Bank Austria Group Disclosure (Pillar III) as at 31 December 2024

Bank Austria
Member of UniCredit

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Disclosure of own funds

Disclosure of own funds (Article 437 CRR in combination with Article 492 CRR)

Starting from 1 January 2014, the calculation of capital requirements takes into account the regulatory framework known as “Basel 3”, adopted as a result of the Regulation (EU)575/2013 on prudential requirements for credit institutions and investment firms (Capital Requirements Regulation - “CRR”), updated in the Regulation (EU) 876/2019 (“CRR2”) and subsequently amended in the Regulation (EU) 873/2020, and in the Directive (EU) 2013/36 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (Capital Requirements Directive IV - “CRDIV”), also according to their adoption by Austrian Laws.

The Basel Committee’s framework is based on three pillars:
• Pillar I on minimum capital requirements, which defines the rules for the calculation of credit, market and operational risk;
• Pillar II, about Supervisory Review and Evaluation Process (SREP), which requires banks to (i) undertake an Internal Capital Adequacy Assessment Process (ICAAP) to identify and assess risks, also those not included in Pillar I; (ii) maintain sufficient capital to face these risks; (iii) an Internal Liquidity Adequacy Assessment Process (ILAAP) focusing on maintaining sufficient liquidity (and funding) risk management;
• Pillar III (Market Disclosure), which encourages market discipline and transparency by developing a set of qualitative and quantitative disclosure requirements, thus allowing investors and other market participants to better assess institutions’ capital, risk exposures, risk assessment processes and capital adequacy.

Such regulation foresees the following breakdown of Own Funds:
- Tier 1 Capital (T1), consisting of:
  - Common Equity Tier 1 Capital (CET1) and
  - Additional Tier 1 Capital (AT1);
- Tier 2 Capital (T2);
- The sum of Tier 1 Capital and Tier 2 Capital generates the Total Own Funds (Total Capital).

It is worth mentioning that in the update to the Regulation (EU) 575/2013 transposed in the Regulation (EU) 876/2019 (CRR2), the main impacts on Own Funds calculation, applicable starting from 30 June 2019, derive from the modification to the computability rules of the Additional Tier 1 and Tier 2 instruments. In particular, considering the new conditions provisioned by the CRR2 articles 52 and 63, an additional grandfathering framework has been introduced to the instruments issued before 27 June 2019 and valid until 28 June 2025 for those instruments that do not comply with the new computability conditions presented (ref. CRR2 article 494b): such grandfathering framework is in addition to the one provisioned by CRR articles 484 - 491.

The changes to EU Regulation No. 575/2013 “Basel 4” were published in the Official Journal of the EU on June 19, 2024, meaning they came into force on July 9, 2024 and will then primarily apply on January 1, 2025.

This document includes one Annex which is published separately on a yearly basis on the Bank Austria website:
- Annex 1 - Template EU CCA - Main features of regulatory Own Funds instruments;

Disclosure of own funds

EU CC2 - Reconciliation of regulatory own funds to balance sheet in the audited financial statements of Bank Austria Group as at 31 December 2024

In this section of Bank Austria group disclosure the prudential scope of consolidation is reported. All amounts, unless otherwise specified, are expressed in millions of Euro.

The scope of consolidation is determined according to the prudential regulations and differs from the scope of the Consolidated Financial Statements, determined under IFRS/IAS and published.

The relationships between the following templates EU CC2 and EU CC1 are shown in the respective reference columns. Additional reconciliation information can be obtained from the "Reconciliation tables EU CC2 - EU CC1" shown between both tables.

EU CC2 - Reconciliation of regulatory Own Funds to balance sheet in the audited financial statements

(€ million)

		a	b				c	
		ACCOUNTING FIGURES (*)		AMOUNTS RELEVANT FOR OWN FUNDS PURPOSES (**)				
	DESCRIPTION	ACCOUNTING PERIMETER	REGULATORY PERIMETER	COMMON EQUITY TIER 1 (CET1)	ADDITIONAL TIER 1 (AT1)	TIER 2 (T2)	REF. TO TEMPLATE EU CC1	NOTES (***)
	Assets - Breakdown by asset classes according to the balance sheet in the published financial statements							
1	Cash and cash balances	5,602	5,599	-	-	-	-	-
2	Financial assets at fair value through profit or loss	1,901	1,901	-	-	-	-	-
3	*a) Financial assets held for trading*	*1,354*	*1,355*	*1*	-	-	-	*Table G*
4	*b) Financial assets designated at fair value*	*115*	*115*	-	-	-	-	*Table G*
5	*c) Financial assets mandatorily at fair value*	*431*	*431*	-	-	*12*	-	*Table G*
6	Financial assets at fair value through other comprehensive income	17,220	17,220	107	-	-	-	Table G
7	Financial assets at amortised cost	74,251	74,401	-	-	-	-	Table G
8	*a) loans and advances to banks*	*11,972*	*11,972*	-	-	*230*	*55*	*Table G*
9	*b) loans and advances to customers*	*62,279*	*62,429*	-	-	-	*55*	*Table G*
10	Hedging derivatives	2,274	2,274	-	-	-	-	Table G
11	Changes in fair value of portfolio hedged items	(846)	(846)	-	-	-	-	Table G
12	Equity investments	3,138	3,159	3,086	-	-	*8, 19, 23*	Table G
13	Property; plant and equipment	739	456	-	-	-	-	-
14	Intangible assets	7	7	-	-	-	*8*	-
15	*of which: other intangible assets*	*7*	*7*	-	-	-	-	*Table F*
16	Tax assets	332	331	-	-	-	-	-
17	*a) current*	*14*	*13*	-	-	-	-	-
18	*b) deferred*	*318*	*317*	-	-	-	*10, 25*	*Table E*
19	Non current assets and disposal groups classified as held for sale	338	338	-	-	-	-	-
20	Other assets	300	461	-	-	-	-	-
	TOTAL ASSETS	**105,253**	**105,301**	**-**	**-**	**-**	**-**	**-**

Disclosure of own funds

continued: EU CC2 - Reconciliation of Regulatory Own Funds to the balance sheet in the audited financial statements

(€ million)

		a	b				c	
		ACCOUNTING FIGURES (*)		AMOUNTS RELEVANT FOR OWN FUNDS PURPOSES (**)				
	DESCRIPTION	ACCOUNTING PERIMETER	REGULATORY PERIMETER	COMMON EQUITY TIER 1 (CET1)	ADDITIONAL TIER 1 (AT1)	TIER 2 (T2)	REF. TO TEMPLATE EU CC1	NOTES (***)
	Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements							
	TOTAL LIABILITIES	**94,464**	**94,512**	**-**	**-**	**-**	**-**	**-**
21	Financial liabilities at amortised cost	87,015	86,995	-	-	-	-	-
22	a) deposits from banks	13,672	13,672	-	-	-	-	-
23	*of which: deposits from banks - Subordinated*	-	-	-	-	-	-	-
24	b) deposits from customers	60,812	60,792	-	-	-	-	-
25	*of which: deposits from customers - Subordinated*	33	33	-	-	-	46, 48	Table I
26	c) debt securities in issue	12,532	12,532	-	-	-	-	-
27	*of which: subordinated liabilities*	574	574	-	-	-	47	Table I
28	Financial liabilities held for trading	1,364	1,364	-	-	-	-	-
29	Financial liabilities designated at fair value	11	11	-	-	-	-	-
30	Hedging derivatives	2,549	2,549	-	-	-	-	-
31	Value adjustment of hedged financial liabilities	(842)	(842)	-	-	-	-	-
32	Tax liabilities	77	76	-	-	-	-	-
33	*a) current*	73	72	-	-	-	-	-
34	*b) deferred*	4	4	-	-	-	-	Table E
35	Liabilities associated with assets classified as held for sale	(0)	-	-	-	-	-	Table I
36	Other liabilities	979	1,055	-	-	-	-	-
37	Provision for employee severance pay	-	-	-	-	-	-	-
38	Provisions for risks and charges	3,309	3,302	-	-	-	-	-
39	*a) commitments and guarantees given*	157	157	-	-	-	27a	-
40	*b) post-retirement benefit obligations*	2,875	2,875	-	-	-	-	
41	*c) other provisions for risks and charges*	276	270	-	-	-	27a	-
	EQUITY	**10,789**	**10,789**	**-**	**-**	**-**	**-**	**-**
42	Valuation reserves	(2,042)	(2,043)	-	-	-	3	Table C
43	*of which: not eligible cash flow hedges*	(3)	(3)	-	-	-	11	Table C
44	Equity instruments	600	600	-	-	-	30	Table A
45	Reserves	5,097	5,098	-	-	-	-	-
46	*Retained earnings*	3,175	3,175	-	-	-	2	Table B
47	*Other reserves*	1,922	1,923	-	-	-	3	Table C
48	Share premium	4,136	4,136	-	-	-	1	Table A
49	Share capital	1,681	1,681	-	-	-	1	Table A
50	Treasury shares	-	-	-	-	-	5, 34	Table D
51	Minority shareholders' equity (+/-)	33	33	-	-	-	5, 34	Table D
52	Profit (Loss) of the year (+/-)	1,285	1,285	-	-	-	2	Table B
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**105,253**	**105,301**	**-**	**-**	**-**	**-**	**-**

Disclosure of own funds

EU CC1 - Composition of regulatory own funds

EU CC1 - Composition of regulatory Own Funds

(€ million)

		a		b	c
	DESCRIPTION	AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023	SOURCE BASED ON REFERENCE NUMBERS/ LETTERS OF THE BALANCE SHEET UNDER THE REGULATORY SCOPE OF CONSOLIDATION	REFERENCE TO RECONCILIATION TABLES EU CC2 - EU CC1
Common Equity Tier 1 (CET1) capital: instruments and reserves.					
1	Capital instruments and the related share premium accounts	5,817	5,816	48, 49, 50	Tab A
	of which: Ordinary shares	*1,681*	*1,681*	*49*	*Tab A*
2	Retained earnings	3,378	3,613	46	Tab B
3	Accumulated other comprehensive income (and other reserves)	(120)	(444)	42, 47	Tab C
EU-3a	Funds for general banking risk	-	-		
4	Amount of qualifying items referred to in article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	-	60	
5	Minority interests (amount allowed in consolidated CET1)	11	11	51	Tab D
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	-	52	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**9,085**	**8,996**		
Common Equity Tier 1 (CET1) capital: regulatory adjustments					
7	Additional value adjustments (negative amount)	(18)	(13)		Tab J
8	Intangible assets (net of related tax liability) (negative amount)	(49)	(49)	14, 15	Tab F, Tab J
9	Not applicable				
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in article 38(3) CRR are met) (negative amount)	(11)	(128)	18	Tab E, Tab J
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	3	(13)	43	Tab C, Tab J
12	Negative amounts resulting from the calculation of expected loss amounts	(0)	(0)		Tab J
13	Any increase in equity that results from securitised assets (negative amount)	-	-		
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	(16)	(20)		Tab J
15	Defined-benefit pension fund assets (negative amount)	-	-		
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	-		
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-		
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-		
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	(2,276)	(2,007)	3, 4, 5, 6, 12	Tab G, Tab J
20	Not applicable				
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	-		
EU-20b	*of which: qualifying holdings outside the financial sector (negative amount)*	-	-		
EU-20c	*of which: securitisation positions (negative amount)*	-	-		
EU-20d	*of which: free deliveries (negative amount)*	-	-		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38(3) CRR are met) (negative amount)	-	-		
22	Amount exceeding the 17.65% threshold (negative amount)	(251)	(317)		
23	*of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities*	*(186)*	*(217)*	*3, 4, 5, 6, 12*	*Tab G, Tab J*
24	Not applicable				
25	*of which: deferred tax assets arising from temporary differences*	*(65)*	*(99)*	*18*	*Tab H, Tab J*
EU-25a	Losses for the current financial year (negative amount)	-	-		
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	-		
26	Not applicable				
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	-		
27a	Other regulatory adjustments	29	(41)	39, 41	Tab J
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**(2,588)**	**(2,588)**		
29	**Common Equity Tier 1 (CET1) capital**	**6,497**	**6,408**		

Disclosure of own funds

continued: EU CC1 - Composition of regulatory Own Funds

(€ million)

	DESCRIPTION	a AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023	b SOURCE BASED ON REFERENCE NUMBERS/ LETTERS OF THE BALANCE SHEET UNDER THE REGULATORY SCOPE OF CONSOLIDATION	c REFERENCE TO RECONCILIATION TABLES EU CC2 - EU CC1
Additional Tier 1 (AT1) capital: instruments					
30	Capital instruments and the related share premium accounts	600	600	44	Tab A
31	*of which: classified as equity under applicable accounting standards*	*600*	*600*	*44*	*Tab A*
32	*of which: classified as liabilities under applicable accounting standards*	-	-		
33	Amount of qualifying items referred to in article 484(4) CRR and the related share premium accounts subject to phase out from AT1	-	-		
EU-33a	Amount of qualifying items referred to in article 494a(1) CRR subject to phase out from AT1	-	-		
EU-33b	Amount of qualifying items referred to in article 494b(1) CRR subject to phase out from AT1	-	-		
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	2	2	51	Tab D
35	*of which: instruments issued by subsidiaries subject to phase out*	-	-		
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**602**	**602**		
Additional Tier 1 (AT1) capital: regulatory adjustments					
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	-		
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-		
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-		
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-		
41	Not applicable				
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	-		
42a	Other regulatory adjustments to AT1 capital	-	-		
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**-**	**-**		
44	**Additional Tier 1 (AT1) capital**	**602**	**602**		
45	**Tier 1 capital (T1 = CET1 + AT1)**	**7,099**	**7,010**		
Tier 2 (T2) capital: instruments					
46	Capital instruments and the related share premium accounts	31	25	23, 25, 27	Tab I
47	Amount of qualifying items referred to in article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in article 486(4) CRR	544	542	23, 25, 27	Tab I
EU-47a	Amount of qualifying items referred to in article 494a(2) CRR subject to phase out from T2	-	-		
EU-47b	Amount of qualifying items referred to in article 494b(2) CRR subject to phase out from T2	544	542		
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	0	1	23, 25, 27	Tab D
49	*of which: instruments issued by subsidiaries subject to phase out*	-	-		
50	Credit risk adjustments	136	140	39, 41	
51	**Tier 2 (T2) capital before regulatory adjustments**	**711**	**707**		
Tier 2 (T2) capital: regulatory adjustments					
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	-		Tab I
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	-		
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	-		
54a	Not applicable				
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	(0)	(0)	3, 4, 5, 6, 8, 9	Tab G
56	Not applicable				
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	-		
EU-56b	Other regulatory adjustments to T2 capital	-	-		
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**(0)**	**(0)**		
58	**Tier 2 (T2) capital**	**711**	**707**		
59	**Total capital (TC = T1 + T2)**	**7,810**	**7,718**		
60	**Total Risk exposure amount**	**33,593**	**33,172**		

Disclosure of own funds

continued: EU CC1 - Composition of regulatory Own Funds

(€ million)

		a		b	c
DESCRIPTION		AMOUNTS AS AT 31.12.2024	AMOUNTS AS AT 31.12.2023	SOURCE BASED ON REFERENCE NUMBERS/ LETTERS OF THE BALANCE SHEET UNDER THE REGULATORY SCOPE OF CONSOLIDATION	REFERENCE TO RECONCILIATION TABLES EU CC2 - EU CC1
Capital ratios and requirements including buffers					
61	Common Equity Tier 1 capital	19.3%	19.3%		
62	Tier 1 capital	21.1%	21.1%		
63	Total capital	23.2%	23.3%		
64	Institution CET1 overall capital requirements	10.4%	10.3%		
65	*of which: capital conservation buffer requirement*	*2.5%*	*2.5%*		
66	*of which: countercyclical capital buffer requirement*	*0.1%*	*0.10%*		
67	*of which: systemic risk buffer requirement*	*0.5%*	*0.5%*		
EU-67a	*of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement*	*1.8%*	*1.8%*		
EU-67b	*of which: additional own funds requirements to address the risks other than the risk of excessive leverage*	-	-		
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	**13.5%**	**13.5%**		
National minima (if different from Basel III)					
69	Not applicable				
70	Not applicable				
71	Not applicable				
Amounts below the thresholds for deduction (before risk weighting)					
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	262	280		
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	714	660		
74	Not applicable				
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in article 38(3) CRR are met)	252	301		
Applicable caps on the inclusion of provisions in Tier 2					
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	-	-		
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	63	67		
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	484	561		
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	136	140		
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2014 and 1 January 2022)					
80	Current cap on CET1 instruments subject to phase out arrangements	-	-		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-		
82	Current cap on AT1 instruments subject to phase out arrangements	-	-		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-		
84	Current cap on T2 instruments subject to phase out arrangements	-	-		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-		

1. Common Equity Tier 1 Capital - CET1

Common Equity Tier 1 Capital mainly includes the following elements:

- **Main Common Equity Tier 1 Capital items**, recognised as Common Equity Tier 1 only where they are available to the institution for unrestricted and immediate use to cover risks or losses as soon as these occur: (I) capital instruments, provided the conditions laid down in CRR article 28 or, where applicable, article 29 are met; (II) share premium accounts related to the instruments referred to in point (I); (III) retained earnings; (IV) accumulated other comprehensive income; (V) other reserves; Common Equity Tier 1 Capital items also include minority interests for the computable amount recognised by the CRR;
- **Prudential filters of Common Equity Tier 1 Capital:** (I) filter related to increase in equity under the applicable accounting framework that results from securitized assets; (II) filter related to the fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value; (III) filter related to gains or losses on liabilities of the institution that are valued at fair value that result from changes in the own credit standing of the institution; (IV) filter related to all fair value gains and losses arising from the institution's own credit risk related to derivative liabilities; (V) filter related to additional value adjustments (prudent valuation);

Disclosure of own funds

- **Deductions from Common Equity Tier 1 items:** (I) intangible assets; (II) deferred tax assets (DTA) that rely on future profitability and do not arise from temporary differences; (III) negative amounts resulting from the calculation of expected loss amounts when compared with credit risk adjustments (shortfall) for those positions evaluated according to IRB methods; (IV) defined benefit pension fund assets on the balance sheet of the institution; (V) direct, indirect and synthetic holdings by an institution of own Common Equity Tier 1 instruments, including own Common Equity Tier 1 instruments that an institution is to purchase under an actual or contingent obligation by virtue of an existing contractual obligation; (VI) exposures deducted from CET1 as an alternative to the application of 1,250% risk weight; (VII) the applicable amount of direct, indirect and synthetic holdings by the institution of Common Equity Tier 1 instruments of financial sector entities where the institution does not have a significant investment in those entities (deducted for the amount exceeding the thresholds foreseen by the regulation); (VIII) deferred tax assets (DTA) that rely on future profitability and arise from temporary differences, and the applicable amount of direct, indirect and synthetic holdings by the institution of the Common Equity Tier 1 instruments of financial sector entities where the institution has a significant investment in those entities (deducted for the amount exceeding the thresholds foreseen by the regulation); (IX) the applicable amount of insufficient coverage for non-performing exposures.

2. Additional Tier 1 Capital - AT1

AT1 consists of the following items: (I) capital instruments, where the conditions laid down in CRR2 article 52 are met; (II) the share premium accounts related to the instruments referred to in point (I); (III) capital instruments for the amount computable in Own funds according to the transitional provisions foreseen by the CRR and CRR2 (grandfathering). Furthermore, the Additional Tier 1 Capital includes also the minority interests for the computable amount not already recognised in the Common Equity Tier 1 Capital.

3. Tier 2 Capital - T2

T2 consists of the following items: (I) capital instruments and subordinated loans where the conditions laid down in CRR2 article 63 are met; (II) the share premium accounts related to instruments referred to in point (I); (III) possible surplus of credit risk adjustments with reference to expected losses for positions evaluated according to IRB methods; (IV) capital instruments and subordinated loans for the amount computable in Own funds according to the transitional provisions foreseen by the CRR and CRR2 (grandfathering). The Tier 2 Capital includes also the minority interests for the computable amount not already recognised in the Tier 1 Capital and the T2 instruments issued by the subsidiaries for the computable amount as defined by the CRR.

Disclosure of own funds

Reconciliation tables EU CC2 – EU CC1:

Reconciliation tables EU CC2 - EU CC1

(€ million)

		a	b
DESCRIPTION		AMOUNTS AS AT 31.12.2024	REFERENCE TO EU CC1, EU CC2 OR RECONCILIATION TABLES UNDER THE REGULATORY SCOPE OF CONSOLIDATION
Table A			
	Share capital (ordinary shares)	1,681	EU CC1, row 1a, EU CC2, row 49
add	Share premium	4,136	EU CC2, row 48
less	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	EU CC1, row 16
less	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	EU CC1, row 17
	Capital Instruments and the related share premium accounts	**5,817**	EU CC1, row 1
	Issued equity instruments (AT1)	600	EU CC1, row 30, EU CC2, row 44
add	Share premium (AT1)	-	-
less	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	EU CC1, row 37
less	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	EU CC1, row 38
	Capital Instruments and the related share premium accounts	**600**	EU CC1, row 30, EU CC2, row 44

Table B			
	Retained earnings	3,175	EU CC2, row 46
add	Net profit	1,285	EU CC2, row 52
less	Planned dividend	(1,082)	-
	Sum of retained earnings	**3,378**	EU CC1, row 2

Table C			
	Valuation reserves	(2,043)	EU CC2, row 42
add	Other reserves	1,923	EU CC2, row 47
	Accumulated other comprehensive income and other reserves	**(120)**	EU CC1, row 3
	of which relating to cash flow hedges not eligible for own funds	*(3)*	*EU CC1, row 11, EU CC2, row 43*

Table D			
	Minority interests	33	EU CC2, row 51
less	Surplus capital attributed to minority shareholders	(22)	-
	Minority Interests (amount allowed in consolidated Common Equity Tier 1)	**11**	EU CC1, row 5
	Qualifying Tier 1 capital included in consolidated AT1 capital issued by subsidiaries and held by third parties	**2**	EU CC1, row 34
	Qualifying own funds Instruments included in consolidated Tier 2 capital	**0**	EU CC1, row 48

Disclosure of own funds

Continued: Reconciliation tables EU CC2 - EU CC1

(€ million)

	DESCRIPTION	a AMOUNTS AS AT 31.12.2024	b REFERENCE TO EU CC1, EU CC2 OR RECONCILIATION TABLES UNDER THE REGULATORY SCOPE OF CONSOLIDATION
Table E			
	Deferred tax assets (FINREP)	**317**	EU CC2, row 18
	of which: deferred tax assets that rely on future profitability and do not arise from temporary differences	*20*	*Table H*
less	Accounting offsetting	299	-
	subtotal	279	-
	Deferred tax assets that rely on future profitability and arise from temporary differences	**597**	-
	Deferred tax assets that do not rely on future profitability	1	-
	Deferred tax assets that rely on future profitability and arise from temporary differences	597	Table H
	Deferred tax assets that rely on future profitability and do not arise from temporary differences	20	Table H
	Deferred tax assets (COREP)	**617**	-
	Deferred tax liabilities (Netted view of the consolidated FINREP)	**4**	EU CC2, row 34
	Deferred tax liabilities	304	-
less	Accounting offsetting	(300)	-
	Deferred tax liabilities (Netted view of the consolidated FINREP)	4	-
	Effect of netting on legal-entity-level	4	-
	Accounting offsetting	300	-
	Deferred tax liabilities (COREP)	**304**	-
less	*of which: Deferred tax liabilities non deductible from deferred tax assets that rely on future profitability*	*15*	-
	of which: Deferred tax liabilities deductible from deferred tax assets that rely on future profitability	***288***	-
	of which: Deductible deferred tax liabilities associated with deferred tax assets that rely on future profitability and do not arise from temporary differences	*9*	*Table H*
	of which: Deductible deferred tax liabilities associated with deferred tax assets that rely on future profitability and arise from temporary differences	*279*	*Table H*

Table F			
	Goodwill	-	-
	Other intangible assets	7	EU CC2, row 15
	Intangible assets held for sale	-	-
	Minority portion of intangible assets according Art. 32 (c) CRR2	(1)	-
	Prudential valued software - Amount subject to RW=100%	(4)	-
	Deferred tax liabilities associated to goodwill and other intangible assets	-	-
	Intangible assets	**2**	EU CC1, row 8
	(-) Goodwill included in the valuation of significant investments	47	EU CC1, row 8

Disclosure of own funds

Continued: Reconciliation tables EU CC2 - EU CC1

(€ million)

		a	b
DESCRIPTION		AMOUNTS AS AT 31.12.2024	REFERENCE TO EU CC1, EU CC2 OR RECONCILIATION TABLES UNDER THE REGULATORY SCOPE OF CONSOLIDATION
Table G			
	Financial assets at fair value through profit or loss	**14**	EU CC2, row 2
	Financial assets held for trading	**1**	EU CC2, row 3
	of which: significant investments in Common Equity Tier 1	-	-
	of which: significant investments in Additional Tier 1	-	-
	of which: significant investments in Tier 2 capital	-	-
	of which: non-significant investments in Common Equity Tier 1	*1*	-
	of which: non-significant investments in Additional Tier 1	-	-
	of which: non-significant investments in Tier 2 capital	-	-
	Financial assets designated at fair value	**-**	EU CC2, row 4
	of which: significant investments in Common Equity Tier 1	-	-
	of which: significant investments in Additional Tier 1	-	-
	of which: significant investments in Tier 2 capital	-	-
	of which: non-significant investments in Common Equity Tier 1	-	-
	of which: non-significant investments in Additional Tier 1	-	-
	of which: non-significant investments in Tier 2 capital	-	-
	Financial assets mandatorily at fair value	**12**	EU CC2, row 5
	of which: significant investments in Common Equity Tier 1	-	-
	of which: significant investments in Additional Tier 1	-	-
	of which: significant investments in Tier 2 capital	-	-
	of which: non-significant investments in Common Equity Tier 1	-	-
	of which: non-significant investments in Additional Tier 1	-	-
	of which: non-significant investments in Tier 2 capital	*12*	-
	Financial assets at fair value through other comprehensive income	**107**	EU CC2, row 6
	of which: significant investments in Common Equity Tier 1	89	-
	of which: significant investments in Additional Tier 1	-	-
	of which: significant investments in Tier 2 capital	-	-
	of which: non-significant investments in Common Equity Tier 1	18	-
	of which: non-significant investments in Additional Tier 1	-	-
	of which: non-significant investments in Tier 2 capital	-	-

Disclosure of own funds

Continued: Reconciliation tables EU CC2 - EU CC1 - Table G

(€ million)

DESCRIPTION	a AMOUNTS AS AT 31.12.2024	b REFERENCE TO EU CC1, EU CC2 OR RECONCILIATION TABLES UNDER THE REGULATORY SCOPE OF CONSOLIDATION
Table G		
Financial assets at amortised cost	**230**	EU CC2, row 7
Loans and receivables with banks	**230**	EU CC2, row 8
of which: significant investments in Common Equity Tier 1	-	-
of which: significant investments in Additional Tier 1	-	-
of which: significant investments in Tier 2 capital	*0*	-
of which: non-significant investments in Common Equity Tier 1	-	-
of which: non-significant investments in Additional Tier 1	-	-
of which: non-significant investments in Tier 2 capital	*230*	-
Loans and receivables with customers	**-**	EU CC2, row 9
of which: significant investments in Common Equity Tier 1	-	-
of which: significant investments in Additional Tier 1	-	-
of which: significant investments in Tier 2 capital	-	-
of which: non-significant investments in Common Equity Tier 1	-	-
of which: non-significant investments in Additional Tier 1	-	-
of which: non-significant investments in Tier 2 capital	-	-
Investments in associates and joint ventures	**3,086**	EU CC2, row 12
of which: significant investments in Common Equity Tier 1	*3,086*	-
of which: significant investments in Additional Tier 1	-	-
of which: significant investments in Tier 2 capital	-	-
of which: non-significant investments in Common Equity Tier 1	-	-
of which: non-significant investments in Additional Tier 1	-	-
of which: non-significant investments in Tier 2 capital	-	-
Significant investments	**3,175**	-
in Common Equity Tier 1	*3,175*	*sum of EU CC1, rows 18, 19, 23, 73*
in AT 1 capital	-	*EU CC1, rows 39, 40*
in Tier 2 capital	*0*	*EU CC1, rows 54, 55*
Non-significant investments	**262**	-
in Common Equity Tier 1	*19*	-
in AT 1 capital	-	-
in Tier 2 capital	*243*	-
Amount of significant investments in Common Equity Tier 1 above the 10% threshold	(2,276)	EU CC1, row 19
Amount of significant investments in Common Equity Tier 1 above the 17.65% threshold	(186)	EU CC1, row 23
Amount of significant investments in Common Equity Tier 1 below threshold	714	EU CC1, row 73
Amount of non-significant investments above the 10% threshold	-	EU CC1, row 18
Amount of non-significant investments below the 10% threshold	262	EU CC1, row 72

Disclosure of own funds

Continued: Reconciliation tables EU CC2 - EU CC1

(€ million)

DESCRIPTION		a AMOUNTS AS AT 31.12.2024	b REFERENCE TO EU CC1, EU CC2 OR RECONCILIATION TABLES UNDER THE REGULATORY SCOPE OF CONSOLIDATION
Table H			
	Deferred tax assets that rely on future profitability and do not arise from temporary differences	**20**	Table E
	Deductible deferred tax liabilities associated with deferred tax assets that rely on future profitability and do not arise from temporary differences	9	Table E
	Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	**11**	EU CC1, row 10
	Deferred tax assets that rely on future profitability and arise from temporary differences	**597**	Table E
	Deductible deferred tax liabilities associated with deferred tax assets that rely on future profitability and arise from temporary differences	279	Table E
	Deferred taxes assets (net)	**317**	-
	of which: amount of deferred taxes above the 10% threshold	*-*	*EU CC1, row 21*
	of which: amount of deferred tax assets above the 17.65% threshold	*65*	*EU CC1, row 25*
	of which: amount of deferred tax assets below threshold	*252*	*EU CC1, row 75*

Table I			
	Subordinated deposits from banks	-	EU CC2, row 23
	Subordinated deposits from customers	33	EU CC2, row 25
	Subordinated debt securities issued	574	EU CC2, row 27
	Subordinated liabilities included in disposal groups classified as held for sale	-	EU CC2, row 35
	Sum of subordinated liabilities / balance sheet value	**607**	**-**
	of which: attributed to UniCredit Bank Austria AG	*607*	-
	of which: subject to minority calculation	*0*	Table D
less	Amortization, disagio, interest and hedging	(32)	-
	Computable amount under regulatory scope	**575**	EU CC1, rows 46 and 47
	of which: capital instruments and the related share premium accounts	*575*	-
	of which: direct and indirect holdings by an institution of own Tier 2 instruments and subordinated loans	*-*	*EU CC1, row 52*
	of which: deduction for Reciprocal cross holdings in T2 Capital	*-*	*EU CC1, row 53*
	of which: Instruments governed by third-country law without effective and enforceable exercise of Article 59 BRRD powers	*544*	*EU CC1, row EU-47b*

Disclosure of own funds

Continued: Reconciliation tables EU CC2 - EU CC1

(€ million)

	a	b
DESCRIPTION	AMOUNTS AS AT 31.12.2024	REFERENCE TO EU CC1, EU CC2 OR RECONCILIATION TABLES UNDER THE REGULATORY SCOPE OF CONSOLIDATION
Table J		
Deductions from and adjustments to CET1	**(2,588)**	EU CC1, row 28
of which: Additional value adjustments (CRR Art. 34 + Art. 150)	*(18)*	*EU CC1, row 7*
of which: intangible assets	*(49)*	*EU CC1, row 8*
of which: deferred tax assets that rely an future profitability excluding those arising from temporary differences	*(11)*	*EU CC1, row 10*
of which: fair value reserves related to gains or losses on cash flow hedges	*3*	*EU CC1, row 11*
of which: negative amounts resulting from the calculation of expected loss amounts	*(0)*	*EU CC1, row 12*
of which: any increase in equity that results from securitised assets (negative amount)	*-*	*EU CC1, row 13*
of which: gains or losses on liabilities valued at fair value resulting from changes in own credit standing	*(16)*	*EU CC1, row 14*
of which: Defined-benefit pension fund assets (negative amount)	*-*	*EU CC1, row 15*
of which: Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	*-*	*EU CC1, row 16*
of which Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	*-*	*EU CC1, row 17*
of which Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	*-*	*EU CC1, row 18*
of which: exceeding the 10% threshold for direct, indirect and synthetic holdings by the Institution of financial sector entities where the institution has a significant Investment	*(2,276)*	*EU CC1, row 19*
of which: exposure amount of the following items which qualify for a RW of 1250%	*-*	*EU CC1, row 20a*
of which: qualifying holdings outside the financial sector (negative amount)	*-*	*EU CC1, row 20b*
of which: securitisation positions (negative amount)	*-*	*EU CC1, row 20c*
of which: free deliveries (negative amount)	*-*	*EU CC1, row 20d*
of which: Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	*-*	*EU CC1, row 21*
of which: exceeding the 17.65% threshold for direct and indirect holdings by the Institution of the CET1 Instruments of financial sector entities where the Institution has a significant Investment in those entities	*(186)*	*EU CC1, row 23*
of which: exceeding the 17.65% threshold for deferred tax assets arising from temporary differences	*(65)*	*EU CC1, row 25*
of which: Losses for the current financial year (negative amount)	*-*	*EU CC1, row 25a*
Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	EU CC1, row 25b
Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	EU CC1, row 27
of which: other regulatory adjustments to CET1 capital (including IFRS 9 transitional adjustments)	*29*	*EU CC1, row 27a*

Disclosure of own funds

Disclosure of MREL

Regulation (EU) 2021/763 established a set of templates for the reporting and public disclosure of harmonised information on the requirement for own funds and eligible liabilities for G-SIIs and material subsidiaries of non-EU G-SIIs (TLAC) and the institution-specific MREL applicable to all institutions.

In line with this regulation, UniCredit Bank Austria AG, being i) a material subsidiary and ii) an entity that is not a resolution entity, has to meet the following disclosure requirements on an individual basis according to Local GAAP (Unternehmensgesetzbuch/UGB), starting in 2024:

- Template EU ILAC (Internal loss absorbing capacity: internal MREL): semi-annually
- Template EU TLAC2b (Creditor ranking of own funds and eligible liabilities for the purpose of internal MREL): annually

Disclosure of own funds

EU ILAC – Internal Loss-Absorbing Capacity (internal MREL) of UniCredit Bank Austria AG as at 31 December 2024

EU ILAC: Internal loss absorbing capacity - internal MREL

(€ million)

		a	c
		Minimum requirement for own funds and eligible liabilities (internal MREL)	Qualitative information
	Applicable requirement and level of application		
EU-1	Is the entity subject to a non-EU G-SII requirement for own funds and eligible liabilities? (Y/N)		N
EU-2	If EU-1 is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)		0
EU-2a	Is the entity subject to an internal MREL? (Y/N)		Y
EU-2b	If EU-2a is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)		IND
	Own funds and eligible liabilities		
EU-3	Common Equity Tier 1 capital (CET1)	5,997	
EU-4	Eligible Additional Tier 1 capital	602	
EU-5	Eligible Tier 2 capital	717	
EU-6	Eligible own funds	7,315	
EU-7	Eligible liabilities	3,300	
EU-8	*Of which permitted guarantees*	-	
EU-9a	(Adjustments)	(230)	
EU-9b	Own funds and eligible liabilities items after adjustments	10,385	
	Total risk exposure amount and total exposure measure		
EU-10	Total risk exposure amount (TREA)	32,162	
EU-11	Total exposure measure (TEM)	111,268	
	Ratio of own funds and eligible liabilities		
EU-12	Own funds and eligible liabilities as a percentage of the TREA	32.3%	
EU-13	*of which permitted guarantees*	*0.0%*	
EU-14	Own funds and eligible liabilities as a percentage of the TEM	9.3%	
EU-15	*of which permitted guarantees*	*0.0%*	
EU-16	CET1 (as a percentage of the TREA) available after meeting the entity's requirements	0.0%	
EU-17	Institution-specific combined buffer requirement		
	Requirements		
EU-18	Requirement expressed as a percentage of the TREA	22.9%	
EU-19	*of which part of the requirement that may be met with a guarantee*	*0.0%*	
EU-20	Requirement expressed as percentage of the TEM	5.9%	
EU-21	*of which part of the requirement that may be met with a guarantee*	*0.0%*	
	Memorandum items		
EU-22	Total amount of excluded liabilities referred to in Article 72a(2) of Regulation (EU) No 575/2013		

Disclosure of own funds

EU TLAC2b – Total Loss-Absorbing Capacity of UniCredit Bank Austria AG as at 31 December 2024

EU TLAC2b: Creditor ranking - Entity that is not a resolution entity

(€ million)

		Insolvency ranking					Sum of 1 to 5
		1	1	2	3	5	
		Resolution entity	Other	Resolution entity	Other	Resolution entity	
1	Empty set in the EU						
2	Description of insolvency ranking (free text)	Common equity Tier 1 instruments	Common equity Tier 1 instruments	Additional Tier 1 instruments	Tier 2 capital instruments	Senior non-preferred claims	
3	Empty set in the EU						
4	Empty set in the EU						
5	Empty set in the EU						
6	Own funds and eligible liabilities for the purpose of internal MREL	5,996	0	602	717	3,300	10,615
7	*of which residual maturity ≥ 1 year < 2 years*	*-*	*-*	*-*	*20*	*1,500*	*1,520*
8	*of which residual maturity ≥ 2 year < 5 years*	*-*	*-*	*602*	*125*	*1,800*	*2,527*
9	*of which residual maturity ≥ 5 years < 10 years*	*-*	*-*	*-*	*394*	*-*	*394*
10	*of which residual maturity ≥ 10 years, but excluding perpetual securities*	*-*	*-*	*-*	*27*	*-*	*27*
11	*of which perpetual securities*	*5,996*	*0*	*-*	*152*	*-*	*6,148*

Disclosure of capital requirements

Disclosure of capital requirements (Article 438 CRR)

The capital planning, budgeting and monitoring processes within UniCredit Bank Austria are carried out by the responsible local functions and are in line with the respective UniCredit Group guidelines.

The capital requirements pursuant to the Capital Requirements Regulation comprise requirements resulting from credit risk, all types of risk in the trading book, commodities risk and foreign-exchange risk outside the trading book, operational risk and the CVA risk.
With the EU Banking Package, additional, important components of the Basel 3 framework were implemented at the European level through changes to the CRR ("CRR II") and CRD IV ("CRD V"), among other things. The EU Banking Package was published on 7 June 2019 in the Official Journal of the European Union and has been in force since 27 June 2019. In October 2021 the European Commission published proposals for a revision of the CRR ("CRR III") and the CRD ("CRD VI") implementing the final Basel III standards adopted in December 2017 into EU legislation.

Basel 3 demands stricter requirements for regulatory capital with a minimum of Common Equity Tier 1 Capital of 4.5% of RWA, Total Tier 1 Capital of 6 % and Total Capital of 8%.

In addition, all banks will be required to hold a capital conservation buffer consisting of Common Equity Tier 1 Capital of 2.5% on top of the new minimum requirements. This leads to an effective capital requirement of 7 % Common Equity Tier 1 Capital, 8.5% Tier 1 Capital and 10.5% Total Capital.

Member States can set an additional buffer requirement to dampen excess lending growth (counter-cyclical buffer up to 2.5 %). The Austrian Capital Buffer Regulation (Kapitalpuffer-Verordnung – KP-V) set the counter-cyclical capital buffer for major loan exposures in Austria at 0% from 1 January 2016. In addition, the authorities can set systemic risk buffers (SyRB) and capital surcharges for systemically important banks.

The SyRB for UniCredit Bank Austria Group in 2024 was set at 0.50% and the surcharge for systemically important banks is 1.75%, both have to be applied cumulatively starting with June 2021, in accordance with CRD V.

The outlook for 2025 for UniCredit Bank Austria Group is that the values for the SyRB (0.50%) and for the OSII buffer (1.75%) have been confirmed starting with 1.1.2025. Moreover for 2025 FMSG (the Austrian Financial Market Stability Board) recommended to maintain the Countercyclical Buffer at the level of 0% and to set a sectoral systemic risk buffer of initially 1% of Risk Weighted Assets related to specific Commercial Real Estate assets starting with July 2025.

The new CRR III rules - part of the EU banking package which implements the final Basel III framework (known as "Basel IV") - will start applying on 1 January 2025.

Regarding SREP capital requirements, UniCredit Bank Austria AG shall at all times meet, on an individual basis and on a subconsolidated basis a total SREP capital requirement (TSCR) of 9.75% (which includes a Pillar 2 additional own funds requirement of 1.75%, to be held in the form of 56.25% of Common Equity Tier 1 (CET1) capital and 75% of Tier 1 capital, as a minimum).

In Austria, the BRRD II was transposed into national law by amending the Bank Recovery and Resolution Act (BaSAG) as published on 28 May 2021.

The MREL regulation based on the "Total Liabilities and Own Funds" (TLOF) was cancelled and replaced by the calculation based on the RWA (Total Risk Exposure Amount, TREA) and the Leverage Ratio Exposure (LRE).
The regulatory MREL interim target is binding since 1 January 2022.

For 2024 the Internal MREL Target on RWA (TREA) is 22.85% + Combined Buffer Requirements and the Internal MREL Target on Leverage Exposure (LRE) is 5.90%.

The above internal MREL targets are applicable at UniCredit Bank Austria AG individual level only.

The CET1 ratio transitional for UniCredit Bank Austria Group as of 31 December 2024 remained almost flat vs. previous year by +2bps to 19.34%, the higher RWA (€ +421mn) being compensated by higher Regulatory CET1 (€+89m) reflecting the continuation of credit risk strategy with a focus on high quality rating classes.

Disclosure of capital requirements

Bank Austria continues to have a solid capital base to meet the own funds requirements pursuant to Art. 92 CRR / Art. 129 CRD IV.

With reference to EU law (CRR, CRD IV) the following applies:
Should there be a reference to stipulations of the EU Regulation "CRR" as mentioned in this document, it refers to the Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms and amending the Regulation (EU) No. 648/2012 and its applicable amendments.

Should there be a reference to stipulations of the EU Directive "CRD" as mentioned in this document, it refers to the Directive (EU) No. 2013/36 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms and its applicable amendments as implemented in "*Bankwesengesetz*" (BWG).

Internal Capital Adequacy Assessment Process (ICAAP)

Bank Austria deems as priority the activities of capital management and capital allocation based on the risks taken, with the aim of expanding business activities with respective value creation. Therefore, the capital and its allocation are of relevant importance in the definition of corporate strategies.

The ICAAP forms an integral part of the Pillar 2 requirements according to CRR. Maintaining an adequate level of capital is a core objective of Bank Austria, it is measured by the Risk-Taking Capacity (RTC). Bank Austria's RTC calculates the economic risks across all relevant risk types and relates them to the available financial resources (AFR) which are held to cover such risks.

The risk side of the calculation serves to determine the economic capital requirement from unexpected losses with regard to credit, market, operational and other risks. The risk is calculated in a going concern approach and at a confidence level of 99.90%. The economic capital requirement is then related to the AFR, which are based on regulatory own funds and additional coverage positions available. The RTC is accounted for in the Risk Appetite Framework (RAF) of Bank Austria. The RAF defines, from a strategic perspective, the risk level that Bank Austria is willing to take on by setting limit, trigger and target for the respective Key Performance Indicators (KPIs). This setup enables management at any point in time to monitor the appropriateness and sufficiency of Bank Austria's economic capital adequacy.

The management board and the risk committee are informed at least quarterly on the results of the risk taking capacity, showing also the development of the single components (economic capital, AFR). The calculation, monitoring and steering of the RTC forms a fundamental part of the management of risk and capital at Bank Austria.

Disclosure of capital requirements

EU OV1 – Overview of risk-weighted exposure amounts (Article 438)

EU OV1 - Overview of risk-weighted exposure amounts

(€ million)

		RISK WEIGHTED EXPOSURE AMOUNTS (RWEAs)		TOTAL OWN FUNDS REQUIREMENTS
		a	b	c
DESCRIPTION		31.12.2024	31.12.2023	31.12.2024
1	**Credit risk (excluding CCR)**	**29,299**	**29,410**	**2,344**
2	*Of which: the standardised approach*	*5,046*	*5,320*	*404*
3	*Of which: the foundation IRB (F-IRB) approach*	*535*	*687*	*43*
4	*Of which: slotting approach*	*440*	*458*	*35*
EU 4a	*Of which: equities under the simple risk weighted approach*	*2*	*3*	*0*
5	*Of which: the advanced IRB (A-IRB) approach*	*20,360*	*21,370*	*1,629*
6	**Counterparty credit risk - CCR**	**786**	**387**	**63**
7	*Of which: the standardised approach*	*4*	*3*	*0*
8	*Of which: internal model method (IMM)*	*723*	*317*	*58*
EU 8a	*Of which: exposures to a CCP*	*50*	*53*	*4*
EU 8b	*Of which: credit valuation adjustment - CVA*	*11*	*14*	*1*
9	*Of which: other CCR*	*0*	*0*	*0*
15	**Settlement risk**	**-**	**-**	**-**
16	**Securitisation exposures in the non-trading book (after the cap)**	**3**	**4**	**0**
17	*Of which: SEC-IRBA approach*	-	-	-
18	*Of which: SEC-ERBA (including IAA)*	-	-	-
19	*Of which: SEC-SA approach*	-	-	-
EU 19a	*Of which: 1250%/deduction*	-	-	-
	Of which: Specific treatment for senior tranches of qualifying NPE securitisations	-	-	-
20	**Position, foreign exchange and commodities risks (Market risk)**	**521**	**276**	**42**
21	*Of which: the standardised approach*	*2*	*1*	*0*
22	*Of which: IMA*	*519*	*274*	*42*
EU 22a	**Large exposures**	**-**	**-**	**-**
23	**Operational risk**	**2,983**	**3,095**	**239**
EU 23a	*Of which: basic indicator approach*	-	-	-
EU 23b	*Of which: standardised approach*	*423*	*426*	*34*
EU 23c	*Of which: advanced measurement approach*	*2,560*	*2,670*	*205*
24	**Amounts below the thresholds for deduction (subject to 250% risk weight) (for information)**	**2,414**	**2,403**	**193**
29	**Total**	**33,593**	**33,172**	**2,687**

Compared to the end of 2023, **risk-weighted assets (RWA)** increased from € 33.2 billion to € 33.6 billion. The €0.3 billion increase in credit risk is due to the increase in add-ons in anticipation of new local EAD models, which was partially offset by volume reductions in the customer and retail business. Market risk increased by € 0.2 billion. Operational risk decreased by € 0.1 billion.

Disclosure of capital requirements

EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach (Art. 438 CRR)

As at 31 December 2024, credit risk exposures under the IRB approach recorded a decrease of €1,145 million versus the previous year, driven primarily by the following items:

- "Asset size" showed a decrease of €-1,550 million principally driven by a volume reduction in the corporate portfolio
- "Asset quality" with an increase of €672 million, due to downgrades of risk parameters in 2024
- "Other" with a decrease of €-267 million, mostly due to capital efficiency measures

EU CR8 - RWEA flow statements of credit risk exposures under the IRB approach

(€ million)

DESCRIPTION		YEAR 2024 RISK WEIGHTED EXPOSURE AMOUNT
		a
1	**RWEA as at the end of the previous reporting period**	**22,694**
2	Asset size (+/-)	(1,550)
3	Asset quality (+/-)	672
4	Model updates (+/-)	-
5	Methodology and policy (+/-)	-
6	Acquisitions and disposals (+/-)	-
7	Foreign exchange movements (+/-)	-
8	Other (+/-)	(267)
9	**RWEA as at the end of the current reporting period**	**21,549**

EU CR10 – IRB (Specialized lending and equities exposures) (Art. 438 CRR)

EU CR10 - Specialised lending and equity exposures under the simple risk-weighted approach (CR10.2)

(€ million)

SPECIALISED LENDING: INCOME-PRODUCING REAL ESTATE AND HIGH VOLATILITY COMMERCIAL REAL ESTATE (SLOTTING APPROACH)							
REGULATORY CATEGORIES	REMAINING MATURITY	ON-BALANCE SHEET EXPOSURE	OFF-BALANCE SHEET EXPOSURE	RISK WEIGHT	EXPOSURE POST CCF AND POST CRM	RISK WEIGHTED EXPOSURE AMOUNT	EXPECTED LOSS AMOUNT
		a	b	c	d	e	f
Category 1	Less than 2.5 years	-	-	50%	-	-	-
	Equal to or more than 2.5 years	62	0	70%	63	37	0
Category 2	Less than 2.5 years	4	0	70%	5	3	0
	Equal to or more than 2.5 years	468	2	90%	470	400	4
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total as at 31.12.2024	**Less than 2.5 years**	**4**	**0**		**5**	**3**	**0**
	Equal to or more than 2.5 years	**530**	**2**		**532**	**437**	**4**
Total as at 31.12.2023	**Less than 2.5 years**	**511**	**0**		**511**	**250**	**1**
	Equal to or more than 2.5 years	**285**	**0**		**285**	**208**	**2**

Disclosure of capital requirements

EU CR10 - Specialised lending and equity exposures under the simple risk-weighted approach (CR10.5)

(€ million)

	EQUITY EXPOSURES UNDER THE SIMPLE RISK-WEIGHTED APPROACH					
	ON-BALANCE SHEET EXPOSURE	OFF-BALANCE SHEET EXPOSURE	RISK WEIGHT	EXPOSURE POST CCF AND POST CRM	RISK WEIGHTED EXPOSURE AMOUNT	EXPECTED LOSS AMOUNT
CATEGORIES	a	b	c	d	e	f
Private equity exposures	-	-	190%	-	-	-
Exchange-traded equity exposures	-	-	290%	-	-	-
Other equity exposures	0	0	370%	1	2	0
Total as at 31.12.2024	**0**	**0**		**1**	**2**	**0**
Total as at 31.12.2023	**0**	**1**		**1**	**3**	**0**

The templates CR10.4 “Specialised lending: commodities finance (slotting approach)” and CR10.3 “Specialised lending: Object Finance (slotting approach) are not disclosed as Bank Austria Group does not have relevant exposures as at 31 December 2024.

Disclosure of capital buffers

Disclosure of capital buffers (Article 440 CRR)

EU CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (Art. 440 CRR)

EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

(€ million)

	a	b	c	d	e	f	g	h	i	j	k	l	m
	31.12.2024												
	GENERAL CREDIT EXPOSURES		RELEVANT CREDIT EXPOSURES – MARKET RISK				OWN FUNDS REQUIREMENTS						
BREAKDOWN BY COUNTRY	EXPOSURE VALUE UNDER THE STANDARDISED APPROACH	EXPOSURE VALUE UNDER THE IRB APPROACH	SUM OF LONG AND SHORT POSITION OF TRADING BOOK FOR SA	VALUE OF TRADING BOOK EXPOSURE FOR INTERNAL MODELS	SECURITISATION EXPOSURES VALUE FOR NON-TRADING BOOK	TOTAL EXPOSURE VALUE	RELEVANT CREDIT RISK EXPOSURES - CREDIT RISK	RELEVANT CREDIT EXPOSURES – MARKET RISK	RELEVANT CREDIT EXPOSURES – SECURITISATION POSITIONS IN THE NON-TRADING BOOK	TOTAL	RISK-WEIGHTED EXPOSURE AMOUNTS	OWN FUNDS REQUIREMENT WEIGHTS (%)	COUNTER-CYCLICAL CAPITAL BUFFER RATE (%)
ALBANIA	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
ALGERIA	0	9	-	-	-	9	1	-	-	1	10	0.04%	0.00%
ANDORRA, PRINCIPALITY OF	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
ANGOLA	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
ARGENTINA	0	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
ARMENIA	-	3	-	-	-	3	0	-	-	0	3	0.01%	1.50%
AUSTRALIA	3	0	-	-	-	3	0	-	-	0	2	0.01%	1.00%
AUSTRIA	4,086	53,140	-	-	7	57,233	1,728	-	0	1,728	21,606	84.99%	0.00%
AZERBAIJAN	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%
BAHREIN	0	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
BANGLADESH	-	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
BELARUS	-	23	-	-	-	23	0	-	-	0	2	0.01%	0.00%
BELGIUM	9	29	-	-	-	38	1	-	-	1	15	0.06%	1.00%
BOLIVIA	-	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
BOSNIA AND HERCEGOVINA	1	0	-	-	-	1	0	-	-	0	0	0.00%	0.00%
BRAZIL	12	6	-	-	-	18	1	-	-	1	13	0.05%	0.00%
BULGARIA	2	9	-	-	-	11	0	-	-	0	4	0.02%	2.00%
CANADA	3	27	-	-	-	30	0	-	-	0	6	0.02%	0.00%
CAYMAN ISLANDS	-	0	-	-	-	0	0	-	-	0	1	0.00%	0.00%
CHILE	1	0	-	-	-	1	0	-	-	0	0	0.00%	0.50%
CHINA	15	-	-	-	-	15	0	-	-	0	5	0.02%	0.00%
COLOMBIA	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
COSTA RICA	1	-	-	-	-	1	0	-	-	0	0	0.00%	0.00%
CROATIA	1	121	-	-	-	122	4	-	-	4	46	0.18%	1.50%
CUBA	-	-	-	-	-	-	-	-	-	-	0	0.00%	0.00%
CYPRUS	0	290	-	-	-	291	10	-	-	10	122	0.48%	1.00%
CZECH REPUBLIC	11	166	-	-	-	177	4	-	-	4	50	0.20%	1.25%
DENMARK	2	1,034	-	-	-	1,036	35	-	-	35	439	1.73%	2.50%
EGYPT	1	1	-	-	-	1	0	-	-	0	1	0.00%	0.00%
ESTONIA	0	0	-	-	-	0	0	-	-	0	0	0.00%	1.50%
FINLAND	7	442	-	-	-	449	11	-	-	11	132	0.52%	0.00%
FRANCE	26	272	-	-	-	298	5	-	-	5	58	0.23%	1.00%
GEORGIA	0	3	-	-	-	3	0	-	-	0	0	0.00%	0.00%
GERMANY	307	1,795	-	-	-	2,102	54	-	-	54	669	2.63%	0.75%
GIBRALTAR	0	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
GREECE	4	4	-	-	-	8	0	-	-	0	4	0.02%	0.00%
GUATEMALA	1	-	-	-	-	1	0	-	-	0	1	0.00%	0.00%
HONDURAS	0	6	-	-	-	6	0	-	-	0	0	0.00%	0.00%

Disclosure of capital buffers

continued: Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer

(€ million)

	a	b	c	d	e	f	g	h	i	j	k	l	m
	31.12.2024												
	GENERAL CREDIT EXPOSURES		RELEVANT CREDIT EXPOSURES – MARKET RISK				OWN FUNDS REQUIREMENTS						
BREAKDOWN BY COUNTRY	EXPOSURE VALUE UNDER THE STANDARDISED APPROACH	EXPOSURE VALUE UNDER THE IRB APPROACH	SUM OF LONG AND SHORT POSITION OF TRADING BOOK FOR SA	VALUE OF TRADING BOOK EXPOSURE FOR INTERNAL MODELS	SECURITISATION EXPOSURES VALUE FOR NON-TRADING BOOK	TOTAL EXPOSURE VALUE	RELEVANT CREDIT RISK EXPOSURES - CREDIT RISK	RELEVANT CREDIT EXPOSURES – MARKET RISK	RELEVANT CREDIT EXPOSURES – SECURITISATION POSITIONS IN THE NON-TRADING BOOK	TOTAL	RISK-WEIGHTED EXPOSURE AMOUNTS	OWN FUNDS REQUIREMENT WEIGHTS (%)	COUNTER-CYCLICAL CAPITAL BUFFER RATE (%)
HONG KONG	0	11	-	-	-	11	0	-	-	0	6	0.02%	0.50%
HUNGARY	111	141	-	-	-	252	7	-	-	7	93	0.37%	0.50%
ICELAND	-	-	-	-	-	-	-	-	-	-	-	0.00%	2.50%
INDIA	20	0	-	-	-	21	2	-	-	2	20	0.08%	0.00%
INDONESIA	0	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
IRAN	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
IRAQ	-	2	-	-	-	2	0	-	-	0	0	0.00%	0.00%
IRELAND	2	188	-	-	-	190	4	-	-	4	53	0.21%	1.50%
ISLE OF MAN	0	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
ISRAEL	3	2	-	-	-	5	0	-	-	0	2	0.01%	0.00%
ITALY	33	286	-	-	-	319	7	-	-	7	86	0.34%	0.00%
JAPAN	3	0	-	-	-	3	0	-	-	0	1	0.00%	0.00%
JORDAN	0	2	-	-	-	2	0	-	-	0	2	0.01%	0.00%
KAZAKHSTAN	-	1	-	-	-	1	0	-	-	0	1	0.00%	0.00%
KENYA	1	0	-	-	-	1	0	-	-	0	1	0.00%	0.00%
KUWAIT	-	4	-	-	-	4	0	-	-	0	1	0.00%	0.00%
LATVIA	1	0	-	-	-	1	0	-	-	0	0	0.00%	0.50%
LEBANON	0	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
LIBYA	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
LIECHTENSTEIN, PRINCIPALITY OF	14	56	-	-	-	70	3	-	-	3	32	0.12%	0.00%
LITHUANIA	0	0	-	-	-	0	0	-	-	0	0	0.00%	1.00%
LUXEMBOURG	19	600	-	-	-	618	16	-	-	16	202	0.79%	0.50%
MACAO	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
MACEDONIA	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
MALAYSIA	9	0	-	-	-	9	0	-	-	0	2	0.01%	0.00%
MALDIVE ISLANDS	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
MALTA	19	2	-	-	-	20	1	-	-	1	19	0.07%	0.00%
MAURITIUS ISLAND	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
MEXICO	13	16	-	-	-	30	1	-	-	1	13	0.05%	0.00%
MOLDOVA	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
MONTENEGRO	0	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
MOROCCO	1	4	-	-	-	5	0	-	-	0	3	0.01%	0.00%
MOZAMBIQUE	0	-	-	-	-	0	-	-	-	-	0	0.00%	0.00%
NETHERLANDS	20	1,041	-	-	-	1,061	28	-	-	28	348	1.37%	2.00%
NEW ZEALAND	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
NORTH KOREA	3	-	-	-	-	3	0	-	-	0	1	0.00%	1.00%
NORWAY	3	94	-	-	-	97	3	-	-	3	39	0.15%	2.50%
OMAN	0	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%

Disclosure of capital buffers

continued: Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer

(€ million)

	a	b	c	d	e	f	g	h	i	j	k	l	m
	31.12.2024												
	GENERAL CREDIT EXPOSURES		RELEVANT CREDIT EXPOSURES – MARKET RISK				OWN FUNDS REQUIREMENTS						
BREAKDOWN BY COUNTRY	EXPOSURE VALUE UNDER THE STANDARDISED APPROACH	EXPOSURE VALUE UNDER THE IRB APPROACH	SUM OF LONG AND SHORT POSITION OF TRADING BOOK FOR SA	VALUE OF TRADING BOOK EXPOSURE FOR INTERNAL MODELS	SECURITISATION EXPOSURES VALUE FOR NON-TRADING BOOK	TOTAL EXPOSURE VALUE	RELEVANT CREDIT RISK EXPOSURES - CREDIT RISK	RELEVANT CREDIT EXPOSURES – MARKET RISK	RELEVANT CREDIT EXPOSURES – SECURITISATION POSITIONS IN THE NON-TRADING BOOK	TOTAL	RISK-WEIGHTED EXPOSURE AMOUNTS	OWN FUNDS REQUIREMENT WEIGHTS (%)	COUNTER-CYCLICAL CAPITAL BUFFER RATE (%)
PAKISTAN	-	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
PARAGUAY	1	-	-	-	-	1	0	-	-	0	1	0.00%	0.00%
PERU	1	-	-	-	-	1	0	-	-	0	1	0.00%	0.00%
PHILIPPINES	0	2	-	-	-	2	0	-	-	0	1	0.01%	0.00%
POLAND	10	127	-	-	-	137	3	-	-	3	42	0.17%	0.00%
PORTUGAL	12	341	-	-	-	353	6	-	-	6	80	0.31%	0.00%
QATAR	1	255	-	-	-	256	2	-	-	2	28	0.11%	0.00%
ROMANIA	4	62	-	-	-	66	1	-	-	1	14	0.06%	1.00%
RUSSIA	0	81	-	-	-	81	2	-	-	2	22	0.09%	0.00%
RWANDA	-	5	-	-	-	5	-	-	-	-	-	0.00%	0.00%
SALVADOR, EL	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
SAN MARINO	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
SAUDI ARABIA	2	1	-	-	-	3	0	-	-	0	1	0.01%	0.00%
SENEGAL	-	12	-	-	-	12	0	-	-	0	1	0.00%	0.00%
SERBIA	1	8	-	-	-	9	0	-	-	0	6	0.02%	0.00%
SEYCHELLES	0	-	-	-	-	0	0	-	-	0	0	0.00%	0.00%
SINGAPORE	0	0	-	-	-	1	0	-	-	0	0	0.00%	0.00%
SLOVAKIA	8	62	-	-	-	70	2	-	-	2	29	0.11%	1.50%
SLOVENIA	12	151	-	-	-	163	5	-	-	5	68	0.27%	0.50%
SOUTH AFRICAN REPUBLIC	1	0	-	-	-	1	0	-	-	0	1	0.00%	0.00%
SPAIN	19	1,189	-	-	-	1,208	27	-	-	27	333	1.31%	0.00%
SUDAN	-	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
SWEDEN	14	1,265	-	-	-	1,279	15	-	-	15	192	0.75%	2.00%
SWITZERLAND	53	452	-	-	-	505	17	-	-	17	215	0.85%	0.00%
TAIWAN	0	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
THAILAND	0	1	-	-	-	1	0	-	-	0	0	0.00%	0.00%
TOGO	-	14	-	-	-	14	-	-	-	-	-	0.00%	0.00%
TUNISIA	0	3	-	-	-	4	0	-	-	0	1	0.00%	0.00%
TURKEY	9	39	-	-	-	47	1	-	-	1	17	0.07%	0.00%
U.S.A.	36	299	-	-	-	334	11	-	-	11	132	0.52%	0.00%
UKRAINE	0	1	-	-	-	1	0	-	-	0	3	0.01%	0.00%
UNITED ARAB EMIRATES	8	309	-	-	-	317	2	-	-	2	31	0.12%	0.00%
UNITED KINGDOM	74	187	-	-	-	260	6	-	-	6	75	0.30%	2.00%
URUGUAY	0	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
UZBEKISTAN	0	0	-	-	-	0	0	-	-	0	0	0.00%	0.00%
0	1	2	-	-	-	2	0	-	-	0	2	0.01%	0.00%
OTHER STATES	1	5	-	-	-	6	1	-	-	1	8	0.03%	0.00%
TOTAL	**5,035**	**64,704**	**-**	**-**	**7**	**69,746**	**2,034**	**-**	**0**	**2,034**	**25,422**	100.00%	

EU CCyB2 - Amount of institution-specific countercyclical capital buffer (Art. 440 CRR)

EU CCyB2 - Amount of institution-specific countercyclical capital buffer

(€ million)

DESCRIPTION		a
1	**Total risk exposure amount**	**33,593**
2	Institution specific countercyclical capital buffer rate	0.14%
3	Institution specific countercyclical capital buffer requirement	47

Disclosure of credit risk adjustments

Disclosure of credit risk adjustments (Article 442 CRR)

Generally, loans are divided into "performing" loans and "non-performing" loans. In accordance with IFRS 9, performing loans are further subdivided into loans with valuation allowances based on 1-year expected loss (Stage 1) and loans with valuation allowances based on lifetime expected loss (Stage 2). Non-performing loans constitute Stage 3.

Non-performing loans:

In accordance with UniCredit Group guidelines, **non-performing loans** are divided into the following categories:

- **"Bad loans" (loans in liquidation):** credit exposures, considered uncollectible, to insolvent borrowers, even if insolvency has not been judicially ascertained. A realisation procedure is usually applied to borrowers in this class.
- **"Unlikely to pay": on**-balance sheet and off-balance sheet exposures which do not meet the conditions to be classified as “bad loans”. The classification as “unlikely to pay” derives from the assessment of the debtor’s unlikeliness, without actions such as realisation of collateral, to fully repay his/her credit obligation (principal and/or interest) regardless of days in arrears. The classification within the “unlikely to pay” (UTP) category is not necessarily related to the explicit presence of a default (failure to repay) but rather is tied to the existence of evidence of a debtor’s risk of default. The processes are governed in detail in the related UTP-guideline. UTP assessments can be triggered as part of various credit processes (e.g., credit applications, annual credit reviews, credit monitoring, rating changes, bank-internal warning signals) as well as by a list of specific predefined UTP-signals.
- **“Past due": ":** On-balance sheet risk volumes that do not meet the criteria for classification in the "Bad loans" or "Unlikely to pay" categories, but where amounts are overdue by more than 90 days or limits are exceeded by more than 90 days. Such amounts are determined at individual debtor level, under consideration of the detailed rules of the relevant EBA guideline (EBA/GL/2016/07).

In each case, impairment is assessed on an analytical basis or, for an exposure of less than €2 million, on the basis of statistical methods. If the criterion for allocation to a non-performing category expires due to economic recovery of the client, the client is classified as performing after a period of good conduct of at least 90 days. For distressed restructuring (distressed restructuring in the sense of EBA/GL/2016/07), the period of good conduct is 12 months. Loan exposures with retail scoring are assigned the rating 7 after this period until a behavioural scoring is determined. All other loan exposures are automatically fixed at unrated until a new rating is issued.

Performing loans:

- **Overdue performing loans:** risk exposures to borrowers with amounts already due at the reference date or with unapproved limits being exceeded that are between 1 and 90 days overdue and which do not fulfill any criteria to be classified in the categories „Bad Loans“ or „Unlikely to pay“
- **Other exposures:** borrowers not included in the other categories.

Forborne exposure:

Forbearance measures are concessions made by a bank to a debtor facing or about to face difficulties in meeting its financial commitments. These may take the form of a modification of the terms and conditions of a contract that would not have been agreed if the debtor had not been in financial difficulties, or the form of total or partial refinancing. The primary objective of granting forbearance measures is that the borrower remains solvent and, if possible, to enable the borrower to regain performing status. Debtors that are classified as “forborne” are subject to special monitoring requirements and are to be clearly marked as such. If a forbearance measure is granted for a transaction classified as “performing”, this has the effect that this transaction is assigned to Stage 2 in any case.

Forbearance measures exist if, for example, a deferral or rescheduling agreement has been concluded, a new agreement on the conditions has been concluded at interest rates below the market level or the conversion of part of the loan into an equity investment or the reduction of the capital amount has taken place due to financial difficulties of the borrower. The probation periods to be observed with regard to forbearance status and non-performing classification are in line with the relevant EBA Guideline (EBA/GL/2018/06) or the EBA Technical Standards (ITS 2013/03 (rev1)) and are subject to backtesting / monitoring. For the assessment, if an obligor is deemed in financial difficulties, a Troubled Debt Test – TDT is performed. In order to provide system support for this check, an automatised TDT is performed, which checks relevant dimensions such as rating worsening, Stage 2-portion of the client’s transactions, past-due-signs and other manual or automatised warning signals. Archiving of the TDT results is mandatory. For Retail results are binding, for Corporates results of individual cases can be overruled provided the reasoning is properly documented.

Before granting a forbearance measure, an assessment of the borrower’s debt service capability must be performed. In addition, it must also be checked whether this measure results in a loss, for example, due to capital or an interest waiver (impairment test), in which case the forbearance measure is registered as distressed restructuring, which always results in a non-performing classification. Any resulting risk provisioning is determined correspondingly.

Disclosure of credit risk adjustments

Apart from the delta net present value calculation, an examination must be performed to see if the modification of the contract results in a partial or full disposal of the financial instrument. In the case of financial assets, there is a disposal if a material change in contractual conditions leads to a situation in which the modified financial instrument, in substance, no longer corresponds to the instrument before the modification. In such a case the previously recognised financial instrument is to be derecognised and a new financial instrument is to be recognised, even if – in legal terms – the same contract continues to exist in an adjusted form. Derecognition in such cases also relates to any provision made in connection with the financial instrument.

Description of methodology applied to determine write-downs

Bank Austria has implemented internal guidelines for the recording, administration and valuation of loans, which govern both value adjustments and write-offs or partial write-offs of loans.

The impairment model for showing *expected credit losses (ECL)* is to be applied to all debt instruments that are shown at either "amortised cost" or "at fair value through other comprehensive income, in equity", and also to off-balance-sheet instruments such as guarantees and lending commitments.

Depending on the change in credit risk between the time of the initial recognition and the current credit risk on the valuation date, these instruments are categorised either in Stage 1, Stage 2 or Stage 3:

- Stage 1 includes (i) newly originated or purchased credit exposures, (ii) exposures whose credit risk has not deteriorated significantly since initial recognition, (iii) exposures with low credit risk (low credit risk exemption)
- Stage 2 includes instruments for which a significant increase in risk has been identified since the initial recognition, but in which there have been no failures yet, and are therefore classified as "performing", as well as instruments without a PD at the time of access.
- Stage 3 includes impaired credit exposures.

With regard to Stage 3, it should be noted that it includes impaired exposures, which correspond to the aggregated non-performing receivables according to ITS EBA (EBA/ITS/2013/03/rev1 7/24/2014).

In particular, the EBA has defined "non-performing" as exposures that meet one or both of the following criteria:

- substantial receivables more than 90 days overdue;
- receivables for which, in the assessment of Bank Austria, it is unlikely that the debtor will meet its credit obligations in full without resorting to enforcement and realisation of collateral, regardless of the overdue receivables and the number of days the receivable is overdue.

Bank Austria applies the same definition of performing and non-performing as is used for regulatory purposes.

The amount of expected credit losses to be recognised depends on the Stage of allocation.

Impairment losses for Stage 1 and 2 (Performing Loans)

For Stage 1 instruments, a credit loss equal to the expected 12-month credit loss ("*1-year ECL*") is recognized (instruments with shorter terms according to their respective shorter term). For Stage 2 and 3 instruments, on the other hand, a credit loss amounting to the lifetime credit loss expected ("*lifetime ECL*") is recognised. The credit risk parameters used are generally based on the regulatory IRB models and are adapted in relation to IFRS 9-specific requirements (e.g. consideration of future-oriented macroeconomic information).

Disclosure of credit risk adjustments

The stage transfer criteria (between Stage 1 and Stage 2) form a central component of the impairment regulations and determine when a significant increase in credit risk ("SICR") has occurred since initial recognition. These include both relative and absolute criteria. The significant criteria for a transfer from Stage 1 to Stage 2 include:

- **Quantitative transfer criteria**: A transaction-based relative comparison between probability of default (PD) at the reporting date and that at initial recognition using internal models. The threshold values are defined using a complex statistical procedure that takes into account the probability of default and residual term of the loan and the historical default behaviour of the segment in question. In addition, along with the calibration of the transfer logic, an optimization procedure is applied with the goal to increase the likelihood to flag as many as possible transactions to stage 2 which are later moving to stage 3. Each month, the probability of default as at the observation date is compared with the probability of default at the start of business. The comparison is based on the PD profile for the remaining term of the transactions. The limit from which deterioration is considered significant is determined by Cluster (Rating Segment, Rating Class at inception and remaining maturity) using a function which shows the highest PD at the time of the initial recognition. The higher the PD is at the start of business, the lower the relative tolerated deterioration is, which leads to a shift into Stage 2. The functions are determined for various sub-portfolios and are calibrated differently. The starting point of the calibration is the long-term rate of default, including the forbearance portfolio share and items where payment is delayed by at least 30 days. Thereafter the above mentioned optimization is applied, hence both components do enter the calibration. The quantitative calibration of the stage transfer criteria is designed to ensure that a corresponding share of the sub-portfolio will be classified as Stage 2 for average economic situations. This share may increase or decrease, depending on the relevant economy. Transactions for which the probability of default has at least tripled (PD over the entire residual term) are classified as Stage 2 regardless of the function described above, as are transactions with a probability of default of 20% or more (IRB PD). Conversely, all transactions with a PD below 30 basis points (12-month PD) are classified as Stage 1.
- **Qualitative criteria**: All quantitative criteria are supplemented by a number of qualitative criteria, any one of which will lead to a Stage 2 classification: "30-day arrears", "forbearance" and certain watch list cases.
- **Stage upgrade**: If the PD of the transaction has improved sufficiently again by the next reporting date and no qualitative Stage 2 criteria apply, it is transferred back to Stage 1. However, a shift from Stage 2 to Stage 1 may only be made if the transaction would consistently have been assigned to Stage 2 on the previous three-monthly reporting dates.
- **Special portfolios in Stage 2**: Foreign currency loans in the retail banking segment, taking into account the inherent risks since initial recognition in Stage 2. Since Q1 2022, transactions with risk- or domicile countries that include Russia, Ukraine or Belarus have been allocated to Stage 2 transactions.
- **Portfolios in Stage 1**: Internal transactions within the UniCredit Group are in Stage 1 unless individually assigned to Stage 2 at the transaction level.
- **Special treatment of final transactions**: For Stage-2 transactions, IFRS 9 PD is not accumulated over the remaining term as of the reporting date, but over the total term of the transaction. This special feature means that a significantly higher PD is used in the ECL calculation for Stage-2 transactions with final maturity than, for example, for loans that are continuously being paid out. At the same time, the use of this higher PD also causes some transactions to be assigned to Stage 2.

Changes in 2024: The quantitative stage-transfer method was revised in 2024 under the lead of UniCredit group. Core element of the quantitative model continues to be a relative comparison of the probability of default (PD) at transaction inception date versus the PD of the reporting reference date. Stage transfer thresholds are calibrated by cluster (rating segment, rating class at inception and remaining maturity) – previously also age was an input variable. So far thresholds were reflected via a continuous function, with the new model clusters are used within which discrete numbers are used as thresholds. PD at inception used in the previous model was a forward PD whereas with the new model the cumulative PD for the remaining maturity is used. In addition, the logic of stage improvements was adapted: previously a stage improvement from stage2 to stage1 was only possible after 3 additional months had passed (3-month probation period referring to the quantitative model outcome). With this amendment the stage improvement is now possible if the respective transaction had already been in stage 2 for at least 3 months (3-month minimum permanence).

Impairment losses for Stage 3 (non-performing loans)

Stage 3 is assigned to the defaulted portfolio, the non-performing assets. Impairments are formed at customer level as follows, depending on the amount of the customer advances:

Specific provisioning

Customers with a total exposure of more than €2 million (based on group of connected customers, GCC) are transferred to restructuring management (NPE Operational Management & Monitoring) as soon as concrete indications of a possible default appear. In the event of these engagements, designated as "significant" due to the credit amount, the responsible restructuring manager calculates the impairment requirement on a case-by-case basis, for the first time when taking over the case and subsequently, on a quarterly basis. The calculation, based on best estimate, is made on the basis of weighted scenarios of expected future cash flows. The amount of impairment corresponds to the difference between the carrying amount of the loans and receivables and the present value of the expected cash flows (repayments and interest payments), discounted by the original effective interest rate.

For instruments with fixed interest, the underlying interest rate is constant over the term, while for instruments with variable interest, a recalculation is carried out depending on the contractual circumstances.

Disclosure of credit risk adjustments

Portfolio-based specific provisioning method

UniCredit Bank Austria AG applies a parameter-based method for the calculation of a flat-rate individual value adjustment ("Pauschale Einzelwertberichtigung" – PEWB) for defaulted assets grouped by similar credit risk characteristics and with no significant exposure (total exposure lower than €2 million) at the GCC (group of connected customers) level. Upon the decision of the restructuring management, customers belonging to a GCC of over €2 million can be assigned to this method, as long as the individual customer obligation does not exceed €1 million. Depending on the customer segment, the amount of the exposure and collateral, the credit rating and the duration of the default the need for impairment is determined and recognised. The parameters used to calculate the loss rate are adjusted and back-tested annually. A new method for including climate-related environmental factors - physical and transition risks - in the calculation of risk provisioning was introduced in the 2024 financial year. Both risks have a minor impact on the LGD of real estate collateral.

If necessary, the value adjustment can also be determined by means of a specific provisioning method.

Recovery periods are estimated on the basis of business and economic plans, as well as historical considerations and observations for similar business cases. Consideration is therefore given to the relevant customer segment, the type of loan agreement and the collateral in addition to other relevant factors that are appropriate for the determination.

For impaired instruments, forward-looking information is also taken into account based on the application of multiple scenarios, which, in the case of specific provisioning, make use of specific probabilities for each customer.

EU CQ1 - Credit quality of forborne exposures (Art. 442 CRR)

EU CQ1 - Credit quality of forborne exposures

(€ million)

		a	b	c	d	e	f	g	h
		GROSS CARRYING AMOUNT/NOMINAL AMOUNTOF EXPOSURES WITH FORBEARANCE MEASURES				ACCUMULATED IMPAIRMENT, ACCUMULATED NEGATIVE CHANGES IN FAIR VALUE DUE TO CREDIT RISK AND PROVISIONS		COLLATERALS RECEIVED AND FINANCIAL GUARANTEES RECEIVED ON FORBORNE EXPOSURES	
			NON-PERFORMING FORBORNE						
DESCRIPTION		PERFORMING FORBORNE		OF WHICH: DEFAULTED	OF WHICH: IMPAIRED	ON PERFORMING FORBORNE EXPOSURES	ON NON-PERFORMING FORBORNE EXPOSURES		OF WHICH: COLLATERAL AND FINANCIAL GUARANTEES RECEIVED ON NON-PERFORMING EXPOSURES WITH FORBEARANCE MEASURES
005	**Cash balances at central banks and other demand deposits**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
010	**Loans and advances**	**830**	**601**	**601**	**601**	**(41)**	**(252)**	**662**	**267**
020	Central banks	-	-	-	-	-	-	-	-
030	General governments	-	-	-	-	-	-	-	-
040	Credit institutions	-	-	-	-	-	-	-	-
050	Other financial corporations	4	3	3	3	(0)	(3)	2	0
060	Non-financial corporations	632	508	508	508	(30)	(219)	486	221
070	Households	195	90	90	90	(11)	(31)	174	46
080	**Debt Securities**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
090	**Loan commitments given**	**254**	**22**	**22**	**22**	**(3)**	**(2)**	**108**	**4**
100	**Total as at 31.12.2024**	**1,084**	**623**	**623**	**622**	**(44)**	**(254)**	**770**	**271**
	Total as at 31.12.2023	**653**	**640**	**640**	**639**	**(23)**	**(298)**	**484**	**229**

Strong increase of forborne volumes (performing €+431m vs. 31.12.2023, non-performing €-17m vs. 31.12.2023), driven by individual Corporate clients, mainly in Commercial Real Estate and Multinationals.

Disclosure of credit risk adjustments

EU CQ3: Credit quality of performing and non-performing exposures by past due days (Art. 442 CRR)

EU CQ3 - Credit quality of performing and non-performing exposures by past due days

(€ million)

	DESCRIPTION	a	b	c	d	e	f
		GROSS CARRYING AMOUNT/NOMINAL AMOUNT					
		PERFORMING EXPOSURES			NON-PERFORMING EXPOSURES		
			NOT PAST DUE OR PAST DUE <= 30 DAYS	PAST DUE > 30 DAYS <= 90 DAYS		UNLIKELY TO PAY THAT ARE NOT PAST-DUE OR PAST DUE <= 90 DAYS	PAST DUE > 90 DAYS <= 180 DAYS
005	**Cash balances at central banks and other demand deposits**	**5,734**	**5,734**	**-**	**5**	**5**	**-**
010	**Loans and advances**	**69,909**	**69,625**	**284**	**1,978**	**1,224**	**59**
020	Central banks	-	-	-	-	-	-
030	General governments	6,454	6,449	5	201	13	-
040	Credit institutions	10,162	10,161	1	37	1	1
050	Other financial corporations	4,031	4,018	13	20	16	3
060	Non-financial corporations	30,828	30,792	36	1,238	913	38
070	*of which: SMEs*	*6,515*	*6,503*	*13*	*569*	*333*	*25*
080	Households	18,434	18,205	228	483	281	17
090	**Debt securities**	**21,233**	**21,233**	**-**	**-**	**-**	**-**
100	Central banks	-	-	-	-	-	-
110	General governments	14,495	14,495	-	-	-	-
120	Credit institutions	6,008	6,008	-	-	-	-
130	Other financial corporations	345	345	-	-	-	-
140	Non-financial corporations	385	385	-	-	-	-
150	**Off balance sheet exposures**	**42,698**			**253**		
160	Central banks	0			-		
170	General governments	5,177			0		
180	Credit institutions	1,186			0		
190	Other financial corporations	5,433			0		
200	Non-financial corporations	27,023			242		
210	Households	3,879			11		
220	**Total as at 31.12.2024**	**139,574**	**96,593**	**284**	**2,236**	**1,229**	**59**
	Total as at 31.12.2023	**137,352**	**94,038**	**95**	**2,774**	**1,355**	**155**

Total performing exposures increased by €2.2 billion, driven by higher credit institutions volume due to balance sheet management at year-end. The decrease in non-performing exposures by €538 million in 2024 based on a successful NPE reduction program and strong collection result, despite a limited number of corporate defaults mainly in the fourth quarter of 2024.

Disclosure of credit risk adjustments

continued: EU CQ3 - Credit quality of performing and non-performing exposures by past due days

(€ million)

	DESCRIPTION	g	h	i	j	k	l
		GROSS CARRYING AMOUNT/NOMINAL AMOUNT					
		NON-PERFORMING EXPOSURES					
		PAST DUE > 180 DAYS <= 1 YEAR	PAST DUE > 1 YEAR <= 2 YEARS	PAST DUE > 2 YEAR <= 5 YEARS	PAST DUE > 5 YEAR <= 7 YEARS	PAST DUE > 7 YEARS	OF WHICH: DEFAULTED
005	**Cash balances at central banks and other demand deposits**	**-**	**-**	**-**	**-**	**-**	**5**
010	**Loans and advances**	**162**	**266**	**174**	**36**	**55**	**1,978**
020	Central banks	-	-	-	-	-	-
030	General governments	28	91	68	-	-	201
040	Credit institutions	34	1	-	-	-	37
050	Other financial corporations	-	0	0	-	1	20
060	Non-financial corporations	73	124	43	19	28	1,238
070	*of which: SMEs*	*48*	*113*	*34*	*16*	*1*	*569*
080	Households	28	49	64	17	27	483
090	**Debt securities**	**-**	**-**	**-**	**-**	**-**	**-**
100	Central banks	-	-	-	-	-	-
110	General governments	-	-	-	-	-	-
120	Credit institutions	-	-	-	-	-	-
130	Other financial corporations	-	-	-	-	-	-
140	Non-financial corporations	-	-	-	-	-	-
150	**Off balance sheet exposures**						**253**
160	Central banks						-
170	General governments						0
180	Credit institutions						0
190	Other financial corporations						0
200	Non-financial corporations						242
210	Households						11
220	**Total as at 31.12.2024**	**162**	**266**	**174**	**36**	**55**	**2,236**
	Total as at 31.12.2023	**104**	**246**	**202**	**57**	**191**	**2,774**

The above template does not include the Held for Trading portfolio.

Disclosure of credit risk adjustments

EU CQ4: Quality of non-performing exposures by geography (Art. 442 CRR)

EU CQ4 - Quality of non-performing exposures by geography

(€ million)

	DESCRIPTION	a	b	c	d	e	f	g
		GROSS CARRYING/NOMINAL AMOUNT						
			OF WHICH: NON-PERFORMING					
				OF WHICH: DEFAULTED	OF WHICH: SUBJECT TO IMPAIRMENT	ACCUMULATED IMPAIRMENT	PROVISIONS ON OFF-BALANCE SHEET COMMITMENTS AND FINANCIAL GUARANTEES GIVEN	ACCUMULATED NEGATIVE CHANGES IN FAIR VALUE DUE TO CREDIT RISK ON NON-PERFORMING EXPOSURES
010	**On-Balance-Sheet-Exposures**	**93,120**	**1,978**	**1,978**	**92,574**	**(1,340)**		**-**
020	AUSTRIA	56,255	1,522	1,522	55,827	(1,150)		-
030	GERMANY	6,745	51	51	6,744	(36)		-
040	SPAIN	3,865	-	-	3,865	(5)		-
050	FRANCE	3,780	0	0	3,780	(4)		-
060	INTERNATIONAL ORGANISATIONS	3,522	-	-	3,407	-		-
070	OTHER STATES	18,952	405	405	18,951	(146)		-
080	**Off-Balance-Sheet-Exposures**	**42,951**	**253**	**253**			**157**	
090	AUSTRIA	32,544	200	200			134	
100	GERMANY	1,854	4	4			5	
110	SPAIN	1,793	-	-			1	
120	DENMARK	1,237	-	-			1	
130	SWEDEN	1,144	-	-			0	
140	OTHER STATES	4,379	50	50			16	
150	**Total as at 31.12.2024**	**136,071**	**2,231**	**2,231**	**92,574**	**(1,340)**	**157**	**-**
	Total as at 31.12.2023	**130,887**	**2,770**	**2,770**	**86,608**	**(1,534)**	**160**	**-**

Total exposure as well as accumulated impairments reflect Bank Austria's business focus on the Austrian market. In coherence with the UniCredit group approach, the non-performing exposures are equal to defaulted.

The above template does not include:
- the Held for Trading portfolio;
- the item "Cash balances at central banks and other demand deposits".

Disclosure of credit risk adjustments

EU CQ5: Credit quality of loans and advances by industry (Art. 442 CRR)

EU CQ5 - Credit quality of loans and advances by industry

(€ million)

		a	b	c	d	e	f
		GROSS CARRYING AMOUNT				ACCUMULATED IMPAIRMENT	ACCUMULATED NEGATIVE CHANGES IN FAIR VALUE DUE TO CREDIT RISK ON NON-PERFORMING EXPOSURES
			OF WHICH: NON-PERFORMING		OF WHICH: LOANS AND ADVANCES SUBJECT TO IMPAIRMENT		
	DESCRIPTION			OF WHICH: DEFAULTED			
010	Agriculture, forestry and fishing	67	16	16	67	(4)	-
020	Mining and quarrying	84	0	0	84	(1)	-
030	Manufacturing	6,813	396	396	6,813	(302)	-
040	Electricity, gas, steam and air conditioning supply	1,101	20	20	1,101	(9)	-
050	Water supply	448	9	9	448	(6)	-
060	Construction	3,487	69	69	3,325	(40)	-
070	Wholesale and retail trade	2,722	205	205	2,722	(129)	-
080	Transport and storage	1,045	21	21	1,044	(18)	-
090	Accommodation and food service activities	373	76	76	373	(39)	-
100	Information and communication	373	10	10	373	(6)	-
110	Real estate activities	1,592	51	51	1,592	(46)	-
120	Financial and insurance actvities	8,486	283	283	8,463	(122)	-
130	Professional, scientific and technical activities	3,922	58	58	3,922	(75)	-
140	Administrative and support service activities	539	10	10	539	(8)	-
150	Public administration and defense, compulsory social security	25	-	-	25	(0)	-
160	Education	13	0	0	13	(0)	-
170	Human health services and social work activities	287	6	6	287	(1)	-
180	Arts, entertainment and recreation	410	5	5	410	(3)	-
190	Other services	277	4	4	277	(1)	-
200	**Total as at 31.12.2024**	**32,066**	**1,238**	**1,238**	**31,879**	**(809)**	**-**
	Total as at 31.12.2023	**34,677**	**1,396**	**1,396**	**34,441**	**(829)**	**-**

In coherence with the UniCredit group approach, the non-performing exposures are equal to defaulted.
The above template does not include the Held for Trading portfolio.

Disclosure of credit risk adjustments

EU CQ7 - Collateral obtained by taking possession and execution processes (Art. 442 CRR)

EU CQ7 - Collateral obtained by taking possession and execution processes

(€ million)

	DESCRIPTION	a	b
		COLLATERAL OBTAINED BY TAKING POSSESSION	
		VALUE AT INITIAL RECOGNITION	ACCUMULATED NEGATIVE CHANGES
010	**Property Plant and Equipment (PP&E)**	**-**	**-**
020	**Other than PP&E**	**91**	**(47)**
030	Residential immovable property	-	-
040	Commercial immovable property	91	(47)
050	Movable property	-	-
060	Equity and debt instruments	-	-
070	Other collateral	-	-
080	**Total as at 31.12.2024**	**91**	**(47)**
	Total as at 31.12.2023	**72**	**(45)**

Disclosure of credit risk adjustments

EU CR1 - Performing and non-performing exposures and related provisions (Art. 442 CRR)

EU CR1 - Performing and non-performing exposures and related provisions

(€ million)

		a	b	c	d	e	f
		GROSS CARRYING AMOUNT/NOMINAL AMOUNT					
		PERFORMING EXPOSURES			NON-PERFORMING EXPOSURES		
DESCRIPTION			OF WHICH: STAGE 1	OF WHICH: STAGE 2		OF WHICH: STAGE 2	OF WHICH: STAGE 3
005	**Cash balances at central banks and other demand deposits**	**5,734**	**5,708**	**27**	**5**		**5**
010	**Loans and advances**	**69,909**	**57,096**	**12,456**	**1,978**		**1,967**
020	Central banks	-	-	-	-		-
030	General governments	6,454	5,840	614	201		201
040	Credit institutions	10,162	10,159	3	37		37
050	Other financial corporations	4,031	3,461	567	20		20
060	Non-financial corporations	30,828	24,343	6,299	1,238		1,232
070	*of which: SMEs*	*6,515*	*5,113*	*1,351*	*569*		*564*
080	Households	18,434	13,294	4,973	483		478
090	**Debt securities**	**21,233**	**21,038**	**7**	**-**		**-**
100	Central banks	-	-	-	-		-
110	General governments	14,495	14,329	-	-		-
120	Credit institutions	6,008	5,998	-	-		-
130	Other financial corporations	345	325	7	-		-
140	Non-financial corporations	385	385	-	-		-
150	**Off-balance sheet exposures**	**42,698**	**36,181**	**6,517**	**253**		**253**
160	Central banks	0	0	-	-		-
170	General governments	5,177	5,169	7	0		0
180	Credit institutions	1,186	1,149	37	0		0
190	Other financial corporations	5,433	4,576	857	0		0
200	Non-financial corporations	27,023	21,916	5,107	242		242
210	Households	3,879	3,370	508	11		11
220	**Total as at 31.12.2024**	**139,574**	**120,023**	**19,006**	**2,236**		**2,225**
	Total as at 31.12.2023	**137,352**	**113,307**	**23,450**	**2,774**		**2,763**

Total performing exposures increased by €2.2 billion), driven by higher credit institutions volume due to balance sheet management at year-end. The decrease in non-performing exposures by €538 million in 2024 based on a successful NPE reduction program and strong collection result, despite a limited number of corporate defaults mainly in the 4th quarter of 2024.

Disclosure of credit risk adjustments

continued: EU CR1 - Performing and non-performing exposures and related provisions

(€ million)

		g	h	i	j	k	l	m	n	o
		ACCUMULATED IMPAIRMENT, ACCUMULATED IMPAIRMENT NEGATIVE CHANGES IN FAIR VALUE DUE TO CREDIT RISK AND PROVISIONS							COLLATERALS AND FINANCIAL GUARANTEES RECEIVED	
		PERFORMING EXPOSURES - ACCUMULATED IMPAIRMENT AND PROVISIONS			NON-PERFORMING EXPOSURES - ACCUMULATED IMPAIRMENT, ACCUMULATED NEGATIVE CHANGES IN FAIR VALUE DUE TO CREDIT RISK AND PROVISIONS					
DESCRIPTION			OF WHICH: STAGE 1	OF WHICH: STAGE 2		OF WHICH: STAGE 2	OF WHICH: STAGE 3	ACCUMULATED PARTIAL WRITE-OFF	ON PERFORMING EXPOSURES	ON NON-PERFORMING EXPOSURES
005	**Cash balances at central banks and other demand deposits**	**(0)**	**(0)**	**(0)**	**(5)**		**(5)**		**0**	**-**
010	**Loans and advances**	**(607)**	**(123)**	**(484)**	**(732)**		**(732)**	**(156)**	**39,486**	**966**
020	Central banks	-	-	-	-		-	-	-	-
030	General governments	(10)	(1)	(10)	(15)		(15)	-	2,167	184
040	Credit institutions	(0)	(0)	(0)	(2)		(2)	-	6,171	32
050	Other financial corporations	(21)	(4)	(16)	(15)		(15)	(1)	1,859	1
060	Non-financial corporations	(277)	(44)	(232)	(532)		(532)	(62)	15,227	515
070	*of which: SMEs*	*(74)*	*(12)*	*(63)*	*(186)*		*(186)*	*(7)*	*5,279*	*320*
080	Households	(298)	(73)	(225)	(168)		(168)	(93)	14,063	234
090	**Debt securities**	**(2)**	**(1)**	**(1)**	**-**		**-**	**-**	**-**	**-**
100	Central banks	-	-	-	-		-	-	-	-
110	General governments	(0)	(0)	-	-		-	-	-	-
120	Credit institutions	(0)	(0)	-	-		-	-	-	-
130	Other financial corporations	(1)	-	(1)	-		-	-		-
140	Non-financial corporations	(0)	(0)	-	-		-	-	-	-
150	**Off-balance sheet exposures**	**(55)**	**(17)**	**(38)**	**(102)**		**(102)**	**-**	**5,174**	**50**
160	Central banks	-	-	-	-		-		-	-
170	General governments	(0)	(0)	(0)	(0)		(0)		263	0
180	Credit institutions	(0)	(0)	(0)	-		-		836	-
190	Other financial corporations	(2)	(1)	(2)	(0)		(0)		632	-
200	Non-financial corporations	(41)	(12)	(29)	(101)		(101)		3,015	46
210	Households	(12)	(4)	(8)	(0)		(0)		428	4
220	**Total as at 31.12.2024**	**(663)**	**(140)**	**(523)**	**(838)**		**(838)**		**44,660**	**1,017**
	Total as at 31.12.2023	**(726)**	**(124)**	**(602)**	**(971)**		**(969)**		**39,979**	**1,310**

Disclosure of credit risk adjustments

EU CR1-A – Maturity of exposures (Art. 442 CRR)

EU CR1-A - Maturity of exposures

(€ million)

		a	b	c	d	e	f
		NET EXPOSURE VALUE					
DESCRIPTION		ON DEMAND	<= 1 YEAR	> 1 YEAR <= 5 YEARS	> 5 YEARS	NO STATED MATURITY	TOTAL
1	Loans and advances	6,195	14,956	14,901	34,496	-	70,548
2	Debt securities	-	2,853	14,780	3,599	-	21,232
3	**Total as at 31.12.2024**	**6,195**	**17,809**	**29,680**	**38,094**	**-**	**91,780**
	Total as at 31.12.2023	**6,183**	**10,399**	**31,687**	**37,402**	**-**	**85,671**

Y/y, total exposures increased, in particular positions < 1 year strongly increased by €7.4bn and >5 years by €0.7bn, while positions between 1 and 5 years decreased by €2bn.

EU CR2 – Changes in the stock of non-performing loans and advances (Art. 442 CRR)

EU CR2: Changes in the stock of non-performing loans and advances

(€ million)

		a
DESCRIPTION		GROSS CARRYING AMOUNT
010	**Initial stock of non-performing loans and advances as at 31.12.2023**	**2,306**
020	Inflows to non-performing portfolios	989
030	Outflows from non-performing portfolios	(1,317)
040	Outflow to performing portfolio	(235)
050	Outflow due to loan repayment, partial or total	(488)
060	Outflow due to collateral liquidations	(37)
070	Outflow due to taking possession of collateral	-
080	Outflow due to sale of instruments	(18)
090	Outflow due to risk transfers	-
040	Outflows due to write-offs	(275)
050	Outflow due to other situations	(264)
120	Outflow due to reclassification as held for sale	-
060	**Final stock of non-performing loans and advances as at 31.12.2024**	**1,978**

Total stock of non-performing loans and advances decreased in 2024, based on a successful NPE reduction program and strong collection result, despite a limited number of corporate defaults mainly in the 4th quarter of 2024.

Disclosure of leverage

Disclosure of leverage (Article 451 CRR)

The Basel 3 prudential regulation (BCBS/Basel Committee on Banking Supervision) introduced the requirement of calculation, reporting, and publication of leverage ratio that is an additional regulatory requirement to risk-based indicators.

The main leverage ratio objectives are:
- restricting the build-up of leverage in the banking sector;
- enhancing the capital ratios with a further, simple and not risk based measure.

The ratio is calculated according to the rules of the Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (“CRR2”), amending the CRR Regulation, in force from the 28 June 2021, two years after the date of publication in the Official Journal of the European Union.

CRR article 429 defined the leverage ratio as the Bank’s capital measure divided by the total exposure and it is expressed ad percentage between:
- Tier 1 Capital;
- the total exposure, calculated as sum of all assets and off-balance sheet items not deducted when determining the Tier 1 capital measure.

The total exposure includes (the below mentioned articles refer to CRR):
- Derivatives - calculated according to the Standardised Approach for Counterparty Credit Risk as per Section 3 of Chapter 6 of Title II of the Part 3, or, as an alternative, the Original Exposure Method as per article 295 of the CRR. Written Credit Derivatives are calculated by including the Fully Effective Notional amount, reduced by the fair value changes that have been incorporated in Tier 1 Capital. If specific conditions are met the resulting exposure value may be further reduced by the effective notional amount of purchased credit derivatives.
- Security Financing Transactions (SFT[1]) - calculated as sum of two components: the counterparty credit risk exposure, i.e. the exposure net of collateral (and not including the haircut), and the accounting value of the SFT asset; if specific conditions set by CRR2 are met, it is possible to determine the exposure value of cash receivable and cash payables on a net basis.
- Off-balance Sheet Exposure - calculated, according to article 111 as nominal amount not reduced by specific credit risk adjustments and by applying the Standardised Approach for RWEA calculation credit conversion factors.
- Other Assets - calculated according to article 111, as accounting value reduced by specific credit risk adjustments, additional value adjustments and other own funds reductions related to the asset item; if specific conditions set by CRR2 are met, cash variation margins provided for derivatives transactions can be excluded from the exposure.
- Exempted Exposures according to article 429a where applicable.

The following table shows the reconciliation between the total Leverage Ratio Exposure (denominator) and the Accounting balance sheet values, according to the CRR2 article 451(1)(b).

[1] Security Financing Transactions are repurchased transactions, securities or commodities lending or borrowing transactions and margin lending transactions.

Disclosure of leverage

EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures (Art. 451 CRR)

EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

(€ million)

DESCRIPTION		a 31.12.2024	b 31.12.2023
1	Total assets as per published financial statements	105,253	102,745
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	48	35
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-	-
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	-	-
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with point (i) of point (i) of article 429a(1) CRR)	-	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-	-
7	Adjustment for eligible cash pooling transactions	-	-
8	Adjustments for derivative financial instruments	(1,524)	(2,587)
9	Adjustment for securities financing transactions (SFTs)	1,821	27
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	9,866	10,575
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of article 429a(1) CRR)	-	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of article 429a(1) CRR)	-	-
12	Other adjustments	(2,383)	(1,129)
13	**Total exposure measure**	**113,081**	**109,667**

Disclosure of leverage

EU LR2 - LRCom: Leverage ratio common disclosure (Art. 451 CRR)

The following table shows the Leverage Ratio as of 31 December 2024 (vs. the previous year) and the breakdown of the exposure by main categories, according to CRR2 articles 451(1)(a), 451(1)(b) and 451(1)(c).

EU LR2 - LRCom: Leverage ratio common disclosure

(€ million)

		CRR LEVERAGE RATIO EXPOSURES	
		a	b
DESCRIPTION		31.12.2024	31.12.2023
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	96,713	99,855
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(148)	(28)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(2,441)	(2,210)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**94,125**	**97,617**
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	509	431
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	0	0
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	1,585	1,357
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	0	0
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (original Exposure Method)	-	-
11	Adjusted effective notional amount of written credit derivatives	10	60
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	**Total derivatives exposures**	**2,104**	**1,848**
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	6,052	577
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	1,821	27
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	**Total securities financing transaction exposures**	**7,873**	**604**
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	42,206	43,550
20	(Adjustments for conversion to credit equivalent amounts)	(32,340)	(32,975)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
22	**Off-balance sheet exposures**	**9,866**	**10,575**
Excluded exposures			
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of article 429a(1) CRR)	-	-
EU-22b	(Exposures exempted in accordance with point (j) of article 429a (1) CRR (on and off-balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	(886)	(978)
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	**(Total exempted exposures)**	**(886)**	**(978)**

Disclosure of leverage

continued: EU LR2 - LRCom: Leverage ratio common disclosure

(€ million)

DESCRIPTION		CRR LEVERAGE RATIO EXPOSURES a 31.12.2024	CRR LEVERAGE RATIO EXPOSURES b 31.12.2023
Capital and total exposure measure			
23	**Tier 1 capital**	**7,099**	**7,010**
24	**Total exposure measure**	**113,081**	**109,667**
Leverage ratio			
25	Leverage ratio	6.3%	6.4%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	6.3%	6.4%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	6.3%	6.4%
26	Regulatory minimum leverage ratio requirement (%)	3.0%	3.0%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-
EU-26b	of which: to be made up of CET1 capital (percentage points)	-	-
27	Leverage ratio buffer requirement (%)	-	-
EU-27a	Overall leverage ratio requirement (%)	3.0%	3.0%
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	0	0
Disclosure of mean values			
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	6,457	1,131
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	6,052	577
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	113,487	110,220
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	113,487	110,220
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.3%	6.4%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	6.3%	6.4%

Disclosure of leverage

EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures) (Art. 451 CRR)

The following table shows, for exposures other than derivatives and SFTs, the breakdown by exposure class, according to CRR2 article 451(1)(b).

EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

(€ million)

		CRR LEVERAGE RATIO EXPOSURES	
DESCRIPTION		31.12.2024	31.12.2023
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**95,827**	**98,877**
EU-2	Trading book exposures	-	-
EU-3	Banking book exposures, of which:	95,827	98,877
EU-4	Covered bonds	4,579	4,177
EU-5	Exposures treated as sovereigns	25,836	26,949
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	2,701	2,517
EU-7	Institutions	4,078	2,513
EU-8	Secured by mortgages of immovable properties	23,522	23,398
EU-9	Retail exposures	5,115	6,242
EU-10	Corporate	23,355	26,267
EU-11	Exposures in default	1,239	1,439
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	5,402	5,376

Disclosure of leverage

EU LRA – Disclosure on qualitative items

Table EU LRQua - Disclosure on qualitative items

a) Description of the processes used to manage the risk of excessive leverage:

The Leverage Ratio is calculated as Tier 1 capital over total leverage exposure (composed by all on-Balance Sheet Assets, Derivative Exposures, Securities Financing Transactions exposures, other off-Balance Sheet exposure).

To ensure an adequate level of the leverage ratio, a strict monitoring process is in place, meant to address potential excess liquidity which at its turn is reflected on Asset side, generating on-Balance Sheet Exposure.

The Leverage risk is also part of the Group Risk Appetite Framework, which includes the Leverage Ratio metric, therefore the relevant procedures and resources are applied to this kind of risk.

This KPI has its own Target, Trigger and Limit defined consistently with Group business strategies and considering regulatory requirements, peers' comparison, and stress test results. The results of the periodical monitoring this KPI are submitted, on a quarterly basis, to the Executive Committee, Internal Control & Risk Committee and to the Board of Directors.

The Group Risk Appetite process identifies the governance mechanism, managerial involvement, and escalation process under normal and stressed operating conditions. The defined escalation process is activated at relevant organizational levels to ensure an adequate reaction when triggers or limits are breached. Also, for the capital metrics, including the Leverage Ratio, the Group has defined a specific internal policy (Capital Contingency Policy) that set the processes for reacting to contingency situation which require a timely reaction in term of increase of capital or reduction of exposures.

b) Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers:

Changes of Leverage Ratio between December 2024 and December 2023 were mainly driven by:
- Increase of Leverage Exposure by €3.4bn mainly due to increase of SFT exposure partially offset by decrease of excess liquidity.
- Increase of Tier 1 Capital by €89m.

Overall Leverage Ratio decreased from 6.4% to 6.3%.

Disclosure of liquidity requirements

Disclosure of liquidity requirements (Art. 451a CRR)

Liquidity Coverage Ratio

The Liquidity Coverage Ratio (LCR), introduced by Basel 3 prudential regulation, is a short time indicator which aims to ensure that credit institutions maintain an adequate liquidity buffer to cover the net liquidity outflows under severe conditions of stress over a period of 30 days.

The regulatory framework applied is represented by:

- with reference to the requirements to be met:
  - CRR Article 412 “Liquidity coverage requirement”;
  - Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 that lays down rules that specify in detail the liquidity coverage requirement provided for in CRR article 412(1). In particular, the requirement that all institutions authorized has to meet is equal to 100%;
  - Commission Delegated Regulation (EU) 2018/1620 of 13 July 2018 amending Delegated Regulation (EU) 2015/61 to supplement Regulation (EU) 575/2013 of the European Parliament and the Council with regard to liquidity coverage requirement for credit institutions;
  - Commission Implementing Regulation (EU) 2021/451 of 17 December 2020 laying down implementing technical standards for the application of Regulation (EU) 575/2013 of the European Parliament and of the Council with regard to supervisory reporting of institutions and repealing Implementing Regulation (EU) 680/2014 (Text with EEA relevance);

- with reference to the disclosure information to be published:
  - CRR Article 435 which defines the disclosure requirements for each separate category of risk, including the key ratios (letter f);
  - Commission Implementing Regulation (EU) 2021/637 of 15 March 2021, laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) 575/2013 of the European Parliament and of the Council and repealing Commission Implementing Regulation (EU) 1423/2013, Commission Delegated Regulation (EU) 2015/1555, Commission Implementing Regulation (EU) 2016/200 and Commission Delegated Regulation (EU) 2017/2295.

Therefore, disclosure is made according to the regulatory framework mentioned above.

Disclosure of liquidity requirements

EU LIQ1 - LCR disclosure template which complements Article 435(1)(f) CRR

EU LIQ1 - Quantitative information of LCR

(€ million)

		a	b	c	d	e	f	g	h
SCOPE OF CONSOLIDATION: SOLO CURRENCY AND UNITS (EURO MILLION)		TOTAL UNWEIGHTED VALUE (AVERAGE)				TOTAL WEIGHTED VALUE (AVERAGE)			
EU 1a	QUARTER ENDING ON	31.12.2024	30.09.2024	30.06.2024	31.03.2024	31.12.2024	30.09.2024	30.06.2024	31.03.2024
EU 1b	NUMBER OF DATA POINTS USED IN THE CALCULATION OF AVERAGES	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	**Total high-quality liquid assets (HQLA)**					**23,472**	**23,526**	**23,422**	**23,861**
CASH-OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	30,542	30,226	30,139	30,190	2,236	2,210	2,200	2,203
3	*Stable deposits*	20,906	20,744	20,747	20,831	1,045	1,037	1,037	1,042
4	*Less stable deposits*	9,636	9,482	9,392	9,359	1,191	1,173	1,163	1,161
5	Unsecured wholesale funding	25,501	25,672	25,626	25,831	11,999	12,132	12,070	12,119
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	9,643	9,585	9,740	9,895	2,330	2,315	2,354	2,392
7	*Non-operational deposits (all counterparties)*	15,810	15,996	15,801	15,854	9,622	9,726	9,631	9,645
8	*Unsecured debt*	47	91	85	82	47	91	85	82
9	Secured wholesale funding					630	515	496	380
10	Additional requirements	13,280	13,358	13,295	13,344	3,750	3,658	3,468	3,270
11	*Outflows related to derivative exposures and other collateral requirements*	2,159	2,082	1,944	1,796	2,125	2,043	1,899	1,728
12	*Outflows related to loss of funding on debt products*	-	1	4	5	-	1	4	5
13	*Credit and liquidity facilities*	11,121	11,275	11,347	11,542	1,625	1,614	1,566	1,536
14	Other contractual funding obligations	300	269	269	209	300	269	269	209
15	Other contingent funding obligations	27,166	27,311	27,283	27,123	996	1,001	1,001	1,020
16	**TOTAL CASH OUTFLOWS**					**19,911**	**19,785**	**19,504**	**19,200**
CASH-INFLOWS									
17	Secured lending (e.g. reverse repos)	798	802	759	732	348	214	119	67
18	Inflows from fully performing exposures	2,770	2,765	2,792	2,769	2,291	2,248	2,227	2,189
19	Other cash inflows	1,378	1,238	1,123	1,031	1,291	1,165	1,053	968
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	**TOTAL CASH INFLOWS**	**4,946**	**4,805**	**4,673**	**4,532**	**3,929**	**3,627**	**3,399**	**3,224**
EU-20a	***Fully exempt inflows***	-	-	-	-	-	-	-	-
EU-20b	***Inflows Subject to 90% Cap***	-	-	-	-	-	-	-	-
EU-20c	***Inflows Subject to 75% Cap***	***4,946***	***4,805***	***4,673***	***4,532***	***3,929***	***3,627***	***3,399***	***3,224***
TOTAL ADJUSTED VALUE									
EU-21	**LIQUIDITY BUFFER**					**23,472**	**23,526**	**23,422**	**23,861**
22	**TOTAL NET CASH OUTFLOWS**					**15,982**	**16,158**	**16,106**	**15,976**
23	**LIQUIDITY COVERAGE RATIO (%)**					**147%**	**146%**	**146%**	**149%**

The figures presented in this table show the calculated average amounts based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period.

Disclosure of liquidity requirements

Qualitative information which complements the “EU LIQ1 - LCR disclosure template”

Funding Concentration Risk can arise when the bank leverages on such a limited number of funding sources, that they become of such significance that the withdrawal of one or few could trigger liquidity problems.

In UniCredit Bank Austria AG, the governance and control of funding concentration risk is mainly performed through the setting and monitoring of metrics – managerial and regulatory - aimed at preventing potential vulnerabilities in the bank's ability to meet its liquidity obligations; such as the concentration by products and counterparties.

Regarding potential collateral calls, monthly reporting is conducted to measure the impact in terms of additionally required collateral that the bank may be required to provide given a downgrade of its own credit rating, relevant rating agencies are considered.

As far as the currency mismatch is concerned, a regular monitoring of the relevant currencies and related liquid assets and net cash outflows is performed. So far, only EUR and USD resulted to be relevant at bank level. Assessment performed on potential currency mismatches between liquid assets and net outflows shows that the liquidity surplus in EUR is sufficient to cover the gap in USD. A buffer of HQLA (high-quality liquid assets) in USD was built up, aiming to partially cover the net cash flows and has been maintained to face the potential risk related with the conversion of the currency.

At the end of December 2024, **liquidity buffer** components mainly consist of reserves held at Central Bank (cash and deposits, in the amount of €5.2 billion). The other eligible component is mostly made up of central government assets and public financial institutions in total amounting to a total of about €16.4 billion.

The main component of the net liquidity outflows is related with retail and corporate deposits and the potential cash outflows related with the committed and uncommitted credit lines.

Disclosure of liquidity requirements

EU LIQ2 - Net Stable Funding Ratio (NSFR)

EU LIQ2 - Net Stable Funding Ratio

(€ million)

		a	b	c	d	e
		UNWEIGHTED VALUE BY RESIDUAL MATURITY				
DESCRIPTION		NO MATURITY	< 6 MONTHS	6 MONTHS TO < 1YR	≥ 1YR	WEIGHTED VALUE
Available stable funding (ASF) Items						
1	Capital items and instruments	7,068	-	-	1,799	8,867
2	*Own funds*	*7,068*	*-*	*-*	*717*	*7,785*
3	*Other capital instruments*		*-*	*-*	*1,082*	*1,082*
4	Retail deposits		31,664	61	491	30,118
5	*Stable deposits*		*21,493*	*0*	*-*	*20,419*
6	*Less stable deposits*		*10,170*	*61*	*491*	*9,700*
7	Wholesale funding:		38,791	1,945	13,247	26,313
8	*Operational deposits*		*8,505*	*-*	*-*	*437*
9	*Other wholesale funding*		*30,286*	*1,945*	*13,247*	*25,876*
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	830	75	-	3,797	3,797
12	*NSFR derivative liabilities*	*830*				
13	*All other liabilities and capital instruments not included in the above categories*		*75*	*-*	*3,797*	*3,797*
14	**Total available stable funding (ASF)**					**69,096**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					1,000
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	16,351	13,898
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		15,841	5,050	32,507	33,147
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		*1,609*	*808*	*501*	*906*
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		*6,748*	*1,221*	*2,357*	*3,590*
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		*5,473*	*2,621*	*22,042*	*28,003*
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*704*	*295*	*4,384*	*6,437*
22	*Performing residential mortgages, of which:*		*537*	*384*	*7,123*	*-*
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		*288*	*288*	*4,065*	*-*
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		*1,475*	*16*	*485*	*649*
25	Interdependent assets		-	-	-	-
26	Other assets:	-	1,246	996	4,666	4,357
27	*Physical traded commodities*				*-*	*-*
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*			*92*		*79*
29	*NSFR derivative assets*			*-*		*-*
30	*NSFR derivative liabilities before deduction of variation margin posted*			*797*		*40*
31	*All other assets not included in the above categories*		*357*	*107*	*3,777*	*4,239*
32	Off-balance sheet items		10,313	2,583	24,947	2,351
33	**Total RSF**					**54,753**
34	**Net Stable Funding Ratio (%)**					**126%**

Disclosure of credit risk mitigation techniques

Disclosure of credit risk mitigation techniques (Art. 453 CRR)

Bank Austria has been authorized by Austrian Financial Market Authority (FMA) and the Austrian National Bank (OeNB) to use its own estimates for volatility adjustments (comprehensive method) for credit risk mitigation techniques. This permission was given without limitation.

Qualitative disclosure as of 31 December 2024

In accordance with the “Revised Framework of International Convergence of Capital Measures and Rules” (Basel), Bank Austria is firmly committed to satisfying the requirements for recognition of Credit Risk Mitigation (hereafter “CRM”) techniques for regulatory capital purposes, according to the approach adopted (Advanced IRB).

Bank Austria has acknowledged the regulatory requirement with specific internal Guidelines issued locally and by the Holding Company, in compliance with the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (CRR) and Regulation (EU) No. 876/2019 of 20 Mai 2019 (amending Regulation (EU) No 575/2013).

Such Guidelines pursue several objectives:
- to encourage collateral and guarantees optimal management;
- to maximize the mitigating effect of collateral and guarantees on defaulted loans;
- to attain positive effect on Group capital requirements, ensuring that local CRM practices meet minimum “Basel” requirements;
- to define general rules for eligibility, valuation, monitoring and management of collateral (funded protection) and guarantees (unfunded protection) and to detail special rules and requirements for specific collateral/guarantees.

Credit Risk mitigations are accepted only to support loans and they cannot serve as a substitute for the borrower’s ability to meet its obligations. For this reason they must be evaluated in the credit application along with the assessment of the creditworthiness and the repayment capacity of the borrower, emphasizing the importance of the “legal certainty” requirement for all collaterals and guarantees, as well as their suitability.

Bank Austria put in place all necessary actions to:
- fulfill the respect of any contractual and legal requirements, and take all steps necessary to ensure the enforceability of the collateral/guarantee arrangements under the applicable law;
- conduct sufficient legal review confirming the enforceability of the collateral/guarantee arrangements on the parties and in the relevant jurisdictions.

Such a review is repeated as necessary to ensure the enforceability of the security interest over the entire term of the underlying collateralized loan exposure. Furthermore, attention is always paid to the adequacy of a collateral agreement. Adequate collateralization by way of physical collateral and guarantee or surety exists if it is consistent with the underlying credit exposure and there are no relevant risks vis-à-vis the collateral provider.

In general, strict internal instructions and procedures are in place to ensure the formal enforceability of any physical collateral and guarantee or surety taken.

Collateral management assessments and Credit Risk Mitigation compliance verifications are performed specifically as part of the wider process of internal validation on rating.

Policies and processes for on- and off-balance sheet netting

In general, netting agreements on balance sheet of reciprocal credit exposures between the Bank and its counterparty are considered eligible if they are legally effective and enforceable in all relevant jurisdictions, including in the event of default or bankruptcy of counterparty, and if they meet the following operational conditions:
- provide for the netting of gains and losses on transactions cleared under the master agreement so that a single net amount is owed by one party to the other;
- fulfil the minimum requirements for recognition of financial collateral (valuation requirements and monitoring).

Disclosure of credit risk mitigation techniques

In general, Bank Austria apply netting agreements only if they are able at any time to determine the position netting value (assets and liabilities with the same counterparty that are subject to the netting agreement), monitoring and controlling debts, credit and netting value.

Netting instruments are mainly used for OTC derivatives, repos and securities lending transactions where the counterparties are – generally – Financial Institutions. The primary objective of the bank is to cover with netting agreements as many as possible transactions to reduce utilization of credit lines and to release the amount of required regulatory capital. In this regard, a special Global Policy ("Counterparty Credit Risk") has been issued aiming at defining an efficient and comprehensive framework for collateral management to safeguard the bank from avoidable risk-taking.

The effectiveness of a collateral agreement of each individual counterparty relationship depends on the selection of appropriate assets qualifying as eligible collateral. Certain collateral types may present inherent risks related to the price volatility, the liquidity and the settlement of the asset. In addition, the collateral assets must be assessed in the context of the collateral providing counterparty (double default risk). The mentioned policy details the eligibility criteria for both OTC derivatives and Repo/securities Lending Transactions, and defines the requirements in terms of documentations, requiring, as a general base, market standard agreements such as ISDA Master Agreement, Global Master Repurchase Agreement or European Master Agreement.

Policies and processes for collateral evaluation and management

Bank Austria has implemented a clear and robust system for managing the credit risk mitigation techniques, governing the entire process for evaluation, monitoring and management of collaterals.

The assessment of the collateral value is based on the current market price or the estimated amount which the underlying asset could reasonably be liquidated for (i.e. pledged financial instrument or mortgaged real estate fair value).

For financial instruments, valuation methods are different depending on their type:
- securities listed on a recognized stock exchange, are evaluated according to the market price (the price of the most recent trading session);
- securities not listed on a recognized stock exchange, have to be based on pricing models based on market data;
- undertakings for Collective Investments and mutual funds are based on the price for the units that are publicly quoted daily.

The market price of pledged securities is adjusted by applying haircuts for market price and /or foreign exchange volatility, according to regulatory requirements.

In case of currency mismatch between the credit facility and the collateral, an additional haircut is applied.

Possible mismatches between the maturity of the exposure and that of the collateral are also considered in the adjusted collateral value.

The current models in place are based on internally estimated haircuts. The methodological approach provides that the hedging value has to be estimated for each financial instrument on the basis of its market value (i.e. mark-to-market) adjusted with a haircut that has to consider the intrinsic riskiness according to the different factors (price risk, time of ownership and liquidity risk).

Bank Austria is provided with a tool for the automatic evaluation of the mark- to- market of the pledged securities, granting the constant monitoring of the financial collateral values.

For the valuation of real estate collateral, specific processes and procedures ensure that the property is evaluated by an independent appraiser. In Bank Austria systems for the periodic monitoring and revaluation of the real estate collateral, based on statistical methods, adopting internal databases or provided by external info-providers, are in place.

Other types of collateral are subject to specific prudential haircuts. Monitoring activities strictly depend on the collateral characteristics. In general pledges on goods are treated with caution.

Disclosure of credit risk mitigation techniques

Description of the main types of collateral taken

The collateral accepted in support of credit lines primarily includes real estate, both residential and commercial and financial instruments collateral, including debt securities, equities, and units of Undertakings for Collective Investment in Transferable Securities (UCITS). The remaining part includes pledges on other assets and other collaterals.

However, in order to be considered eligible for risk mitigation, the general requirements according to Supervisory Regulations must be met, along with the specific requirements for the approach adopted for purposes of calculating regulatory capital for the individual counterparty/exposure (Standardized, F-IRB, A-IRB), in accordance with the legal framework of the country in scope.

The UniCredit Holding Company provides specific guidelines for the eligibility of all kinds of collaterals and each Legal Entity shall define the list of eligible collateral, according to Group methods and procedures and in compliance with local legal and supervisory requirements and peculiarities.

Main types of guarantors and credit derivative counterparties and their creditworthiness

Personal guarantees can be accepted as module complementary and accessory to the granting of loans, for which the risk mitigation serves as additional security for repayment.

At portfolio level, personal guarantees are provided by banks, government, central banks and other public entities and others. The last category includes the personal guarantees provided by natural persons, whose eligibility for CRM depends on the specific approach.

Credit derivative protection providers are mainly banks and institutional counterparties.

The list of eligible protection providers depends on the specific approach, Bank Austria recognize guarantees provided if the relevant requirements are satisfied and that the protection provider risk profile can be evaluated at the time that the guarantee is established and over its entire duration.

Before a personal guarantee is accepted, the protection provider (or the protection seller in case of credit default swap) must be assessed to measure his/her creditworthiness and risk profile. The hedging effect of guarantees/credit derivatives for the purpose of credit protection depends basically on the creditworthiness of the protection provider which is assessed during the credit underwriting phase.

Information about market or credit risk concentrations of the used credit risk mitigation instruments

Concentration risk occurs when a major part of collateral financial assets (at portfolio level) is concentrated in a small number of collateral types, protection instruments, or specific providers of collaterals or sectors or when there is lack of proportion in the volume of collaterals taken.

Such concentration is monitored and controlled by the following processes/mechanisms:
- In case of personal guarantees/credit derivatives, a contingent liability (indirect risk) is charged to the protection provider. In the evaluation of the credit application, a secondary commitment is added to the guarantor and it is reflected in the guarantor's total credit exposure as deemed competent and approved in accordance with the bank's system of authority;
- In case the protection provider, directly or indirectly, is a Central Bank or a Sovereign, a specific credit limit must be instructed and, if the guarantor is a foreign subject, a country limit must be obtained, if necessary.

Disclosure of credit risk mitigation techniques

EU CR3 – CRM techniques overview (Art. 453 CRR)

EU CR3 - CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

(€ million)

			SECURED CARRYING AMOUNT			
					OF WHICH: SECURED BY FINANCIAL GUARANTEES	
DESCRIPTION		UNSECURED CARRYING AMOUNT		OF WHICH: SECURED BY COLLATERAL		OF WHICH: SECURED BY CREDIT DERIVATIVES
		a	b	c	d	e
1	Loans and advances	35,830	40,452	33,019	7,433	-
2	Debt securities	21,232	-	-	-	
3	**Total as at 31.12.2024**	**57,062**	**40,452**	**33,019**	**7,433**	**-**
4	*of which: non-performing exposures*	*280*	*966*	*655*	*311*	-
EU-5	*of which: defaulted*	*280*	*966*			
	Total as at 31.12.2023	**58,647**	**36,258**	**28,032**	**8,227**	**-**
	of which: non-performing exposures	*297*	*1,141*	*770*	*372*	-
	of which: defaulted	*297*	*1,141*			

The secured and unsecured carrying amounts correspond to the amount of the gross credit exposure belonging to the following accounting portfolios:

- Cash balances at banks and central banks and other demand deposits;
- Financial assets at amortised cost;
- Financial assets at fair value through other comprehensive income;
- Financial assets at fair value through profit or loss - designated at fair value;
- Financial assets at fair value through profit or loss - mandatorily at fair value.

Disclosure of credit risk mitigation techniques

EU CR4 – Standardised approach – Credit risk exposure and CRM effects (Art. 453 CRR)

EU CR4 - Standardised approach - Credit risk exposure and CRM effects

(€ million)

		EXPOSURES BEFORE CCF AND BEFORE CRM		EXPOSURES POST CCF AND POST CRM		RWEA AND RWEA DENSITY	
		ON-BALANCE SHEET EXPOSURES	OFF-BALANCE SHEET EXPOSURES	ON-BALANCE SHEET EXPOSURES	OFF-BALANCE SHEET EXPOSURES	RWEA	RWEA DENSITY (%)
EXPOSURE CLASSES		a	b	c	d	e	f
1	Central governments or central banks	15,743	1,544	19,334	171	629	3.2%
2	Regional government or local authorities	4,806	2,879	7,383	83	6	0.1%
3	Public sector entities	1,615	240	520	5	105	19.9%
4	Multilateral development banks	694	-	803	10	-	-
5	International organisations	2,805	0	2,805	0	-	-
6	Institutions	6	-	203	30	56	24.0%
7	Corporates	2,475	2,906	2,077	201	1,664	73.1%
8	Retail	613	78	419	26	316	71.0%
9	Exposures secured by mortgages on immovable property	406	3	406	1	166	40.9%
10	Exposures in default	116	3	106	1	135	126.4%
11	Exposures associated with particularly high risk	59	-	40	-	61	150.0%
12	Covered bonds	1	-	1	-	0	16.5%
13	Exposures to institutions and corporates with a short-term credit assessment	19	-	19	-	7	38.0%
14	Units or shares in collective investment undertakings	-	-	-	-	-	-
15	Equity exposures	552	-	552	-	1,379	249.6%
16	Other items	600	-	600	-	523	87.1%
17	**Total as at 31.12.2024**	**30,512**	**7,652**	**35,268**	**529**	**5,046**	**14.1%**
	Total as at 31.12.2023	**30,671**	**7,445**	**35,371**	**645**	**5,320**	**14.8%**

Disclosure of credit risk mitigation techniques

EU CR7 – IRB approach – Effect on the RWAs of credit derivatives used as CRM techniques (Art. 453 CRR)

EU CR7 - IRB approach - Effect on the RWEAs of credit derivatives used as CRM techniques

(€ million)

	EXPOSURE CLASSES	PRE-CREDIT DERIVATIVES RISK WEIGHTED EXPOSURE AMOUNT	ACTUAL RISK WEIGHTED EXPOSURE AMOUNT
		a	b
1	**Exposures under F-IRB**	**1**	**1**
2	Central governments or central banks	-	-
3	Institutions	-	-
4	Corporates	1	1
4.1	*of which: Corporates - SMEs*	-	-
4.2	*of which: Corporates - Specialised lending*	-	-
5	**Exposures under A-IRB**	**20,800**	**20,800**
6	Central governments or central banks	159	159
7	Institutions	975	975
8	Corporates	13,229	13,229
8.1	*of which: Corporates - SMEs*	*1,973*	*1,973*
8.2	*of which: Corporates - Specialised lending*	*546*	*546*
9	Retail	6,437	6,437
9.1	*of which: Retail – Secured by immovable property SMEs*	*615*	*615*
9.2	*of which: Retail – Secured by immovable property non-SMEs*	*4,112*	*4,112*
9.3	*of which: Retail – Qualifying revolving*	*456*	*456*
9.4	*of which: Retail – Other SMEs*	*185*	*185*
9.5	*of which: Retail – Other non-SMEs*	*1,069*	*1,069*
10	**Total as at 31.12.2024 (including F-IRB exposures and A-IRB exposures)**	**20,802**	**20,802**
	Total as at 31.12.2023 (including F-IRB exposures and A-IRB exposures)	**21,828**	**21,828**

The above table illustrates the effect of credit derivatives on IRB approach capital requirements' calculation, comparing RWA before and after credit derivatives mitigation.

In Bank Austria, there is no effect from such mitigation techniques on RWA under the IRB approach.

Disclosure of credit risk mitigation techniques

EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques (Art. 453 CRR)

EU CR7-A - IRB approach - Disclosure of the extent of the use of CRM techniques - AIRB

(€ million)

			CREDIT RISK MITIGATION TECHNIQUES				
			FUNDED CREDIT PROTECTION (FCP)				
				PART OF EXPOSURES COVERED BY OTHER ELIGIBLE COLLATERALS (%)			
		TOTAL EXPOSURE VALUE	PART OF EXPOSURES COVERED BY FINANCIAL COLLATERALS (%)		PART OF EXPOSURES COVERED BY IMMOVABLE PROPERTY COLLATERALS (%)	PART OF EXPOSURES COVERED BY RECEIVABLES (%)	PART OF EXPOSURES COVERED BY OTHER PHYSICAL COLLATERAL (%)
A-IRB		a	b	c	d	e	f
1	Central governments or central banks	1,057	0.04%	-	-	-	-
2	Institutions	9,073	4.01%	0.12%	0.01%	0.12%	-
3	Corporates	38,846	1.95%	30.93%	29.75%	0.79%	0.38%
3.1	*of which: Corporates – SMEs*	*6,537*	*3.82%*	*71.91%*	*70.65%*	*1.04%*	*0.22%*
3.2	*of which: Corporates – Specialised lending*	*974*	*4.45%*	*51.92%*	*51.92%*	-	-
3.3	*of which: Corporates – Other*	*31,335*	*1.48%*	*21.72%*	*20.53%*	*0.76%*	*0.43%*
4	Retail	20,988	0.89%	63.36%	63.35%	0.01%	-
4.1	*of which: Retail – Secured by immovable property SMEs*	*1,847*	*1.41%*	*87.30%*	*87.27%*	*0.04%*	-
4.2	*of which: Retail – Secured by immovable property non-SMEs*	*13,867*	*0.60%*	*84.25%*	*84.25%*	*0.00%*	-
4.3	*of which: Retail – Qualifying revolving*	*2,693*	-	-	-	-	-
4.4	*of which: Retail – Other SMEs*	*457*	*8.80%*	*0.14%*	-	*0.14%*	-
4.5	*of which: Retail – Other non-SMEs*	*2,124*	*1.79%*	-	-	-	-
5	**Total as at 31.12.2024**	**69,963**	**1.87%**	**36.19%**	**35.52%**	**0.46%**	**0.21%**
	Total as at 31.12.2023	**73,721**	**1.84%**	**34.09%**	**33.44%**	**0.48%**	**0.17%**

Disclosure of credit risk mitigation techniques

continued: EU CR7-A - IRB approach - Disclosure of the extent of the use of CRM techniques - AIRB

(€ million)

		CREDIT RISK MITIGATION TECHNIQUES						CREDIT RISK MITIGATION METHODS IN THE CALCULATION OF RWEAS	
		FUNDED CREDIT PROTECTION (FCP)				UNFUNDED CREDIT PROTECTION (UFCP)			
		PART OF EXPOSURES COVERED BY OTHER FUNDED CREDIT PROTECTION (%)	PART OF EXPOSURES COVERED BY CASH ON DEPOSIT (%)	PART OF EXPOSURES COVERED BY LIFE INSURANCE POLICIES (%)	PART OF EXPOSURES COVERED BY INSTRUMENTS HELD BY A THIRD PARTY (%)	PART OF EXPOSURES COVERED BY GUARANTEES (%)	PART OF EXPOSURES COVERED BY CREDIT DERIVATIVES (%)	RWEA WITHOUT SUBSTITUTION EFFECTS (REDUCTION EFFECTS ONLY)	RWEA WITH SUBSTITUTION EFFECTS (BOTH REDUCTION AND SUBSTITUTION EFFECTS)
A-IRB		g	h	i	j	k	l	m	n
1	Central governments or central banks	-	-	-	-	-	-	158	159
2	Institutions	-	-	-	-	-	-	970	975
3	Corporates	0.21%	-	0.02%	0.19%	-	-	13,237	13,229
3.1	*of which: Corporates – SMEs*	*0.31%*	-	*0.14%*	*0.17%*	-	-	*1,977*	*1,973*
3.2	*of which: Corporates – Specialised lending*	*0.34%*	-	-	*0.34%*	-	-	*546*	*546*
3.3	*of which: Corporates – Other*	*0.19%*	-	*0.00%*	*0.19%*	-	-	*10,715*	*10,710*
4	Retail	2.73%	-	2.73%	0.00%	-	-	6,438	6,437
4.1	*of which: Retail – Secured by immovable property SMEs*	*3.74%*	-	*3.74%*	*0.00%*	-	-	*615*	*615*
4.2	*of which: Retail – Secured by immovable property non-SMEs*	*2.80%*	-	*2.80%*	-	-	-	*4,112*	*4,112*
4.3	*of which: Retail – Qualifying revolving*	-	-	-	-	-	-	*456*	*456*
4.4	*of which: Retail – Other SMEs*	*4.56%*	-	*4.45%*	*0.11%*	-	-	*186*	*185*
4.5	*of which: Retail – Other non-SMEs*	*4.45%*	-	*4.45%*	-	-	-	*1,069*	*1,069*
5	**Total as at 31.12.2024**	**0.94%**	**-**	**0.83%**	**0.11%**	**-**	**-**	**20,803**	**20,800**
	Total as at 31.12.2023	**1.18%**	**-**	**1.04%**	**0.14%**	**-**	**-**	**21,837**	**21,828**

Disclosure of credit risk mitigation techniques

The table below shows the details of Bank Austria's F-IRB approach:

EU CR7-A - IRB approach - Disclosure of the extent of the use of CRM techniques - FIRB

(€ million)

F-IRB		TOTAL EXPOSURE VALUE	CREDIT RISK MITIGATION TECHNIQUES – FUNDED CREDIT PROTECTION (FCP): PART OF EXPOSURES COVERED BY FINANCIAL COLLATERALS (%)	PART OF EXPOSURES COVERED BY OTHER ELIGIBLE COLLATERALS (%)	PART OF EXPOSURES COVERED BY IMMOVABLE PROPERTY COLLATERALS (%)	PART OF EXPOSURES COVERED BY RECEIVABLES (%)	PART OF EXPOSURES COVERED BY OTHER PHYSICAL COLLATERAL (%)
		a	b	c	d	e	f
1	Central governments and central banks	-	-	-	-	-	-
2	Institutions	-	-	-	-	-	-
3	Corporates	5	-	-	-	-	-
3.1	*of which: Corporates – SMEs*	-	-	-	-	-	-
3.2	*of which: Corporates – Specialised lending*	-	-	-	-	-	-
3.3	*of which: Corporates – Other*	5	-	-	-	-	-
4	**Total as at 31.12.2024**	**5**	**-**	**-**	**-**	**-**	**-**
	Total as at 31.12.2023	**-**	**-**	**-**	**-**	**-**	**-**

continued: EU CR7-A - IRB approach - Disclosure of the extent of the use of CRM techniques - FIRB

(€ million)

F-IRB		CREDIT RISK MITIGATION TECHNIQUES – FUNDED CREDIT PROTECTION (FCP): PART OF EXPOSURES COVERED BY OTHER FUNDED CREDIT PROTECTION (%)	PART OF EXPOSURES COVERED BY CASH ON DEPOSIT (%)	PART OF EXPOSURES COVERED BY LIFE INSURANCE POLICIES (%)	PART OF EXPOSURES COVERED BY INSTRUMENTS HELD BY A THIRD PARTY (%)	UNFUNDED CREDIT PROTECTION (UFCP): PART OF EXPOSURES COVERED BY GUARANTEES (%)	PART OF EXPOSURES COVERED BY CREDIT DERIVATIVES (%)	CREDIT RISK MITIGATION METHODS IN THE CALCULATION OF RWEAS: RWEA WITHOUT SUBSTITUTION EFFECTS (REDUCTION EFFECTS ONLY)	RWEA WITH SUBSTITUTION EFFECTS (BOTH REDUCTION AND SUBSTITUTION EFFECTS)
		g	h	i	j	k	l	m	n
1	Central governments and central banks	-	-	-	-	-	-	-	-
2	Institutions	-	-	-	-	-	-	-	-
3	Corporates	-	-	-	-	-	-	1	1
3.1	*of which: Corporates – SMEs*	-	-	-	-	-	-	-	-
3.2	*of which: Corporates – Specialised lending*	-	-	-	-	-	-	-	-
3.3	*of which: Corporates – Other*	-	-	-	-	-	-	1	1
4	**Total as at 31.12.2024**	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**1**
	Total as at 31.12.2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Declarations

Declaration by the Manager charged with preparing the financial reports

The undersigned Barbara Viti, in her capacity as the Manager charged with preparing the financial reports of UniCredit Bank Austria AG

DECLARES

that the information disclosed in this document corresponds to the document results, books and accounts records.

Vienna, 11 March 2025

Barbara Viti

Declaration pursuant to the EBA Guidelines 2016/11 on disclosure requirements under Part Eight of Regulation (EU) No 575/2013

The undersigned Hélène Buffin (Chief Financial Officer) and Barbara Viti (as Manager charged with preparing the financial reports) of UniCredit Bank Austria AG

CERTIFY

that, pursuant to the EBA Guidelines 2016/11 on disclosure requirements under Part Eight of Regulation (EU) No 575/2013 ("CRR") 4.2 paragraph – section C, disclosures provided according to the aforementioned Part Eight have been prepared in accordance with the internal control processes agreed upon at the management body level.

Vienna, 11 March 2025

Hélène Buffin

Barbara Viti