the tacit refusal of the request for reimbursement of the IRES and IRAP substitute tax (and related additional taxes), relating to the revaluation of the participation shares in the capital of the Bank of Italy in relation to the 2014 tax year, disputed value 400 million, the hearing before the Tax Court of Justice of first instance in Rome was held on 22 November 2024. The sentence is pending.
- In relation to the litigation initiated by the Bank, in its capacity as the incorporating company of Pioneer Global Asset Management S.p.A., before the First Instance Tax Court of Justice of Milan following the tacit denial of the request for reimbursement of IRAP on dividends in relation to the tax year 2014, dispute value 3 million, concluded in first instance with a ruling unfavorable to the Bank, the hearing before the Court of Tax Justice of second instance of Lombardy was scheduled on January 13, 2025, but has since been postponed. The Issuer therefore awaits a new hearing date.
- The proceedings instituted by UniCredit following the partial denial of the IRES refund request in relation to the 2007, 2008 and 2009 tax years, with a disputed value of 2 million in capital, was concluded in the second instance with a ruling filed on 19 January 2024 which partially accepted the Bank's appeal. Both the Bank and the Office appealed the sentence before the Court of Cassation on the unfavorable side. UniCredit is waiting for the hearing to be scheduled.
- The proceedings initiated by UniCredit, in its capacity as the incorporating company UniCredit Services S.C.p.A., following the denial of the VAT refund requests, relating to the 2016 and 2017 tax years (OGSE), total dispute value 5 million, concluded at second instance with a ruling unfavorable to the Bank, the hearing before the Court of Cassation was held on 11 December 2024. Awaiting filing of sentence.
- In relation to the dispute introduced by the former Banco di Sicilia (then UniCredit), as the incorporating company Sicilcassa, against the silent refusal formed on the request for reimbursement of the IRPEG credit for the year 1984, total dispute value 69 million, the second instance Tax Court of Justice of Sicily, upon referral from the Court of Cassation, with a sentence filed on 4 October 2024, rejected the appeal of the Bank which is evaluating the opportunity to continue the proceedings with an appeal to the Supreme Court.
- Denial of reimbursement of the 1989 IRPEG credit of the former Cassa di Risparmio Reggio Emilia, disputed value 2 million as IRPEG and 2 million for interests; the Emilia-Romagna CTR, with sentence filed on 3 January 2022, rejected the Office's appeal, confirming the Bank's right to reimbursement of 2 million. The Office appealed to the Court of Cassation and the Bank filed a counter-appeal with a cross-appeal. Awaiting fixation hearing.
- Denial of reimbursement of 1997 IRPEG credit of the former Banca di Roma S.p.A. total litigation value 44 million; the ruling of the Court of Justice Second instance tax court of Lazio which rejected the Bank's appeal was challenged both in the Court of Cassation and with an appeal for revocation before the same Court of Justice of second instance. The hearing has not yet been scheduled at the Court of Cassation. The second instance Tax Court of Justice of Lazio, with a ruling filed on 10 December 2024, accepted the Bank's appeal, and ordered a new investigation, appointing a technical consultant to examine the documentation in the documents and report to the panel. The hearing for the oath of the consultant took place on January 29, 2025. The Bank has appointed the party consultant to assist in the expert operations and provide his observations on the technical investigations. Following tax authorities rejection of the settlement proposed by the technical consultant, the Bank submitted a further request to the judge on March 13, 2025 requesting to the agency to produce all the documentation regarding the tax payer.
- Denial of reimbursement of IRPEG credit for the years 1994-1997 and ILOR 1996, disputed value 31 million of the former Banca Mediterranea S.p.A.; the 2nd Tax Court of Justice of Basilicata, with sentence filed on 22 January 2024, rejected the Bank's appeal. The Bank has challenged the sentence with an appeal to the Court of Cassation, pending the setting of a hearing.
- The dispute introduced by UniCredit, as transferee of Palmaria s.c.r.l. against the silent rejection of the request for reimbursement of the 1992 IRPEG credit, with a total litigation value of 1 million, was concluded before the Second Instance Tax Court of Justice of Sicily, during the referral from the

Court of Cassation, with a sentence filed on 4 October 2024 which rejected the Bank's appeal. There are no valid reasons to continue the litigation.

There are currently no ongoing tax audits.

#### Proceedings related to claims for withholding tax credits

On July 31, 2014, the Supervisory Board of UCB concluded its internal investigations into the so-called “*cum-ex*” transactions (*i.e.*, the short selling of equities around dividend dates and claims for withholding tax credits on German share dividends) at UCB. In this context, criminal investigations have been conducted against current or former employees of UCB and UCB itself as an ancillary party by the Prosecutors in Frankfurt/Main, Cologne and Munich. With respect to UCB, all proceedings originally initiated by the aforesaid prosecution offices were finally closed with payment of a fine or the payment of a forfeiture. The total amount paid is Euro 9.8 million.

In December 2018, in connection with an ongoing investigation against other financial institutions and former Bank employees, UCB was informed by the Cologne Prosecutor of the initiation of a new investigation in connection with an administrative offence regarding “*cum-ex*” transactions involving Exchange Traded Funds.

In April 2019, these investigations were extended to so called *ex/ex*-transactions, in which an involvement of the Bank in the sourcing of *cum/ex* transactions of other market participants on the *ex-day* is suspected. The facts are being examined internally. UCB is cooperating with the authorities.

On July 28, 2021, the Federal Criminal Court (“**BGH**”) rendered a decision through which the principle of criminal liability of *cum/ex* structures was determined for the first time.

With its decisions of April 6, 2022, November 17, 2022, September 20, 2023, and October 24, 2024, the BGH confirmed four criminal judgements in other *cum/ex* cases of the Regional Court of Bonn and the Regional Court of Wiesbaden, thus further solidifying its case law. The Federal Constitutional Court rejected several complaints against decisions of the BGH, thereby confirming the case law of the BGH. UCB is monitoring the development.

In June 2023, the Munich tax authorities completed a regular field audit of UCB for the years 2013 to 2016 which includes, among other things, a review of transactions in equities around the dividend record date (so called “*cum/cum*” transactions). During these years UCB performed, among other things, securities-lending transactions with different domestic counterparties which include, but are not limited to, different types of *cum/cum* transactions. It still remains to be clarified whether, and under which circumstances, tax credits can be obtained or taxes refunded with regard to different types of *cum/cum* transactions. Some of the taxes credited from the *cum/cum* transactions are currently not recognized for tax purposes by the tax audit.

UCB appealed against the tax assessments for 2013 to 2015, which were amended based on the findings of the tax audit regarding *cum/cum* transactions. Moreover, with respect to *cum/cum* transactions in which the counterparty of UCB claimed tax credits in the past, it cannot be ruled out that UCB might be exposed to third party claims under civil law.

### **11.5 Significant change in the Issuer’s financial position**

There has been no significant changes in the financial position of the Group which has occurred since 31 December 2024.

## Section XII – Additional information

### **12.1 Share capital**

As at the Registration Document Date, UniCredit's share capital, fully subscribed and paid-up, amounted to Euro 21,453,835,025.48, comprising 1,557,675,176 ordinary shares without nominal value.

### **12.2 Memorandum and articles of association**

The Issuer was established in Genoa, Italy, by way of a private deed dated 28 April 1870.

The Issuer is registered with the Company Register of Milano-Monza-Brianza-Lodi under registration number, fiscal code and VAT number no. 00348170101.

The current Articles of Association was registered with the Company Register of Milano-Monza-Brianza-Lodi on 31 March 2025.

Pursuant to Clause 4 of the Articles of Association, "the purpose of the Issuer is to engage in deposit-taking and lending in its various forms, in Italy and abroad, operating wherever in accordance with prevailing provisions and practice. It may execute, while complying with prevailing legal requirements, all permitted transactions and services of a banking and financial nature. In order to achieve its corporate purpose as efficiently as possible, the Issuer may engage in any activity that is instrumental or in any case related to the above. The Issuer, in compliance with current legal provisions, may issue bonds and acquire shareholdings in Italy and abroad.



## Section XIII – Material contracts

13.1 Except for the ordinary course of business, UniCredit has not entered into any material contract which could result in any group member being under an obligation or an entitlement that is material to the Issuer's ability to meet its obligations to security holders in respect of the securities being issued.

## Section XIV - Documents available

14.1 Starting from the approval, and during the term of this Registration Document, copies of the following documents can be inspected during normal business hours at the registered office of the Issuer and, except for the memorandum, are available also in electronic format on the website of the Issuer [www.unicreditgroup.eu](http://www.unicreditgroup.eu):

- the Memorandum (with an English translation where applicable) of the Issuer;
- the Article of associations (with an English translation where applicable) of the Issuer;
- a copy of this Registration Document and any supplement to the Registration Document, available also at the following website:  
<https://www.investimenti.unicredit.it/it/info/documentazione.html#programmi-di-emissione-unicredit-spa>;
- the documents incorporated by reference (with an English translation thereof).

The updated Issuer's corporate information occurred after the date of approval of this Registration Document will be available from time to time on the Issuer's website.

**Potential investors are invited to read the documentation available to the public and the documentation included by reference in this Registration Document in order to obtain more information about the economic-financial conditions and the activity of the Issuer and the Group.**

## Section XV – Defined Terms

To the extent specified in the table below and to the extent applicable to this Registration Document, the following information is incorporated by reference in this new section of the Registration Document.

<b>DEFINED TERMS</b>		
<b>DOCUMENT</b>	<b>INFORMATION INCORPORATED</b>	<b>PAGE REFERENCE</b>
UniCredit 2025 Equity Registration Document:  <a href="https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf">https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/dedicated-to-investors/2-EN-Registration-Document.pdf</a>	The entire section "Defined Terms"	Pages 175-183

## Section XVI – Glossary

The following is a list of technical terms used within the Registration Document. Said terms, unless otherwise specified, have the meanings set forth below. For the terms below given, whenever the context so requires, the singular form includes the plural form and vice versa.

“APIs”	means the alternative performance measures as defined by the “ESMA Guidelines on Alternative Performance Measures” issued by ESMA on October 5, 2015.
“BaaS”	means banking-as-a-service.
“CBR”	means the combined buffer requirement.
“CCB”	means capital conservation buffer.
“CCyB”	means counter cyclical capital buffer.
“CoR”	means cost of risk.
“CVA”	means credit valuation adjustments.
“DTAs”	means deferred tax assets.
“EAD”	means exposures at default.
“EL”	means expected loss.
“FV”	means fair value.
“FVtOCI”	means fair value through other comprehensive income.
“FVtPL”	means financial assets at fair value through profit and loss.
“GBV”	means gross book value.
“G-SIIs”	means globally systemically important institutions.
“IAS”	means International Accounting Standards as endorsed by the European Union.
“IFRS”	means the International Financial Reporting Standards as endorsed by the European Union.
“LCR”	means liquidity coverage ratio.
“LGD”	means Loss Given Default.
“LLPs”	means loan loss provisions.
“NPEs”	means non-performing exposures.
“NPLs”	means non-performing loans.
“NSFR”	means net stable funding ratio.
“OCR”	means overall capital requirement.
“OLRR”	means overall leverage ratio requirement.
“O-SIIs”	means other systemically important institutions.
“PD”	means Probability to Default.
“PPA”	means purchase price allocation.
“P2R”	means the Pillar 2 capital requirement.

<b>“P2R-LR”</b> .....	means the Pillar 2 leverage ratio.
<b>“RWAs”</b> .....	means risk-weighted assets.
<b>“SyRB”</b> .....	means systemic risk buffer.
<b>“TA”</b> .....	means total assets.
<b>“TLCF”</b> .....	means tax losses carried forward.
<b>“TLTRO”</b> .....	means targeted longer-term refinancing operation
<b>“VaR”</b> .....	means value at risk.
<b>“VIU”</b> .....	means value in use.

**ANNEX B**  
**BLACKLINE VERSION OF "SECTION I - RISK FACTORS"**

## Section I - Risk Factors

The following is a disclosure of risk factors (the "**Risk Factors**") that are material with respect to the ability of UniCredit to fulfill its obligations under securities issued by it.

### **1.1 Risks related to the financial situation of the Issuer and of the Group**

#### **A.1. RISKS ASSOCIATED WITH THE FINANCIAL SITUATION OF UNICREDIT AND THE UNICREDIT GROUP**

##### **A.1.1. 1.1.1. Risks associated with the *impact of current macroeconomic uncertainties and the effects of the geopolitical tensions* completion of the acquisition of BPM, the consequent process of integration and potential failure to realize the expected synergies**

On November 25, 2024, the Issuer announced the launch of the voluntary public exchange offer (the "Offer" or "Public Exchange Offer") aimed at acquiring all the 1,515,182,126 ordinary shares of Banco BPM S.p.A. as parent company of the BPM banking group ("BPM" or, where the context so requires, the "BPM Group"). The Offer's terms provide for the Issuer to pay a consideration equal to 0.175 UniCredit shares in exchange for each share of BPM tendered to the Offer (without prejudice to the adjustments that will be described in the Offer Document) and the UniCredit shares given as consideration for the BPM shares will originate from a share capital increase of a maximum of 278,000,000 UniCredit shares. In such regard, on March 27, 2025 the shareholders' meeting of UniCredit in extraordinary session resolved, *inter alia*, to (a) grant the Board of Directors, pursuant to art. 2443 of the Italian civil code (the "Italian Civil Code" or the "Civil Code"), the authority, until December 31, 2025, to increase the share capital, in one or more tranches and in a severable manner, with exclusion of the pre-emptive right pursuant to art. 2441, paragraph 4, first sentence, of the Civil Code, for a maximum nominal amount of Euro 3,828,060,000, plus share premium, through the issuance of up to 278,000,000 ordinary shares of UniCredit, to be paid by means of contribution in-kind of the BPM' shares tendered in adherence to the Offer, (b) authorize the Board of Directors to determine from time to time, by exercising the delegation and in compliance with applicable law, the overall amount of the capital increase to be resolved, also in a severable manner, and thus the number of shares to be issued, the issue price of the new shares, including the share premium, in accordance with the provisions of art. 2441, paragraph 6, of the Civil Code and any other terms and conditions of the delegated capital increase, and (c) amend accordingly article 6 of the by-laws.

By launching the Offer, the Issuer ultimately aims at acquiring the entire share capital of BPM and intends to proceed, subject to the approval of the competent corporate bodies and the necessary authorizations by the competent authorities, with the activities aimed at the merger by incorporation of BPM into UniCredit (the "Merger") in pursuit of the goals of continued integration, synergy and growth of the UniCredit Group. As at the Registration Document Date, the Issuer has, however, not yet taken any definitive decision as to the possible Merger, nor as to the manner in which it will be carried out. The nature of the Offer (and the related transactions of acquisition and merger envisaged in connection with it) are such that investors should take into account a number of risks associated with any forecasts concerning the Issuer's performance in the context of its own strategic targets, those of the Offer itself and the wider economic context in which the Offer has been launched.

On March 26, 2025, BPM announced to have received a communication from the ECB in which the authority stated that, in its own view, the so-called Danish Compromise should not be applied to the acquisition of Anima. Furthermore, on March 27, 2025, the European Banking Authority ("EBA") rejected the query submitted by BPM relating to the applicability to the acquisition of Anima of the "Q&A FAQ 2021 6211" regarding acquisitions carried out by insurance companies controlled by banks ("Calculation of goodwill included in significant investments in insurance undertakings") because, in the EBA's view, the issue raised is beyond, and cannot be resolved in the context of, the EBA's Q&A process, since it requires a broader investigation not compatible with this instrument. On the same date, BPM announced that the relevant management bodies of both BPM Vita and Banco BPM, within the scope of their respective powers, have resolved to waive the condition on the granting of Danish Compromise to the BPM Offer. On March 26, 2025, BPM responded to the ECB letter dated March 21, 2025 asking the ECB to clarify the underlying reasons related to its view regarding the non-application of the Danish Compromise to Anima's acquisition and maintaining that, in its own view, the prudential treatment outlined in said communication is not consistent with the underlying principles related to the deduction regulatory framework set forth in the CRR and the rules governing financial conglomerates. Therefore, on the basis of the information publicly available and made publicly available by BPM as at the Registration

Document Date and in view of the pending uncertainties relating to the applicability of the Danish Compromise, also following the above-mentioned recent BPM initiative, UniCredit considers appropriate to provide the information and scenarios described below.

The market environment in which UniCredit operates continues to be affected by high levels of uncertainty for both the short and the medium term outlook. The economic consequences stemming from the geopolitical tensions, not only in Russia, pushed up inflationary pressures and could continue to unfold increasing uncertainty for the Euro area economy, with potential impact on the performance of the Group. The Russia-Ukraine crisis caused a sharp rise in commodities prices, further global supply chain disruption, a tightening of financial conditions, heightened uncertainty, and a sharp drop in consumer confidence. From mid 2022, with inflation building up due to the increase in energy price and the supply disruptions, ECB changed its monetary stance (Deposit Facility rate: 50 bps in June 2022, 0 bps in July, 75 bps in September, 150 bps in October, 200 bps in December, 250 bps in February 2023, 300 bps in March, 325 bps in May, 350 bps in June, 375 bps in July, 400 bps in September) and market repriced interest rate expectations accordingly. Subsequently, from 2023, inflation started to record a declining path and, to support economy, ECB started to revert monetary policy (DFR lowered to 375 bps in June 2024, to 350 bps in September 2024 and to 325 bps in October 2024) with currently a more dovish approach. The outlook is still surrounded by risks, *inter alia*, due to: some weaknesses in indicators of economic activity, financing conditions still restrictive, geopolitical tensions enhancement with potential impact on commodity/energy prices, a potential upsurge in the ongoing Russia-Ukraine conflict and / or an intensification of the tensions in the Middle East and the financial markets volatility. Therefore, the expectations regarding the performance of the global economy remains still uncertain in both the short and medium term. The current environment, characterized by highly uncertain elements as above mentioned could generate a worsening of the loan portfolio quality, followed by an increase of the non performing loans and the necessity to increase the provisions to be charged to the income statement.

UniCredit's Loan Loss Provisions (LLPs) excluding Russia, decreased by 36.5 per cent Y/Y to Euro 1,012 million in FY22. Therefore, the cost of risk (CoR), excluding Russia, decreased by 14 bps Y/Y to 23 bps in FY22.

UniCredit's LLPs in FY22 amounted to Euro 1,894 million. Therefore, the CoR in FY22 was equal to 41 bps.

UniCredit's LLPs decreased by 71.0 per cent Y/Y to Euro 548 million in FY23. Therefore, the cost of risk decreased by 29 bps Y/Y to 12 bps in FY23.

UniCredit's LLP in 9M24 amounted to Euro 283 million increased by 14.0 per cent 9M/9M. Therefore, the cost of risk increased by 1 bps 9M/9M to 9 bps in 9M24.

For further information in relation to the net write downs on loans, please see the Consolidated Financial Statements of UniCredit as at 31 December 2022, Consolidated Financial Statements of UniCredit as at 31 December 2023, the UniCredit Unaudited Consolidated Interim Report as at 30 September 2024 — Press Release.

In 4Q23, total revenues stood at Euro 6.0 billion, up 0.2 per cent Q/Q, driven by net interest income (NII) at Euro 3.6 billion (+0.3 per cent Q/Q) and fees at Euro 1.8 billion (+1.3 per cent Q/Q). Total revenues were up 4.6 per cent Y/Y, mainly driven by NII (+5.7 per cent Y/Y), partially offset by trading (-15.7 per cent Y/Y) and fees (-0.6 per cent Y/Y). As at FY23 total revenues stood at Euro 23.8 billion, up 17.3 per cent compared to FY22.

In details:

- In 4Q23, NII stood at Euro 3.6 billion, up 0.3 per cent Q/Q, and up 5.7 per cent Y/Y both driven by higher customer loan rates, together with better results in the investment portfolio thanks to higher market rates and partially offset by the negative effects of higher rates on deposits and term funding. As at FY23 NII stood at Euro 14 billion, up 31.3 per cent compared to FY22.
- In 4Q23, fees stood at Euro 1.8 billion, up 1.3 per cent Q/Q mainly thanks to higher financing fees in Italy and down 0.6 per cent Y/Y entirely due to the impact of the current account fees reduction in Italy which started in April 2023 and larger securitisation costs. Net of these effects fees were up 3.5 per cent Y/Y. As at FY23 Fees stood at Euro 7.5 billion, down by 2.1 per cent compared to FY22.
- In 4Q23, trading income stood at Euro 360 million, down 27.9 per cent Q/Q and down 15.7 per cent Y/Y, impacted by volatility on market movements and lower client demand on FX and Rates derivatives in Italy and Client Risk Management activities in Germany. As at FY23 Trading Income stood at Euro 1.8 billion, up 3.8 per cent compared to FY22.



In 3Q24, total revenues stood at Euro 6.1 billion, down 2.9 per cent Q/Q, driven by some seasonality on fees at Euro 1.9 billion (-8.3 per cent Q/Q), mitigated by higher dividends and a resilient NII at Euro 3.6 billion (flat Q/Q). Total revenues were up 2.9 per cent Y/Y, driven by fees (+8.5 per cent Y/Y) partially offset by NII (-1.0 per cent Y/Y) and trading (-7.7 per cent Y/Y).

In details:

- NII stood at Euro 3.6 billion in 3Q24, flat Q/Q, notwithstanding a lower average Euribor and lower loan volumes, compensated by higher calendar days in the quarter and with a continued effective management of the pass-through at c. 32 per cent average in the quarter. NII was down 1.0 per cent Y/Y driven by lower market rates (3M Euribor average) and lower loan volumes almost entirely offset by higher customer loan rates and the contribution from non-commercial items, including the structural hedge on core deposits. The Group's prioritisation of quality and profitable clients and segments continues to result in a superior and capital-generative net NII<sup>†</sup>.
- Fees stood at Euro 1.9 billion in 3Q24, down 8.3 per cent Q/Q due to among others, seasonality in investment fees and in financing and advisory fees especially in Germany, as well as to lower current account and payment fees. Fees were up 8.5 per cent Y/Y mainly thanks to higher investment fees especially in Italy as well as to strong advisory financing fees in Italy and Germany, reflecting the past years' investments and a more supportive macro-economic environment. Excluding the impact of larger securitisation costs fees are up almost 9 per cent Y/Y.
- Trading income stood at Euro 441 million in 3Q24, down 6.2 per cent Q/Q mostly driven by negative valuation adjustments (down 48 million Q/Q). Trading income was down 7.7 per cent Y/Y or down 0.3 per cent excluding the impact from the Commerzbank investment.

As recently highlighted by ECB (in September 2024), the euro area economy growth recovered in the first half of 2024 amid a boost from net trade but the latest indicators suggest growth will continue in the short run but at rates lower than expected in June 2024 by Eurosystem staff projections. Real disposable income should continue to increase, supported by robust wage growth, but the impulse from consumption is expected weaker than previously foreseen. Also data on business investment suggest weaker momentum, despite the positive impact of the future path of interest rates. Over the medium term the productivity is expected to pick up. Overall, annual average real GDP growth is expected to be 0.8 per cent. in 2024 and to reach 1.3 per cent. in 2025 and 1.5 per cent. in 2026. Compared with the June projections, the outlook for GDP growth has been revised marginally down for each year of the projection horizon. Annual average inflation is expected to decrease to 2.5 per cent. in 2024, 2.2 per cent. in 2025 and 1.9 per cent. in 2026. Compared with the June 2024 staff projections, the outlook for inflation remains unchanged.

In the context of persisting uncertainty, UniCredit Group has defined different macro-economic scenarios, to be used for the purposes of the evaluation processes of the Consolidated First Half Financial Report of UniCredit as at 30 June 2024. In particular, in addition to the "Base" scenario, which reflects the expectations considered most likely concerning macro-economic trends, an "Alternative" scenario has been outlined, the latter reflecting a downward forecast of the macroeconomic parameters and consequently in the expected profitability of the business; in light of the persistent level of uncertainty, no positive scenario was included in the approach (thus, the positive scenario was weighted at zero percent). Such updated scenarios were applied for the valuation of credit exposure and deferred tax assets (DTA).

With reference to deferred tax assets, for the purposes of the Consolidated First Half Financial Report of UniCredit as at 30 June 2024, the following analyses were performed with reference to the Italian Tax Perimeter (which accounts for the significant majority of the DTAs): (i) analysis of the evolution of the macroeconomic scenarios highlighted above compared to the scenario underlying the valuation process at 31 December 2023; (ii) comparison between the actual profit before taxes and the budget underlying the test executed in December 2023; (iii) confirmation of the validity of the additional methodological assumptions (reference tax legislation, perimeter of companies, volatility of the parameters underlying the model and reversal timeline of non-convertible DTAs) used in the valuation process.

With reference to the credit exposures as at 30 June 2024, the macroeconomic scenarios used for calculation of credit risk parameters (Probability of Default, Loss Given Default, Exposure at Default) were updated according to the Group policies, on the basis of the scenarios highlighted above. Considering the persistent level of uncertainty, the overall blended probability did not consider the positive scenario (whose weighting was kept at 0 per cent.), in coherence with the fourth quarter 2023; the Base scenario was set at 60 per cent. and the Adverse scenario at 40 per cent. capital impacts of the proposed acquisition of BPM, based on the information publicly available and made publicly

<sup>†</sup> Stated NII net of LLPs.–

available by BPM and assuming the acquisition of 100% of Anima by BPM and the application of the Danish Compromise (also to Anima), the transaction would have the following negative impacts on the UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024:

For further information in relation to macroeconomic scenario adopted for the evaluation of the credit exposures and for the DTAs sustainability test, as well as the analysis performed, please see the Consolidated First Half Financial Report as at 30 June 2024: Notes to the consolidated accounts — Part A Accounting policies — A1 General — Section 2 General preparation criteria.

~~In light of continuing uncertainties, specific analyses were performed in the third quarter of 2024 with the aim to evaluate whether the scenarios used as at 30 June 2024 for the purposes of the evaluation process of the DTAs and credit exposures subject to valuation uncertainties were still valid or, conversely, which adjustments should have been put in place to reflect the updated economic environment. The assessment also leveraged on an updated macro-economic scenario developed by UniCredit research. The outcome of such analysis has shown that scenarios used for June 2024 valuations are considered still adequate for 30 September 2024 valuation purposes.~~

~~For further information in relation to the mentioned analyses related to the credit exposures and for the DTAs sustainability test please see the Unaudited Consolidated Interim Report as at 30 September 2024 — Press Release — Basis of Preparation.~~

~~On 9 December 2021 UniCredit presented to the financial community the 2022-2024 Strategic Plan, which included a set of strategic and financial objectives that considered the underlying scenario and resulted from the assessment performed at that time.~~

~~The macro assumptions underlying the Strategic Plan excluded unexpected materially adverse developments such as the Russia-Ukraine conflict and worsening/resurge of the COVID-19 pandemic, situations that UniCredit has been monitoring closely<sup>2</sup>.~~

~~For further information on the risks associated with the Strategic Plan, see Risk Factor 1.1.2 “Risks connected with the Strategic Plan 2022–2024”.~~

~~Material adverse effects on the business and profitability of the Group may also result from further developments of the monetary policies (and related impacts on financial entities and markets) and additional events occurring on an extraordinary basis (such as political instability, terrorism and any other similar event/correlated effects occurring in the countries where the Group operates and, as already experienced, a new pandemic emergency). Furthermore, the economic and geopolitical uncertainty has also introduced a considerable volatility and uncertainty in the financial markets, potentially impacting on credit spreads/cost of funding and therefore on the values the Group can realize from sales of financial assets.~~

- ~~• 78 basis points in the event of 100% adherence to the Offer;~~
- ~~• 93 basis points in the event of 70% adherence to the Offer;~~
- ~~• 104 basis points in case of adherence to the Offer equal to 50% + 1 share.~~

~~It should be noted that the impacts in the cases of adherence at 70% and 50% + 1 share have been calculated on the assumption that at the end of the Offer minority shareholders (representing respectively 30% and 50% - 1 share of BPM's capital) remain in BPM's shareholder base and that the merger between BPM and UniCredit is not completed. As a result of a possible merger between BPM and UniCredit, the impacts in these two scenarios would coincide with the impact calculated in the case of a 100% adherence to the Offer.~~

~~In the absence of the Danish Compromise with reference to the acquisition of Anima, also assuming the continued application of this regime to the insurance companies of the BPM Group, the additional negative impact on UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024 would be:~~

- ~~• 44 basis points in the event of 100% adherence to the Offer;~~
- ~~• 31 basis points in the event of 70% adherence to the Offer;~~

<sup>2</sup> From Strategic Plan presentation: Macro assumptions in the Strategic Plan consider the recent and existing impacts of COVID-19 at the time of the Plan presentation with a gradual normalization over the subsequent years. The scenario did not assume that the COVID-19 situation at that time would develop in a particularly negative way in the subsequent years.

- 22 basis points in case of adherence to the Offer equal to 50% + 1 share.

For the sake of completeness of information, the additional effects on UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024, in the hypothetical scenario of the temporary disapplication of the prudential treatment currently granted to the BPM Group with reference to its insurance companies are as follows:

- 29 basis points in the event of 100% adherence to the Offer;
- 20 basis points in the event of 70% adherence to the Offer;
- 14 basis points in case of adherence to the Offer equal to 50% + 1 share.

In this context, it should be noted that the pro-forma figures exposed in this paragraph do not include the Purchase Price Allocation (PPA) impact, including any potential fair value adjustments.

For reference, UniCredit Group's fully loaded consolidated CET1 ratio as at December 31, 2024 stood at 15.9%, with an MDA buffer equal to 549 basis points (MDA buffer including a gap of 9bps vs. the 1.88% AT1 bucket requirement computed vs MDA requirement 10.28% as of the same date).

With regard to the impact on the UniCredit Group's MREL ratio (expressed with reference to RWA), assuming the acquisition of 100% of BPM (and also assuming the latter's acquisition of 100% of Anima) and considering a pro-forma situation as at December 31, 2024, with full computability of BPM's eligible liabilities (e.g., as a result of the merger of BPM into UniCredit), the negative impact would be approximately 65 basis points if the Danish Compromise were to be applied (also to Anima). In the absence of the Danish Compromise with reference to the acquisition of Anima, the additional impact would be approximately 15 basis points.

It should be noted that in the case of a partial acquisition of BPM and in the absence of a merger between BPM and UniCredit, the two entities (UniCredit and BPM) would maintain separate MREL's requirements. In general, the MREL requirement is indeed determined by the Resolution Authorities and communicated to the banks on the basis of an annual Resolution Planning cycle. In this context, the decisions regarding the MREL requirements applicable to UniCredit and BPM existing at the time of the potential transaction would remain in force until they are replaced or superseded by new decisions. During the annual Resolution Planning cycle, the Resolution Authorities will analyse and discuss with the UniCredit Group the need for any changes to the MREL requirements applicable as a result of the transaction.

For reference, the MREL ratio on RWA stood at 32.73% as December 31, 2024.

Given the uncertainty characterizing any estimate, UniCredit capital and MREL actual impacts may differ from those described above or these could be higher or lower, considering the wide range of scenarios, levers and effects which are embedded in a combination transaction and in light of the macro scenario and all other risk factors highlighted in this Registration Document, including for instance the adherence to the Offer, the outcome of the BPM Offer and potential granting or absence of the application of the Danish Compromise regulatory treatment with reference to the acquisition of Anima, as described below.

With regard to possible effects of the transaction on the UniCredit's Deferred Tax Assets ("DTAs"), it should be noted that, based on the information and findings available to date, the transaction would have no impact on the amount of DTAs existing as at December 31, 2024. Moreover, as of today, based on future profitability, no write-downs of DTAs recorded in UniCredit's financial statements are expected.

The completion of the Offer and of the potential Merger exposes the Issuer and its Group to risks and challenges. These include, by way of example:

- (i) the need to make unforeseen investments in equipment, information management, information technology ("IT") systems as well as IT services and other business crucial infrastructure as well as unforeseen technological challenges and interruptions related to the integration of the IT systems of the two companies;
- (ii) the ability to react to market and business environment changes while in the process of combining business and support functions;
- (iii) the placement of considerable demands on UniCredit's and BPM's resources to manage the business combination and contemplated post-completion integration measures, including requiring significant amounts of time and attention of the management of UniCredit and BPM, respectively, which may impair the ability of their management bodies to manage the businesses effectively during the Offer process, the following process of integration and in the future;

- (iv) the ability to successfully control the change and adaptation process regarding personnel, including reserving sufficient time for the implementation of necessary changes to its organization;
- (v) the unsuccessful management of the integration planning process, including the inability to complete any post-completion integration measures or any delays to such post-completion integration measures, and any disturbances to the efficiency, reliability, continuity and consistency of the functions of the post-acquisition entity, its operations as well as administrative, support and control functions, such as risk, financial control and reporting, IT, communications, human resources, legal and compliance functions;
- (vi) the working capacity and retention of senior management and key personnel within the post-acquisition entity; and
- (vii) the ability to successfully retain relationships and contractual arrangements with customers, suppliers and commercial counterparties in the future.

In this context it should be noted that the envisaged acquisition of the BPM Group may not reflect the scope and timing it is expected to be characterized by, also given the different scenarios of adherence to the Public Exchange Offer that might occur.

In particular, should the Issuer acquire a certain percentage of BPM (in any case higher than the Threshold Condition or 50% + 1 of the shares of BPM in case the Threshold Condition is waived) without, however, carrying out the Merger, the Issuer estimates that approximately 85% of the estimated cost and revenues synergies could be achieved, amounting to an overall value of approximately Euro 1 billion before tax, including revenues synergies of approximately Euro 300 million, and cost synergies of approximately Euro 700 million. The risk of the Merger being hindered is higher if the Issuer acquires a stake lower than 66.6% of the shares of BPM because of the lower proportion of voting shares held by UniCredit and the resulting likely difficulty in ensuring that proposals concerning the Merger (and the future conduct of the business of the UniCredit Group) reach the quorum required for approval. In fact, shareholders of BPM hostile to the Offer may give rise to risks by engaging in conflicting and/or obstructing behaviors. Obstructive shareholders of BPM might also pose risks to the timing of, and ways in which, the post-acquisition integration process is carried out causing a deviation from current estimates. In addition, regardless of the percentage of shareholding that UniCredit may acquire upon conclusion of the Offer, there may be other events concerning BPM that are outside the control of the Issuer and that may delay and/or reduce the achievement of the estimated cost and revenues synergies as well as potentially having a negative impact on the UniCredit Group's results, performance and strategic objectives.

In addition, if the Issuer, following the envisaged acquisition of the BPM Group and the potential Merger pursuant to the Offer, fails to realize the anticipated synergies or other benefits, or the estimated implementation costs of the Offer and of the contemplated integration measures are materially exceeded, the targets, benefits and future outcomes on which the Offer is based may not be realized or realized with a different timeline. The materialization of all synergies resulting from the acquisition is, in fact, highly uncertain also in light of the fast-changing macroeconomic context. The existence of the aforementioned risks stems in large part from the fact that, at the Registration Document Date, the acceptance period of the Offer has not yet begun, and the Issuer has been relying solely on data which is in the public domain as a basis for formulating its estimates concerning the cost and revenues synergies expected to originate from it. Should such estimates turn out to be inaccurate or should the expected synergies fail to materialize to the extent and within the timeframes expected by the Issuer, the revenues and costs of the UniCredit Group may, in the future, be different from those estimated and this may have a negative impact on the market value of UniCredit's shares and the return that investors may obtain from them.

It should be noted that the revenues and cost synergies expected from the transaction have been estimated regardless of the outcome of the BPM Offer and thus do not take into account any synergies which may be extracted from the integration of Anima and BPM, considering that the Issuer had no access to the detailed assumptions underlying any potential synergies deriving from the integration of Anima and BPM.

In this context, it should be noted that, as at the Registration Document Date, the process relating to the voluntary tender offer launched pursuant to Articles 102, paragraph 1, and 106, paragraph 4, of the Consolidated Financial Act made on November 6, 2024, by Banco BPM Vita S.p.A. ("**BPM Vita**") in concert with BPM on all the ordinary shares of Anima Holding S.p.A. (the "**Anima**") (the "**BPM Offer**") is underway. Subject to the completion of the Offer, in case the BPM Offer is successfully completed, Anima and its subsidiaries will also be brought into the UniCredit Group.

Given the uncertainty characterizing any estimate and forecast data described above, including those related to revenues and cost synergies estimates, UniCredit may not be able to achieve the results described above or these could be achieved in a different time frame, in some cases even faster considering the wide range of levers and

effects which are embedded in a combination transaction and in light of the macro scenario and all other risk factors highlighted in this Registration Document.

The Issuer believes that the aforementioned events have a low probability of occurrence and, considering their possible negative impact, UniCredit considers this risk to be of medium significance.

Finally, if the acquisition of the BPM Group by UniCredit is completed, the scope of consolidation of the Issuer's Group will change, giving rise to risks connected with the interpretation and comparison of the Issuer's 2024 Consolidated Financial Statements against any future financial statements of the UniCredit Group; investors should, in fact, consider the discontinuity and the limits to the comparability of the UniCredit Group's post-acquisition annual and interim reports with the UniCredit Group's financial information as at December 31, 2024. In particular, the metrics of reference for evaluating the future results of UniCredit that will be most subject to possible discrepancies with the 2024 results have economic (e.g., P&L), financial (e.g., balance sheet) and regulatory (e.g., Common Equity Tier 1 ratio) nature. Such discrepancies and overall non-comparability could make UniCredit's performance more difficult to assess for the investors.

#### 1.1.2 Risks connected associated with the Strategic Plan 2022—2024 completion of the acquisition of Banco BPM

~~On 9 December 2021, UniCredit presented to the financial community in Milan the 2022-2024 Strategic Plan called "UniCredit Unlocked" (the Strategic Plan or Plan) which contains a number of strategic, capital and financial objectives (the Strategic Objectives). The Strategic Plan focuses on UniCredit's geographic areas in which the Issuer currently operates; with financial performance driven by three interconnected levers: cost efficiency, optimal capital allocation and net revenue growth.~~

~~"UniCredit Unlocked" delivers strategic imperatives and financial ambitions based on six pillars. Such strategic imperatives and financial ambitions regard: (i) the growth in its regions and the development of its client franchise, changing its business model and how people operate; (ii) the delivery of economies of scale from its footprint of banks, transforming the technology, leveraging Digital & Data and embedding sustainability in all that UniCredit does; (iii) driving financial performance via three interconnected levers.~~

~~Sustainability is embedded in the Plan and UniCredit commits to deliver on ESG target and policies. Specifically, UniCredit: has established an ESG advisory model for Corporates and Individuals; is financing innovation for environmental transition; and is partnering with key players to enrich and improve ESG offerings across sectors.~~

~~New business model allows for strong organic capital generation<sup>3</sup> with materially increased and growing shareholder distributions<sup>4</sup>, consisting in cash dividends and share buybacks, while maintaining a robust CET1 ratio.~~

~~Although the Plan is based primarily through management actions, thanks to its geographical positioning UniCredit assumed the following at the time of disclosure of the Plan: (i) a conservative interest rate scenario based on a broadly stable Euribor 3-month rate over the 3 years of the MYP; (ii) the combination of its countries was expected to deliver GDP growth<sup>5</sup> above the Eurozone average over the course of the Plan, helped by its Central and Eastern European positioning; (iii) Central and Eastern Europe loan growth was expected at a multiple of GDP due to the relatively low maturity of the market; (iv) UC countries had theoretical access to approximately 50 per cent of the overall fund disbursement of the Recovery and Resilience Fund allocation.~~

~~The macro assumptions underlying the Strategic Plan disclosed in December 2021 excluded unexpected materially adverse developments such as the Russia-Ukraine conflict and worsening/resurge of the COVID-19 pandemic, situations that UniCredit has been monitoring closely<sup>6</sup>.~~

~~The Plan is based on six pillars:~~

- ~~• Optimise: improving operational and capital efficiency, with gross cost savings considering also Digital & Data, and a contribution to CET1 ratio including from active portfolio management; RWAs expected to decrease over the~~

<sup>3</sup> Organic capital generation means CET1 evolution deriving from (i) stated net profit excluding DTA from tax loss carry forward contribution and (ii) RWA dynamic net of regulatory headwinds.

<sup>4</sup> Shareholder distribution subject to supervisory & shareholder approvals and inorganic options.

<sup>5</sup> Average of yearly changes.

<sup>6</sup> From Strategic Plan presentation: Macro assumptions in the Strategic Plan consider the recent and existing impacts of COVID-19 at the time of the Plan presentation with a gradual normalization over the subsequent years. The scenario did not assume that the COVID-19 situation at that time would develop in a particularly negative way in the subsequent years.

course of the Plan as active portfolio management more than offsets impact of organic growth and expected regulatory headwinds, as well as thanks to additional risk and business levers;

- ~~Invest: cash investments in Digital & Data, new hires in Business and Digital & Data, targeted growth initiatives including ESG; targeted approach to costs savings: faster realisation of non business related efficiencies, technology benefit and simplification & streamlining;~~
- ~~Grow: increasing net revenues in the period 2021-2024, thanks to the optimisation UniCredit is undertaking, and the underlying focus on quality growth;~~
- ~~Return: increasing in 2024;~~
- ~~Strengthen: maintain solidity thanks to revised CET1 ratio target, decrease in gross NPE ratio and stable net NPE ratio in 2024;~~
- ~~Distribute: higher distribution consistently with organic capital generation<sup>7</sup> from net profit and RWA evolution.~~

On 24<sup>th</sup> July 2024 UniCredit presented Group results for 2Q24 as well as the update of the guidance for 2024. For 2024 the updated guidance provided (overwriting and improving Unlocked targets), considers the current context in terms of expectations on macro scenario and monetary policy. No changes in philosophy, focused on defending leadership achieved in operational and capital efficiency and CoR; further improving the client focus and earnings quality, further simplifying and streamlining of the organization.

Without prejudice to the conditions precedent to the Offer as set out in the Offer Document, after completion of the acquisition of BPM, the Issuer will be exposed to the risks associated with the execution of an extraordinary acquisition of the entire share capital or of a controlling stake in another bank (including, *inter alia*, any current or contingent liabilities that were unknown or, in any event, not found during pre-acquisition analysis) and also to the more specific risks resulting from the defining features of BPM, the procedure of the Offer and of the potential subsequent Merger. There are, in fact, risks related to the fact that the Issuer does not benefit from any contractual guarantee and indemnity undertaking given by BPM or BPM's current shareholders (e.g., representations and warranties and associated seller indemnity obligations) due to the structure of the transaction (acquisition through a public exchange offer). In addition, the Issuer's sole reliance on publicly available information concerning BPM for the purposes of the Offer and the fact that it has not conducted any due diligence on the BPM Group exposes it to the risk of not being able to ascertain all the critical aspects concerning the target entity and the future risks that might derive from the acquisition of BPM. Both UniCredit and, as far as is known, BPM have entered into distribution agreements, including in the asset management sector, with the scope, terms and conditions and maturities set forth in their respective contracts. However, UniCredit did not have access to the terms and conditions of the partnerships and distribution agreements entered into by the BPM Group, including the one with the Anima Group, due to the specific characteristics of the transaction (*i.e.*, since it was a market transaction, no prior due diligence was carried out).

In light of the above, there is a risk inherent in the completion of the Offer that the UniCredit Group will have to deal with unexpected liabilities and/or with having to recognize lower values for assets of the BPM Group than those previously reported on BPM balance sheets.

In addition, assuming the acquisition is completed as planned pursuant to the Offer, the Issuer will likely see an increase in its exposure associated to risks connected with the insurance business, primarily as a result of acquiring those companies of the BPM Group that carry out insurance activities, in addition to the insurance business activities that the UniCredit Group already carries out through its bancassurance joint ventures.

#### Risks associated with the completion of the acquisition on more onerous terms than initially anticipated

At the Registration Document Date, the Issuer has obtained: (i) the authorizations of the Serbian Competition Authority (unconditional clearance), (ii) the authorization from the Insurance Supervisory Authority (IVASS) to acquire - upon the positive outcome of the Offer - the indirect controlling stakes equal to 100% of the share capital of Banco BPM Vita S.p.A. and of Vera Vita S.p.A. and the indirect qualifying stakes equal to 35% of the share capital of Banco BPM Assicurazioni S.p.A. and of Vera Assicurazioni S.p.A., (iii) the authorization from the ECB to (a) amend the by-laws by including a delegation to the Board of Directors to resolve on the share capital increase to serve the Offer and (b) classify the new shares to be issued within such capital increase as CET1,(iv) the non-objection letter from the Central Bank of Ireland to acquire the indirect controlling

<sup>7</sup> Shareholder distribution subject to supervisory & shareholder approvals and inorganic options.

shareholding in BBPM LIFE DAC., and (v) the authorization from the ECB and Bank of Italy for, *inter alia*, the direct acquisition of a controlling interest in BPM, as well as the indirect acquisition of a controlling interest in Banca Akros S.p.A. and Banca Aletti S.p.A. Aletti Fiduciaria S.p.A., Agos Ducato S.p.A. and Numia S.p.A., pursuant to Articles 19, 22 and 114-*quinquies* of the Consolidated Banking Act; the indirect acquisition of a controlling stake in Banco BPM Invest SGR S.p.A., and the qualified indirect participation in Etica SGR S.p.A., Anima SGR S.p.A., Anima Alternative SGR S.p.A., Kairos Partners SGR S.p.A., Castello SGR S.p.A., Vorvel SIM S.p.A. pursuant to Article 15 of the Consolidated Financial Act. The Issuer is still waiting for the authorization from the European Commission, under Regulation (EU) 139/2004 (“EUMR”) and Regulation (EU) 2022/2560 (“Foreign Subsidies Regulation”), that the Issuer currently expects to receive, respectively, by end of June and by the end of May 2025, considering, however, that the review process may last longer. The Issuer is still waiting also for the clearance from the Presidency of the Council of Ministers pursuant to Law Decree No. 21 of 15 March 2012, as amended and supplemented (so called *golden power*).

There is a risk connected to the issuance of authorizations by any such relevant authorities if these are issued upon the condition that the Issuer makes certain commitments in order to obtain clearance for the acquisition of BPM. The materialization of this risk cannot be excluded and while the significant impact that may derive from it cannot in principle be ruled out, the Issuer does not expect it to be of such nature as to materially affect the terms of this transaction. Such commitments may involve the requirement that the Issuer implements the transaction (and potentially the subsequent merger) only provided that it meets certain conditions (which may include, for instance, the condition that the Issuer sells some of its bank branches, assets or equity stakes and/or commitments to behave in a certain way following the acquisition, including possibly the requirement that the Issuer modifies its strategy in certain respects, as a condition for clearance by an antitrust authority).

Without prejudice to the conditions precedent to the Offer as set out in the Offer Document, the timing and procedures for obtaining all the required authorizations carry a risk that the Issuer is required to take actions and complete the acquisition of BPM on more onerous terms compared to what has been planned at the outset of the transaction.

#### **A.1.2. Risk connected with the potential failure by BPM to obtain the Danish Compromise treatment**

According to article 49 of Regulation (EU) 575/2013 (the “Capital Requirements Regulation” or “CRR”), the so-called Danish Compromise capital treatment (the “Danish Compromise”) can be granted, with an assessment on a case-by-case basis, by the ECB to financial conglomerates in order to favorably risk-weight insurance participations, instead of their full deduction from the relevant CET1.

On November 6, 2024, BPM has clarified, in connection with the launch of the BPM Offer on the ordinary shares of Anima that the confirmation of granting of the Danish Compromise also to the conglomerate resulting from the business integration of BPM, Banco BPM Vita and Anima is a condition precedent to the settlement of the BPM Offer.

BPM’s board of directors has been delegated by the BPM shareholders’ meeting held on February 28, 2025, to resolve whether to waive, fully or partially, any of the conditions of the BPM Offer; therefore, BPM Vita might proceed with the BPM Offer also (i) in case of failure by BPM to be granted the confirmation of the Danish Compromise, or (ii) should the relevant decision of the ECB on the granting of the Danish Compromise not be known, in its final terms, by the settlement date of the BPM Offer.

Even though BPM mentioned on January 20, 2025, that the dialogue with the ECB is ongoing and that the latter is proceeding with its assessment on the matter with the involvement of the European Banking Authority, it has to be noted that no information has been disclosed by BPM on (i) the degree of likelihood of achieving the Danish Compromise treatment, and (ii) the expected terms of such special regime being applicable to BPM (*i.e.*, full approval or only partial approval of the Danish Compromise regime), other than what is contained in the explanatory note published on February 27, 2025.

The explanatory note to the shareholders’ meeting of BPM of February 28, 2025 states that “*the capital absorption in case of denial of Danish Compromise is computed by multiplying Banco BPM’s RWAs as of 31.12.2024 by the 268 bps impact*”.

As a consequence, if the Anima transaction is completed without the Danish Compromise being obtained there might be negative effects on the capital of the Issuer and the Group resulting from the business integration with BPM that cannot be fully and properly assessed based on the information currently available. At the same time, the granting of this treatment to the BPM Group following a potential integration of Anima into its business may not necessarily mean that such treatment would also be granted to the UniCredit Group in a post-Merger configuration. In this regard, it should be noted that, in the event of a positive response, it cannot be excluded that the ECB will adopt prescriptions and/or measures towards the UniCredit Group that would have a potential negative impact on the capital position of the Issuer, although the fact that the UniCredit Group would be the

controlling entity of the BPM Group assuming the positive outcome of the transaction, as of the Registration Document Date, it is potentially unlikely a contradictory scenario whereby BPM will be awarded by a positive outcome while UniCredit Group not.

On March 26, 2025, BPM announced to have received a communication from the ECB in which the authority stated that, in its own view, the so-called Danish Compromise should not be applied to the acquisition of Anima. Furthermore, on March 27, 2025, the EBA rejected the query submitted by BPM relating to the applicability to the acquisition of Anima of the “Q&A FAQ 2021\_6211” regarding acquisitions carried out by insurance companies controlled by banks (“Calculation of goodwill included in significant investments in insurance undertakings”) because, in the EBA’s view, the issue raised is beyond, and cannot be resolved in the context of, the EBA’s Q&A process, since it requires a broader investigation not compatible with this instrument. On the same date, BPM announced that the relevant management bodies of both BPM Vita and Banco BPM, within the scope of their respective powers, have resolved to waive the condition on the granting of Danish Compromise to the BPM Offer. On March 26, 2025, BPM responded to the ECB letter dated March 21, 2025 asking the ECB to clarify the underlying reasons related to its view regarding the non-application of the Danish Compromise to Anima’s acquisition and maintaining that, in its own view, the prudential treatment outlined in said communication is not consistent with the underlying principles related to the deduction regulatory framework set forth in the CRR and the rules governing financial conglomerates. Therefore, on the basis of the information publicly available and made publicly available by BPM as at the Registration Document Date and in view of the pending uncertainties relating to the applicability of the Danish Compromise, also following the above-mentioned recent BPM initiative, UniCredit considers appropriate to provide the information and scenarios described below.

Based on the information published and made available by BPM, in the absence of the aforementioned Danish Compromise, and assuming the acquisition of 100% of Anima based on the revised terms of the BPM Offer (price increased to Euro 7.00 per Anima share), also assuming the continued application of this regime to the insurance companies of the BPM Group, the additional negative impact on UniCredit Group's fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024 would be:

- 44 basis points in the event of 100% adherence to the Offer;
- 31 basis points in the event of 70% adherence to the Offer;
- 22 basis points in case of adherence to the Offer equal to 50% + 1 share.

In this context it should be noted that pro-forma figures do not include the Purchase Price Allocation (PPA) impact, including any potential fair value adjustments.

For the sake of completeness of information, the additional effects on UniCredit Group’s fully loaded consolidated pro-forma CET1 ratio as at December 31, 2024, in the hypothetical scenario of the temporary disapplication of the prudential treatment currently granted to the BPM Group with reference to its insurance companies are as follows:

- 29 basis points in the event of 100% adherence to the Offer;
- 20 basis points in the event of 70% adherence to the Offer;
- 14 basis points in case of adherence to the Offer equal to 50% + 1 share.

As already stated, the pro-forma figures do not include the Purchase Price Allocation (PPA) impact, including any potential fair value adjustments.

Regarding the MREL ratio as expressed in terms of RWA, in the absence of the Danish Compromise with reference to the acquisition of Anima the additional negative impact can be estimated equal to approximately 15 bps.

### **A.1.3. Risks associated with the UniCredit Group’s activities in different geographical areas**

Despite the Group’s business being materially connected to Italy and, therefore, to the state of its economy (Italy accounted for approximately 45% of the Group’s revenues in 2024, computed as sum of Italy, Germany, Central Europe including Austria, Eastern Europe and Russia) the UniCredit Group is also present in Germany (accounting for approximately 22% of the Group’s revenues in 2024), in Central Europe (accounting for approximately 17% and covering Austria, Czech Republic and Slovakia, Hungary and Slovenia) in Eastern Europe (accounting for approximately 11% of the Group’s revenues in 2024 and covering Croatia, Bulgaria, Romania, Bosnia and Herzegovina and Serbia). UniCredit also has marginal activities in Russia (accounting for approximately 5% of the Group’s revenues in 2024).



With regards to the Issuer's activities in Italy, any changes in the macroeconomic environment of the country due to geopolitical developments, any trends in the prices of commodities and energy and the impact of high interest rates on sovereign bonds might cause significant negative impacts on the UniCredit Group's business, especially following the potential completion of the Offer and Merger, due to the BPM Group's more pronounced presence in certain regions in Italy. In addition, the UniCredit Group's geographical spread will also continue to expose it (even in its potential post-Merger configuration) to risks and uncertainties affecting each of the various countries in which it operates. Such risks and uncertainties may be of various nature and magnitude and could turn out to be more complex in relation to those countries that are not part of the European Union. Central and Eastern European countries in particular have historically experienced volatile capital and foreign exchange markets, often coupled with political, economic and financial instability (at present potentially increased due to spillover effects of the Ukrainian crisis). The events that such instability and lower degree of development might give rise to, could affect negatively and limit the operations of the UniCredit Group, also as a result of governmental actions such as nationalization or other restrictions on businesses, all of which may be capable of impacting UniCredit's assets, balance sheets and/or income statement. The evolution of the geopolitical landscape remains under continuous monitoring by UniCredit, with current factors including recent and constantly evolving U.S. trade policy decisions, that could have potential implications on global trade relationships both with upsides (e.g. new trade partnerships) and downsides (e.g. impact on export/import) as possible outcomes. This area is at the early stage of evolution and potential impacts, if any, on UniCredit's primary geographies will be duly taken into account as part of the normal processes of the risk management framework. The events leading to the materialization of this risk are considered by the Issuer to have a low probability of occurrence and, given the likely impact this risk would have, it is considered to be of medium significance.

At the date of this Registration Document, the Issuer's presence in Russia exposes it to the specific risks connected to the ongoing Ukrainian crisis. These risks are also recognized by the ECB which, in April 2024, issued a decision requesting UniCredit to perform certain activities to minimize them; UniCredit – in compliance with the ECB's decision – is acting to reduce such risks. Should ECB assess that UniCredit actions are not complying with its decision, ECB could take additional supervisory measures. UniCredit considered the possible effects of a hypothetical extreme scenario on its relevant activities and credit exposures, by assuming total non-recoverability and cancellation of its positions. While the robust capital position of UniCredit was confirmed as being such that it would allow for the full absorption of such effects, this does not eliminate the risk of any more severe and unexpected developments in the Ukrainian crisis. Such risk exposure also requires the Issuer to constantly employ a significant amount of resources for the dynamic management of risks and ongoing assessment of the possible effects of the geopolitical crisis, while maintaining an overall prudent and sustainable approach to distributions.

With regards to the assets and liabilities of Russian subsidiaries, the Group holds investments in Russia through AO UniCredit Bank and its subsidiaries OOO UniCredit Garant, and OOO UniCredit Leasing. The line-by-line consolidation determined the recognition of total assets as of December 31, 2024, in the form of investments in Russia to be equal to Euro 5,597 million, as opposed to Euro 8,668 million as of December 31, 2023. Such a difference in total assets is mainly attributable to a reduction in financial assets at amortized cost. As of December 31, 2024, the foreign exchange revaluation reserve arising from the conversion of assets and liabilities in EUR is equal to Euro - 3,243 million. The negative delta for Euro 456 million in comparison with the same figure for year-end 2023 (Euro - 2,787 million) is mainly due to the depreciation of the Russian Ruble over the same period.

Since the start of the Ukrainian crisis, the Russian subsidiary has reduced its exposure to domestic customers and the amount of deposits collected locally by 86% and 89% respectively, and the rest of the UniCredit Group (in particular UniCredit S.p.A.) has reduced its exposure to Russian counterparties by 94%; this result was achieved with extremely limited impacts and already fully factored into the Group's consolidated capital ratios as at December 31, 2024.

Any event of loss of control over AO UniCredit Bank – including a nationalization – would determine the derecognition of net assets having a carrying value of Euro 5.5 billion. Such value includes the deconsolidation effects and embeds the negative revaluation reserve, mainly linked to foreign exchange, equal to Euro -3.3 billion. This event, if occurred in 2024, would have led UniCredit to report a positive stated FY24 Group result of Euro 4.2 billion, instead of Euro 9.7 billion. Under a regulatory capital perspective: (i) the impact stemming from the revaluation reserves (Euro 3.3 billion, including the Foreign exchange reserve) would have been neutral, since they are already considered in the CET1 capital calculation as of 31 December 2024, according to the CRR requirements; (ii) the CET1 ratio would have benefited from the deconsolidation of the RWA generated by the Russian entities exposures. As a consequence, the overall impact on UniCredit's capital ratio is lower than the consolidated carrying value of AO UniCredit Bank and it is confirmed in line with the extreme loss scenario already disclosed to the market (-47 bps of the CET1 ratio as of December 2024 or -55bps including impact from

threshold deduction, if this were applicable at the time the event occurs). Such value decreased over time as consequence of the mitigation actions linked to the reduction of the Russian exposure executed by UniCredit over time.

#### **A.1.4.Risks connected with forecasts and estimates concerning UniCredit, BPM and the expected post-Merger process of integration and expected synergies**

This Registration Document includes provisional figures based on information taken from: (a) the guidance published by UniCredit in connection with the Group's 2024 results; (b) the guidance publicly disclosed by Banco BPM in connection with the BPM Group's 2024 results and strategic plan update; and (c) additional considerations of UniCredit on possible synergies and integration costs concerning the potential business combination of UniCredit and BPM and, to the extent the BPM Offer is successfully completed, Anima.

Investors should note that the overview of BPM's strategy and guidance is being provided by UniCredit in this Registration Document on the basis of the information and documents publicly disclosed by Banco BPM and exclusively for the purposes of a complete disclosure and, as such, it should not be understood by investors to entail any judgment, endorsement or acceptance of responsibility by UniCredit with regards to its contents.

In addition, it should be noted that such forecasts and estimates should be given relative weight by investors, considering that plans for the combined entity resulting from the integration of BPM into the UniCredit Group will only be approved after the completion of the Public Exchange Offer (as a result of which UniCredit would have a greater insight on the above elements) and according to a timeline still to be defined as at the Registration Document Date. Similarly, forecasts and estimates even regarding the UniCredit Group's ambition for its future performance (the "2025-27 Ambitions") are, therefore, subject to a number of uncertainties and additional factors, many of which are outside the control of UniCredit.

UniCredit's ability to meet the ~~Strategic Objectives and all~~2025-27 Ambitions and all the forward-looking statements ~~relies on a number of~~made in the relevant section of this Registration Document rely on several assumptions, expectations, projections and provisional data concerning future events ~~and is subject to a number of uncertainties and additional factors,~~. More in detail, the 2025-27 Ambitions is based on a set of macroeconomic assumptions that are not under the control of the Bank's management, including:

- Eurozone GDP growth at +0.9% in 2025, +1.2% in 2026, +1.3% in 2027;
- Eurozone inflation at +1.9% both in 2025 and 2026, +2% in 2027; and
- ECB's deposit facility rate equal to 2% by the end of 2025 and stable up to 2027.

~~many of which are outside the control of UniCredit. There are a variety of factors that may cause~~The 2025-27 Ambitions includes the contribution of "Alpha" business initiatives ("Alpha Initiatives") that are influenced by the Bank's management - albeit many of them are subject to uncertainty - which are aimed at: net profit growth in UniCredit's geographies, client business segment mix enhancement, product offering enhancement, distribution channels integration, organization & processes improvement, technology & data investments and evolution. As a consequence of the uncertainty of the factors that are not under the control of the Bank's management or that can be influenced but not totally controlled by it, the Bank's actual results ~~and performance to be~~can be also materially different from the explicit or implicit contents of any forward-looking statements in the UniCredit guidance and thus, such forward-looking statements ~~are~~do not ~~constitute~~ constitute a fully reliable indicator of future performances.

The future financial results could be influenced by the macroeconomic developments on which ~~uncertainties increased as a result of the heightened geopolitical tensions. The Russia-Ukraine crisis has implied a sharp rise in commodities prices and inflationary pressure, further global supply chain disruption, a tightening of financial conditions, heightened uncertainty, and a sharp drop in consumer confidence. As inflation builds up because of the increase in energy price and the supply disruptions, ECB adopted a tight monetary policy that could become more dovish with changes in interest rates trend, as the reversal in DFR trend of June 2024 may signal. The outlook is surrounded by risks which were not foreseeable at the date of the Strategic Plan presentation, and which are still uncertain.~~

With reference to the credit exposures as at 31 December 2023, the macroeconomic scenarios used for calculation of credit risk parameters (Probability of Default, Loss Given Default, Exposure at Default) were updated according to the Group policies.

For the 9M24, reflecting UniCredit's historically prudent approach on classification and provisioning, the cost of risk, is 9 basis points. Cost of risk, excluding Russia, is expected in the 30 to 35 basis points range over the plan period.

~~Furthermore, should any of the assumptions turn out to be inaccurate and/or the circumstances envisaged not be fulfilled, or fulfilled only in part or in a different way to that assumed, the ability to meet the Strategic Objectives may be negatively impacted.~~

~~Given the inherent uncertainty surrounding any future event, both in terms of the event's occurrence as well as eventual timing, the differences between the actual values and the Strategic Objectives could be significant. Assumptions by their nature are inherently subjective and the assumptions underlying the Strategic Objectives could turn out to be inaccurate, in whole or in part, which may mean that UniCredit is not able to fulfil the Strategic Plan. If this were to occur, the actual results may differ significantly from those set forth in the Strategic Objectives, which could have a material adverse effect on UniCredit's business, results of operations, financial conditions, or capital position.~~

~~There are many variables, in fact, which may cause the actual results and performance of the UniCredit Group alone, or in its potential post-Merger configuration (which may or may not include Anima) to be materially different from those expressly (or impliedly) set out in any forward-looking statements made. Such variables include developments of a macro-economic and geopolitical nature, as well as any possible knock-on effects these developments might have on global and regional growth and progress.~~

~~Investors should note that all of the uncertainties described above equally apply to the forecasts and estimates specifically related to the targets and expected synergies of the Public Exchange Offer, including any results which have been forecast as a consequence of the BPM Offer, as these may or may not materialize. Any commitments that the Issuer could be required to make by the antitrust authorities, such as disposal of branches, may have an impact on the assumptions and targets described in this Registration Document.~~

~~With particular reference to such targets and expected synergies, these have also been set by reference to estimates concerning the one-off costs of integration relating to the acquisition and the following cost and revenues synergies arising once BPM has been integrated into the Issuer's Group. In particular, the Issuer expects estimated revenues synergies of approximately Euro 300 million before tax per year and estimated cost synergies of approximately Euro 900 million before tax per year. UniCredit expects 50% of both costs and revenues synergies to materialize in 2026 and to be then fully realized in 2027. The one-off costs of the integration process have been estimated at approximately Euro 2 billion before tax, expected to be mostly concentrated at the initial stage of the process.~~

~~Said synergies, however, remain dependent on UniCredit's ability to: firstly, react to market and business environment changes while in the process of combining business and support functions.~~

~~Secondly, its ability to successfully and safely control the change and adaptation process regarding personnel, including reserving sufficient time for the implementation of necessary changes, which form a key part of the strategic, financial and operational benefits as well as cost and revenues synergy benefits behind the rationale of the Offer. This is relevant especially with regards to the integration and coordination of management and staff, IT systems, structures and services of the two banking groups, as well as the extension of any UniCredit policies. Said migrations into the UniCredit Group will inevitably involve the transfer of a significant volume of activity and data, due to the high numbers of customers (about 4 million customers of BPM compared with about over 15 million customers of UniCredit) and branches (about 1,400 branches for BPM compared with the about 3,039 branches belonging to the UniCredit Group). These procedures carry an inherent risk of delays or unexpected issues arising, that imperil the security of the information systems being migrated, affecting the operational continuity of the UniCredit Group also in its potential post-Merger configuration. Security problems might in fact be generated by the BPM Group's possibly lower (or different) levels of security than those applied by UniCredit, especially concerning the segregation of data networks or security settings of the devices that connect to the internet or third parties.~~

~~Thirdly, UniCredit's ability to successfully define and implement a new strategy, organizational and governance model for the entity resulting from the acquisition.~~

~~The abovementioned revenues and cost synergies, presented in the various scenarios, have been estimated regardless of the outcome of the BPM Offer and thus do not take into account any synergies which may be extracted from the integration of Anima and BPM, considering that UniCredit had no access to the detailed assumptions underlying any potential synergies deriving from the integration of Anima and BPM.~~

~~On the other side, the Bank has set ambitions for 2027 of a net profit of approximately Euro 10 billion, coupled with RoTE ("Return on Tangible Equity") above 17% and average organic capital generation for the full-years 2025-2027 broadly in line with net profit. All the above allow for yearly distributions ambition (subject to supervisory, board of directors and shareholder approvals, inorganic opportunities and delivery of financial ambitions) for the full-years 2025-2027 greater than in 2024, of which cash dividends at 50% of net profit and additional distributions including the excess capital to a 12.5-13% of CET1 ratio. As of the Registration Document Date, the guidelines provided by UniCredit regarding the Phase II of UniCredit Unlocked are valid.~~

On February 12, 2025, Banco BPM published its updated strategic plan for 2026-27 with the net income expected to grow from Euro 1.69 billion in full-year 2024 to Euro 2.15 billion in full-year 2027 (assuming the acquisition of Anima). Banco BPM has not stated that the BPM 2026-27 Strategic Plan is not valid as of the Registration Document Date. At the Registration Document Date, the Issuer has not yet approved a new consolidated business plan for the UniCredit Group that reflects the completion of the acquisition of BPM. In this regard, the Issuer expects that plans for the combined entity resulting from the integration of BPM into the UniCredit Group will only be approved after the completion of the Public Exchange Offer (as a result of which UniCredit would have a greater insight on the above elements) and according to a timeline still to be defined as at the Registration Document Date.

Based on (a) the UniCredit net profit ambitions for 2027 (as described above) and (b) the standalone net profit estimates for 2027 from broker consensus for BPM (broker consensus average for reported net profit retrieved from FactSet on March 20, 2025) and Anima (broker consensus average for reported net profit retrieved from FactSet on March 20, 2025) and assuming (i) the successful completion of the BPM Offer, (ii) the successful completion of the Offer and the Merger and (iii) the realization of the full revenues and cost synergies in 2027 (as described above), the combined group would have a combined net profit of approximately Euro 12.8 billion in 2027. Such estimate has been calculated as the algebraic sum of (i) the net profit ambitions for 2027 for UniCredit, (ii) the reported net profit for 2027 from broker consensus average for BPM, (iii) the 78% (i.e., the percentage of Anima not owned by BPM prior to the BPM Offer) of the reported net profit for 2027 from broker consensus average for Anima and (iv) the post-tax run rate amount of expected revenues and cost synergies. The estimated combined net profit in 2027 is the result of a complex range of facts, events and situations which could happen in different shape, form and sequence and they could affect in a more positive or alternatively negative manner the transaction and therefore such net profit could diverge, even significantly, from the forward-looking trend formulated, due to the uncertainties associated with the underlying assumptions.

For all these reasons, Thus, investors are cautioned against making their investment decisions based exclusively on the forecast data included in the Strategic Objectives (and latest updated guidance). requested not to rely exclusively on those forecasts and estimates included in this Registration Document when taking their own decisions to invest in financial instruments of the Issuer, given the uncertainty characterizing any forecast data, including those retrieved from FactSet and based on broker consensus estimates.

The Issuer evaluates that the materiality of such risk shall be high.

Finally, it is noted that certain of the assumptions and/or actions taken as the basis for the forecasts and estimates might turn out to be imprecise and, consequently, might not materialize or might materialize to an extent and at times different from those forecasted, just as events that could not be foreseen at the time they were formulated might occur, or might occur with some delay. Moreover, due to the uncertainty associated with the realization of any future event, both in terms of its occurrence, its extent and timing, there might be significant discrepancies between the forecast values and the final values, even if such events on the basis of assumptions do materialize, which might have significant negative effects on the Issuer and the Group's activities, as well as its economic, equity and/or financial situation. A significant delay in the completion of the integration measures could result in additional costs for the entity resulting from the potential Merger, in additional resources from its management and personnel, as well as in future alternative business opportunities being lost. The UniCredit Group may further incur additional significant legal, accounting and other transaction fees and costs relating to the carrying out of such integration measures, some of which will be payable irrespective of whether or not the integration is completed.

Given the uncertainty characterizing any forecast data described above, including those retrieved from FactSet and based on broker consensus estimates, UniCredit may not be able to achieve the results described above or these could be achieved in a different time frame, in some cases even faster considering the wide range of levers and effects which are embedded in a combination transaction and in light of the macro scenario and all other risk factors highlighted in this Registration Document.

#### A.1.5.1.1.3 Credit risk and risk of credit quality deterioration

The activity, financial and capital strength and, as well as the profitability of the UniCredit Group depend, among other things, on the creditworthiness of its customers. In carrying out its credit activities, the Group is, in fact, exposed to the risk that an unexpected change in the creditworthiness of a counterparty may generate a corresponding change in the value of the associated credit exposure and give rise to the partial or total write down thereof.

need to write it down partially or totally. The credit risk inherent in the traditional activity of providing credit is material, regardless of the form it takes (cash loan or endorsement loan, secured or unsecured, etc.).

As at December 31, 2024, the value of the UniCredit Group's non-performing exposures ("NPEs") was equal to Euro 11.2 billion (with a gross NPE ratio of 2.6%), down by 4.6% Y/Y, while as at December 31, 2023 they were equal to Euro 11.7 billion, with a gross NPE ratio of 2.7%. The stock of loan loss provisions ("LLPs") as at

December 31, 2024, was equal to Euro 5.1 billion with a coverage ratio of 45.87%. With reference to categories of NPEs:

- Euro 3.1 billion were classified as bad loans (coverage 69.33%),
- Euro 7.3 billion were classified as unlikely to pay (coverage 37.44%),
- Euro 0.8 billion were classified as impaired past due (coverage 32.47%).

As at December 31, 2024, the Group's net NPEs stood at Euro 6 billion, slightly decreased compared to the value of Euro 6.2 billion recorded as at December 31, 2023 (equal to, respectively, 1.4% and 1.4% of total exposures of the Group). Starting from the year 2015 the overall reduction of the Group's NPE amounted to about Euro 66.7 billion, down from the amount of Euro 77.8 billion of 2015 to Euro 11.2 billion recorded at December 31, 2024 (this amount includes the loans disposed of in July 2017 and IFRS 5 positions).

The UniCredit Group's cost of risk ("CoR") increased by 2 bps to 15 bps as at December 31, 2024. On the other hand, as at December 31, 2024 the amount of the Group's overlays on performing exposures is of approximately Euro 1.7 billion.

UniCredit's LLPs, excluding Russia, increased by 42.2% Y/Y to Euro 785 million in 2024. Therefore, the cost of risk excluding Russia, increased by 5 bps Y/Y to 18 bps in 2024.

The UniCredit Group's asset quality ratios are broadly in line with European peers' average. The following comparison shows the main asset quality ratios between the UniCredit Group and a benchmark sample, i.e., the 2024 EU wide transparency exercise, part of the EBA ongoing initiatives to promote transparency and strengthen market discipline within the EU financial market. Comparable UniCredit Group and EU-wide (calculated on the full perimeter of countries in scope of the exercise) figures are respectively presented below:

- Gross NPE ratio: 2.2% (Q4 2024 data) compared to 1.9% (EBA data as of Q3 2024);
- NPE coverage ratio: 45.9% (Q4 2024 data) compared to 41.6% (EBA data as of Q3 2024).

The data are consistent with the EBA transparency methodology; in particular, the last available data for the EBA transparency are as of Q3 2024; while the UniCredit FY 2024 data have been recalculated to be consistent with the EBA perimeter (more extensive, for example including also cash balances vs. central banks).

The current environment continues to be characterized by highly uncertain elements due to geo-political tensions and by the related effects of the evolution of the macro-economic scenario, potentially prone to generating a worsening of the Issuer's loan portfolio quality, with NPE classification occurrences and increase in the loan loss provisions allocation (including of a performing nature, due to the update in credit parameters). Besides, and consistently with the IFRS 9 framework, UniCredit has built additional and complementary provisions measures ("overlays") to the IFRS 9 core model allocated to performing assets to address negative scenario developments likely to impact sub-portfolios considered sensitive to geopolitical and real estate risks. These measures may absorb default events and/or scenario worsening or be released if the underlying risks do not manifest themselves.

With reference to performing cash exposures toward customers, 9.2% were classified in the so called stage 2 (Euro 51 billion) with a coverage ratio equal to 6.14%. It should be noted that these amounts have been calculated on the basis of the regulatory consolidation perimeter and including all balance-sheet assets classified as assets at fair value through other comprehensive income, assets at amortized cost and assets held for sale.

With regard to "non traditional" credit risk, the UniCredit Group is also exposed to the non-traditional credit risk arising in the context of negotiations of derivative contracts and repurchase transactions (repos) on a wide range of products, such as interest rates, exchange rates, share prices/indices, commodities (precious metals, base metals, oil and energy materials), both with institutional counterparties, including brokers and dealers, central counterparties, central governments and banks, commercial banks, investment banks, funds and other institutional customers, and with non-institutional Group customers. These operations expose the UniCredit Group to the risk of counterparty, which is the risk that the counterparty risk, meaning that a counterparty may become insolvent before the maturity of the loan or expiration of the applicable contract matures, not being able and is, therefore, unable to fulfil its obligations towards the Issuer or one of the other Group companies.

As at 30 September 2024, Group gross NPEs were down by 1.6 per cent Y/Y and up by 0.8 per cent Q/Q to Euro 11.8 billion in 3Q24 (while as at 30 June 2024 they were equal to Euro 11.7 billion) with gross NPE ratio of 2.7 per cent (flat Y/Y and Q/Q).

As at 30 September 2024, Group Net NPEs stood at Euro 6.2 billion broadly stable compared to 30 June 2024 which attested at Euro 6.2 billion (Group Net NPE ratio stable compared to 30 June 2024 and is equal to 1.4 per cent).

~~For more information on European legislative initiatives on Non Performing Loans, please see section headed “Information about the Issuer”, paragraph 4.1.4 (The domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the Issuer) of this Registration Document.~~

~~Furthermore, since 2014 the Italian market has seen an increase in the number of disposals of non-performing loans, characterised by sale prices that are lower than the relative book values, with discounts greater than those applied in other European Union countries. In this context, the UniCredit Group has launched a structured activity to reduce the amount of non-performing loans on its books, while simultaneously seeking to maximise its profitability and strengthen its capital structure.~~

~~In the last years, also in accordance with the EBA Guidelines of 31 October 2018 on management of non-performing and forbore exposures for credit institutions with a gross NPL ratio greater than 5 per cent., the Group has adopted a strategic plan to reduce Non Performing Exposures (NPE) and operational and governance systems to support it.~~

~~Starting from the year 2015 the overall reduction of the Group NPE amounted to about Euro 66 billion, moving from Euro 77.8 billion of 2015 to Euro 11.8 billion of 3Q24 (Euro 11.7 billion of 2023). This amount includes the loans disposed of through Project Fino in July 2017 and IFRS 5 positions if any.~~

~~According to the Strategic Plan 2022-2024, the Group will continue to manage NPEs proactively to optimise value and capital.~~

~~The current environment continues to be characterised by highly uncertain elements, with the possibility that the slowdown of the economy, jointly with the termination of the safeguard measures, such as the customer loans moratorium, generates a worsening of the loan portfolio quality, followed by an increase of the non-performing loans and the necessity to increase the provisions to be charged to the income statement.~~

~~UniCredit's LLPs increased by 14.0 per cent 9M/9M to Euro 283 million in 9M24. Therefore, the cost of risk increased by 1 bps 9M/9M to 9 bps in 9M24. The Group maintained the amount of overlays on performing exposures at circa Euro 1.7 billion, which substantially reinforces the Group's capacity to withstand macroeconomic shocks.~~

~~It is worth pointing out that the measurement is affected by the already mentioned effect of the relief measures and, ultimately, the existence and degree of economic recovery. The evolution of these factors may, indeed, require in future financial years the classification of additional credit exposures as non-performing thus determining the recognition of additional loan loss provisions related to both these exposures as well as performing exposures following the update in credit parameters.~~

~~The Group has adopted procedures, rules and principles aimed at monitoring and managing credit risk at both individual counterparty and portfolio level. However, there is the risk that, despite these credit risk monitoring and management activities, the Group's credit exposure may exceed predetermined risk's levels pursuant to the procedures, rules and principles it has adopted.~~

With regards to the BPM Group's exposure to this type of risk, as far as known to the Issuer as at the Registration Document Date and on the basis of the disclosure that is currently in the public domain, the value of the BPM Group's NPEs for the year 2024 has been disclosed as being equal to Euro 2.9 billion, while the disclosed value of cost of risk for the year 2024 stood at 46 bps. Therefore, BPM's exposure to this type of risks appears to be overall proportionate to the size of its business and in line with the Issuer's evaluations concerning the potential post-Merger vulnerability of the Group to this risk.

As far as the presence in Italy is concerned, given the complementarity of the two banks' networks, the risk of geographical concentration appears limited. In fact, a preliminary analysis based on available data suggests that the combined entity could potentially result in a meaningful overlap in no more than 10% of Italian provinces. As a consequence, and net of potential commitments that may be necessary for the competent merger control authority to clear the proposed transaction, the risk of concentration by client appears limited, but is not specifically quantifiable as it would need a set of data concerning BPM which are not available. Based on publicly available information, BPM's key asset quality metrics appear solid. Therefore, the Issuer believes that the combined entity will not face material issues in terms of asset quality.

As of December 31, 2024, with regard to securitizations relevant for credit risk purposes, the UniCredit Group acts as:

1. Originator for own significant risk transfer (“SRT”) securitizations, both cash and synthetic, both on performing and non-performing exposures. In accordance with the CRR and its amendments, the Group evaluates SRT through the mezzanine/junior test, commensurateness test and by verifying the absence of the contractual conditions that could affect the recognition of the SRT. In order to verify the commensurateness test on performing transactions, the Group has adopted an internal method that compares two indicators to demonstrate that the own fund requirement reduction obtained through the securitization is commensurate to the risk transferred to third parties. In addition to this methodology the UniCredit Group applies the recommendations of the EBA report 2020/32 on Significant Risk Transfer in securitization under articles 244(6) and 245(6) of the CRR, both for the SRT quantification and the interaction with the regulators. As of December 31, 2024, the securitization transactions recognized for risk transfer that produce benefits in terms of regulatory capital are 41, of which 27 are synthetic securitizations, and 14 true sale securitizations, of which 10 on NPE exposures. Originated SRT securitizations are structured by several legal entities within the Group.
2. Sponsor for its Asset-Backed Commercial Paper (“ABCP”) program in UCB GmbH. UniCredit calculates risk weights based on the internal assessment approach (“IAA”) for unrated securitization positions towards the ABCP program amounting to Euro 5.9 billion as of December 31, 2024; this exposure stems from liquidity facilities towards the 41 vehicles (Elektra Purchases) of the ABCP program in order to provide credit enhancement; the exposure amounts to 0.75% of Group total assets as of December 31, 2024.
3. Investor in both i) high credit-quality Asset Backed Securities (ABSs) issued by Third Parties (Public Securitizations) and ii) Client-driven Securitizations, structured upon customer request (Private Securitizations), for a total exposure of Euro 19.64 billion as of December 31, 2024 of which:
  - (i) With regards to Third-Parties ABSs (Euro 9.34 billion), the Group invests primarily in European Collateralized Loan Obligations (CLOs), Auto ABSs, Consumer ABSs and Residential Mortgage Backed Securities (RMBS) rated AAA (76%), AA (16%) A (0.2%), BBB (4%) and unrated positions (3.8% amounting to Euro 0.4 billion) originated by other banking groups. In line with the development of the financial markets and, specifically, the securitisation market, the Third-Parties ABS Portfolio was transformed from a separate portfolio in liquidation to a strategic investment portfolio for the Group in 2011 and was integrated into the Markets Strategic Portfolio (MSP), managed with a view to diversifying the investment portfolio, generating a profit margin and creating an appreciable capital return through long-term investments in fixed-income securities.
  - (ii) With regards to Client-driven Securitizations (Euro 10.3 billion), the Group supports its main banking and automotive sector clients, investing in unrated senior exposures of private securitizations; the securitized credit exposures of the automotive sector are typically car rental receivables, leasing contracts and loans to finance car purchases.

Both the Public and the Private Securitisation portfolios are carried out in conformity with established credit approval processes, policies and procedures and are subject to credit/market risk limits, regular monitoring and reporting by the business and risk management functions. Given that the retention requirement shall be satisfied by originators, sponsors or original lenders, for exposures where UniCredit Group acts as investor, the retention rule is not required.

The total amount of unrated securitisation positions is Euro 10.7 billion (Euro 10.3 billion of the Client-driven Securitizations plus Euro 0.4 billion of the Third-Parties ABS), equal to 1.4% of Group total assets as of December 31, 2024.

Based on data concerning BPM retrieved from publicly disclosed documents as of June 30, 2024, assuming that the Offer is successful, the UniCredit Group exposures to securitizations are expected to increase, but without material impacts. In fact, BPM acts as:

- 1) Originator, for own SRT securitizations, both cash and synthetic, both on performing and non-performing exposures; given that the SRT process is supervised by the regulators, we do not envisage specific issues in case of a potential acquisition and Merger of BPM. Retained tranches of originated SRT securitizations may expose the Bank to the credit risk of the underlying exposures, which is anyway considered ordinary; protected tranches of originated SRT securitizations may bear some credit risk due to the creditworthiness of the guarantor, if the guarantee is unfunded and granted by non-supranational investors;

2) Sponsor, for a Euro 49 million exposure;

The Issuer evaluates that the materiality of both the credit risk and the risk of credit quality deterioration shall be medium-high.

3) Investor, on a portfolio of approximately Euro 700-800 million asset backed securities by third parties primarily with an associated risk-weight lower than 20%.

For further information in relation to the net write-downs on loans, please see the Consolidated Financial Statements of UniCredit as at 31 December 2022, the Consolidated Financial Statements of UniCredit as at 31 December 2023 and the UniCredit Unaudited Consolidated Interim Report as at 30 September 2024 – Press Release.

The size of the BPM investor portfolio is relatively small compared to the UniCredit Group's one, and even though UniCredit does not envisage a deterioration of the Group risk profile following the integration of BPM, the Issuer would only be able to provide a complete evaluation of any impact on credit risk (including that relating specifically to securitizations) only after the completion of the transaction.

The information contained in this risk factor is a key audit matter identified in the Independent Auditor's Report on UniCredit 2024 Consolidated Financial Statements as "measurement of loans and receivables with customers recognized under financial assets at amortized cost".

**A.1.6.1.1.4 Risks associated with the Group's exposure of the UniCredit Group to sovereign debt**

The book value of sovereign debt securities exposures of the UniCredit Group as at December 31, 2024 amounted to Euro 116,130 million (as at December 31, 2023 it amounted to Euro 108,256 million) of which more than 75% is concentrated in eight countries as follows: Italy (Euro 39,824 million), Spain (Euro 15,475 million), Germany (Euro 7,646 million), United States of America (Euro 6,478 million), France (Euro 5,365 million), Japan (Euro 5,239 million), Austria (Euro 3,849 million) and Czech Republic (Euro 3,547 million). UniCredit's exposure to sovereign debt securities issued by the Italian central and local governments amounted to Euro 39,824 million as at December 31, 2024. It should be noted that sovereign debt securities exposures account for approximately 14.8% of Group total assets as of December 31, 2024, and 186% of Group net equity as of December 31, 2024.

Sovereign exposures are bonds issued by, and loans given to, central and local governments and governmental bodies. ~~For~~ Exposures held through asset-backed securities are not included for the purposes of the current risk exposure, positions held through Asset Backed Securities (ABS) are not included ~~devaluating this risk.~~

Any worsening of the spread between the return on government bonds and risk-free benchmark rates, any downgrading of a sovereign entity's rating might have a negative impact on the value of UniCredit's own portfolio of securities. Such phenomena, which may often involve more widespread tensions and volatility in the sovereign bond market, especially with regards to the spread between Italian government bonds and other benchmark government bonds, may increase instability on the market, reduce the value of UniCredit's portfolio and be of detriment to the capital position and operating results of the Issuer.

~~With reference to the Group's sovereign exposures, the book value of sovereign debt securities as at 30 September 2024 amounted to Euro 117,779 million (as at 31 December 2023 it amounted to Euro 108,256 million), of which about the 77 per cent was concentrated in eight countries, including: Italy with Euro 42,096 million (at 31 December 2023 it amounted to Euro 41,100 million), representing about 36 per cent of the total (about 38 per cent at 31 December 2023) and over 5 per cent of the Group total assets (over 5 per cent as at 31 December 2023); Spain with Euro 15,716 million; Germany with Euro 7,522 million; Japan with Euro 6,360 million; United States of America with Euro 6,122 million; France with Euro 4,907 million; Austria with Euro 3,787 million and Czech Republic with Euro 3,665 million.~~

~~As at 30 September 2024, the remaining 23 per cent of the total sovereign exposures in debt securities, equal to Euro 27,604 million as recorded at the book value, was divided between 32 countries, including: Romania (Euro 2,893 million), Bulgaria (Euro 2,540 million), Croatia (Euro 2,417 million), Hungary (Euro 1,899 million), Slovakia (Euro 1,236 million), Poland (Euro 1,050 million), Portugal (Euro 1,003 million), Serbia (Euro 901 million), China (Euro 727 million), Ireland (Euro 709 million) and Russia (Euro 634 million).~~

~~With respect to these the above exposures, as at 30 September of December 31, 2024, there were no indications that defaults have occurred and the Group is closely monitoring constantly monitors~~ the evolution of the situation.

~~With particular reference to the book value of the Group's sovereign debt securities exposure to Russia it should be noted that amounting to Euro 574 million, it is almost totally held by the Russian controlled bank in local currency and accordingly classified in the banking book. During 2022, the Russian debt securities belonging to~~



the Amortized cost and FVtOCI portfolios were classified in stage 2 and downgraded, given the increase in credit risk according to the internal models. As at December 31, 2024:

Note that the aforementioned remaining of the sovereign exposures held as at 30 September 2024 also included debt securities relating to supranational organisations, such as the European Union, the European Financial Stability Facility and the European Stability Mechanism, worth Euro 9,659 million (as at 31 December 2023 it amounted to Euro 5,842 million).

In addition to the Group's sovereign exposure in debt securities, there were also loans issued to central and local governments and government bodies, amounting to Euro 24,368 million as at 30 September 2024 (as at 31 December 2023 it amounted to Euro 24,852 million).

- the collective staging measure was removed for AO UniCredit Bank Debt securities portfolio as well, with non-material LLP impact;
- the related LLPs stock amounts to Euro 66 million (Euro 132 million as of year-end 2023) with reference to Euro 640 million gross exposure (Euro 766 million as of year-end 2023). The decrease in LLPs mainly stems from the removal of (i) the stage 2 classification and (ii) previous fixing of LLPs to the level of March 2022.

In addition, as at December 31, 2024, the Group also issued loans to central and local governments as well as government bodies for a total amount of Euro 26,515 million.

On the basis of publicly available information, in fact, the Issuer is aware of the extent of the BPM Group's exposure to debt securities issued by sovereign states (stated to be equal to Euro 32,855 million as of December 31, 2024, of which Euro 12,642 million related to bonds issued by the Italian state). Potential completion of the Merger, by extending UniCredit's portfolio, would involve an increase of the exposure to sovereign debt which is proportionate to that held by the BPM Group at the time of the completion of the transaction and consequent potential acquisition of control over BPM.

#### A.1.7.1.5 Risks ~~relating to~~ associated with deferred ~~taxes~~ tax assets

Deferred Tax Assets' (DTAs) tax assets ("DTAs") and liabilities are ~~recognised~~, and will continue to be, recognized even following the potential completion of the Offer and of the Merger, in the consolidated financial statements of the Issuer according to the IAS 12 accounting principle- IAS 12. As of 31 December 2023, DTAs amounted in aggregate to Euro 10,749 million, of which Euro 4,380 million may be converted into tax credits pursuant to. Under Law No. 214 of 22-December 22, 2011 (the "**Law 214/2011**"). As of 31 December 2022, DTAs totally amounted to Euro 11,848 million, of which Euro 5,793 million available for conversion to tax credits pursuant to Law 214/2011. Under Law 214/2011, DTAs related to loan impairments and loan losses, or to goodwill and certain other intangible assets, may be converted into tax credits if ~~the~~ the company has a ~~full-year~~ full-year loss in its ~~non-consolidated~~ non-consolidated accounts relating to convertible DTAs (to which such convertible DTAs relate) (**Convertible DTAs**). Under the conversion into tax credits, Convertible DTAs recognised in the accounts of the company with the ~~non-consolidated full year loss~~, and a. A proportion of the deferred tax ~~credits~~ assets are converted in accordance with a ratio between the amount of the ~~full-year~~ full-year loss and ~~the~~ the company's shareholders' equity.

Law 214/2011 also provides for ~~the~~ such conversion of ~~Convertible DTAs~~ if there is a tax loss on a ~~non-consolidated~~ non-consolidated basis. In such circumstances, the conversion of the ~~Convertible DTAs~~ is ~~recognised~~ non-consolidated basis, ~~recognized~~ in the financial statements against the tax loss, and limited to the loss generated from the deduction of the same categories of negative income components (loan impairments and loan losses, or losses related to goodwill and other intangible assets). In accordance with Law 207/2024 (the "**2025 Budget Law**"), the convertible DTAs reversal for the full-year 2025 will be subject to four deferrals on a straight-line basis starting from full-year 2026 and, in relation to full-year 2026, they will be subject to three deferrals on a straight-line basis, starting from full-year 2027.

As at December 31, 2024, total DTAs amounted to Euro 9,588 million, of which Euro 2,995 million may be converted into tax credits pursuant to Law 214/2011. As of December 31, 2023, total DTAs amounted to Euro 10,749 million, of which Euro 4,380 million may be converted into tax credits pursuant to Law 214/2011.

As at 31-December 2023~~31, 2024~~, the remaining ~~Deferred Tax Assets (i.e., DTAs non-convertible)~~DTAs (i.e., those non-convertible into tax credits) ~~are~~were related to costs and ~~write-offs~~write-offs which may become deductible in future years, ~~for~~and amounting to Euro 2,527,525 million ~~(net of related deferred tax liabilities)~~, and to tax losses carried forward ("TLCF") for Euro 3,842,068 million. DTAs on TLCF ~~are~~mainly related to (i) UniCredit for Euro 3,418,661 million, ~~(of which Euro 913 million booked at the end of 2023 following the sustainability test), to~~ii) UniCredit for Euro 134 million IRAP tax credit ~~IRAP~~deriving from the conversion of the so called "Aiuto alla Crescita Economica" (ACE), to for Euro 115 million, (iii) UniCredit Bank Austria AG for Euro 201,18 million~~to~~, and (iv) UniCredit Leasing S.p.A. for Euro 56,263 million.

~~Such The above mentioned amounts are the ones resulting~~resulted from the sustainability test provided for IAS~~12~~by IAS 12, that takes into account the economic projections foreseeable for future years and the peculiarities of the fiscal legislations of each country, in order to check whether there are future taxable incomes against which TLCF can be offset. At Group ~~(subsidiaries)~~level, the total ~~not recognised~~DTAs of non-recognized TLCF are equal to Euro 1,125,357 million and mainly referred to UniCredit for Euro 549 million, to UniCredit Leasing S.p.A. for Euro 275,35 million, to UniCredit Bank GmbH and its subsidiaries for Euro 207,222 million and to UniCredit Bank Austria AG and its subsidiaries for Euro 63,76 million. In respect of foreign permanent establishments of UniCredit, relevant tax losses not ~~utilised~~utilized are equal to Euro 7,420,553 million, due to start-up expenses or other operating costs. ~~These~~Such tax losses ~~can~~are only be used against relevant to the taxable income at the level of each ~~single~~foreign permanent establishment for the taxes due in the relevant Country of establishment applicable country.

If, for whatever reason, significant changes in the current tax legislation may occur, not foreseeable at present, such as the rate change, or the updating of the income statement estimates with the latest available official projections should lead to lower taxable future income than those estimated in the sustainability test, and therefore not sufficient to guarantee the reabsorption of the DTAs in question, negative and even significant effects on the activities and on the economic, equity and/or financial situation of the Issuer and/or the Group could occur.

This risk concerns the further unforeseeable possibility that the tax legislation of any country to which the Issuer's Group is subject may change, even significantly, and cause the Issuer to have a lower taxable future income than estimated in the sustainability test mentioned above, insufficient to guarantee the re-absorption of the relevant DTAs. This might also happen following an update of the Issuer's income statement estimates in accordance with its latest available projections.

The Issuer deems such events to have a low likelihood of occurring and, should they occur, would be expected to be re-assessed based on the relevant tax legislation. Therefore, the Issuer considers this risk to be of residual significance. Overall, the materialization of this risk might have significant negative effects on the Issuer and the Group's activities, as well as its economic, equity and/or financial situation.

#### **A.1.8. Risks associated with current macroeconomic uncertainties and geopolitical tensions impacting on the earnings performance of the UniCredit Group**

The performance of the UniCredit Group is and will remain, following the potential completion of the Offer and of the Merger, significantly influenced by the macroeconomic conditions of the different markets in which it operates (Italy, Germany, Austria, Central and Eastern Europe and Russia) and by the situation of the global financial markets.

In light of the publicly available disclosure made by the BPM Group in its financial statements, the potential Merger, assuming the Offer is successful, is likely, on one hand, to cause an increase of the UniCredit Group's presence in the Italian market while, on the other, it would also expand the geographic presence of the Group in foreign countries, such as Switzerland, with the associated exposure to the macroeconomic conditions of such countries. In particular, should the Offer be successfully completed and should the potential Merger be implemented, the UniCredit Group will increase its presence in Italy, especially in the northern regions of the country, which would cause the UniCredit Group to be relatively more subject to the impact of changes in the conditions of the Italian economy. More specifically, an integration with BPM would cause an increase indicatively of approximately up to 14% in terms of loan and deposit Italian market share of the UniCredit Group.

The overall market environment, however, continues to be affected by high levels of uncertainty for both the short and the medium-term outlook meaning that the Group is very likely to be exposed to similar macroeconomic risks also following an acquisition of BPM. The economic consequences stemming from the geopolitical tensions, not only in Russia, pushed up inflationary pressures and could continue to determine the state of increasing uncertainty for the Euro area economy which, in turn, could have an impact on the performance of the Group. The Ukrainian crisis caused a sharp rise in commodities prices, further global

supply-chain disruption, a tightening of financial conditions, heightened uncertainty, and a sharp drop in consumer confidence. From mid-2022, with inflation building up due to the increase in energy price and supply disruptions, the ECB changed its monetary stance (with the following deposit facility rate: -50 bps in June 2022, 0 bps in July 2022, 75 bps in September 2022, 150 bps in October 2022, 200 bps in December 2022, 250 bps in February 2023, 300 bps in March 2023, 325 bps in May 2023, 350 bps in June 2023, 375 bps in July 2023, 400 bps in September 2023) and the market repriced interest rate expectations accordingly. Subsequently, from 2023, inflation started to record a declining path and, to support the economy, the ECB started to revert its monetary policy (lowering the deposit facility rate to 375 bps in June 2024, to 350 bps in September 2024, to 325 bps in October 2024, 300 bps in December 2024, 275 bps in January 2025 and 250 bps in March 2025) with currently a more dovish approach. The macroeconomic and geopolitical backdrop remains complicated and unpredictable. The outlook is still surrounded by risks arising in connection with various factors, such as the indicators of economic activity still displaying weaknesses, financing conditions that remain restrictive, the constant geopolitical tensions which have the potential to cause shocks on commodity and/or energy prices, the possible intensification of the Ukrainian crisis and/or of the tensions in the Middle East and/or the potential impacts on global trade from tariffs influencing the volatility of the financial markets. Any expectations regarding the performance of the global economy remain still uncertain in both the short and medium term and such elements of uncertainty could generate a worsening of the loan portfolio quality of the Group, also in its potential post-Merger configuration, leading to an increase of the non-performing loans and the necessity to recognize a greater amount of provisions charged to the income statement.

According to the ECB's projections, in March 2025 the Euro area economy growth is expected to be weaker than at the end of 2024. Both domestic and trade policy uncertainty are high, coupled with persistent competitiveness challenges. Despite these headwinds, the conditions remain in place for Euro area GDP growth to strengthen again over the projection horizon. Overall, annual average real GDP growth is expected to be 0.9% in 2025, and to strengthen to 1.2% in 2026 and to 1.3% in 2027. Compared with the December 2024 ECB macroeconomic projections, the outlook for GDP growth has been revised down by 0.2 percentage points for both 2025 and 2026 but is unchanged for 2027. The weaker outlook is mainly due to downward revisions to exports and, to a lesser extent, to investment, reflecting a stronger impact of uncertainty than previously assumed, as well as expectations that competitiveness challenges will likely persist for longer than had been anticipated.

Compared with the December 2024 ECB projections, the outlook for inflation has been revised up by 0.2 percentage points for 2025 (to 2.3%) on account of higher energy commodity price assumptions and the depreciation of the Euro, while it has been marginally revised down for 2027 (to 2.0%) owing to a slightly weaker outlook for the energy component at the end of the horizon.

The ECB released latest updated macro projections in March 2025, after the publication of UniCredit's guidance and 2025-27 Ambitions on February 11, 2025. ECB Eurozone GDP and inflation are broadly aligned with the scenario underlying UniCredit's guidance and 2025-27 Ambitions: Eurozone GDP is the same (+0.9% in 2025, +1.2% in 2026 and +1.3% in 2027), updated ECB Eurozone inflation in 2025 is at 2.3%, higher than UniCredit's guidance and 2025-27 Ambitions at 1.9%, and the same for 2026-2027 at 1.9% and 2% respectively.

Material adverse effects on the business and profitability of the Group, also in its potential post-Merger configuration, may also result from further developments of the monetary policies (and related impacts on financial entities and markets) and additional events occurring on an extraordinary basis (such as political instability, terrorism and any other similar event/correlated effects occurring in the countries where the Group operates and, as already experienced, a new pandemic emergency). Furthermore, economic and geopolitical uncertainty has also introduced considerable volatility and uncertainty in the financial markets, potentially impacting on credit spreads/cost of funding and therefore on the values the Group can realize from sales of financial assets.

The materialization of unfavorable macroeconomic and geopolitical developments leading the earnings performance of the Issuer to decline are, in fact, likely to be reflected in the main metrics showing the consolidated results reported by UniCredit from time to time. Among these: total revenues, net interest income ("NII"), fees, trading income, provisions on loans, other charges and provisions would be the main metrics/indicators signaling an overall decreased earnings performance of the Group. With regards to such metrics and indicators, on February 11, 2025, UniCredit presented the consolidated results of the Group as at and for the year ended 2024:

- total revenues stood at Euro 24,844 million, up by 4.3% Y/Y, mainly thanks to the positive contribution of net interest income and commissions.
- NII stood at Euro 14,358 million up by 2.5% Y/Y.
- Fees and commissions stood at Euro 8,139 million up by 7.6% Y/Y, driven by greater commercial boost on asset management products, investment funds first and foremost, the increase in commissions on

- loans and the growth recorded on payment systems and cards.
- Trading income stood at Euro 1,739 million, substantially stable compared to the previous year. This trend was positively impacted by the increase in profits from foreign exchange hedging activities in Russia, offset by the decrease in Italy mainly explained by lower profits from the sale of securities.
- Stated net profit stood at Euro 9,719 million, up by 2.2% Y/Y.

Regarding the fourth quarter, total revenues stood at Euro 6.0 billion, down 2.3% Q/Q, driven by resilient NII at Euro 3.7 billion (+2.5% Q/Q) and fees at Euro 2.0 billion (+1.7% Q/Q). Trading stood at Euro 270 million (-38.9% Q/Q). Total revenues were up 0.7% Y/Y, mainly driven by fees (+8.9% Y/Y) and NII (+1.1% Y/Y), partially offset by trading (-20.5% Y/Y).

In detail:

- NII in 4Q24 stood at Euro 3.7 billion, up 2.5% Q/Q, and up 1.1% Y/Y notwithstanding a lower average Euribor and lower loan volumes. The Q/Q growth was mainly driven by Italy and supported by better results on non-commercial components, especially investment portfolio and treasury & other.
- Fees stood at Euro 2.0 billion in 4Q24, up 1.7% Q/Q mainly thanks to the performance of insurance products and payments fees, especially in Italy. Fees were up 8.9% Y/Y mainly thanks to investments and insurance fees and the result of client hedging fees mostly in Germany.
- Trading income stood at Euro 270 million in 4Q24, down 38.9% Q/Q reflecting, among others, lower treasury contribution and impacts from the investment in Commerzbank. Trading income was down 20.5% Y/Y.

Given the context of persisting uncertainty in which the UniCredit Group continues to operate, evaluations made by the Group for the purposes of its financial statements continue to be made by reference to different macroeconomic scenarios (Positive, Baseline and Alternative weighed as appropriate). More in detail, with reference to:

- (i) credit exposures, the base scenario was weighed at 60%, while the positive scenario was weighted 5% and the alternative scenario 35%, and
- (ii) deferred tax assets, the base and the alternative scenarios were weighed respectively 65% and 35%. These weightings were applied coherently with the weightings applied for the measurement of credit exposures, by converging the positive scenario into the base scenario.

In particular, should the features of the “Alternative” scenario actually materialize, the projections showed a downward forecast in the expected profitability of the UniCredit’s business, in line with the macroeconomic parameters and a generally persistent level of uncertainty.

With reference to UniCredit’s credit exposures as at December 31, 2024, the macroeconomic scenarios used for calculation of credit risk parameters (probability of default, loss given default, exposure at default) were updated according to the Group policies, on the basis of scenarios mentioned above.

The UniCredit Group might, in the future, execute transactions (including non-recurring transactions) or be subject to events marked by non-recurring economic components (e.g., impairment of goodwill or the need to make additional contributions to the resolution fund and deposit guarantee schemes) over the next few years that may negatively impact any and all of the main indicators of UniCredit’s earnings performance listed above, more pronounced in case of unfavorable macroeconomic and geopolitical developments. A declining earnings performance would likely affect in a negative way the activity, prospects, economic results, balance sheet and financial situation of the Issuer and the UniCredit Group. At the date of this Registration Document, only those corporate transactions that have been recently completed (e.g., acquisition of 90.1% of Alpha Bank Romania S.A. and Aion Bank SA/NV and Vodeno) or are under way (e.g. the process for internalization of the life bancassurance), have been considered in the development of the Issuer’s strategic targets and performance forecasts.

#### **A.1.9.Risks associated with the distribution of dividends**

Pursuant to the law applicable to the Issuer, the amount distributed by UniCredit as dividends or other distribution of unrestricted equity may not exceed the amount of distributable funds shown on the latest audited financial statements of the UniCredit Group. The BPM Group, as a banking institution, is also subject to the same laws concerning the distribution of dividends and, accordingly, these will continue to apply in much the same way to the UniCredit Group in its potential post-Merger configuration. The possible distribution of dividends or other unrestricted equity will depend on the Group’s income generation capacity, capital and funding position,

investments, future prospects of asset quality, terms of its financing agreements, ability to transfer income from the subsidiaries to UniCredit, regulatory constraints and other factors.

In line with UniCredit's dividend policy, as set out in the "UniCredit Unlocked" plan, which prioritizes the creation of shareholder value by improving the UniCredit profitability and enhancing UniCredit per-share metrics, the distribution is planned through a mix of cash dividends and share buybacks (subject to regulatory and shareholder approval).

For 2023, the total ordinary distribution was set at Euro 8.6 billion with a cash dividend of Euro 3.0 billion (35% relative to the net profit (i.e., stated (or accounting) net profit adjusted for impacts from DTAs from tax loss carry forward sustainability test), equivalent to DPS of Euro 1.80), and a share buyback component equal to Euro 5.6 billion.

On February 11, 2025, UniCredit announced its distribution policy for 2024, approved by the Shareholders Meeting on March 27, 2025, which sets the amount of total distributions at Euro 9.0 billion, of which approximately Euro 3.7 billion to be distributed as cash dividends (of which Euro 1.44 billion has already been paid as interim dividend in November 2024, while the remaining Euro 2.29 billion, corresponding to a preliminary estimated final dividend per share of Euro 1.4764, remains to be paid after the Shareholders' approval); and Euro 5.3 billion in the form of a share buy-back (of which Euro 1.7 billion have already been paid with the 2024 share buy-back anticipation; while the residual Euro 3.6 billion will be completed after supervisory and shareholder approval and is expected to be commenced post completion of the Offer).

Any payment of dividends or any distribution of other unrestricted equity will however always be at the discretion of the Issuer's Board of Directors and, ultimately, be dependent on a resolution of the shareholders' meeting of UniCredit. Additionally, pursuant to the applicable banking regulations, the distribution of dividends and other distributions of unrestricted equity is not permitted if it would jeopardize the Group's solvency (including that of the Group in its potential post-Merger configuration).

On November 6, 2024, the Issuer communicated its intention to distribute cash dividends corresponding to a UniCredit Group payout ratio (i.e., the ratio between the total amount of dividends to be distributed and the stated net profit for the year, adjusted for the impacts from TLCF DTAs sustainability test and potential one-offs related to strategic items) of 40% for the year 2024 and 50% for the year 2025. Following the prospective acquisition and integration of BPM, UniCredit will continue to assess annually the preconditions for distributing dividends or other unrestricted equity coherently with its dividend policy and considering, among other things, the Group's structure, financial condition, general economic and business conditions, and future prospects, which may result in a deviation from, or change, in the dividend policy, including a decision not to distribute any dividends or carry out a share buy-back. The amount of any dividends to be potentially paid by UniCredit in any given financial year is thus uncertain and there can be no guarantee that dividends will be paid at all. Any dividends paid, or other unrestricted equity distributed by UniCredit in previous financial periods are not an indication of the dividends that will be paid in the future.

#### **A.1.10.1.2 Risks related to the business activities and industry of the associated with the ratings assigned to the Issuer and of the UniCredit Group**

At the Registration Document Date, the UniCredit Group has been assigned the following ratings by the international agencies Standard & Poor's ("S&P"), Moody's ("Moody's") and Fitch Ratings ("Fitch"):

- Standard & Poor's: Short Term Credit Rating of A-2, Long Term Issuer Credit Rating of BBB, stable Outlook and Standalone Rating of bbb+;
- Moody's: Short Term Credit Rating of P-2, Long Term Issuer Credit Rating of Baa1, stable Outlook and Standalone Rating of baa3;
- Fitch Ratings: Short Term Credit Rating of F2, Long Term Issuer Credit Rating of BBB+, positive Outlook and Standalone Rating of bbb+.

After the announcement of the intention to launch the Offer, Moody's and Fitch Ratings affirmed their above mentioned ratings, while Standard & Poor's stated that it views the potential combination of the two banks as ratings neutral for UniCredit. However, should the credit rating of the UniCredit Group resulting from the successful completion of the Offer and potentially of the Merger drop to a level such that the investment guidelines or regulations applicable to key investors prohibit the holding of UniCredit securities, investors might be forced to decrease their investments in it, which, in turn, could lead to the increase in the cost of new funding or restrict the UniCredit Group's ability to obtain new funding in the first place. The determination of ratings by the above mentioned agencies require them to consider (and to monitor thereafter) various indicators of the creditworthiness of the UniCredit Group, such as profitability, liquidity, quality and experience of top management, asset quality and capacity to maintain its own capital ratios above certain levels. If the Issuer and/or

one of the subsidiaries that is assigned a rating does not keep one or more of these indicators at adequate levels, the ratings assigned by the agencies might be downgraded.

There is, in addition, an execution risk associated with the inherent complexity of the Offer and of the potential Merger, which is specifically related to the possibility that the overall transaction is not executed as intended by the Issuer. UniCredit might, in fact, face a variety of problems affecting the completion of the Offer and/or any of the consequent integration processes related to it, including those part of the potential Merger and, as a result, there might be gaps between the synergies that the Issuer intends to achieve and those actually realized once the Offer and the potential Merger are finally completed. Actions and measures that UniCredit plans to implement for integrating the business of BPM into its Group might be disrupted or delayed due to, for instance, low employee morale and/or any inadequate allocation of resources to which UniCredit might fail to respond in a timely or flexible enough manner. In addition, some parts of the business of BPM might turn out to be more difficult than others to integrate into UniCredit as initially planned. As a result of such execution difficulties and of any repercussion these might have on UniCredit's financial position, earnings, liquidity and asset quality, the ratings assigned to the Issuer might suffer a downgrade.

Finally, the deterioration of the sovereign rating of the Italian government and of the wider macroeconomic trends could be factors material to the ratings of the Issuer, as they have the potential to impact its creditworthiness and, therefore, the evaluations of the rating agencies, which consider the domestic sovereign rating as one of the key inputs in their rating methodologies. As disclosed by S&P, Moody's, and Fitch in the rating sensitivity analyses performed by each rating agency, a downgrade of the Italian sovereign rating would likely lead to a downgrade of UniCredit's rating by the respective rating agency. UniCredit is rated better than the Italian sovereign by both Moody's (two notches above sovereign) and Fitch (one notch above sovereign).

Overall, the Issuer, given the public comments made by the rating agencies following the announcement of the intention to launch the Offer, deems the events related to the possible downgrading of its issuer credit rating to have a low probability of occurring and, given their possible impact, the Issuer considers the risk of a downgrade to be of medium significance.

#### **A.1.11. Risks associated with the impairment of goodwill**

As at December 31, 2024 the UniCredit Group recognized goodwill as an intangible asset for an overall value of Euro 38 million, representing 0.005% of the total assets of the Group and 0.061% of the shareholders' equity as at the same date. The same value of goodwill for the previous year stood at nil. Goodwill is defined as the difference between the consideration paid and the pro-quota fair value of the identifiable assets and liabilities acquired. As the test for measuring impairment of goodwill relies on the use of estimates concerning cash flows and discount rates deriving from the tested assets as well as other assumptions as to their financial return that are necessarily connected to the wider market context in which the Issuer operates, there is a risk that events external to the Issuer's activities, such as volatile and uncertain macroeconomic conditions, lead to the need to recognize higher values relating for impairment of goodwill in the future. This risk has, based on the Issuer's evaluations, a low probability of occurrence. Impairment of goodwill in the financial statements has the potential to have a negative impact on the financial position and results of the UniCredit Group, and will continue to do so also following the potential successful completion of the Offer and Merger. Given the degree of likelihood of this risk actually occurring and its potential impact should it occur, UniCredit considers it to be of low significance to the evaluation of investors.

The value of the Group's goodwill, as well as the pro-forma values of goodwill relevant to a potential post-Merger scenario, are tested in accordance with IAS 36, by:

- Allocating goodwill to Cash Generating Units (each a "CGU"), which represent the smallest identifiable group of assets that generates cash inflows that are clearly independent of the cash inflows from other assets or groups of assets;
- Comparing the recoverable amount of the CGU (i.e., higher of value in use (VIU) and fair value (FV) less cost to sell) with the corresponding carrying amount.

IAS 36 requires the Issuer to recognize impairment on goodwill in case the recoverable amount of a CGU goodwill is allocated to is lower than its carrying amount.

As of December 31, 2024, the Group's goodwill allocated to the CGUs of the UniCredit Group was equal to Euro 38 million and entirely allocated to the Eastern Europe CGU.

As of December 31, 2024, the incidence of goodwill, intangible assets (including goodwill) and tangible assets of the UniCredit Group on a pro forma basis amounts to 0.05%, 0.27% and 1.16% with respect to total assets and 0.61%, 3.56% and 15.28% with respect to equity of the UniCredit Group on a pro forma basis, as a result of the

potential Merger. The recoverable amount is affected by the overall macroeconomic trend and the trend of the Group results. Therefore, if such variables are worse than expected an impairment may arise.

Moreover, the risks outlined above also characterize the operations of the BPM Group. As far as the Issuer is aware and based on the available data the BPM Group held intangible assets amounting to Euro 1,257 million.

The degree of sensitivity with which certain assets or liabilities react to changes in rates or other reference parameters is determined by the Issuer by employing methods of sensitivity analysis. If the macroeconomic conditions in which the UniCredit Group operates (or will operate in the future, following the potential Merger) deteriorate significantly, the Issuer might face the need to run additional or different sensitivity analyses concerning the recoverable amounts with regards to its CGUs and, therefore, this might give rise to the need to recognize unexpected and/or greater than expected values for goodwill impairment, depending on how sensitive a specific asset is. The effect that unexpected or significant changes in the market might have on the estimate of assumed cash flows, and on the principal financial assumptions considered, might consequently entail the necessity of impairing of goodwill, even for significant amounts and have negative impacts on the economic results, balance sheet and financial situation of the UniCredit Group.

Moreover, further to the deterioration of the macro-economic conditions, the combined entity could face the risk of material adverse impacts to its overall business strategy in case revenues synergies and/or cost synergies (as well as other industrial synergies) are not achieved according to the assumptions underlying the business combination. Should such circumstance materialize, goodwill might not be sustained and therefore an impairment need could arise. Such risk is present both in the year of the potential business combination, and in the subsequent years, in case the progress towards meeting acquisition-date objectives and targets are not being met.

The risk of goodwill impairment also encompasses the circumstance that - after the business combination - the overall amount of intangible assets can significantly increase, as a result of the PPA process, when also other intangible assets - further to goodwill - might be recognized (e.g., Trademark, Customer relationships and Core deposit intangible).

#### **A.1.12.Risks associated with the assumptions and methods used to measure UniCredit's assets and liabilities**

Under the IFRS, management must make judgments, estimates and assumptions that affect the application of accounting principles and the amounts of assets/liabilities and income and expenses reported in the accounts, as well as the disclosure concerning contingent assets and liabilities. Estimates and related assumptions (a) are based on previous experience and on the available information framework with reference to the current and expected context and (b) have been used to estimate the carrying values of assets and liabilities not readily available from other sources.

Estimates and assumptions are regularly reviewed. Any change resulting from these reviews is recognized in the period in which the review was carried out, provided the change only concerns that period. If the review concerns both current and future periods, it is recognized accordingly in both current and future periods.

In particular, estimated figures have been used for the recognition and measurement of some of the main items in the Consolidated financial statements as required by IFRS.

This risk has, based on the Issuer's evaluations, a medium probability of occurrence. The use of certain assumptions and methods instead of others to prepare the Issuer's financial statements have the potential to have a significantly negative impact on the financial position and results of the UniCredit Group. Given the degree of likelihood of this risk actually occurring and its potential impact should it occur, UniCredit considers it to be of medium significance.

As of December 31, 2024, the assets and liabilities of the UniCredit Group measured at fair value consist of:

- (i) financial assets measured at fair value through profit or loss which amounted to Euro 61,677 million and consisted of: (a) financial assets held for trading (for Euro 55,083 million); (b) financial assets designated at fair value (for Euro 247 million); and (c) other financial assets mandatorily recorded at fair value (for Euro 6,347 million);
- (ii) financial assets measured at fair value through comprehensive income which amounted to Euro 78,019 million;
- (iii) hedging derivatives assets which amounted to Euro 1,351 million;
- (iv) real estate assets which amounted to Euro 5,906 million;
- (v) financial liabilities held for trading which amounted to Euro 31,349 million;
- (vi) financial liabilities designated at fair value which amounted to Euro 13,746 million; and
- (vii) hedging derivative liabilities which amounted to Euro 1,112 million.

In this regard, it should be noted that Euro 47,932 million related to financial assets measured at fair value are classified under level 2 (Euro 40,666 million) or level 3 (Euro 7,266 million) of the fair value hierarchy, while Euro 40,281 million of financial liabilities measured at fair value are classified under level 2 (Euro 38,237 million) or level 3 (Euro 2,044 million) of the fair value hierarchy. With specific reference to the financial assets measured at fair value and classified under level 2 or level 3 (Euro 47,932 million):

- Euro 6,791 million are debt securities (Euro 5,125 million at level 2 and Euro 1,666 million at level 3);
- Euro 1,550 million are equity securities (Euro 472 million at level 2 and Euro 1,078 million at level 3);
- Euro 3,387 million are units in investment funds (Euro 1,104 million at level 2 and Euro 2,283 million at level 3);
- Euro 7,486 million are loans (Euro 6,680 million at level 2 and Euro 806 million at level 3);
- Euro 28,718 million are derivatives (Euro 27,285 million at level 2 and Euro 1,433 million at level 3).

With specific reference to the financial liabilities measured at fair value and classified under level 2 or level 3 (Euro 40,281 million):

- Euro 724 million are deposits (Euro 692 million at level 2 and Euro 32 million at level 3);
- Euro 16,595 million are debt securities (Euro 15,855 million at level 2 and Euro 740 million at level 3);
- Euro 22,962 million are derivatives (Euro 21,690 million at level 2 and Euro 1,272 million at level 3).

The main items in the financial statements of the Issuer that are subject to valuation uncertainties are DTAs, the value of the Issuer's real estate portfolio and its credit exposures (in particular those related to Russia, for which additional information is reported at p. 365 of the 2024 Consolidated Financial Statements). Other balance sheet items that might be significantly affected by risks and uncertainties in their valuation, even if not directly connected with the uncertainty or slowing down of the economic activity and recovery, are the following:

- fair value of financial instruments not listed in active markets;
- severance pay (in Italy) and other employee's benefits (including defined benefit obligation);
- provisions for risks and charges.

Indeed, with reference to such items, the following remarks are worth to be mentioned:

- UniCredit applies the DTAs sustainability test according to its own methodology, also following the ESMA requirements when estimates are made (regarding, e.g., time-horizon, probability, convincing evidences); thus, the DTAs written-up during the past periods were recognized to the extent that it was deemed probable that future taxable profits would have been available in the next years, against which the unused tax losses and unused tax credits could have been utilized. However, it cannot be excluded that the combined entity could face the risk of not achieving its overall business strategy according to the assumptions underlying the business combination (in case either revenues synergies or cost synergies are not achieved, or in presence of deteriorated market conditions); in such a situation, future taxable profits might be lower than those assumed in the forecasts, therefore leading to derecognition of DTAs with impact in P&L.
- UniCredit's real estate portfolio is measured at current value model (fair value/revaluation approach) to provide reliable and more relevant information for financial statements' users. According to the Internal Regulation, real estate valuations (on-site and desktop) are regularly updated by external independent appraisers. Considering that the trend related to real estate markets depends on several variables (e.g., macro-economic conditions, investors' decisions based on alternative investments, modernization of buildings, location of assets, etc.), it cannot be excluded that future evolutions can generate a direct impact on the Issuer's real estate portfolio, with direct impact on either profit and loss, or revaluation reserves, according to the asset type.
- Regarding credit exposures, at each reporting date accounting standards require an entity to assess whether credit risk on financial instruments has increased significantly since initial recognition; the objective of the impairment requirements is to recognize lifetime expected credit losses for all financial instruments for which there has been a significant increase in credit risk, considering all reasonable and supportable information, including those of a forward looking nature. In this regard, entities can make use of multiple / alternative macro-economic scenarios, whose weights (in a blended approach) and related parameters (e.g., interest rate, inflation rate, occupation rate, etc.) generate different impacts on the evaluation of financial instruments. Hence, considering the uncertainty featuring the macro-economic conditions in the recent periods, it cannot be excluded that additional negative macro-economic scenarios are worth to be considered in the forecasts, thus impacting the carrying value of credit



exposures. Such circumstance is also applicable to credit exposures either located in Russia or located in Europe towards Russian borrowers, given the current geopolitical framework.

While the most recent valuations have been made on the basis of information deemed to be reasonable and capable of being substantiated as at December 31, 2024, they still involve a risk because they remain subject to changes not foreseeable at the moment, as a result of the evolution in the parameters used for their valuation.

The information contained in this risk factor is a key audit matter identified in the Independent Auditor's Report on UniCredit's 2024 Consolidated Financial Statements as "measurement of financial assets and liabilities at fair value levels 2 and 3".

#### **A.1.13.Risks associated with the inclusion of pro-forma financial information concerning the acquisition of BPM and the BPM Offer**

The Pro-Forma Consolidated Condensed Financial Information contained in this Registration Document has been prepared exclusively for illustrative purposes to represent the estimated retroactive effects of the planned acquisition of BPM on the financial performance of the UniCredit Group. The Pro-Forma Consolidated Condensed Financial Information is not intended to represent the financial position and actual results of the UniCredit Group and, most importantly, must not be considered as a forecast of its future results neither with regards to the pro-forma information that has been elaborated to reflect the integration of BPM, nor to that which has been set out taking into account the possible outcomes of the BPM Offer. In particular, with regards to the latter, the Pro-Forma Consolidated Condensed Financial Information has not been developed on the basis of any strategic action plan and/or intended approach for a future integration of Anima into the UniCredit Group as a consequence of the BPM Offer given that, as at the Registration Document Date, the Issuer has not elaborated any such strategy.

The pro-forma financial information included in this Registration Document is represented by the Pro-Forma Consolidated Condensed Financial Information (comprised of the pro-forma consolidated balance sheet and the pro-forma consolidated income statement for the year ended December 31, 2024) and by the accompanying explanatory notes of the UniCredit Group. The information contained in the Pro-Forma Consolidated Condensed Financial Information represents a merely illustrative simulation of the possible effects that might result from (i) an acquisition and subsequent Merger of BPM into UniCredit (disregarding any potential integration by BPM of a stake in Anima pursuant to the BPM Offer) and, where applicable (ii) an acquisition and subsequent Merger of BPM into UniCredit in addition to the concomitant acquisition by BPM of a controlling stake in Anima, in accordance with the various scenarios that might materialize pursuant to the terms of the BPM Offer (together, the "Acquisitions").

The Pro-Forma Consolidated Condensed Financial Information was drawn up employing measurement criteria consistent with IFRS. Their aim is to show the hypothetical effects of the Acquisitions on the financial position and results of the UniCredit Group, as if they had virtually taken place on December 31, 2024 (in relation to the effects on the consolidated balance sheet), and between January 1 and December 31, 2024 (in relation to the effects on the balance sheet and on the pro-forma consolidated income statement). The practical issues faced by UniCredit in the process of preparing the Pro-Forma Consolidated Condensed Financial Information primarily concerned the lack of in-depth information on BPM and Anima (other than that which is in the public domain), as well as difficulties of a more technical nature involving the selection of assumptions and of the most appropriate accounting policies to rely on. In particular, the lack of access to data on the target company does not allow to properly estimate the value, under IFRS 3, of the assets and liabilities acquired and, therefore, the amount of goodwill/negative goodwill arising from the transaction.

The Pro-Forma Consolidated Condensed Financial Information was prepared relying on the Issuer's best knowledge concerning the circumstances of BPM itself and those surrounding the BPM Offer solely by relying on publicly available data, which was processed and elaborated without the support or collaboration of neither BPM nor Anima. In preparing the Pro-Forma Consolidated Condensed Financial Information the Issuer relied exclusively on information and data published by (i) the BPM Group and (ii) Anima relating to the period from January 1, 2024, to December 31, 2024. All such publicly available information has not been verified by the Issuer. As such, the Pro-Forma Consolidated Condensed Financial Information prepared by UniCredit which considers the possible scenarios stemming from the completion of the BPM Offer might be materially different from the pro-forma financial information provided by BPM for the same purposes, due to different reasons, including the use of different assumptions and, possibly, BPM's access to data regarding Anima given BPM's status as one of its shareholders (unlike UniCredit) that are not publicly available.

The Pro-Forma Consolidated Condensed Financial Information has been derived from data selected on the basis of its materiality and was extrapolated from the following sources:

- (i) UniCredit's 2024 annual reports and accounts (prepared in accordance with IFRS);

- (ii) the press release on BPM's results as at and for the year ended December 31, 2024;
- (iii) Anima's 2024 annual reports and accounts as at and for the year ended December 31, 2024;
- (iv) the offer document related to the BPM Offer.

The pro-forma information above has been elaborated mainly by adopting a hypothetical approach, which involved simulating possible effects that may result from the Acquisitions by making the applicable pro-forma adjustments that were determined by assuming the application of IFRS 3 for business combinations transactions. In particular, the pro-forma adjustments related to the Share Capital Increase Reserved to the Offer (thus relating to positive or negative goodwill) were determined on the basis of the official closing price of the UniCredit Shares on December 30, 2024 (Euro 38,525 - i.e., the last available traded price as of December 31, 2024) being it the date of reference of the pro-forma figures on the assumption that BPM shareholders fully subscribe to the Offer. In contrast (again, consistently with the provisions of IFRS 3) UniCredit is required to recognize the New Shares at fair value, which corresponds to the stock market price of the UniCredit Shares at the trading date immediately preceding the settlement date of the Offer. Therefore, the increase in the shareholders' equity of UniCredit after issuance of the New Shares and, therefore, the acquisition's cost, will be known only on the day when control of BPM is acquired by UniCredit. Similarly, the final value of the assets and liabilities (and the final value of goodwill or negative goodwill) that will be recognized in the UniCredit consolidated financial statements will only be known after UniCredit acquires control of BPM and following the completion of the purchase price allocation as required by IFRS 3. The Pro-Forma Consolidated Condensed Financial Information included in this Registration Document have been examined by the KPMG, who issued their own report on March 28, 2025.

Furthermore, in connection with the integration of the BPM Group into UniCredit as a consequence of the Offer, the pro-forma negative goodwill is estimated at Euro 1,518 million, while the pro-forma goodwill including also the concomitant integration of Anima into the BPM Group before the integration into the UniCredit Group as a consequence of the BPM Offer is estimated at Euro 412 million.

Given the above, a correct interpretation of the information provided by the Pro-Forma Consolidated Condensed Financial Information requires investors to consider that:

- (i) they constitute representations constructed on the basis of hypotheses and assumptions, so the same results represented in the Pro-Forma Consolidated Condensed Financial Information would not necessarily have been achieved if the Acquisitions had actually been carried out at the stated reference dates used to prepare the Pro-Forma Consolidated Condensed Financial Information;
- (ii) they do not in any way intend to represent a forecast of future results and, therefore, must not be interpreted in that sense;
- (iii) the pro-forma representations do not reflect prospective data, as they are prepared in such a way as to represent only those effects of the acquisition that are capable of being isolated and objectively measurable, without taking into account the potential effects caused by changes in market conditions, management policies and UniCredit's operational decisions resulting from the outcome of this transaction and, as such, the pro-forma figures are not intended to depict a current or prospective financial position of the effects related to the Acquisition; and
- (iv) the pro-forma consolidated balance sheet and pro-forma consolidated income statement should be read and interpreted separately, without looking for accounting links between them given the different purposes of pro-forma figures compared to that of normal financial statements and because the related effects of the acquisition and of the share capital increase on them are calculated differently.

Finally, the Pro-Forma Consolidated Condensed Financial Information were prepared solely by relying on the Issuer's best knowledge concerning the circumstances of BPM itself and those surrounding the BPM Offer, without the support or collaboration of neither BPM nor Anima (but rather, by reference to the data relating to the period between January and December 2024 as published by the BPM Group and Anima). All such publicly available information has not been verified by the Issuer. As a result, the Pro-Forma Consolidated Condensed Financial Information included in this Registration Document:

- (i) have an overall limited value, given the various possible outcomes of the concomitant BPM Offer; and
- (ii) might be materially different from the pro-forma financial information provided by BPM in the context of the BPM Offer due to, *inter alia*, its reliance on different assumptions and, possibly, BPM's access to data regarding Anima (in its capacity as one of Anima's shareholders, unlike UniCredit).

## A.2. RISKS RELATED TO THE TRANSACTION

### A.2.1. Risks associated with the information concerning the BPM Group contained in the Registration Document

This Registration Document contains information concerning BPM that has been taken exclusively from publicly available data and information (primarily, from BPM's press release on its results as at and for the year ended December 31, 2024). In this regard, the Issuer has not taken any additional and/or independent measures to review the data and information concerning BPM. For this reason, the Issuer might not be aware of current, potential, contingent or prior liabilities, and/or of any operational issues affecting the BPM Group, which expose it to the risk that, following the acquisition of BPM, it will become aware of any greater liabilities and/or lower asset values than those reported in the financial statements of the BPM Group. Such possibility may well have negative impacts, including significant ones, on the expected benefits of the Offer and the related acquisition and/or potential Merger.

Moreover, the Pro-Forma Consolidated Condensed Financial Information prepared by UniCredit which considers the possible scenarios stemming from the completion of the BPM Offer might be materially different from the pro-forma financial information provided by BPM for the same purposes, due to a variety of reasons including the use of different assumptions and, possibly, BPM's access to data regarding Anima, of which Banco BPM is a shareholder (unlike UniCredit) that are not publicly available and, therefore, investors should not rely exclusively on the Pro-Forma Consolidated Condensed Financial Information when making their own investment decisions.

The likelihood of occurrence of this type of situation is considered by the Issuer to be medium but, should such situation materialize, it could have negative impacts of a significant nature on the economic results, balance sheet and financial situation of the UniCredit Group. Considering the above, the Issuer considers this risk to be highly significant as, due to previously unknown liabilities and/or lower asset values, the Issuer might be required to bear costs and expenses not foreseeable at the Registration Document Date, all of which might negatively impact on the activity, prospects and economic results, balance sheet and financial situation of the Issuer and the UniCredit Group.

### **A.3. RISKS ASSOCIATED WITH THE BUSINESS ACTIVITIES AND INDUSTRY OF UNICREDIT AND THE UNICREDIT GROUP**

#### **A.3.1. ~~1.2.1~~ Liquidity Risk**

Liquidity risk refers to the risk that the UniCredit Group is and will be, in its potential post-Merger configuration, exposed to the possibility that the UniCredit Group may find itself being unable to meet its current and future, anticipated and unforeseen cash payment and delivery obligations without impairing its day-to-day operations or financial position. The Liquidity risk is relevant to the activity of the UniCredit Group is subject in particular with regards to funding liquidity risk, market liquidity risk, mismatch risk and contingency risk. More specifically, funding liquidity risk refers to the risk that the Issuer may not be able to meet its payment obligations, including financing commitments, when these become due.

The most relevant risks that the Group may face are:

- i. an exceptionally high usage of the committed and uncommitted lines granted to corporate customers;
- ii. an unusual withdrawal of sight and term deposits by UniCredit's retail and corporate customers;
- iii. the decline in the market value of the securities in which UniCredit invests its liquidity buffer;
- iv. the capacity to roll over the expiring wholesale funding and the potential cash or collateral outflows the Group may suffer in case of rating downgrades of both the banks or the sovereign debt in the geographies in which it operates.

In addition to this, some risks may arise from the limitations applied to the cross border lending among banks.

Funding liquidity risk refers to the risk that the Issuer may not be able to meet its payment obligations, including financing commitments, when these become due. In light of this, the availability of the liquidity needed to carry out the Group's various activities and the ability to fund long term loans are essential for the Group to be able to meet its anticipated and unforeseen cash payment and delivery obligations, so as not to impair its day to day operations or financial position.

In order to assess the liquidity profile of the UniCredit Group, is assessed by reference to the following principal regulatory indicators are also used:

- ~~the short term indicator~~ Liquidity Coverage Ratio ("LCR"), which expresses the ratio between the amount of available assets-readily monetizable assets (cash and the readily liquidable securities held by UniCredit that are readily available for liquidation) and the net cash imbalance accumulated over a

- 30-day stress period; ~~the~~ This indicator is subject to a minimum regulatory requirement of 100-per cent.%; and
- ~~the~~ Net Stable Funding Ratio (“NSFR”), a 12-month structural liquidity indicator ~~Net Stable Funding Ratio (NSFR)~~, which corresponds to the ratio between the available amount of stable funding and the required amount of stable funding. This indicator is subject to a minimum regulatory requirement of 100%.

As of ~~September~~ December 31, 2024, the LCR of the UniCredit Group was equal to ~~145 per cent.~~ 144% whereas at ~~30 June 2024~~ December 31, 2023 it was equal to ~~146 per cent.~~ 154% (calculated as the average of the 12 latest end of month ratios). As of ~~September~~ December 31, 2024, the NSFR was above ~~125 per cent.~~ 128%.

The ~~Group's~~ Group's access to liquidity could be damaged by the inability of the Issuer and/or the Group companies to access the debt market, including ~~also the~~ with regards to other forms of borrowing from retail customers, thus compromising the compliance with prospective regulatory requirements, with consequent negative effects on the operating results and capital and/or financial position of the Issuer and/or of the Group.

The liquidity risk relevant to UniCredit may materialize in a variety of ways including, for instance, with an exceptionally high usage of the committed and uncommitted lines granted to corporate customers, an unusual withdrawal of sight and term deposits by UniCredit's retail and corporate customers, the decline in the market value of the securities in which UniCredit invests its liquidity buffer or the capacity to roll over the expiring wholesale funding and the potential cash or collateral outflows the Group may suffer in case of rating downgrades of both the banks or the sovereign debt in the geographies in which it operates.

~~As regards market liquidity, the effects of the highly liquid nature of the assets held are considered as a cash reserve. Sudden~~ Any limitations applicable to cross-border lending activities among banks may also constitute a source of risk for UniCredit. In addition, sudden changes in market conditions (interest rates and creditworthiness in particular) can have significant effects on the time needed to sell, including for high quality any assets, typically represented by government securities. ~~The "dimensional scale" factor plays an important role for the Group, insofar as it is plausible that significant liquidity deficits, and the consequent need to liquidate high quality assets in large volumes, may change market conditions. In addition to this, the consequences of a possible decline of the price of the securities held and of a change in the criteria applied by the counterparties in repos operations and could make it more difficult to ensure that easily liquidate the securities can be easily liquidated under favourable~~ favorable economic terms.

~~Another~~ In addition to risks closely connected to funding risk and market liquidity risk, a risk that could impact the UniCredit's day-to-day liquidity management is the constituted by having differences in the amounts or in the maturities of incoming and outgoing cash flows (mismatch risk) and the risk that (potentially unexpected) future funding requirements (i.e. such as the use of credit lines, withdrawal of deposits, increase in any guarantees offered/provided as collateral) may use a greater amount of liquidity than that initially considered necessary for the Issuer's day-to-day activities (contingency risk).

~~The slowdown in economic activity caused by the geopolitical uncertainty impacted the Group operations in the different countries of its perimeter. Despite the overall liquidity situation of the Group is safe and under constant control, the evolution of the events might amplify the risks described above.~~

~~An important mitigating factor to these risks are the contingency management policies in place in the Group system of rules.~~

The Issuer deems such events to have a low probability of occurring however, should they occur, they would be expected to generate a material deterioration in UniCredit's liquidity profile. Therefore, the Issuer considers this risk to be of medium significance.

Finally, any evolution of the macroeconomic scenario and of the geopolitical situation may continue to have an impact on the Group in the various countries in which it operates, as the risks described above may be amplified. In this context, the ECB responded to the generalized crisis experienced by the global financial markets involving the overall reduced liquidity available to operators, with important interventions in monetary policy in the form of liquidity support, such as the Targeted Longer-Term Refinancing Operation (“TLTRO”) in 2014 and the TLTRO II in 2016.

Assuming that the Offer is successful, the exposure of the UniCredit Group to liquidity risk is expected to remain substantially unchanged upon completion of the potential Merger. In such instance and based on publicly available information, UniCredit believes that the integration of BPM into the UniCredit Group could have a substantially neutral impact on liquidity risk as it expects no significant changes in the most relevant regulatory liquidity indicators, the most representative of which are reported below and compared with those of BPM:

- In terms of LCR: the UniCredit Group had an LCR of 144% in 2024 (154% in 2023), while BPM had an LCR of 172% in 2024 (183% in 2023);
- The NSFR of UniCredit in 2024 stood at 128% (130% in 2023), while for BPM it stood at 126% in 2024 (129% in 2023);
- Loan to Deposit Ratio (“LTD”) for UniCredit stood at 85% in 2024 (86% in 2023), while for BPM it was equal to 79% in 2024 and 84% in 2023. In this context it should be noted that the ratios of the two banks are not fully comparable as the components might slightly differ;
- Current accounts and demand deposits over total financial liabilities at amortized cost due to customers of UniCredit in 2024 stood at 73% (74% in 2023), while for BPM they stood at 96% both for 2024 and 2023.

The above mentioned figures are reported as of December 2023 and June 2024 based on the consolidated (interim) financial report and Public Disclosure by Entities Pillar 3 for BPM LCR and NSFR.

### A.3.2. 1.2.2 RiskRisks related to the property marketmarkets’ trends

The UniCredit Group is exposed to risks relating to the property market as a result of its significant property portfolio (both in Italy and abroad), as well as due to loans granted to companies operating in the commercial real estate market, whose cash flow is generated mainly by the rental or sale of commercial properties, and loans to individuals secured by real estate property. Reduced liquidity and geopolitical tensions might cause ~~in short to medium term~~ a downturn in property prices, ~~that can imply for the UniCredit Group the need to recognise in the short-medium term, which could translate in having to recognise~~ a reduction in the value of the owned property, ~~where book value is higher than market value, with possible~~ book value of the property owned by the UniCredit Group in accordance with a decrease in its market value. Given the relative weight of the real estate assets of UniCredit on its books, such a decrease in value has the potential to have material adverse effects on UniCredit’s business, capital and results of operations overall.

~~In this regard, starting from 31 December 2019 financial statements, the Group has decided to change the evaluation criterion of the Group’s real estate portfolio, in particular for the properties used in business (ruled by IAS16 “Property, plant and equipment”) providing for the transition from the cost model to the revaluation model for the measurement subsequent to initial recognition while for the properties held for investment (ruled by IAS40 “Investment property”) providing for the transition from the cost model to the fair value model.~~

~~The Group has considered that the possibility of measuring~~ adopted the fair value model (for assets held for investment) and the revaluation model (for assets used in the course of business) since December 31, 2019, for recognizing the value of its real estate portfolio. Measuring real estate assets at current values (and no longer at cost) allows, in line with the provisions of IAS8IAS 8 concerning changes in accounting policies, to provide reliable and more relevant information on the effects of business management as well as the Group’s Group’s financial position and economic result-results. However, the future fair value of these assets might be different from the fair value observed as at December 31, 2024, as a result of the possible evolution of real estate market, which is itself affected by the evolution of the geopolitical tensions and overall macro-economic conditions.

~~As at 30 June of December 31, 2024,~~ fair value of both properties held for investment and properties used in business was re-determined through external appraisals following the Group guidelines, as detailed below:

~~For the first half 2024, a negative effect for Euro 28 million gross of tax effect has been recognised, as detailed below:~~

- ~~• Euro 6,988 million, for real estate assets used in business (booked in line item “90. Property, plant and equipment”), the recognition of a decrease in the specific valuation reserve for an amount of Euro 13 million. In addition to this decrease, losses for Euro 8 million were recognised in the income statement gross of tax effect;~~ and
- ~~• Euro 1,363 million, for real estate assets held for investment (booked in line item “90. Property, plant and equipment”), the recognition of an income statement result negative for Euro 7 million gross of tax effect.~~

To derive the fair value of an asset, UniCredit uses either a “Market Comparable Approach” (i.e., taking into consideration the current market conditions and prices of observable transactions, relying on an external appraisal) or an “Income Approach” (i.e., discounting market level rental fees, with an external appraisal converts future cash flows to a single current capital value). With specific reference to investment properties, the entire portfolio is subject to periodic full/on-site appraisals.

As at 30 September 2024, the Group performed an analysis on the real estate market and the status of the properties (“trigger analysis”) aimed to evaluate whether the values determined as at 30 June 2024 were confirmed.

The trigger analysis performed did not reveal significant events causing impacts on the evaluation of real estate portfolio. As per the previous evaluation matters, it cannot be excluded that within next reporting periods the fair value of these assets might be different from the values presented as at 30 September 2024 because of possible evolutions of prices in the real estate market, which also depend on the evolution of the macro-economic scenario, including but not limited to the geo-political tensions.

Furthermore, the ~~The~~ UniCredit Group has ~~outstood~~ also makes a significant amount of loans to individuals secured by ~~with~~ residential property. ~~Should property prices as security~~, which represents most of the collateral securing UniCredit's loans, ~~Any fall~~, in the market value of real estate property would, therefore, have a significant impact on the value of the ~~such~~ collateral securing such loans would decline, causing it to fall as well.

The Issuer deems such events to have a low probability of occurring and it considers this risk to be of low significance for its real estate portfolio.

Moreover, as evolution of fair value measurement, the Group has introduced the periodical review of assets' useful life (at least at each financial year end), based on periodical external appraisals, since it better reflects the real assets useful life and related depreciation, especially considering continuous enhancement/maintenance executed on instrumental properties.

### 1.2.3 Risks connected with the UniCredit Group's activities in different geographical areas

The Group's business is closely connected to the Italian economy (45 per cent of revenues in FY23) and could, therefore, be negatively impacted by any changes in the macroeconomic environment including e.g. the potential impact of geopolitical developments, energy/commodities prices trend and the impact of high interest rates on Sovereign debt.

The UniCredit Group operates and has a significant presence also in Germany (which accounted for 22 per cent of UniCredit's total revenues in FY23), as well as in Central Europe (18 per cent including Austria, Czech Republic, Slovakia, Hungary and Slovenia) and in Eastern Europe (11 per cent including Croatia, Bulgaria, Romania, Bosnia and Serbia), while 5 per cent of revenues in FY23 comes from Russia. The risks and uncertainties to which UniCredit is exposed are of a different nature and magnitude depending on the country, and whether or not the country belongs to the European Union, which is one of the main factors taken into consideration when evaluating these risks and uncertainties.

A deterioration in the macroeconomic conditions in Western Europe, an increase in the volatility of their capital markets, a significant increase in the cost of funding, the end of the ready availability of liquidity in the respective markets or an increase in political instability could create a difficult operating environment and have a negative impact on UniCredit's profitability, as well as UniCredit's assets and operations, balance sheet and/or income statement.

CE & EE countries have also historically featured volatile capital and foreign exchange markets, as well as a certain degree of political, economic and financial instability (which for certain countries might increase due to spillover effects of the Russia Ukraine conflict). In some cases, CE & EE countries have a less developed political, financial and legal system, when compared to Western European countries. In countries where there is greater political instability, there is the risk of political or economic events affecting the transferability and/or limiting the operations of one or more of the UniCredit Group companies, as well as the risk that local governments could implement nationalization policies or introduce similar restrictions or other measures, which could directly affect Group companies and/or which could have negative consequences on UniCredit's assets and operations, balance sheet and/or income statement.

In addition, UniCredit geographic presence implies risks related to negative effects of Russia Ukraine conflict. In the extreme scenario, where the entirety of UniCredit's maximum exposure is non-recoverable and zeroed, UniCredit capital position would allow to absorb such impact while still having a solid capital position. Whilst UniCredit does not consider this extreme scenario as base case, it is closely monitoring the developments in the country, in full cooperation with regulators, and with dedicated cross expert teams which defined robust and tested contingency plans, and it is taking a prudent and sustainable approach to distributions. UniCredit continues to dynamically manage its risk exposure, whilst constantly assessing the potential impact of the conflict on global GDP and public policies.

### A.3.3. 1.2.4 Market risks

The UniCredit Group is exposed to market risk. Market risk derives from the effect that changes in market variables (interest rates, securities prices, exchange rates, etc.) can cause to the economic value of the Group's portfolio, including the assets held both in the Trading Book, as well as those posted in the Banking Book, both on the operations characteristically involved in commercial banking and in the choice of strategic investments measures and deals with market risks mainly by relying on two sets of metrics: "Broad Market Risk" measures and "Granular Market

Risk” measures. The former are meant to set a boundary to the regulatory capital absorption and to the economic loss accepted for financial asset at fair value through other comprehensive income (“FVtOCI”) and/or financial assets at fair value through profit and loss (“FVtPL”) exposures, while the latter allow a more detailed and stringent control of risk exposures than Broad Market Risk measures. The main tool used by the UniCredit Group to measure market risk on trading positions is the so called value at risk tool (“VaR”).

VaR is a statistical metric that indicates the maximum amount the Bank can potentially lose in a day with a confidence level of 99%. UniCredit adopts historical VaR. Under the historical simulation method positions are fully revaluated based on returns in market prices over an observation period of 1yr (250 business days). The empirical distribution of profits/losses deriving therefrom is analyzed to determine the effect of extreme market movements on the portfolios.

During 2024, the regulatory VaR at Group level averaged Euro 7.2 million. The historical VaR approach is similar to BPM’s one; and BPM’s regulatory VaR at the end of June 2024 was Euro 1.8mn.

UniCredit’s exposure to market risk derives from the effect that changes in market variables (such as, for example, interest rates, securities prices, exchange rates) can have on the economic value of the Group’s portfolio of financial instruments, including on its portfolio in a potential post-Merger configuration. Such financial instruments (an asset or a liability, cash or derivative) are, and will continue to be following the transaction, exposed to changes over time driven by fluctuations in the markets that might be generated by changes in general economic performance, investor confidence, monetary and fiscal policies, global market liquidity, the availability and cost of capital, actions by rating agencies, political events at the local and international levels and armed conflicts, acts of terrorism, the spread of epidemics and/or pandemics impacting public health and/or the wider economy. The standard market risk factors categories that are relevant to the UniCredit Group’s portfolio of assets are the following:

~~Specifically, the Trading book is defined as all positions in financial instruments and commodities held either with trading intent, or in order to hedge positions held with trading intent. Books held with trading intent are composed of:~~

- ~~• positions arising from client servicing and market making;~~
- ~~• positions intended to be resold in the short term;~~
- ~~• positions intended to benefit from actual or expected short term price differences between buying and selling prices or from other price or interest rate variations.~~

~~In addition, Trading book may include internal or intra-group hedging derivatives transferring risk from Banking book into Trading book, entitled to manage the relevant risk and having access to the derivatives market.~~

~~The essential requirement for the Regulatory Trading book assignment is a clear "trading intent" which the trader has to commit to and has to confirm on an ongoing basis. Additionally, the so-called "tradability", "marketability" and "hedge ability" requirements have to be assessed in order to evaluate the appropriateness for the Trading book assignment. The financial instruments (an asset or a liability, cash or derivative) held by the Group are exposed to changes over time driven by moves of market risk factors. The market risk factors are classified in the following five standard market risk asset classes:~~

- ~~- •Credit risk: the risk that the value of the instrument decreases due to credit spreads spread changes, issuer correlation and recovery rates;~~
- ~~- •Equity risk: the risk that the value of the instrument decreases due to increase/decrease of index/stock prices, equity volatilities, implied correlation;~~
- ~~- •Interest rate risk: the risk that the value of the instrument decreases due to interest rates changes, basis risk, interest rates volatility;~~
- ~~- •Currency risk: the risk that the value of the instrument decreases due to foreign exchange rates changes, foreign exchange rates volatility;~~
- ~~- •Commodity risk: the risk that the value of the instrument decreases due to changes of the commodity prices, for example gold, crude oil, commodity prices volatility.~~

~~Market risk in UniCredit group is measured and limited mainly through two sets of metrics: Broad Market Risk measures and Granular Market Risk measures.~~

Market risk arises both in connection with instruments held in the trading book and in the banking book.

The trading book includes all investments in financial instruments and commodities held either with trading intent, or in order to hedge positions held with trading intent (including those arising from client servicing and market making, those intended to be resold in the short term and those intended to benefit from actual or expected short-term price differences between buying and selling prices or from other price or interest rate variations), as well as internal or intra-group hedging derivatives transferring risk from the banking book into the trading book.

The banking book, instead, includes financial assets designated at fair value, those mandatorily at fair value, those at fair value through other comprehensive income and those at amortized cost, relevant to both the operations characteristically involved in commercial banking and in the choice of strategic investments.

As at 29 December 2023 RWA (Risk-Weighted Assets) for Market Risk of December 31, 2024, the value of so called risk-weighted assets (“RWAs”) of the Group for the purposes of assessing market risk (excluding credit valuation adjustments –“CVA-Risk”) amounted to Euro 10.38.7 billion out of a total of Euro 285.277 billion of Total the total RWAs of the Group-RWA. Total Market Risk RWA-RWAs (excluding CVA-Risk) are split between the part calculated under by using the internal model (Euro 3.43.3 billion) and the standardised standardized approach (Euro 6.75.4 billion) and settlement risk (Euro 0.07 billion). In addition, starting from December 2019 an additional capital requirement has been added, amounting to Euro 98.2 million as of 29 December 2023. 14 million).

Assuming that the Offer is successful, the exposure of the UniCredit Group to market risk is expected to remain substantially unchanged upon completion of the potential Merger. In such instance and based on publicly available information, UniCredit believes that the integration of BPM into the UniCredit Group could have a negative impact on market risk as it expects an increase in terms of RWA. BPM covers the valuation of market risk almost entirely by using the internal model. Its main metrics computation (VaR, stressed value-at-risk (“SVaR”) and incremental risk charges (“IRC”)) appear to be in line with the UniCredit Group’s internal models, hence the RWA figures relevant to market risk turn out to be comparable. Since more than half of BPM’s RWA relevant to market risk are stemming from IRC, a conservative assumption can be made in this respect that the merging of trading books would not lead to much diversification, with a potential increase in RWA relevant to market risk of up to Euro 1 billion.

Therefore, it is not possible to exclude, considering Approximately 30-40% of BPM debt securities exposure is booked as FVtOCI and is mainly represented by sovereign bond issuances. Composition in terms of issuers is quite similar to that of UniCredit, which may lead to a potential increase in the concentration of the relevant sovereign debt issuers (that is, Italy, Spain, France and Germany). Considering the trend of the market variables and the heightened uncertainty in the overall macroeconomic hence market context, possible negative effects on the activities and the economic, capital and/or financial situation of the Issuer and/or the Group cannot be ruled out.

#### A.3.4. 1.2.5 Interest rate fluctuation and exchange rate risk

In the banking book, earnings and economic value are exposed to: changes in interest rates that may have a negative impact in the value and interest flows of the assets and liabilities held by the Group; changes in the behavioural models; changes in the basis of Interest rate curves tenors and changes of the Interest rate volatilities; changes of the credit spreads.

The Market Risk impact on the Group is low, in coherence with the mission of the Group and it is monitored by an ad hoc Limit on the Ratio between Market Risk-Weighted Assets (RWA) and Overall RWA.

The UniCredit Group implements also a hedging policy of risks related to the fluctuation of interest rates. Such hedges are based on estimates of behavioural models and interest rate scenarios which could have an impact on the activity, operating results and capital and financial position of the Group.

For further information, please see the consolidated financial statements of UniCredit as at 31 December 2023, Part E – Information on risks and hedging policies, incorporated by reference herein.

The earnings and economic values reported in the banking book are exposed to changes in (i) interest rates; (ii) behavioral models; (iii) the basis of interest rate curve tenors; (iv) volatility of interest rates; and (v) credit spreads.

Interest rate risk relates to the Group’s commercial portfolio, including non-maturing deposits, its investment portfolio, own issuances and derivative transactions and would continue to affect the Group also in its potential post-Merger configuration. Fluctuations in interest rates may, in fact, affect returns on fixed income investments and derivative transactions, altering their respective market value. When market interest rates rise, the balance



sheet values of fixed income securities fall, potentially having an immediate impact on the Group's earnings and equity capital. A decrease in market interest rates, instead, causes the balance sheet values of fixed income securities to rise. In particular, during long periods of lower interest rates, investment income may fall as higher yielding fixed income securities are called, repaid at maturity or are repurchased and their proceeds are reinvested at lower rates.

Integrating BPM's NII as reported in 2023 with that of UniCredit, the overall NII would have been Euro 17.3 billion (of which Euro 3.3 billion for BPM, of which Euro 14.0 billion for UniCredit), with a BPM incidence of 19% on the total combined. According to the NII figures reported in the BPM market presentation, 2024 NII is Euro 3.4 billion approximately, hence the consolidation between the two banks would have been Euro 17.8 billion (of which Euro 14.4 billion of UniCredit), with a BPM incidence of 19.3% on the total combined.

Consolidating the latest BPM NII sensitivity at -100 bps average three-month Euribor as reported in the 4Q24 results (specifically, in BPM's 4Q24 results presentation, in which it reported approximately ± €250 million of NII for ±100 bps average three-month Euribor, excluding NFR level and cost of certificates) total NII sensitivity at -100 bps average three-month Euribor would have been equal to approximately Euro -0.9 billion (of which approximately Euro -0.25 billion for BPM, and approximately Euro -0.6 billion for UniCredit, as stated in the latter's 4Q24 results presentation, in which UniCredit reported approximately ± €0.3 billion of annualized NII for ± 50bps average three-month Euribor/ECB Deposit Facility Rate). Similarly to UniCredit, which exploits the execution of derivatives (typically interest rate swaps) in hedge accounting of assets and liabilities, BPM manages interest rate risk predominantly through a natural hedge strategy which is then optimized entering into fair value hedges classified under hedge accounting. Both hedging approaches broadly aim to minimize the interest rate risk exposures, in fact NII sensitivity incidence on respective NII for 2024 is limited and consistent (BPM -7%, UniCredit -4% for -100 bps average three-month Euribor).

The Group's policy on the management of interest rate risk aims to cover the key minimum requirements of common harmonized Group methodological and operative standards, formalized in dedicated Group operational and process regulations which provide operative instructions for legal entities to steer a regulatory and RAF compliant framework.

The main target of UniCredit's interest rate risk on the banking book strategy is to limit NII volatility due to interest rate movements in a multiyear horizon by hedging deposits and capital through replicating strategies also in coherence with the evolution of behavioral risk models, maintaining a prudential approach on replicating strategy, prioritizing execution via swaps, to minimize risks from interest rate volatility and changing clients' behavior. Finally, with reference to Russian Ruble FX rate, the ECB stopped the quotation of EUR/RUB exchange rate since 2 March 2022. Therefore, as at 31 December 2024 and in coherence with the previous years, the Group is applying an OTC foreign exchange rate provided by Electronic Broking Service (EBS57). In this regard it cannot be excluded that, once the ECB will restart listing RUB/EUR FX rate, these quotes might be different from EBS quotes, thus requiring the recognition of an impact in Net Equity and in P&L.

#### **A.3.5. Risk of market fluctuations on trading and investment activities**

UniCredit Group maintains trading positions across all asset classes (debt, interest rate, currency, commodity and equity) and investment positions in the debt and equity markets, including through derivative contracts, which may be held for trading, hedging or investment purposes. These positions could be adversely affected by the volatility of financial markets, *i.e.*, the degree to which prices fluctuate over a particular period under certain market conditions.

To the extent that UniCredit Group has net long or net short market positions in any of those asset classes, a market downturn or upturn could result in gain or losses from the change in the value of those positions. In either case, UniCredit Group's results and financial conditions could be affected.

UniCredit Group's trading portfolio is subject to dedicated limitations meant to minimize the risk of significant losses from market volatility. Positions held for investment purposes are typically hedged against the volatility of the underlying market risk factors. Extreme market movements might however reduce the effectiveness of UniCredit Group's hedging strategies.

As of any reporting date, the carrying value of such financial instruments is re-measured, thus generating effects (negative/positive) on either income statement or other comprehensive income, according to their classification.

In addition, with reference to its exposure in derivative instruments, it has to be noted that, while UniCredit Group seeks to reduce its exposure to counterparty risk by using risk mitigation techniques, such as collateralization, obtaining guarantees, entering into credit derivatives and entering into netting agreements, it cannot be certain that these techniques will be fully effective to offset losses resulting from counterparty defaults that are covered by such mitigants. Moreover, UniCredit Group is also exposed to the risk of default by the party

providing the counterparty risk coverage (such as a counterparty in a derivative or a loan insurance contract) or to the risk of loss of value of any collateral. Only a residual portion of the UniCredit Group's overall counterparty risk is not covered by these techniques.

Accordingly, UniCredit Group has exposure to these risks and may incur in losses on its trading, hedging and investment activities, including through derivative contracts, due to market fluctuations and volatility.

### A.3.6. 1-2-6 Operational risk

UniCredit is (and will continue to be, following the transaction and in its potential post-Merger configuration) exposed to different types of operational risks inherent in its activities. These include, for example, legal and compliance risk (made particularly complex as a result of the various jurisdictions in which the Issuer operates), defects and malfunctions in the information or telecommunication systems, fraud, swindles or losses due to employee misconduct and/or violation of control procedures, operational errors, fraud by external parties, computer virus and cyber-attacks, default by suppliers on their contractual obligations, terrorist attacks and natural disasters.

Operational risk, as opposed to strategic and business risks, is often event-based and can be traced back to a single place and point in time. While it is not possible to identify one consistently predominant source of operational risk, more relevant ones are related to improper business practices, internal and external frauds, and errors in processes execution. In addition, risks related to IT security (e.g. malwares and other form of abuse perpetrated via digital channels) and supply-chains are increasing.

The UniCredit Group is exposed to operational risk. Operational risk also includes legal risk and compliance risk, but not strategic risk and reputational risk. The main sources of operational risk statistically include the instability of operating processes, poor IT security, excessive concentration of the number of suppliers, changes in strategy, fraud, errors, recruitment, staff training and loyalty and, lastly, social and environmental impacts. It is not possible to identify one consistent predominant source of operating risk.

The complexity and geographical distribution of the UniCredit Group's activities requires a capacity to carry out a large number of transactions efficiently and accurately, in compliance with the various different regulations applicable.

The UniCredit Group has a specific framework for managing operational risks, comprising a collection of policies and procedures for controlling, measuring and mitigating Group operational risks. These measures could prove to be inadequate to deal with all the types of risk that could occur and one or more of these risks could occur in the future as a result of unforeseen events, entirely or partly out of UniCredit's control (including, for example, non-compliance of suppliers with their contractual obligations, fraud, deception or losses resulting from the disloyalty of employees and/or from the violation of control procedures, IT virus attacks or the malfunction of electronic and/or communication services, possible terrorist attacks). The realization of one or more of these risks could have material adverse effects on UniCredit's business, financial condition and results of operations. such risks might still materialize in any of its various forms and any measures implemented by the Issuer to deal with it might turn out to be inadequate. For instance, third party suppliers of services might fail to comply with the minimum contractual standards agreed with UniCredit, causing adverse effects on the Group's results. The Group's own systems may be unreliable at times and imperil the quality, integrity and confidentiality of the data being managed. Any changes to the software in use could also have negative effects on the operations of the Group and on its capital and/or financial position.

In 2024, UniCredit received 39,507 written complaints (in line with the 39,574 complaints received in 2023). The main reasons for the complaints received concerned: monetics, cards and POS, salary-backed loans (so called CQS), general complaints and mortgages and other loans, accounting for 55% of total written complaints. The complaints accepted with refunds in 2024 gave rise to reimbursements for a total of Euro 8.1 million (decreasing compared to 2023) with the main disbursement item relating to monetics - cards (increasing due to refunds on unauthorized transactions). The operational issues that arise from the complaints' analysis are dealt with by the Complaints Discussion Group organized by the Compliance Function, and by the permanent work group (PWG) for what concerns operational risks. The different functions of the Bank monitor the related complaints and are responsible for implementing corrective actions.

Assuming that the Offer is successful, the exposure of the UniCredit Group to operational risk is expected to increase following the completion of the potential Merger given that, based on publicly available information, UniCredit believes that the integration of BPM into the UniCredit Group could have a negative impact on operational risk as it expects an increase in operational losses and digital complexity due to integration of different IT systems, assets and technologies. Digital evolution is particularly relevant to UniCredit as a key driver of its strategy, and its digital transformation roadmap is aimed at having a reliable and resilient infrastructure, to comply with all relevant regulatory requirements (such as ECB expectations, requirements

related to the Regulation (EU) 2022/2554 (the Digital Operational Resilience Act or “DORA”), Basel Committee standards on data aggregation). Risks associated with the digitalization journey are also subject to enhanced scrutiny by the ECB with the SSM, as a general supervisory priority. It is, however, not possible to exclude that, following the acquisition and potential Merger additional risks may arise in connection with the IT infrastructure of BPM (on which no detailed information is currently available) in the context of its migration into the UniCredit Group. Overall, considering that the Issuer expects BPM’s operational risk framework to be already aligned with the EBA standards (i.e., with the requirements of the DORA) and that the UniCredit Group’s operational risk framework will be progressively implemented starting from high priority areas and businesses, the overall exposure to operational risk is expected to remain overtime under acceptable levels.

Moreover, in the context of its operation, the UniCredit Group outsources the execution of certain services to third companies, regarding, *inter alia*, banking and financial activities, and supervises outsourced activities according to policies and regulations adopted by the Group. The failure by the outsourcers to comply with the minimum level of service as determined in the relevant agreements might cause adverse effects for the operation of the Group.

The UniCredit Group has always invested a lot of efforts and resources in upgrading its IT systems and improving its defence and monitoring systems. Based also on the Strategic Plan 2022-2024, digitalisation is at the heart of Bank’s strategy and its ultimate ambition is to be a truly digital bank. Operational risk remains a significant focus for the Group, with reinforced controls of business and governance process across all legal entities and with a permanent optimisation of work process. However, possible risks remain with regards to the reliability of the system, the quality, integrity and confidentiality of the data managed, increasing of digital exposure and the continuously evolving threats landscape to which IT systems are subject, as well as logical risks related to the management of software changes (change management), which could have negative effects on the operations of the UniCredit Group, as well as on the capital and financial position of the Issuer and/or the Group.

Some of the more serious risks relating to the management of IT systems that the UniCredit Group has to deal with are possible violations of its systems due to unauthorised access to its corporate network or IT resources, the introduction of malwares into computers or infrastructures, or any other form of abuse committed via digital channels. Similar attempts have become more frequent over the years throughout the world and therefore can threaten the protection of information relating to the Group and its customers, and can have negative effects on the integrity of the Group’s IT systems, as well as on the confidence of its customers and on the actual reputation of the Group, with possible negative effects on the capital and financial position of the Issuer and/or the Group.

UniCredit Group is subject to the regulations governing the protection, collection and processing of personal data in the jurisdictions in which it operates. While the Group maintains internal procedures that are compliant with applicable regulations, it remains exposed to the risk that the data could be damaged or lost, or removed, disclosed or processed for purposes other than those authorized by the customer (data breach), including by unauthorized parties (such as third parties or Group employees) or with insufficient lawful basis (e.g. Standard Contractual Clauses to be signed in case of transfer of personal data outside EEA). Examples of data processed for purposes other than those for which they were collected or by unauthorised parties may be: the viewing of data by employees outside their work duties or for clients of other branches/portfolios of other managers; the employee of a supplier, appointed as Data Processor, processing the data with procedures/methods or for purposes other than those stated in the Data Processing Agreement.

With reference to the insufficient lawful basis, the European Court of Justice, in its July 2020 decision<sup>8</sup>, confirmed the validity of Standard Contract Clauses as an instrument of transfer/lawful basis, but added the responsibility, on the “exporter” of the personal data, to assess whether the country of destination of the data offers a level of protection of the rights and freedoms of the data subject equivalent to the one guaranteed in Europe, by Regulation (EU) 2016/679. Moreover, the European Data Protection Board has stated, in documents released after the decision, that even simple access to the data (i.e., by an employee of the third company engaged for IT platform maintenance activities) may constitute a transfer of personal data. Thus, the potential risk is that personal data may be processed by third parties, appointed as Data Processor, from countries outside the European Economic Area without the presence of Standard Contract Clauses and/or without an adequate assessment by the data controller of the privacy rules in the destination country.

In the last years the threats derived from cyber attacks are continuously increasing. To face off these potential threats, UniCredit Group has enhanced the threat detection & reaction processes increasing the resilience to cyber threats and

<sup>8</sup> Judgment in Case C-311/18, Data Protection Commissioner v Facebook Ireland and Maximilian Schrems, that invalidated the adequacy decision of personal data protection provided by the “EU-US Data Protection Shield”.

~~external attacks pressure. In this regard, taking into account the type of risks detected, UniCredit, in addition to strengthening the protection measures already in place, carried out external wide and in depth assessments.~~

~~With regard to the cyber attack occurred in 2018, that led to an unauthorized disclosure of personal data, mentioned in previous reports, it should be noted that on 21 February 2024, the Italian Personal Data Protection Authority notified UniCredit of a Euro 2.8 million fine. The Issuer deposited a recourse to challenge this decision.~~

~~In addition, the investment made by the UniCredit Group in software development further increases the risk that when one or more of the above mentioned circumstances occurs, the Group may suffer financial losses if the software is destroyed or seriously damaged, or will incur repair costs for the violated IT systems, as well as being exposed to regulatory sanctions.~~

~~Starting from 2018, the UniCredit Group has subscribed a Cyber Insurance Policy with European Insurance Companies with adequate rating and with reasonably high limits, to cover damages, in compliance with the current local legislation, caused by Data Breach and other cyber attacks on the IT systems, except for compensation for sanctions where national law does not allow it.~~

### A.3.7. 1.2.7 Risks connected with legal proceedings in progress

#### 1.2.7.1 Risks connected with legal proceedings in progress

As at the Registration Document Date, UniCredit and other UniCredit Group companies are involved as defendants in several legal proceedings. To the Issuer's knowledge and based on publicly available information, the BPM Group and its subsidiaries are also involved in legal proceedings from time to time. Legal proceedings may stem from a variety of different situations and potentially also from the failure by the Issuer to comply with the multitude of legal and regulatory requirements in relation to the different aspects of UniCredit's activity, such as the rules on conflicts of interest, ethical issues, anti-money laundering, EU, US and international sanctions, customers' assets, rules governing competition, privacy and security of information and other regulations.

~~As at the date of this Registration Document, UniCredit and other UniCredit Group companies are named as defendants in several legal proceedings. In many of these cases, In many proceedings there is substantial uncertainty regarding the outcomes of the proceedings their process and the amount of possible losses deriving from their outcome. These cases can include criminal proceedings, administrative proceedings brought by supervisory or prosecution authorities and/or claims in which the claimed damages and/or potential liabilities of the Group is are not and cannot be determined in advance, either because of how the claims is are presented and/or because of the highly uncertain nature of the legal proceeding proceedings. In such cases, until the time when it will be it becomes possible to estimate reliably the potential make more reliable estimates on the sums to be paid based on the outcome of such proceedings, no provisions are made. Instead, where it is possible to estimate On the contrary, if losses are capable of being estimated reliably the amount of possible losses and a loss is actually considered likely, provisions have been made in in the first place, the financial statements include the provisions made to the extent deemed appropriate by the parent company UniCredit, or any of the Group companies involved, deemed appropriate based on the circumstances of a specific case and in accordance with IAS.~~

~~As of December 31, 2024, to provide for possible liabilities and costs that may result from pending legal proceedings (excluding labour law and with the exclusion of tax cases), as of 30 June 2024, the UniCredit Group sets aside a provision provisions for risks and charges of Euro 790969.04 million, of which Euro 270261.9 million for the parent company UniCredit. As of 30 June December 31, 2024, the total amount of claimed damages relating to judicial legal proceedings other than labour, tax and debt collections proceedings was Euro 7.7 billion, of which Euro 54.6 billion for the proceedings involving concerned the parent company UniCredit. This figure is affected by both the heterogeneous heterogenous nature of the pending proceedings and the number of involved jurisdictions and their corresponding characteristics involved, and the individual circumstances in which UniCredit Group companies are named as defendants.~~

Following the potential successful completion of the Offer and of the Merger, the UniCredit Group's exposure to the risks connected with ongoing and possible future legal proceedings is unlikely to decrease.

~~It is also necessary for the Group to comply in the most appropriate way with the various legal and regulatory requirements in relation to the different aspects of the activity such as the rules on the subject of conflict of interest, ethical questions, anti money laundering, EU, US and international sanctions, customers' assets, rules governing competition, privacy and security of information and other regulations.~~

For further information in relation to the single legal and arbitration proceedings please see Paragraph 11.4 headed “Legal and arbitration proceedings” of this Registration Document.

### A.3.8. 1.2.7.2 Risks arising from tax disputes

~~At~~As of the date of this Registration Document Date, there are various pending tax-related proceedings ~~pending~~ regarding UniCredit and other companies belonging to the UniCredit Group, as well as ongoing tax inspections by the competent authorities in ~~some~~the various countries in which the Group operates. ~~Each procedure is subjected to evaluation by internal offices and, in the most relevant cases, by external consultants. If the possibility of an unfavorable outcome of the proceedings is assessed, adequate provisions are made. However, in consideration of~~Considering the uncertainty that ~~defines~~characterizes the tax proceedings in which the Group is involved, there is the risk that an ~~unfavourable~~unfavorable outcome and/or the emergence of new proceedings could lead to an ~~increase in a~~heightened exposure for the UniCredit Group to risks of a ~~tax~~fiscal nature for UniCredit and/or for the Group, with the consequent need to make further provisions and/or outlays, ~~with~~which can have possible negative effects on the operating results and capital and/or financial position of UniCredit and/or the Group.

As of ~~31 December 2023~~31, 2024, the total amount of such provisions amounted to Euro ~~Euro 146.89~~88.4 million (mainly referred to active tax lawsuits) of which Euro ~~2.231.9~~ million for legal expenses. As of ~~30 June 2024~~December 31, 2023, the total amount of such provisions amounted to Euro ~~89.95~~146.9 million of which Euro ~~2.002.2~~ million for legal expenses.

~~In addition, in~~ As far as the tax inspections and tax disputes are concerned, in relation to 30 June 2024, reference is made to Paragraph 11.4 headed “Legal and arbitration proceedings” of this Registration Document.

~~Finally, it should be pointed out that in the event of a presumed breach or of an actual failure to comply with or a presumed breach~~any of the various tax lawlaws in force in the ~~various~~different countries, the UniCredit Group could see its tax-related risks increase, ~~potentially resulting in~~experience an increase in tax disputes and possible reputational damage.

### A.3.9. Risks associated with leveraged transactions

The UniCredit Group is exposed to risks that may arise in the context of leveraged transactions or any leveraged buy-outs it carries out as part of its activities. These transactions are mainly loans provided to counterparts with higher leverage but also private equity funds in order to finance the acquisition of a company through a financial transaction based on the cash flow generation capacity of the company which is being targeted by the acquisition. This can result in a higher level of debt and therefore a higher level of risk, the origination of which is often connected to a deterioration in the general macroeconomic context. Risks involved in leveraged transactions are, therefore, sensitive to economic conditions and the reduced operating capacity of borrowers that these might give rise to, often with an increase in the default rates of different counterparties and in the capacity of borrowers to repay debt.

The UniCredit Group manages its exposure to this type of risks with a comprehensive framework (including also proper steering and monitoring through the Risk Appetite Framework) and guidelines to manage the portfolio, in particular through a proper assessment of incremental exposure during the underwriting phase, highly selective approach on transactions (especially LBOs and highly leveraged deals), and optimization of existing credit lines already in stock, as well as minimization of LBO tickets to maintain a granular portfolio. The UniCredit Group, in its potential post-Merger configuration, will continue to be faced with the need to manage the risks relating to its exposure to leveraged transactions, also in light of the fact that the similar nature of the Issuer and BPM’s activities would not cause a decrease in such type of exposure and, accordingly, to this type of risk.

### A.3.10. Reputational risk

The UniCredit Group is, and will continue to be, following the successful completion of the acquisition of BPM, vulnerable to adverse market perception as it operates in a regulated industry where it must display a high level of integrity and maintain the trust and the confidence of its customers. Reputational risk is defined as a possible deterioration of the Issuer and the Group’s image and it is perceived from the perspective of different stakeholders (such as shareholders, customers, debt investors, staff, business partners or the general public). This risk may also arise as a result of the materialization of other categories of risks and through external distribution channels, risks which are difficult to control. Any future negative media coverage or campaigns against the UniCredit Group on social media could occur as a result of non-compliance with laws and regulations, erroneous claims handling, poor sales and marketing practices, changes in customer and partner expectations in respect of sustainability, or failure by the UniCredit Group to meet such expectations. UniCredit Group, over the course of 2024, did not bear events and/or incidents which were deemed of having a material negative impact on its

reputation/perception on the market and toward its stakeholders. Clients relationships and transactions classified as potentially relevant from a reputational risk standpoint are assessed ex-ante according to the group methodology. Any such occurrence could have a material adverse effect on the Issuer's business, financial position, results of operations and future prospects.

UniCredit's Reputational & Operational Risks structure is responsible for defining the methodologies for assessing the reputational risk related to activities performed by the Group, providing reputational risk assessments for UniCredit and non-binding opinions for the other legal entities of the Group. During the period covered by the Issuer's most recent consolidated financial information there have been no cases or events the occurrence of which had or may have negative consequences on the reputation of the Issuer.

#### **A.3.11. Risks associated with the uncertainty of results with regards to future stress tests or any other future tests for review of the asset quality**

European banking supervision authorities, namely the ECB SSM in coordination with the EBA, rely on the so called "EU-wide stress test" to assess how well banks in the Euro-area are able to cope with financial and economic shocks. This type of stress test is performed bi-annually; the most recent one was performed in 2023 and the new one is started in January 2025 and the results will be published in early August 2025.

The "EU-wide stress test", whose methodology is public and homogenous for all the supervised banks, while not being a pass or fail exercise, is designed to be used as an important source of information for the purposes of the SREP. The results of the stress test will assist the ECB SSM in assessing UniCredit's ability to meet applicable prudential requirements under stressed scenarios and will continue to perform such an assessment of the Group's resilience also in its potential post-Merger configuration.

The UniCredit Group is, and will in fact continue to be, following the potential completion of the transaction, subject to stress testing exercises.

The uncertainty involved in stress tests, and the possibility that the Issuer and its Group are subject to measures following a stress test, by way of a SREP assessment, even as a consequence of unforeseeable shortcomings, is deemed by the Issuer to be of low likelihood and the related risk is considered to be of low significance, due to the low impact that any such shortcomings and/or related corrective measures would have on the Issuer and its Group.

#### **A.3.12. Counterparty risk**

The UniCredit Group is exposed, in the context of its banking and financial activities, to the risk of defaulting counterparties, primarily as a result of activities related to the trade in derivatives and to repurchase agreements (repos). The materialization of counterparty risk involves the potential non-payment and/or realization of any guarantees provided by counterparty guarantors in agreements relating to derivatives and/or repurchase agreements (so called repos), with possible negative impacts on the activities, prospects and economic results, balance sheet and financial situation of the Issuer and the UniCredit Group.

At December 31, 2024, the total exposure to counterparty risk, measured in terms of RWAs, was equal to Euro 7,227,423,227 equivalent to 2.6% of the total RWAs of the UniCredit Group. Counterparties to a transaction involving specific financial instruments (derivatives or repos) may at any time default or become insolvent before final settlement of the cash flows of the transaction. In addition, any collateral guarantees offered in favor of the Issuer (or in favor of another UniCredit Group company) are not or cannot be realized or paid at the times, in the ways and in the amounts sufficient to hedge a specific exposure to counterparty risk.

Write-downs and write-backs of derivatives to take account of counterparty risk are determined in line with the procedure used to assess other credit exposures. Exposures at Default ("EAD") are derived with simulation techniques and combined with Probability of Default ("PD") and Loss Given Default ("LGD") implied by current market default rates obtained from credit and loan-credit default swaps, in order to obtain a value in terms of expected loss ("EL") to be used for items designated and measured at fair value maximizing the usage of inputs from the market. Similar adjustments to the fair value of derivatives are calculated to account for own-name and funding risks.

The positive fair value of the UniCredit Group's derivative trades at December 31, 2024, totaled Euro 30,870 million, of which Euro 29,519 million represented by trading derivatives and Euro 1,351 million represented by hedging derivatives. The negative fair value of derivative trades at the same date totaled Euro 26,279 million, of which Euro 25,167 million represented trading derivatives and Euro 1,112 million hedging derivatives.

In terms of repo trades, the Group had an outstanding total of Euro 52,500 million at December 31, 2024, of which Euro 23,605 million related to repos with customers, in addition to outstanding lending transactions

totaling Euro 44,497 million at the same date, of which Euro 44,235 million in amortized cost portfolio (Euro 14,060 million with customers), and further Euro 262 million in the trading portfolio.

### A.3.13.Risks deriving from the insurance business

Assuming the acquisition is completed as planned pursuant to the Offer, the Issuer will likely see an increase in its exposure associated to risks connected with the insurance business, primarily as a result of acquiring those companies of the BPM Group that carry out insurance activities, in addition to the insurance business activities that the UniCredit Group already carries out through its subsidiary companies.

In particular, these subsidiary companies are UniCredit Allianz Vita S.p.A. (“UAV”, 50% owned by UniCredit and 50% owned by Allianz S.p.A. (“Allianz”)), CNP UniCredit Vita S.p.A. (“CUV”, 49% owned by UniCredit and 51% owned by CNP Assurances S.A. (“CNP”)), and UniCredit Allianz Assicurazioni S.p.A. (“UAA”, 50% owned by UniCredit and 50% owned by Allianz).

In particular, such companies recorded the following results as at December 31, 2023 (being this the last date for which the relevant definite figures are available, as opposed to the 2024 figures which remain provisional as at the Registration Document Date):

As to the life bancassurance business (local GAAP):

UAV:

- technical reserves of Euro 8.236.649.665;
- =
- technical reserves of Euro 21.213.027.358 (in those cases where investment risk is borne by policyholders and reserves arising from pension fund management); and
- =
- gross premiums on the books of Euro 4.725.784.886.

CUV:

- technical reserves of Euro 5.517.230.356; and
- =
- technical reserves of Euro 9.948.078.907 (in those cases where investment risk is borne by policyholders and reserves arising from pension fund management); and
- =
- gross premiums on the books of Euro 2.821.524.729.

As to the non-life bancassurance business:

UAA:

- technical reserves (IFRS GAAP) of Euro 522.846.905;
- =
- gross premiums on the books (local GAAP) of Euro 226.125.361.

The UniCredit Group’s insurance business contributes to its results, taking into account the current configuration (i.e., UniCredit as a distributor of insurance products and shareholder of the above subsidiaries, which are not fully consolidated). Such contributions take the form of:

- (i) commissions for the distribution of insurance products: Euro 909 million, 10% of total Group Fees and commissions income (source: 2024 Consolidated Financial Statements, p. 494); and
- (ii) earnings (pro-rata) of insurance companies valued at equity: UAV (Euro 78 million), CUV (Euro 33 million), UAA (Euro 19 million) (source: 2024 Consolidated Financial Statements, p. 510).

Regarding the BPM Group’s insurance business as of December 31, 2024, the Group’s financial statements are not (assuming their accuracy) published yet; in any case, the comparison could not be homogeneous, as BPM owns 100% of the life companies and therefore fully consolidates these components. The only public data, taken from BPM’s presentation of results for 2024 (on February 12, 2025), concerns the income from the insurance business for the year 2024, amounting to Euro 93.4 million (which includes the contribution of Banco BPM Vita, Vera Vita, and the Banco BPM life companies), accounting for 4.4% of other operating income and 3.1% of profit (loss) from operations.

In 2024, UniCredit started the process for internalization of the life bancassurance business through the termination of the current agreements with Allianz and CNP. Closing of each of the transactions is subject to the standard authorizations by the competent authorities and is expected to take place in 2025. For both companies, which are planned to be merged, operations will rely on the current setup including, for a transitional period, on the services provided by the current insurance partners, according to the agreements between the shareholders. More in detail, CUV is an almost fully-fledged company while UAV mainly leverages on the activities carried out by personnel seconded from Allianz and services outsourced by the Allianz Group. In this regard, it is agreed contractually that UAV will continue to benefit from all services/activities currently provided by the Allianz Group for the period and according to the agreed terms. In view of the closing of the corporate transactions and the subsequent merger between CUV and UAV and the migration of information systems, the relevant

assessment activities have been under way for months with the aim of identifying points of attention and areas to be strengthened (concerning the mentioned companies and UniCredit) and joint working groups are defining plans for the activities needed for the integration and management of the related risks.

The transactions will be cash funded. The impact on the Group's capital position will depend on the purchase prices that will be determined. Based on preliminary estimates, the overall impact on the Group's CET1 ratio is expected to be approximately 20 bps (based on the capital position as of June 2024, which represents the latest available data, as a result of UniCredit being acknowledged by the ECB as a fully-fledged financial conglomerate subject to supplementary supervision and to the application of the so called Danish Compromise (which allows financial conglomerates to risk-weight insurance participations instead of fully deducting them from equity)): in this respect, interactions with the ECB- SSM for obtaining the application of such regime are progressing in line with the timescales of both transactions. To this aim the interactions with ECB-SSM are focused on the key elements of the integrated risk management system that are necessary to effectively manage the insurance risk, which are currently being enhanced by UniCredit. In addition, it cannot be excluded that there may be a risk connected to the integration process of these companies into the UniCredit Group.

The process of internalization of UniCredit's life insurance business, as reported above, envisages the closing of the corporate transactions by 2025. As of the Registration Document Date, the Presidency of the Council of Ministers authorized the UAV and CNP transactions without prescriptions, considering that the conditions for the exercise of special powers under the golden power framework are not applicable. In addition, the European Commission – DG Competition authorized both CUV and UAV transactions from an antitrust perspective, pursuant to the EUMR. Other filings to the competent authorities are in progress and, in particular, the request for authorization by IVASS to acquire control of the two companies.

The (indirect) potential acquisition of the BPM Group's life insurance companies (as part of the overall transaction) is fully consistent with the strategy of internalization of the life insurance business being implemented by the UniCredit Group, as outlined above. The timing and methods of such integration will be assessed in line with the conclusion of the acquisition of BPM in the second half of 2025 (even though the Merger may not take place before 2026), leveraging on the experience, safeguards and structures already implemented in recent months for the purpose of the internalization of the UniCredit insurance business, which will also allow to manage the risks associated with this transaction (expected to be the usual risks associated with corporate merger and IT migration transactions).

By and large risks for the insurance business are connected with the adequacy of pricing and the setting of rates for insurance products, with any fluctuations in the number and value of requests for claims settlement and with any risks connected with the calculation of technical reserves of the insurance companies and their potential inadequacy to cover the obligations deriving from the insurance policies with which they are associated.

With specific reference to life policies and pension funds, the Issuer is also exposed to the risk of being able to make correct statistical and actuarial projections according to life expectancy and the factors connected with the accrual of pension benefits. The adequate determination of any type of insurance premiums may be compromised by different factors, including unavailability of sufficiently reliable data, incomplete or imprecise analysis of such data, incorrect prior assessments and forecasts concerning the fluctuation in the number and value of claims that the relevant premiums are required to cover, the use of imprecise or inappropriate formulas or methods in carrying out such assessments, any unforeseeable changes in applicable laws or regulations or prevailing trends in case law, and the uncertainty inherent in the procedures for settling disputes. There is a real risk that the number and amount of future claims could considerably exceed the forecasts made during the insurance product pricing process, with consequent negative effects on the activity and results of the insurance business and on the economic results, balance sheet and financial situation of the Issuer and the UniCredit Group on a wider scale. The technical reserves of the insurance companies of the UniCredit Group might, in fact, be insufficient in the future, despite the allocation measures adopted by the insurance companies of the UniCredit Group. Given the highly uncertain nature of forecasts and estimates that characterize the insurance business in general and the fact that the Issuer might not have an entirely accurate appreciation of the BPM Group's exposures in relation to its insurance business (due to the Issuer's sole reliance on publicly disclosed data), the risks connected to insurance activities are, and will remain following the acquisition, of a significant nature.

#### **A.3.14.Environmental and climate-related risks connected with the UniCredit Group's banking and insurance activities**

UniCredit's banking and insurance businesses are exposed to risks stemming from climate and environmental changes and events. By their very nature these risks are evolving, uncertain and difficult to quantify.

Climate-related risks can be categorized into physical risks and transition risks. Transition risks refer to risks arising from the shift to a low carbon economy, for example changes in technology, legislation, and consumer



sentiment. Physical risks can be further classified into long-term weather changes and extreme weather events such as storms, floods, droughts or other unforeseen and sudden climate events.

Both physical and transition risks can directly affect UniCredit's banking activities by having a negative impact on specific investment portfolios of the Issuer (financial or real estate) or on the individual assets held by UniCredit as collateral in the context of financing agreements. The same risks may indirectly affect UniCredit by damaging the solvency (hence, the ability to pay) and reputation of its counterparties to financing agreements. Unlike physical risks, climate-related transitional risks for UniCredit (such as changes in environmental regulations that impose additional layers of selection criteria for counterparties or assets to acquire, increased costs of monitoring compliance, or damaged customer perception of the Issuer's activities) may materialize in the long-term and cause a diversion of the Issuer's resources and, possibly, their erosion. Physical risks instead tend to materialize more suddenly and are also relevant to UniCredit's physical assets. The severity of this type of risks is, for example, dependent on the trajectory of global warming which is difficult to accurately anticipate. Acute temperature rises may have a severe impact on the Issuer's infrastructure (UniCredit's offices and branches) and on its significant real estate portfolio, or it may even result in the decreased productivity of UniCredit's personnel in hotter areas.

#### **A.3.15.1.3 Risks connected with the legal and regulatory-related-party transactions and Corporate Governance framework**

As at December 31, 2024 transactions with related parties of the UniCredit Group amounted to 0.16% of total assets and 0.87% of total liabilities. The main risk affecting transactions with related parties concerns the fact that they possibly have not been carried out at the most advantageous terms for UniCredit. The same transactions and the related agreements, in fact, might have been negotiated with more advantageous terms and conditions if they had been carried out between or with parties that are entirely unrelated to the Group.

The Issuer deems this risk to have an overall low probability of occurring and accordingly, the Issuer considers it to be of low significance.

Over the course of 2024, transactions carried out with related parties reported in the data streams provided by the reference standards, were executed and carried out based on assessments of the economic convenience and interest of the Group.

UniCredit applies the IAS 24 standards for the purposes of disclosing data on transactions with related parties and, accordingly, UniCredit's related parties include (i) companies belonging to the UniCredit Group and companies controlled by UniCredit but not consolidated within its Group, (ii) associates and joint ventures, as well as their subsidiaries, (iii) UniCredit's key management personnel and their close family members, (iv) companies controlled (or jointly controlled) by key management personnel or their close family members, and (v) the UniCredit Group employees post-employment benefit plans. Pursuant to CONSOB and Bank of Italy regulations, UniCredit has adopted a specific policy (the "Global RPT Policy") on transactions with related parties, associated persons, as well as corporate officers in accordance with article 136 of the Consolidated Banking Act, designed to define preliminary and conclusive rules with respect to related party transactions executed by UniCredit, including those conducted through subsidiaries. As an Italian banking institution, the BPM Group is also subject to the same regulations requiring it to adopt specific policies on transactions with related parties. Despite the existence of such policies and procedures, the Issuer and its Group, including in its potential post-Merger configuration are, and will remain, subject to the risk that transactions with related parties may involve inefficiencies in the resource allocation process and/or expose the UniCredit Group to unforeseen risks, with possible negative impacts on the activity, prospects and economic results, balance sheet and financial situation of the Issuer and the UniCredit Group.

UniCredit's Global RPT Policy, reviewed annually, was approved in December 2024 by UniCredit's Board of Directors with the preliminary positive opinion of the Related-Parties and the Audit Committees, in order to bring-in limited reviews aimed at making specific updates which became necessary during the current financial year, while also expecting it to be reviewed more widely, once the relevant CONSOB communication on its interpretation is published. More specifically, recent reviews concerned:

- (i) the need to adapt the text of the Global RPT Policy to reflect the change in the governance model with the adoption, by UniCredit, of the one-tier administration and control system;
- (ii) on the basis of the application experience of the Global RPT Policy, some clarifications were made concerning the discipline of the so-called cumulation of transactions and two cases of exemption, namely the one for small transactions and the one relating to the remuneration of delegated bodies and key managers.

The Global RPT Policy regulates the information flows to the Audit Committee, in accordance with applicable regulations.

UniCredit places a central focus on corporate governance as a fundamental element to ensure transparent, solid management aligned with best practices. Since 2001, the Bank has adopted the Corporate Governance Code, applying the recommendations for large companies and ensuring continuous alignment with market and stakeholder expectations.

As part of its periodic monitoring of the Corporate Governance Code's implementation by listed companies, the Corporate Governance Committee has identified certain areas for potential improvement common to all listed companies on the Italian regulated market. This annual process aims to foster the continuous evolution of corporate governance, promoting greater efficiency and transparency in decision-making processes.

In its letter dated December 17, 2024, the Committee highlighted three areas for further enhancement:

- completeness and timeliness of pre-board information, ensuring directors receive all necessary materials for an informed and effective discussion during board meetings;
- transparency and effectiveness of the remuneration policy, with a focus on clarity regarding performance targets and market disclosures;
- the executive role of the Chair, particularly regarding the separation between strategic oversight and managerial functions.

As with all listed companies, UniCredit carefully analyzed these recommendations, bringing them to the attention of its governing bodies. Following this analysis, these bodies concluded that no risk profiles emerged, as UniCredit's governance model is already robust, structured, and aligned with the best market practices and the Corporate Governance Code's recommendations.

Specifically:

- Pre-board information: According to a specific provision of the Regulation of the Board of Directors and its Committees (Section 1. Board of Directors, paragraph 1.2 Functioning), UniCredit applies best practices, ensuring that pre-board documentation and the information necessary for directors to make informed decisions are generally made available at least three days before meetings. This requirement may be waived only in exceptional cases. In such situations, the Chair ensures that the topics are properly presented by the Chief Executive Officer during board meetings and that sufficient time is dedicated to explanations and subsequent discussions. In 2024, these situations occurred only in a limited number of cases, primarily involving particularly sensitive topics. The Audit Committee has acknowledged the importance of balancing the timeliness of pre-board information with the need to ensure the confidentiality of sensitive data and prevent leakage risks. The Board of Directors has therefore assessed that the current system effectively maintains this balance while ensuring that any exceptions are managed transparently and properly documented. As part of its continuous improvement approach, the Board will continue to monitor this aspect closely and evaluate any initiatives to further optimize the pre-board information process, ensuring both maximum confidentiality and increasingly effective discussions during board meetings.
- Remuneration policy: UniCredit applies a Group Incentive System that fully complies with the Corporate Governance Code's recommendations and the highest standards of transparency and governance. The system is based on clear and measurable targets, defined ex-ante and assessed at the end of the performance period, in accordance with the Group Compensation Policy. For senior executives (CEO, members of the Group Executive Committee, and first-line managers), the remuneration policy includes specific and measurable sustainability KPIs, as disclosed in the Group Compensation Policy Report and the Compensation Paid Report. Additionally, all remuneration decisions follow structured and multi-level deliberative processes, involving the Remuneration Committee, the Audit Committee, and, where necessary, the Related-Party Committee. These decisions are communicated transparently to the market and shareholders, in line with best industry practices.
- Chair's role: The Chair of UniCredit's Board of Directors does not hold any executive role, in full compliance with the Bank's governance model and the Corporate Governance Code's recommendations. The Chair's responsibilities are limited to strategic oversight and coordinating the Board's activities, with no involvement in the Bank's operational management.

Based on these findings, it is confirmed that no risk profiles emerge regarding these governance aspects.

**A.3.16. Risks associated with information about UniCredit's competitive position and statements made in such respect**

This Registration Document contains statements concerning the competitive position of the Issuer and of the UniCredit Group. Such statements are made by the Issuer on the basis of its specific knowledge of its own sector, available information and its own experience. Currently, the major themes of sustainable business practices in general and, in particular, the issues related to ESG aspects are changing the preferences and values of different stakeholders and, as a result, the competitive environment surrounding the UniCredit Group's operations is also changing in different ways. In order for the UniCredit Group to remain competitive and profitable, it will need to anticipate and respond to these changes, which requires continued investment in, and time spent on, innovation and research and development.

As such, any statements – including those related to the competitive position, performance of the UniCredit Group in the sectors of activity and/or geographic areas where it operates – might change or no longer be confirmed in the future due to known and unknown risks, significant and sudden changes in consumer preferences and additional factors of uncertainty, such as the geopolitical shocks. Any such statements might also differ, even significantly, from any other data produced by third parties.

This risk affects the accuracy of information that is contained in the description of the activities of the UniCredit Group, the markets in which it exercises its activities and its competitive position, future programs and strategies, which could possibly be subject to currently unforeseeable changes in order to adapt to any sudden changes in the macroeconomic conditions. Therefore, investors are advised not to rely exclusively on those statements relating to the competitive position, estimates and valuations, and to consider the entire contents of this Registration Document.

In addition, there is a risk attached to the mandatory clearance of the transaction at stake pursuant to merger control laws. The European Commission is competent in this respect and the engagement with the European Commission in order to obtain such clearance is currently ongoing. It is possible that such clearance will be conditional upon certain commitments being made binding upon the Issuer. This risk cannot be excluded and, although as a matter of principle a material impact of such commitments cannot be excluded, the Issuer does not expect that they would materially impact the transaction. Such commitments could include, by way of example, the obligation to sell certain branches, assets or equity stakes and/or commitments to behave in a certain way following completion of the transaction.

**A.3.17. Risks connected with the use of Alternative Performance Indicators (APIs)**

This Registration Document contains Alternative Performance Indicators (“APIs”) to facilitate comprehension of the operating and financial performance of the Issuer and the UniCredit Group.

APIs are measures the determination of which is not specifically regulated by the accounting and financial reporting standards used to prepare the separate and consolidated financial statements and they are not subject to audit. UniCredit uses certain APIs both for actual figures and for figures pertaining to the guidance and 2025-27 Ambitions scenario. APIs reported in this document related to actual figures are the following: including: Cost/Income ratio, Economic Value Added (“EVA”), RoTE, Net bad loans to customers/Loans to customers, Net non-performing loans to customers/Loans to customers, Absorbed capital, Return On Allocated Capital (“ROAC”), Return On Assets (“ROA”), CoR. APIs reported in this Registration Document related to guidance and 2025-27 Ambitions are the following: Cost/Income ratio, CoR, RoTE, ROAC gross NPE ratio, net NPE ratio.

Other entities may use the same type of APIs calculating them, however, differently and the standards applied by the Issuer for their calculation might not be consistent with the standards adopted by other entities. Despite such calculation methods being applied by the Issuer in accordance with the European Securities and Markets Authority (“ESMA”) Guidelines of October 5, 2015, they may pose a risk for investors associated with their interpretation, given that the APIs (i) when derived from historic figures of the UniCredit Group do not provide any indication concerning its future performance; (ii) are not prescribed measurements in accordance with the IFRS and are not subject to audit; (iii) must not be considered replacements for the measures prescribed by the IFRS; (iv) must be interpreted together with the financial information of the UniCredit Group taken from its consolidated financial statements; (v) might not be consistent with the definitions adopted by other companies/groups and thus might not be comparable (including with any APIs used by BPM prior to the transaction); and (vi) are consistently provided and defined for all periods for which financial information is included in this Registration Document.

The APIs used by the Issuer might, therefore, represent a risk for investors who might be misled in their independent assessment of the UniCredit Group's economic results, balance sheet and financial situation potentially causing them to make incorrect, inappropriate or inadequate investment decisions.

#### **A.4. RISKS ASSOCIATED WITH THE LEGAL AND REGULATORY FRAMEWORK**

##### **A.4.1. ~~1.3.1~~ ~~Basel III and Bank Capital Adequacy~~ capital adequacy**

##### **A.4.1.1. Risks associated with capital adequacy requirements**

The Basel III framework has been implemented in the EU through new banking requirements: Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the ~~CRD IV Directive~~) and the Regulation 2013/575/EU (the ~~CRR~~, together with the ~~CRD IV Directive~~, the ~~CRD IV Package~~) subsequently updated in the Regulation No. 876/2019 and Directive (EU) No. 2019/878 (the ~~Banking Reform Package~~ with ~~CRR II~~ and ~~CRD V~~) and recently by ~~CRD VI~~ and ~~CRR III~~ (as both defined below). In addition to the capital requirements under ~~CRD IV~~, the ~~BRRD~~ introduces requirements for banks to maintain at all times a sufficient aggregate amount of own funds and eligible liabilities (the ~~Minimum Requirement for Own Funds and Eligible Liabilities, MREL~~). The ~~MREL~~ requirements constrain the structure of liabilities and require the use of subordinated debt, which have an impact on cost and potentially on the Issuer's financing capacity.

Following the communication received by the Single Resolution Board (~~SRB~~) and the Bank of Italy in June 2024, the Issuer shall comply, on a consolidated basis, with an ~~MREL~~ equal to 22.84 per cent of Risk Weighted Assets (~~RWA~~)—plus the applicable Combined Buffer Requirement (~~CBR~~)—and 6.09 per cent of Leverage Ratio Exposures (~~LRE~~). Similarly, the Issuer has to comply with a subordinated ~~MREL~~, i.e. to be met with subordinated instruments, equal to 15.06 per cent of ~~RWA~~ plus applicable ~~CBR~~ and 6.09 per cent of ~~LRE~~. For more information on the capital adequacy legislation applicable to the Issuer, please see Section headed "*Information about the Issuer*", paragraph 4.1.4 (*The domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the Issuer*) of this Registration Document.

Furthermore, the ~~G-SIB~~ buffer applies to those institutions included on the list of global systemically important banks, which is updated annually by the Financial Stability Board (the ~~FSB~~); according to the Press Release issued by the ~~FSB~~ on 27 November 2023, the Issuer has been removed from such list. However, the Issuer remains included in the list of Other Systemically Important Institutions (~~O-SII~~), as per the Press Release issued by Bank of Italy on 24 November 2023; hence, the Issuer will continue to be subject to a capital buffer for the purposes of systemic risk. Specifically, starting from 1 January 2024, the ~~O-SII~~ capital buffer applied to the issuer is equal to 1.50 per cent of its total risk weighted exposure. The same ~~O-SII~~ buffer (*i.e.* 1.50 per cent.) should also apply from 1 January 2025.

Article 513 of the ~~CRR~~ requires the European Commission to complete a review of the macroprudential provisions in the ~~CRR~~ and ~~CRD~~ by June 2022 and every five years thereafter, and, if appropriate, to submit a legislative proposal to the European Parliament and to the Council by December 2022 and every five years thereafter. At the time of this Registration Document, no specific change of the regulatory reclassification of capital instruments is currently deemed reasonably foreseeable.

In December 2017 the Basel Committee on Banking Supervision (~~BCBS~~) concluded the review process of the models (for credit risk, counterparty risk, operational risk and market risk, the latter in January 2019) for the calculation of minimum capital requirements, including constraints on the use of internal models and introducing the so-called "output floor" (setting a minimum level of capital requirements calculated on the basis of internal models equal, when fully implemented, to 72.5 per cent. of those calculated on the basis of the standardised methods). The main purpose is to enhance consistency and comparability among banks.

In October 2021, the European Commission published the Banking Package, by way of a regulation (~~CRR III~~), implementing the final Basel standards into the EU legislation with new rules for the calculation of risk weighted assets for credit, operational, Credit Valuation Adjustment (~~CVA~~) and market risks as well as the introduction of the Output floor. Going beyond Basel by way of a Directive (~~CRD VI~~), the Commission also made some proposals on Environmental Social and Governance (~~ESG~~) Risks, Fit & Proper and Third Country Branches. On 19 June 2024, the ~~CRR III~~ and the ~~CRD VI~~ were published in the Official Journal of the European Union and entered into force on 9 July 2024. For more information on the banking package, please see Section headed "*Information about the Issuer*", paragraph 4.1.4 (*The domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the Issuer*) of this Registration Document.

Capital Adequacy requirements

The ECB is required under the Council Regulation (EU) No. 1024/2013 (the SSM Regulation establishing the Single Supervisory Mechanism (SSM)) to carry out a Supervisory Review and Evaluation Process (SREP) at least on an annual basis. The key purpose of the SREP is to ensure that institutions have adequate arrangements as well as capital and liquidity to ensure sound management and coverage of the risks to which they are or might be exposed, including those revealed by stress testing, as well as risks the institution may pose to the financial system.

On 8-December 2023<sup>11</sup>, 2024, UniCredit was informed by the ECB of its final decision concerning capital requirements following the results of its annual SREP (“SREP 2023). With its decision the Single Supervisor has<sup>2024</sup>). The P2R was left unchanged, compared to the SREP decision of the previous year, the Pillar 2 capital requirement, keeping it at 200 basis points. The Pillar 2 requirement (P2R) shall is to be held in the form of 56.25 per cent. of 1.13% of Common Equity Tier 1 (“CET1”) capital and 75 per cent. 1.50% of Tier 1 capital, as a minimum. UniCredit is allowed to partially use Additional Tier 1 or Tier 2 instruments in order to comply with the Pillar 2 Requirements (P2R) instead of Common Equity Tier 1 (CET1) capital, in line with the latest revision of the Capital Requirements Directive (CRD V).

The ECB has also communicated to UniCredit a Leverage~~leverage~~ ratio Pillar 2 Requirement (P2R-LR) equal to zero, and no additional liquidity requirements.

As a consequence, starting from January 1, 2025, UniCredit is required to meet the following overall capital requirements~~requirement~~ (“OCR”) and overall leverage ratio requirement (“OLRR”) on a consolidated basis ~~from~~ September 2024<sup>9</sup>:

- ~~Common Equity Tier 1~~ CET1 ratio: ~~10.10 per cent.~~ 10.28%;
- ~~Tier 1~~ Tier 1 ratio: ~~11.97 per cent.~~ 12.16%;
- ~~Total Capital~~ Total Capital ratio: ~~14.47 per cent.~~ 14.66%; and
- ~~Leverage~~ Leverage ratio: ~~3 per cent.~~ 3%.

The above OCR requirements include a Combined Buffer Requirement composed as follows:

- Capital Conservation Buffer (“CCB”) at 2.5%;
- O-SIIs buffer at 1.50% (in place from January 1, 2024, and applicable also in 2025);
- Systemic Risk Buffer (“SyRB”) at 0.20% estimated as of December 31, 2024, (which will then increase to 0.37% as of June 2025) – calculated as a weighted average of the exposures to which a SyRB is applied (i.e., Italy and Germany);
- Counter Cyclical Capital Buffer (“CCyB”) of 0.46% as of December 31, 2024. It consists of the weighted average, by credit exposure, of the CCyB rates applied by the jurisdictions/countries where the Group has a credit exposure. The main jurisdictions adopting a CCyB affecting the Group specific CCyB are, as of December 2024, Germany (0.75%), Bulgaria (2.0%), Czech Republic (1.25%), Croatia (1.5%), and Romania (1.0%).

As of ~~September~~December 31, 2024, the consolidated CET1 Capital, Tier 1 and Total Capital ~~Transitional~~ ratios were equal to, respectively, ~~16.24 per cent.~~ 18.02 per cent and ~~20.68 per cent.~~ 20.68 per cent. CET1 ~~Transitional~~ ratio was ~~exceeding the relevant requirement by 604 bps (so called MDA buffer), after being reduced by ca. 10 bps of the CET1 utilized to cover the Tier 1 requirement.~~ 15.96%, 17.75% and 20.41%. As of December 31, 2024, the LRE was 5.60%.

In addition to the above capital requirements, following the communication received by the Single Resolution Board (the “SRB”) and the Bank of Italy in June 2024, UniCredit is required to comply, on a consolidated basis, with:

- MREL requirement equal to 22.84% of RWAs – plus the applicable Combined Buffer Requirement (the “CBR”) – and 6.09% for Leverage Ratio Exposures (“LRE”);
- subordinated MREL (i.e., to be met with subordinated instruments) equal to 15.06% of RWAs plus the applicable CBR – and 6.09% for the LRE.

All in all, the outcome of the 2024 SREP as summarized by the P2R is in line with previous years’ assessment, and there are no other impacts stemming from that relating to 2024. In this context, there is the risk that after future supervisory assessments – *inter alia* upon completion of the acquisition of BPM – the Supervisory Authority could require the Issuer, among other things, to maintain higher capital adequacy ratios than those

<sup>9</sup> The reported OCR is based on the Countercyclical Capital Buffer as of September 2024. The Countercyclical Capital Buffer (CCyB) depends on the credit exposures of UniCredit to countries where countercyclical capital ratios have been or will be set and on the respective requirements set by the relevant national authorities and therefore may vary on a quarterly basis over the reporting period. The reported leverage ratio requirement (OLRR) is in line with 3 per cent minimum, since no buffers are applicable as of September 2024.

applicable at the Date of the Registration Document. Moreover, after future assessment, the ECB might require the Issuer to implement some measures, which might impact management of the UniCredit Group, actions to reinforce the systems, procedures and processes involved in risk management, control mechanisms, assessment of capital adequacy and/or RWA calculation.

~~From 30 June 2020 the Group has adopted the so-called transitional phase in regarding the application of the IFRS9 accounting principle. As of September 2024, the CET1 ratio Fully Loaded, i.e. calculated without considering the benefit arising from IFRS 9 Transitional arrangements, was equal to 16.13 per cent exceeding by 593 bps CET1 ratio requirements.~~

~~Following the communication received from the ECB in relation to the 2023 Supervisory Review and Evaluation Process (SREP), UniCredit's Pillar 2 Capital Requirement (P2R) has been confirmed at 200 basis points. In November 2023 the Financial Stability Board (FSB) has published the 2023 list of global systemically important banks (G-SIBs) and UniCredit has been removed from the list. Following the communication received from the Bank of Italy in relation to its methodological review of Italian banking groups, UniCredit's other systemically important institutions (O-SII) capital buffer is 1.50 per cent from 1 January 2024. Therefore, after this date, the overall capital requirement applicable to UniCredit increased by 50 basis point, compared to December 2023, as the O-SII buffer replaces the, no more applicable, 1 per cent G-SIB buffer.~~

~~As of September 2024, the Transitional Leverage Ratio was 5.57 per cent exceeding the relevant requirement by 257 bps.~~

~~UniCredit also took part to the 2023 EU wide stress test conducted by the European Banking Authority (EBA), in cooperation with the Single Supervisory Mechanism (SSM), the European Central Bank (ECB) and the European Systemic Risk Board (ESRB). The 2023 EU wide stress test does not contain a pass/fail threshold as it is instead designed to be used as an important source of information for the purposes of the SREP. The results assist Competent Authorities in assessing UniCredit's ability to meet applicable prudential requirements under stressed scenarios. The adverse stress test scenario was set by the ECB/ESRB and covers a three year time horizon (2023-2025). The stress test was carried out applying a static balance sheet assumption as of December 2022 and therefore does not consider future business strategies and management actions. The EBA published the results for the individual banks at the end of July 2023.~~

~~Despite the more severe stressed scenario applied, UniCredit's capital depletion is meaningfully lower than for the 2021 EU wide stress test result thanks to a much stronger starting point based on a significant improvement in capital generation, sound asset quality and prudent overlays. This positions UniCredit well for potential macroeconomic shocks.~~

~~UniCredit's results are summarized below:~~

~~Baseline scenario:~~

- ~~• 2025 fully loaded CET1r at 19.97 per cent corresponding to 397 bps higher than fully loaded CET1r as of December 2022~~
- ~~• 2025 transitional CET1r at 19.97 per cent corresponding to 329 bps higher than transitional CET1r as of December 2022~~

~~adverse scenario:~~

- ~~• 2025 fully loaded CET1r at 12.51 per cent corresponding to 349 bps lower than fully loaded CET1r as of December 2022~~
- ~~• 2025 transitional CET1r at 12.51 per cent, corresponding to 417 bps lower than transitional CET1r as of December 2022.~~

~~In years when there is no EU wide EBA stress test, the ECB tests significant institutions under its direct supervision against a specific kind of shock. These tests are run in cooperation with national supervisory authorities, and the ECB publishes the results on an aggregate basis. In 2024 UniCredit participated to the ECB stress test on "Cyber resilience", which results are expected to be published during the course of 2024.~~

Furthermore, on 8 May 2023, UniCredit was notified its involvement in the 2023 annual EU wide transparency exercise, launched in September 2023. The exercise covered the figures from the second half of 2022 and the first half of 2023 (*i.e.* information as of September 2022, December 2022, March 2023 and June 2023) on banks' exposures and asset quality to financial operators and results were published by EBA in December 2023. On 5 July 2024, the EBA published for informal consultation its draft methodology, templates and guidance for the 2025 EU wide stress test. Some important changes are introduced to, *inter alia*, ensure a proper integration of the upcoming CRR III. A sample of 68 banks from the EU and Norway, including 54 from the euro area, will participate in the exercise.

UniCredit, on 9 December 2021, presenting its 2022-2024 Strategic Plan "UniCredit Unlocked", announced the aim to ensure a materially increased and growing remuneration in favor of the Shareholders over the course of the Plan, also by means of programmes for the purchase of ordinary shares of UniCredit.

In this respect, on 12 April 2024 the Shareholders meeting has authorized the purchase of a maximum no. 200,000,000 of UniCredit S.p.A. shares, to be carried out, even in more transactions, within the earliest of: (i) the date which will fall after 18 (eighteen) months from the date of the authorization of the shareholders' meeting; and (ii) the date of the shareholders' meeting which will be called to approve the financial statements for the year ending on 31 December 2024. The request for authorization to purchase treasury shares was proposed by the Board of Directors as a part of the activities envisaged in the 2022-2024 strategic plan ("UniCredit Unlocked") presented to the market on 9 December 2021.

In particular, the following distributions were envisaged:

- a first distribution, for a maximum disbursement of Euro 3,085,250,000, relating to the residual part of the overall payout for the 2023 financial year (the "**2023 SBB Residual**");
- a second distribution as an anticipation of the expected distributions for the 2024 financial year (the "**2024 SBB Anticipation**"), for an amount of Euro 1,700,000,000.

The shares purchased pursuant to the aforementioned programmes will be subject to cancellation.

The purchase programmes are subject to the prior permissions of the ECB.

#### **A.4.2. Risks associated with the evolution of prudential and other regulations applicable to banks**

In this respect, on 11 April 2024 the "2023 SBB Residual" buy back programme has been entirely authorized by the ECB and executed in two tranches. The execution of a tranche for an amount of Euro 1,585,250,000 denominated "Second Tranche of the Buy Back Programme 2023", was initiated on 9 May 2024 and completed on 20 June 2024. While the execution of the final tranche for a maximum amount of Euro 1,500,000,098.53, denominated "Third Tranche of the Buy Back Programme 2023", was initiated on 21 June 2024 and completed on 19 August 2024.

Moreover, as disclosed on 13 September 2024, the "2024 SBB Anticipation" has been authorised by the ECB and the execution has been commenced on 16 September 2024. As of 1 November 2024, since the launch of the 2024 SBB Anticipation, UniCredit purchased no. 30,122,628 shares, equal to 1.84% of the share capital for a total consideration of Euro 1,164,619,096.96 (equal to 68.51% of the total amount of the 2024 SBB Anticipation). As of the same date, following the cancellation of the treasury shares on 26 June 2024, UniCredit holds a total of 72,365,603 treasury shares equal to 4.42% of the share capital.

Having regard to the assessments made in relation to the probability of the occurrence of such risk and the extent of any negative impact, the Issuer evaluates that the materiality of such risk shall be medium high.

#### **1.3.2. Evolution of banking prudential regulation**

The Group and the Issuer and its Group operate in a stringent and detailed highly complex regulatory context and Both are subject to the supervision by thea number of competent supervisory authorities (*i.e.* European Central Bank, which include the ECB, the Bank of Italy, and CONSOB). Either the regulatory framework and the supervision activity are subject to ongoing changes in the law and ongoing developments respectively. Moreover, being a listed issuer, the Issuer shall comply with all The Issuer is also subject to the further provisions of a specific regime enacted by CONSOB. Together with all these laws and regulations, the Issuer shall due to its status as a listed entity and, more generally, it must also comply with, by way of example but not limited to, a variety of other laws concerning anti-money laundering, usury and consumer protections legislations. Such regulatory

framework is characterized by ongoing developments in the laws and in the supervision activities of the various authorities.

Notwithstanding the Issuer undertakes ~~Despite the Issuer's undertaking to comply with all the applicable statutory provisions, the regulations, there is a risk of non-compliance with the multitude of different legal and regulatory requirements. Such non-compliance could lead to additional legal risk and financial losses, as a result of regulatory fines or reprimands, litigations, or any warnings received, litigation proceedings, reputational damage, and, in extreme scenarios, to the forced suspension of operations or even the withdrawal of the authorization to pursue carry out banking business.~~

The failure to comply with ~~The banking and financial regulatory framework to which the Group is subject is extremely stringent and detailed. The Issuer is also subject to the supervision by the competent supervisory authorities, including European Central Bank, Bank of Italy and CONSOB.~~

Failure to observe any of the legal and regulatory provisions currently in force or to keep pace with any changes relating to the interpretation of the applicable legislation by the competent authorities could negatively impact on the operating results and capital and financial position of UniCredit.

On 19 June 2024, the CRR III and the CRD VI were published in the Official Journal of the European Union and entered into force on 9 July 2024. Save for certain exemptions, the majority of the CRR III provisions will be applied starting from 1 January 2025, with certain elements of the Regulation phasing in over the years. As other global jurisdictions have already deferred the implementation of the final Basel standards without a clear deadline, the European Commission Delegated Regulation 2024/2795/EU was published in the Official Journal of the EU on October 31, postponing the application of the market risk framework (i.e. the "Fundamental Review of the Trading Book" or shortly "FRTB") in the EU by one year, to January 1, 2026. Member States shall adopt and publish the CRD VI implementing measures by 10 January 2026 and they shall apply those provisions from one day after its transposition date (i.e. 11 January 2026). For more information on the CRR III and the CRD VI, please see Section headed "Information about the Issuer", paragraph 4.1.4 (The domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the Issuer) of this Registration Document.

Some of the most recent changes concerned the CRR III and the CRD VI, and were published on June 19, 2024 in the EU Official Journal, entering into force on July 9, 2024. Save for certain exemptions, the majority of the CRR III provisions applied starting from January 1, 2025, with certain elements of it phasing in over the years. On January 9, 2025, the EBA published its final guidelines on the management of ESG risks as mandated in Articles 76 and 87a of the CRD VI. The guidelines contain minimum standards and reference methodologies for the identification, measurement and monitoring of ESG risks and the content of the prudential transition plans which banks have to prepare in order to monitor and address the financial risks stemming from ESG factors. These guidelines will apply from January 11, 2026, for large institutions.

In addition, on 18 April 2023, the European Commission published a proposal for the further amendment of the BRRD, including, among other things, the amendment of the ranking of claims in insolvency to provide for a general depositor preference, pursuant to which the insolvency laws of Members States would be required by the BRRD to extend the legal preference of claims in respect of deposits relative to ordinary unsecured claims to all deposits. On 19 June 2024, the Council announced that it had agreed a negotiating mandate on the review of the CMDI. With this agreement, the Council is ready to engage in negotiations with the proposal will need to be agreed by the Member States and the European Parliament on the final shape of this legislative package. The implementation of this proposal is subject to further legislative procedures but if it is implemented in its current form, this would confirm the outcome currently applicable under Italian law, whereby the Senior Notes (including Senior Preferred Notes) will rank junior to the claims of all depositors, including deposits of large corporates and other deposits.

For more information on legislation applicable to the Issuer, please see section headed "Information about the Issuer", paragraph 4.1.4 (The domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the Issuer) of this Registration Document.

Furthermore, in July 2024, the Artificial Intelligence (AI) act (the "AI Act") was published in the EU Official Journal. The AI Act requires, inter alia, qualification and classification of AI systems (built in house or provided by third parties) and defines criteria for the identification of prohibited and high risk AI systems, providing requirements and deadlines for their dismissal or proper management.



Failure to comply with any of the above regulatory requirements and the ongoing developments that characterize them could lead the Issuer and its Group to suffer serious consequences and to experience significant impacts on the economic results, balance sheet and financial situation of the Issuer and/or the UniCredit Group.

UniCredit is also subject to the risks associated with changes to the wider regulatory context that can impact banking and insurance activities. In particular, UniCredit is, and will be as a result of the Merger with BPM, exposed primarily to the risks of having to sustain expenses and use its resources to achieve compliance and/or act in alignment with evolving legal requirements in various fields affecting the exercise of its banking activities. More specifically, as to sustainable finance: (i) Regulation 2020/852/EU (the “**Taxonomy Regulation**”) provides a classification system intended to address greenwashing and provides a tool to direct finance towards sustainable investments, (ii) Regulation (EU) 2019/2088 concerning sustainability-related disclosures in the financial services sector (the “**Sustainable Finance Disclosure Regulation**” or “**SFDR**”), lays down harmonized rules for financial market participants and financial advisers on transparency, and (iii) Regulation 2023/2631/EU (the “**EU GB Regulation**”) lays down rules regarding the use and designation of green bonds for bonds that pursue environmentally sustainable objectives within the meaning of Taxonomy Regulation. Among the measures concerning digital finance, the recently introduced DORA is also relevant to the activities of UniCredit for preventing and mitigating cyber threats and enhancing oversight of outsourced services. While the above represent legal developments that could have an impact on the activities of UniCredit in said sectors, achieving compliance with the constantly evolving legal background (also following the Merger) is expected to remain a key factor of risk as, if the UniCredit Group fails to do so, it may face unexpected financial burdens.

Finally, the very process of integration of BPM into UniCredit might also give rise to the risk of non-compliance with any of the above regulations, for which UniCredit would be responsible. Carrying out the Merger while remaining compliant at all times with the complex and evolving regulatory background applicable to banks might in fact require the Issuer to employ a greater than expected amount of its resources to rectify any unknown shortcomings of BPM and/or the post-Merger UniCredit Group, the extent of which might become clear only after the Merger is actually implemented. For instance, reliance on the two banks’ IT systems to carry out the practical steps involved in the integration of the two groups might give rise to issues affecting digital resilience of IT infrastructure and greater expenditure by UniCredit to ensure compliance with the requirements of DORA concerning protection from cyber-threats.

#### **A.4.3. 1.3.3 Risks ~~connected~~associated with ordinary and extraordinary contributions to funds established under the scope of the banking crisis rules**

The Issuer and the Group ~~shall comply with the contribution~~are subject to certain obligations required by the ~~to make contributions in support of the banking system pursuant to bank resolution legislation. Should the amount of ordinary contributions requested to Group companies increase, the Group's profitability would decrease and the level of capital resources of the Issuer and the Group would be negatively affected; should extraordinary contributions be requested to the Group, this could have a negative impact, even significant, on financial position and economic results of the Group.~~

, as part of the various risk-reducing measures that were implemented following the 2008 financial crisis that affected many financial institutions from 2008, various risk reducing measures have been introduced, both at European level and at individual single Member State level. Their implementation involves ~~Such contributions involve significant outlays by for individual financial institutions in support of the banking system such as the Issuer, and may in the future increase or require the Issuer to make extraordinary payments in addition to the ordinary (and therefore foreseeable) sums paid. The funds to which the Issuer is required to contribute include the Deposit Guarantee Scheme (“DGS”) established under Directive (EU) 49/2014 and aimed at protecting depositors, the Single Resolution Fund (“SRF”) established under Directive (EU) 59/2014 and requiring compulsory contributions by members.~~

The ~~ordinary contribution obligations contribute to reducing profitability and have a negative impact on the Group's capital resources. It is not possible to rule out that the level of ordinary contributions required from the Group banks will increase in the future in relation to the development of the amount related to protected deposits and/or the risk relating to Group banks compared with the total number of banks committed to paying said contributions.~~

In addition, it is not possible to rule out that, even in future, as a result of events that cannot be controlled or predetermined, the Deposit Guarantee Scheme (DGS), the Single Resolution Fund (SRF), the National Resolution Fund (NRF) and/or the *Fondo Interbancario di tutela dei depositi (FITD)*, do not find themselves in a situation of having to ask for more, new extraordinary contributions. This would involve the need to record further extraordinary expenses with impacts, including significant ones, on the capital and financial position of UniCredit.

~~For further information in relation to the above mentioned ordinary and extraordinary contributions, please see the Issuer's audited consolidated financial statements at 31 December 2023, incorporated by reference herein.~~

Contributions to these schemes are accounted for in the Issuer's financial statements in accordance with IFRIC 21 as "Levies". With reference to 2024, contributions for Euro 277 million were recognized in P&L (Euro 728 million in 2023), a breakdown of which is as follows:

- (i) as to contributions to resolution funds (pursuant to Directive (EU) 59/2014), the Group contributions recognized on the income statement totaled Euro -23 million (no contributions were recognized by UniCredit specifically). These contributions are entirely referred to ordinary contributions paid by certain legal entities to local resolution funds; while no contributions were recognized for SRF, having reached already the relevant target level. The Group did not make recourse to any irrevocable payment commitments in this context; and
- (ii) regarding DGS contributions (pursuant to Directive (EU) 59/2014), the Group contributions recognized on the income statement totaled Euro -254 million, of which Euro -187 million were ordinary contributions (Euro -104 million referred specifically to UniCredit) and Euro -67 million as additional and supplementary contributions (entirely referred to UniCredit specifically). Such contribution also includes the amounts recognized by UniCredit Bank GmbH and referred to the contribution to the statutory and voluntary compensation schemes applicable to German banks. The Group did not make recourse to irrevocable payment commitments in this context.

Given that ordinary contributions already play a part in reducing the UniCredit Group's profitability and have a negative impact on its capital resources, the risk that such contributions increase or that fewer banks commit to making such payments might materialize at any time and have a significant impact on the Issuer's resources.

#### A.4.4. 1.3.4 Risks connected with the entry into force of new accounting principles and changes to applicable accounting principles

The UniCredit Group is exposed, like other companies operating in the banking sector, to the effects of the entry into force and subsequent application of new accounting principles or standards and regulations and/or changes to them (including those ~~resulting from~~ affecting the IFRS as endorsed and adopted ~~into~~ by European ~~law~~ legislation).

In particular, in the future, the UniCredit Group may need to revise the accounting and regulatory treatment of some existing assets and liabilities and transactions (and related income and ~~expense~~ expenses), with possible negative effects, including significant ones, on the estimates made in financial plans for future years ~~and this could lead to restatements of financial data previously published.~~

, potentially leading to adjustments to the carrying amounts of the affected assets and liabilities. In 2023 2024, the following standards, amendments or interpretations of the existing accounting standards came into force:

- amendments to IFRS16 Leases: Lease Liability in a Sale and Leaseback (EU Regulation 2023/2579);
- ~~Amendments~~ amendments to IAS1 Presentation of Financial Statements ~~and IFRS Practice Statement 2: Disclosure of Accounting policies: Classification of Liabilities as Current or Non-current; Classification of Liabilities as Current or Non-current - Deferral of Effective Date and Non-current Liabilities with Covenants (EU Regulation 2022/2023/3572822);~~
- ~~Amendments to IAS8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (EU Regulation 2022/357);~~
- ~~Amendments to IAS12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (EU Regulation 2022/4392);~~
- ~~Amendments to IFRS17 Insurance contracts: Initial Application of IFRS17 and IFRS9 - Comparative Information (EU Regulation 2022/1491);~~
- ~~IFRS17 Insurance Contracts; including Amendments to IFRS17 (EU Regulation 2021/2036);~~
- ~~Amendments to IAS12 Income taxes: International Tax Reform - Pillar Two Model Rules~~ amendments to IAS7 Statement of Cash Flows and IFRS7 Financial Instruments: Disclosures: Supplier Finance Arrangements (EU Regulation 2023 2024/2468 1317).

~~With the exception of IFRS17, that impacted the evaluation of Bancassurance associates whose net equity changed as a result of the new standard application, the~~The entry into force of these new standards, amendments or interpretations has not determined substantial effects on the amounts ~~recognised in~~recognized in the balance sheet or income statement. Nevertheless, it is worth to note that with reference to the amendments to the IAS12 (EU Regulation 2022/1392), which introduced an additional requirement to apply the initial recognition exemption of deferred taxation related to assets and liabilities arising from a single transaction, the restatement of comparative period was needed for specific tables of the Notes to consolidated financial statements at 31 December 2023.

As at ~~31~~of December ~~2023~~31, 2024, the following ~~documents~~document, applicable to reporting starting from ~~1~~January ~~2024~~1, 2025, has been endorsed by the European Commission:

- ~~amendments to IFRS16 Leases: Lease Liability in a Sale and Leaseback~~IAS21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (EU Regulation ~~2023~~2024/25792862);
- ~~amendments to IAS1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current; Classification of Liabilities as Current or Non-current – Deferral of Effective Date and Non-current Liabilities with Covenants~~ (EU Regulation ~~2023~~2822).

The Group does not expect significant impacts arising from the entry into force of such amendments.

As at ~~31~~of December ~~2023~~31, 2024, the IASB issued the following accounting standards, amendments or interpretations of the existing accounting standards, whose application is subject to completion of the endorsement process by the competent bodies of the European Union:

- IFRS18 Presentation and Disclosure in Financial Statements (issued on April 9, 2024);
- IFRS19 Subsidiaries without Public Accountability: Disclosures (issued on May 9, 2024);
- ~~amendments to IAS7 Statement of Cash Flows and IFRS7~~the Classification and Measurement of Financial Instruments: Disclosures: Supplier Finance Arrangements (Amendments to IFRS9 and IFRS7) (issued on ~~25-May 2023~~30, 2024);
- ~~amendments to IAS21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability~~ (issued on ~~15-August 2023~~).
- Annual Improvements Volume 11 (issued on July 18, 2024);
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on ~~December 18, 2024~~) to restatements of previously published financial data.

As a result, ~~following~~of the above, there are risks connected to the adoption of ~~the~~new accounting principles, ~~comparisons of UniCredit's~~as the future comparison of the financial results of UniCredit prepared prior to such adoption may be difficult. More specifically, changes in accounting standards may cause the UniCredit Group to face additional expenditure for carrying out any necessary restatements, and/or due to the need to adjust existing processes to comply with accounting standard requirements. In detail, with regard to the amendments to the classification and measurement of financial instruments (amendments to IFRS9 and IFRS7) the Group is assessing the impacts of new requirements, and it expects to update the Group policies coherently.

Prospective investors are, therefore, cautioned against placing undue reliance on ~~such~~any of the above comparisons.

#### **A.4.5. Risks associated with privacy, information security and personal data protection regulations**

The UniCredit Group is subject to various regulations governing the protection, collection and processing of personal data in the jurisdictions in which it operates. While the Group maintains internal procedures that are compliant with applicable regulations, it remains exposed to the risk that the data it comes into its possession could be damaged or lost, removed, disclosed or processed for purposes other than those authorized by the customers (potentially giving rise to data breaches) or for which the customers have been informed, including by unauthorized parties (such as third parties or employees of the Group). Instances of data processing for purposes other than those for which they were initially collected or of data processing by unauthorized parties may include the viewing of data by employees outside their work duties or for clients of other branches/portfolios of other managers; viewing of data by the employee of a supplier appointed as the data processor, processing the data with procedures/methods or for purposes other than those stated in the relevant data processing agreement.

There is also a possibility that such personal data turns out to be processed relying on an allegedly insufficient lawful basis, such as in those cases in which standard contractual clauses are not included in agreements concerning the transfer of personal data outside the European Economic Area. In July 2020, European Court of Justice (“ECJ”) confirmed in its decision No. 559/2020 that standard contractual clauses are a valid instrument of

transfer of personal data (meaning they do provide a lawful basis), but added that the party actually exporting such personal data remains responsible for assessing whether the country of destination of the data offers a level of protection of the rights and freedoms of the data subject equivalent to the level guaranteed in Europe by Regulation (EU) 2016/679 (General Data Protection Regulation). Moreover, following the ECJ's decision, the European Data Protection Board stated that even simple access to the data (for example, by an employee of the third-party company engaged for any IT platform maintenance activities) may constitute a transfer of personal data.

The occurrence of any such data breaches could negatively impact the activity of the UniCredit Group, including its reputation, and might lead to the imposition of sanctions by the competent authorities, with consequent negative impacts on the activity, prospects and economic results, balance sheet and financial situation of the Issuer and/or the UniCredit Group.

On February 21, 2024, the Italian Data Protection Authority (*Garante*) notified to the Bank a fine of Euro 2.8 million, originating from a data breach that occurred in October 2018 relating to the cyber-attack to the Bank's online banking platform. The bank challenged the decision by filing an appeal.

With reference to the only measure mentioned above, the Issuer expects that this is unlikely to be impacted by the integration with BPM Group.

During 2024 142 data breaches have been detected, of which 8 have been notified to the Authority and 7 also to the data subjects: also in this case, the Issuer expects this is unlikely to be impacted by the integration with BPM Group.

#### **A.4.6. Risks associated with the administrative liability of legal entities and any inadequacy of the organization and management model of the Issuer pursuant to Italian Legislative Decree 231/2001**

Under Italian law, Legislative Decree 231/2001 (“Decree 231”) regulates the administrative liability of companies, including companies such as UniCredit and BPM, arising as a consequence of certain offences committed by a company's directors, senior managers and employees on behalf and for the benefit of the company. The adoption of organizational, management and control models as well as a supervisory body by companies does not exclude by itself the applicability of penalties pursuant to Decree 231: if such models are found to be unfit for purpose, not effectively implemented or inadequately monitored, sanctions might still be imposed.

In compliance with Decree 231, UniCredit established its internal supervisory body (the “Supervisory Body”) attributing this role to UniCredit's Audit Committee since April 12, 2024, and adopted the Organization and Management Model (the “UniCredit Model”).

The potential Merger will likely result in a structural change for the Group with the incorporation of the BPM Group. This transformation might require an update to the UniCredit Model. Any such amendments, if necessary at all, along with those related to the integration of the BPM Group, will be undertaken following the completion of a successful Offer and potential Merger. As at the Registration Document Date, however, the Issuer does not have sufficient elements to predict with certainty whether the current UniCredit Model will or will not be updated during the interim period prior to the completion of the Merger, giving rise to the risk that UniCredit might become aware of the need for a revised model to cater for the management of this risk by the newly acquired BPM Group companies (whose organization and management models may not as yet be accurately known to the Issuer) only after the Merger is completed. Even after defining such a revised model, however, UniCredit would still remain exposed to the risk of being found liable for its potential inability to implement it effectively and rapidly enough across its newly defined – and most importantly, more extended – Group structure.

The risk that UniCredit or any company belonging to the UniCredit Group to which Decree 231 is applicable are prosecuted and possibly fined because the relevant model is not considered to be adequate or appropriately implemented and monitored, remains therefore relevant at all times. Overall, the Issuer deems the materialization of such risk to have a low probability of occurring and accordingly, it considers it to be of low significance.

#### **A.4.7. Risks associated with the activities of the relevant Supervisory Authorities**

The UniCredit Group is subject to the supervision of (i) the ECB with the SSM, (ii) the national supervisory authorities, (iii) the SRB, and (iv) the compliance supervisory authorities (together, the “Supervisory Authorities”). The Supervisory Authorities exercise their supervision by leveraging on a variety of tools, such as on-site inspections, off-site inspections, deep-dives, thematic reviews, stress test exercises, questionnaires, benchmarking, interviews, meetings, workshops. The outcome of these supervisory activities typically takes the form of structured reports containing findings for which the Issuer is requested to present a plan of remedies. Once the remedial actions are implemented, the Supervisory Authorities follow up on them to make sure that the outcome is in line with the initial supervisory expectations. This is an ongoing process and UniCredit adopts a structured approach in terms of (i)

information flows to top management, Committees and the Board, (ii) interactions with the Supervisory Authorities, and (iii) follow-ups and monitoring of the defined action plans. The risk associated to the outcome of such supervisory activities, that may be launched from time to time and the related potential outcome in terms of findings is deemed by the Issuer to be of low significance, as it is the case for the ongoing inspection on the process for performing financial projections, given the low impact that any finding and related corrective measures would have on the Issuer and its Group. The possibility that ongoing or future supervisory activities reveal profiles of risk that could affect the financial situation, profitability or reputation of the UniCredit and/or the UniCredit Group cannot be entirely ruled out.