



Acceleration in action

From potential to performance

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Von UniCredit Unlocked zu UniCredit Unlimited

UniCredit ist eine europaweit führende Geschäftsbank, die erstklassige Lösungen und Dienstleistungen in Italien, Deutschland, Österreich sowie Mittel- und Osteuropa anbietet.

Mit unseren strukturellen Vorteilen und unserem Netzwerk aus leistungsstarken Banken, die wir in großem Umfang nutzen, setzen wir mit unserem erfolgreichen Geschäftsmodell neue Maßstäbe im Bankwesen, indem wir unsere Kund:innen in den Mittelpunkt stellen und das Potenzial unserer Mitarbeiter:innen freisetzen.

UniCredit Unlocked hat unsere Bank verändert und gezeigt, was disziplinierte Umsetzung, befähigte und motivierte Mitarbeiter:innen und ein einheitliches Betriebsmodell bewirken können.

Jetzt gehen wir entschlossen von „Unlocked“ zu „Unlimited“ über – eine neue Phase, die von größeren Ambitionen und einem grundlegenden Umdenken darüber geprägt ist, wie eine europäische Bank funktionieren sollte.



Unser einzigartiges Erfolgsversprechen. Größe der Gruppe, lokale Reichweite.

Eine zentrale Überzeugung: Unsere Bank verfügt über ein unübertroffenes Potenzial, das es durch die Nutzung unserer strukturellen Vorteile freizusetzen galt.



>20 Mio

Kund:innen¹ mit >60% Betriebsertrag aus KMUs, Privatkunden und vermögenden Kund:innen

Die #1

Bank in Europa und in unseren Regionen jedes Jahr seit 2022²

Führender Marktanteil

im Bereich Group Trade & Correspondent Banking mit Top-3-Positionen in allen UniCredit-Ländern

Attraktive geografische Mischung

Wir sind die einzige wirklich paneuropäische Bank: mit 13 Banken + 1 eingebetteten Bank in ganz Europa und einer Top-3-Position in 90% unserer Märkte.

Dies verschafft uns Größe, Diversifizierung, Stabilität, begrenzte Wechselkurs-schwankungen und eine geringere geopolitische Konzentration im Vergleich zu anderen grenzüberschreitenden Modellen und bietet strategische Optionen in mehr als 13+1 Märkten.

Hochwertiger Kundenmix

Wir verfügen über mehr als 20 Millionen langjährige Kundenbeziehungen, vor allem mit Privatkund:innen, vermögenden Kund:innen und kleinen und mittleren Unternehmen (KMUs), bei denen die Renditen aufgrund einer höheren Kapitalrendite (RoAC, Return on Allocated Capital), Cross-Selling- und Crossover-Quote strukturell attraktiver sind.

Gezielte Produktpalette

Unsere Group Factories bieten in Verbindung mit unserer detaillierten lokalen Präsenz eine Breite und Tiefe des Angebots, die lokale Wettbewerber nicht erreichen können. Wir nutzen Skaleneffekte nur dort, wo sie echte Vorteile bringen – Product Factories, Technologie, Daten & KI, Beschaffung – und erschließen so Synergien und steigern die Effektivität innerhalb der gesamten Gruppe.

Ein einzigartiges Angebot, das auf der Größe der Gruppe und der lokalen Reichweite basiert



Kund:innen stehen wirklich im Mittelpunkt, die Organisation wird durch eine gemeinsame Vision, einen gemeinsamen Zweck, eine gemeinsame Strategie und eine gemeinsame Kultur vereint.



Befähigte Banken und Menschen innerhalb eines klaren Konzernrahmens, der sicherstellt, dass sie innerhalb einer klaren Konzernstrategie und eines klaren Konzernrahmens so unabhängig wie möglich sind.



Fokussierung auf das, was wirklich Mehrwert schafft und wie man von Skaleneffekten profitiert.



Eine Bottom-up-Kultur, die auf Umsetzung ausgerichtet ist und außergewöhnliche Ergebnisse liefert.

Dieses föderale Modell verbessert das gesamte System: Die Gruppe stellt Plattformen, Fähigkeiten und Leitlinien bereit, während die gestärkten lokalen Banken für die Kund:innen da sind und überdurchschnittliche Leistungen erbringen.

1. UniCredit hat ca. 17,5 Millionen Kund:innen (davon 15 Millionen aktive Kund:innen) und Alpha hat 3,7 Millionen Kund:innen.

2. Ausgezeichnet als Bank des Jahres 2025 von The Banker in Italien, Österreich, Bosnien und Herzegowina, Bulgarien, Kroatien und Rumänien; Beste Bank in Europa von Euromoney im Jahr 2025; Global Best Bank von The Banker in den Jahren 2023 und 2024; Global Bank of the Year von International Financing Review im Jahr 2024.

Ein einzigartiger Zusammenschluss führender Banken

13+1

Führende Banken, einschließlich Partnerschaft mit Alpha Bank

75.000

Talentierte Kolleg:innen¹

>20 Mio

Kund:innen mit primärer Beziehung, in ganz Europa vernetzt

4

Abgedeckte Regionen

3

Product Factories

über 1.000

Aktive Mitglieder² in Mitarbeiter-Netzwerken



Rekordjahr 2025 als Krönung von fünf Jahren herausragender Leistung

Wir haben ein Rekordjahr und 20 aufeinanderfolgende Quartale mit qualitativ hochwertigem, profitabilem Wachstum erzielt, was fünf Jahre disziplinierter Umsetzung widerspiegelt. Diese starke Dynamik zeigt sich in allen Kennzahlen – wir liefern heute Ergebnisse und bauen gleichzeitig für morgen auf.

Finanzielle Highlights

UMSATZWACHSTUM

24,5 Mrd €

Bruttoerträge

Unverändert¹ (ggü. Vorjahr)

GEWINNSTEIGERUNG

10,6 Mrd €²

Nettogewinn

+14% (ggü. Vorjahr)

RoTE (Return on Tangible Equity)

19,2%

+1,5 Prozentpunkte (ggü. Vorjahr)

ERTRAGSQUALITÄT

36%

Gebühren und Netto-

Versicherungserträge/Nettoerträge

+2 Prozentpunkte (ggü. Vorjahr)

OPERATIVE EFFIZIENZ

38,5%

Branchenweit beste

Cost-Income-Ratio

Unveränderte Kosten (ggü. Vorjahr),
Rückgang um -2 Prozentpunkte ohne
neuen Perimeter

VERMÖGENSQUALITÄT

15 Basispunkte

Cost of Risk (CoR)

+1 Basispunkt (ggü. Vorjahr)

WACHSTUM DES GEWINNS/AKTIE (EPS)

+20% EPS

+31% DPS³

+19% TBVPS⁴

GESAMTAUSSCHÜTTUNGEN⁵

9,5 Mrd €

+6% (ggü. Vorjahr)

SOLIDE NPE-QUOTE (Non-Performing Exposures)

1,6%

- Die Bruttoeinnahmen blieben im Geschäftsjahr gegenüber dem Vorjahr unverändert, bereinigt um negative Auswirkungen in Höhe von rund 240 Millionen € im Zusammenhang mit der Absicherung unseres strategischen Portfolios, die im 4. Quartal 2025 verbucht wurden, um dessen Rendite zu schützen und zu optimieren, oder ansonsten um rund -1% im Geschäftsjahr gegenüber dem Vorjahr.
- Der ausgewiesene Nettogewinn wurde um die Auswirkungen aus dem steuerlichen Verlustvortrag bereinigt.
- Die DPS (Dividend per Share) für das Geschäftsjahr 2025 berechnet sich aus der im November 2025 gezahlten Zwischen-DPS von 1,4282 € zuzüglich einer vorläufigen endgültigen DPS von 1,7205 €, berechnet zum 6. Februar 2026 auf der Grundlage der bestmöglichen Schätzung der voraussichtlichen Anzahl der dividendenberechtigten Aktien. Die endgültige endgültige DPS wird gemäß dem üblichen Verfahren bekannt gegeben.
- Zwischendividende für das Geschäftsjahr 2025, die im November 2025 in Höhe von 1,4282 € ausgezahlt wird, oder +11% im Geschäftsjahr ohne diese Dividende.
- Vorbehaltlich der Zustimmung der Aufsichtsbehörden, des Verwaltungsrats und der Aktionäre. Gesamtausschüttung für das Geschäftsjahr 2025 in Höhe von 9,5 Mrd €, davon 4,75 Mrd € als Bardividende (davon wurden 2,2 Mrd € bereits im November 2025 als Zwischendividende ausgezahlt, die restlichen 2,58 Mrd € entsprechen einer vorläufigen endgültigen DPS von 1,7205 €).

Mit gutem Beispiel vorangehen

Dank unserer starken Grundlagen konnten wir auch 2025 weitere Fortschritte bei unseren ESG-Kennzahlen (Environmental, Social and Governance) erzielen.

Highlights im Bereich Nachhaltigkeit



Umwelt (E)

ESG-Kredite, nachhaltige Anleihen und Netto-Null-Verpflichtungen.

Wir haben unsere ESG-Kredite und nachhaltigen Anleihen ausgebaut und haben seit Januar 2025 insgesamt 11,3 Milliarden € bei Umweltkrediten und 5,9 Milliarden € bei der Emission nachhaltiger Anleihen erreicht.

11,3 Mrd €
an Umweltkrediten

5,9 Mrd €
an emittierten nachhaltigen Anleihen



Soziales (S)

Social Financing und Beitrag zur Unterstützung unserer Communities

Unsere Social Financing erreichte 2025 einen Wert von 5,5 Mrd €, wodurch Mikrokredite, Impact-Finanzierungen und Darlehen an benachteiligte Gebiete ermöglicht wurden. Darüber hinaus haben wir durch gezielte Initiativen einen sozialen Beitrag in Höhe von rund 71 Millionen € geleistet.

ca. 71 Mio €
an Sozialen Beiträgen

ca. 15.600
Stunden, die von unseren Kolleg:innen für ehrenamtliche Tätigkeiten geleistet wurden



Governance/ Unternehmens- führung (G)

ESG-konforme Vergütung, solides Risiko und Richtlinien-Framework.

Wir haben eine solide ESG-Governance aufgebaut, die sich auf die Vergütung der obersten Führungsebene, die ESG-Vertretung im Group Executive Committee und robuste Kredit- und Richtlinienrahmen stützt. Ermöglicht wurde dies durch unser starkes Engagement für Vielfalt, Gerechtigkeit und die Förderung einer integrativen Kultur in der gesamten Bank.

53%
Frauenanteil im Verwaltungsrat

ca. 1%
Geschlechtsspezifisches Lohngefälle (Gender Pay Gap) in vergleichbaren Positionen

Ein neuer Weg für eine neue Ära des europäischen Bankwesens

“

**Es ist an der Zeit für
„UniCredit Unlimited“.**
Wir schlagen ein mutiges
neues Kapitel auf, geprägt
von Ehrgeiz, Innovation und
einem neuen Verständnis,
was eine europäische
Bank sein kann und
sein sollte.

Andrea Orcel
CEO UniCredit S.p.A.





UniCredit mit zahlreichen Auszeichnungen in ganz Europa geehrt



UniCredit erreicht Single-A-Bereich, nachdem Fitch das Emittentenrating auf A- angehoben hat



UniCredit erhält zum zweiten Mal ein Single-A-Rating



UniCredit erhält sein drittes Single-A-Rating, nachdem Moody's das Emittentenrating auf A3 angehoben hat



In sechs Ländern zur Bank des Jahres gekürt

Sehr geehrte Stakeholder,

In den letzten Jahren hat die UniCredit eine hervorragende Performance erzielt, unter den unterschiedlichsten wirtschaftlichen Bedingungen. In einem Umfeld, das von Volatilität und strukturellem Wandel geprägt war, haben wir sehr gute Erträge, eine robuste Kapitalausstattung und ein diszipliniertes Wachstum erzielt, was durch die herausragende Effizienz und den RoTE der Gruppe unterstrichen wird. Diese Erfolge sind das Ergebnis unserer gezielt getroffenen Entscheidungen, wie wir unser Kapital einsetzen und unsere Risiken managen, und beweisen die Resilienz und Nachhaltigkeit unserer Strategie.

Als ich 2021 zur UniCredit kam, stand die Gruppe vor großen Herausforderungen und ein entscheidender Kurswechsel war notwendig. Mit unserer Strategie „UniCredit Unlocked“ haben wir die Bank grundlegend neu gestaltet und die notwendigen Grundlagen geschaffen, um ihr bislang ungenutztes Potenzial zu erschließen, indem wir mit unseren Mitarbeiter:innen eine gemeinsame Vision, Strategie und Kultur geschaffen haben. Damit einher ging eine grundlegende Überarbeitung unseres Geschäftsmodells – wir haben unsere Effizienz gesteigert und gleichzeitig in unsere Mitarbeiter:innen, digitalen Kompetenzen, Produktplattformen und den Vertrieb investiert. Diese Transformation ermöglichte es uns, ein Umfeld zu schaffen, das unsere Teams befähigt, mit viel Klarheit und Zielstrebigkeit außergewöhnliche Ergebnisse zu erzielen.

Gemeinsam haben wir die Gruppe von einem Nachzügler zu einem Vorreiter in unserer Branche gemacht. Heute können wir unseren Kund:innen eine Serviceleistung wie nie zuvor bieten und Communities auf dem gesamten Kontinent zu Wachstum und Weiterentwicklung verhelfen. Jetzt ist es an der Zeit, noch einen Schritt weiter zu gehen und mit „UniCredit Unlimited“ ein ehrgeiziges neues Kapitel aufzuschlagen, das traditionelle Grenzen überschreitet und die Möglichkeiten im Finanzsektor neu definiert – aufbauend auf derselben Grundlage von Vertrauen und Handlungsfähigkeit, die unseren bisherigen Fortschritt geprägt hat.

Ein weiteres Jahr mit Rekordergebnissen

Unsere Ergebnisse für 2025 sind erneut die besten in der Geschichte der UniCredit und markieren unser 20. Quartal in Folge mit profitablen Wachstum.

Der Nettogewinn erreichte 10,6 Milliarden €, was einem Anstieg von 14% gegenüber dem Vorjahr entspricht, während der RoTE auf 19,2% stieg, was die Stärke unseres disziplinierten und kapitalstärkenden Geschäftsmodells unterstreicht.

Diese Ergebnisse wurden trotz außerordentlicher Aufwendungen in Höhe von 1,4 Milliarden € erzielt, die bewusst vorgezogen wurden, um unseren mittelfristigen Kurs weiter zu stärken. Wir haben das Jahr mit einer robusten CET1-Quote von 14,7% abgeschlossen und eine Ausschüttung an unsere Aktionäre in Höhe von 9,5 Milliarden € angekündigt, darunter 4,75 Milliarden € in Form von Bardividenden.

Die operative Effizienz blieb mit einer Cost-Income-Ratio von 38,5% weiterhin erstklassig, was unsere anhaltende Disziplin bei der Umsetzung widerspiegelt. Mit Blick auf die Zukunft ist es unser Ziel, 2028 einen Nettogewinn von rund 13 Milliarden € und einen RoTE von über 23% zu erzielen, mit weiteren Verbesserungen bis 2030. Wir konzentrieren uns weiterhin auf eine konstante überdurchschnittliche Performance über die gesamten Periode hinweg und sind zuversichtlich, dass wir in den kommenden Jahren ein gewinnbringendes Wachstum und überdurchschnittliche Ausschüttungen aufrechterhalten können.

Die Finanzbranche im Wandel

Auch nach einem weiteren Jahr mit hervorragenden Ergebnissen können wir es uns nicht leisten stillzustehen. Die Welt um uns herum verändert sich weiterhin in einem rasanten Tempo, und das zweite Viertel dieses Jahrhunderts wird wahrscheinlich die größte Transformation darstellen, die unsere Branche seit einer Generation erlebt hat. Fortschritte in den Bereichen künstliche Intelligenz, Datenqualität und digitaler Infrastruktur verbessern nicht nur bestehende Modelle, sondern definieren auch neu, wie Finanzdienstleistungen erbracht, vertrieben und konsumiert werden. In diesem Zusammenhang können sich Banken nicht auf traditionelle Vorteile oder schrittweise Verbesserungen verlassen. Um wettbewerbsfähig zu bleiben, müssen sie vielmehr bereit sein, sich ständig weiterzuentwickeln, um mit einem Finanzsystem im Wandel Schritt zu halten.



Die Erwartungen der Kund:innen verschieben sich bereits. Unsere Unternehmen und Communities erwarten zunehmend Finanzdienstleistungen in der gleichen Geschwindigkeit, Einfachheit und Personalisierung, die sie in anderen Bereichen ihres Lebens erfahren.

KI verändert Interaktionen, von der Onboarding-Phase und Bonitätsprüfung bis hin zur Beratung und Betreuung, während die Digitalisierung und eine verbesserte Datenintegration schnellere und fundiertere Entscheidungen ermöglichen. Gleichzeitig erhöhen Fintechs und plattformbasierte Anbieter die Erwartungen hinsichtlich Benutzererfahrung und digitaler Reaktionsfähigkeit weiter.

UniCredit Unlimited

Vor diesem Hintergrund ist es an der Zeit, dass die UniCredit ihre Grenzen wirklich hinter sich lässt. Dieses mutige neue Kapitel wird bestimmt sein von Ehrgeiz, Innovation und einem neuen Verständnis, was eine europäische Bank sein kann und sein sollte. Unser Ziel bleibt es, die Bank für die Zukunft Europas aufzubauen. Um dies zu erreichen, müssen wir frühzeitig erkennen, wie die Menschen leben, arbeiten und mit Finanzdienstleistungen agieren werden, und dementsprechend handeln, bevor diese Veränderungen zu Erwartungen werden.

Das bedeutet, dass wir neu überdenken müssen, wie Kapital, Fachwissen und Technologie zusammenspielen können, um Mehrwert für Kund:innen, Communities und unsere Mitarbeiter:innen zu schaffen. Wir werden die Stärke einer traditionellen Bank, die Agilität eines Fintechs und die Dynamik eines Technologieunternehmens kombinieren, und so Lösungen anbieten, die schneller und intuitiver sind als je zuvor. Dadurch schaffen wir ein personalisiertes Angebot, das die Kund:innen von heute und morgen wirklich in den Mittelpunkt unseres Handelns stellt – und damit das Vertrauen stärkt, das jeder Kundenbeziehung zugrunde liegt.

„UniCredit Unlimited“ spiegelt unseren unerschütterlichen Glauben an das Potenzial unserer Mitarbeiter:innen, unserer Kund:innen und unserer Communities wider. Das Talent und Engagement meiner Kolleg:innen in der gesamten Gruppe inspirieren mich jeden Tag aufs Neue, und ich bin mir sicher, dass sie den nächsten Schritt auf unserem Weg mit der erforderlichen Energie und Kreativität angehen werden. Gemeinsam werden wir unser Engagement auf ein noch höheres Niveau heben und neue Maßstäbe für das europäische Bankwesen setzen, sodass jeder von uns zu Wachstum und exzellentem Service beitragen kann – und das „unlimited“, also ohne feststehende Grenzen.

„UniCredit Unlocked“ war eine bemerkenswerte Transformation für die Bank.

Unser neuer Plan, den wir jetzt auf den Weg bringen, ist noch ehrgeiziger, aber wir gehen mit einem starken Vertrauen in unsere Fähigkeiten und dem Wissen voran, dass wir Erfolge liefern können. Ich bin überzeugt, dass wir dieses Mal noch weiter gehen können, UniCredit zu neuen Höhen führen und unser Ziel, die Bank für die Zukunft Europas aufzubauen, verwirklichen können.

Andrea Orcel

Vorstandsvorsitzender UniCredit S.p.A.

Introduction

Message from the Chairman of the Supervisory Board of Bank Austria



2025 marked another defining year for UniCredit and for Bank Austria, demonstrating once again the strength of our strategy, the discipline of our execution and the commitment of our people. UniCredit delivered its 20th consecutive quarter of quality profitable growth, culminating in the best financial year in its history. Net profit reached €10.6 billion, up 14 percent year on year, with an impressive RoTE of 19.2 percent.

These results set a new benchmark for European banking and reflect five years of sustained outperformance, supported by a strong capital position and leading shareholder distributions.

They confirm the success of “UniCredit Unlocked”, the strategic phase we have just completed. In recent years, we have transformed our bank, strengthened efficiency and built a resilient, high-performing franchise. Today, we stand as a group that has fundamentally reshaped its operating model and capabilities, providing a solid platform for future growth.

Our strong CET1 ratio of 14.7 percent and leading shareholder distributions of €9.5 billion underline both our resilience and our ability to generate sustainable value for investors while continuing to invest in the future.

Bank Austria also delivered an excellent performance in 2025. The bank achieved a net profit of €1.26 billion, essentially matching its record result of the previous year despite lower interest rates, inflationary cost pressures and a higher bank levy. Excluding this levy, net profit would have surpassed the prior year's record.

Our lending volume grew by 4 percent to €61.6 billion, driven in particular by strong corporate banking, where volumes rose by 6.6 percent. Fee income increased by 6 percent (adjusted for the sale of card complete), supported by robust financing and advisory activity as well as continued growth in investment and insurance product distribution.

These results reflect not only strong revenues but also disciplined management. Our cost-income ratio remained excellent at 39 percent, while our asset quality continued to rank among the best in the market, with risk costs of just five basis points.

Our progress extends beyond financial metrics. We introduced new products and services, advanced our payments business and reinforced our long-term commitment to Austria through strategic investments, including the acquisition of our Vienna headquarters building, and continued support for cultural and social initiatives. These achievements reflect a bank that combines strong performance with responsibility and deep local roots.

Introduction

While we are proud of these results, we are equally clear that they are not the destination but the starting point for what comes next. The environment around us is evolving rapidly, and expectations continue to rise. We are therefore entering a new strategic phase focused on gaining quality market share, accelerating growth and further improving operational and capital excellence, supported by continued investments in technology, data and artificial intelligence as well as in our people. With “UniCredit Unlimited” we aim to continue delivering a superior investment proposition and raise the benchmark.

For Bank Austria, growth will remain the central priority in 2026. Building on the strong foundation of recent years, we will expand market share in selected segments, hire new employees and further develop our business model, particularly in payments and SME banking. Our aim is clear: to strengthen our leadership position while continuing to support our clients and the real economy with reliable financing, expert advice and innovative solutions.

The macroeconomic outlook remains uncertain, but our diversified business model, strong capital base and disciplined cost as well as risk management provide a solid foundation.

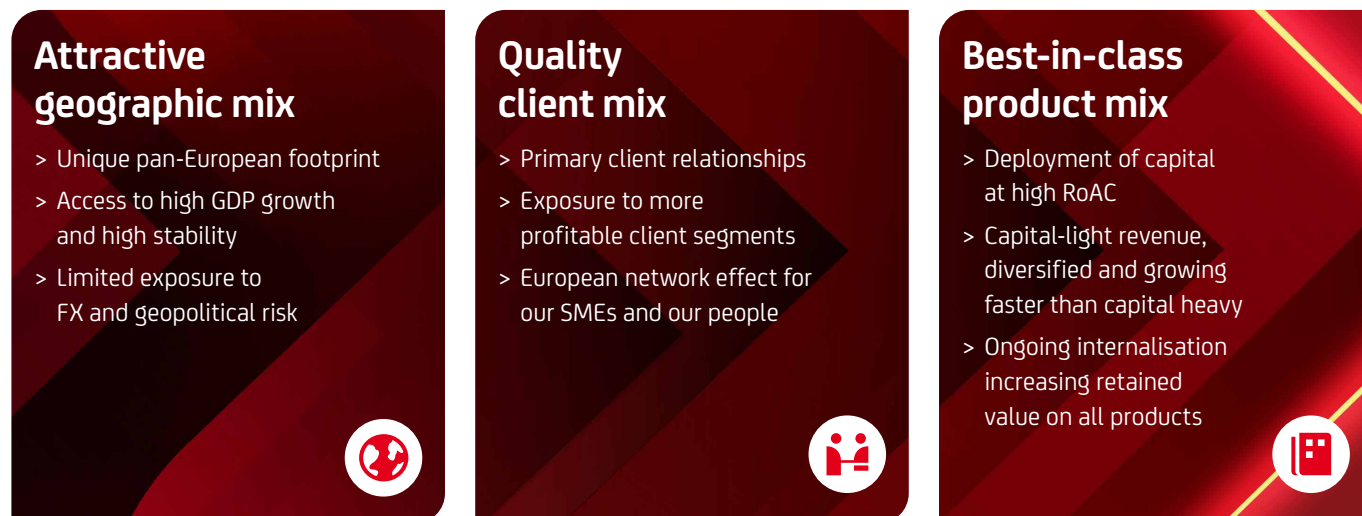
I would like to thank our clients, employees, stakeholders and partners for their trust and support. Their confidence is the cornerstone of our success. With the momentum we have built, the clarity of our strategy and the strength of our franchise, I am convinced that we will continue to deliver sustainable growth, create long-term value and play a leading role in shaping the future of European banking.

Gianfranco Bisagni

Chairman of the Supervisory Board of UniCredit Bank Austria AG

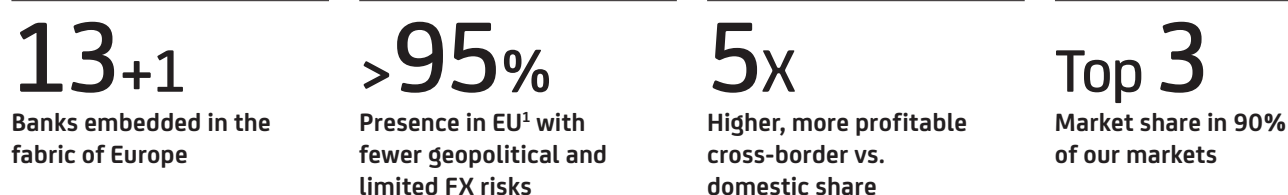
Unmatched structural advantages

Leveraging our structural strengths to propel our acceleration and the next phase of growth.



Attractive geographic mix

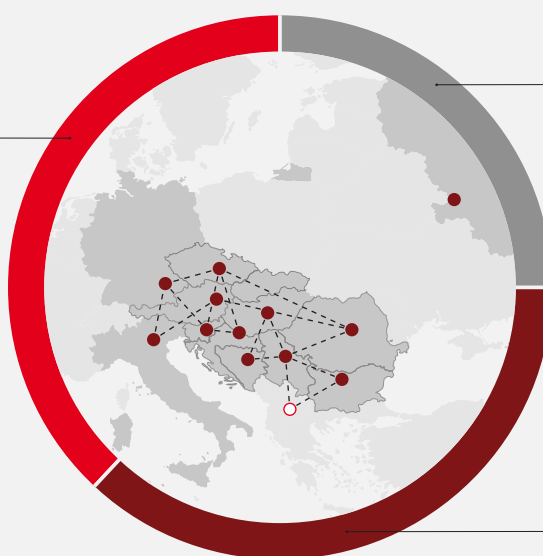
Truly pan-European Group with 13+1 banks across Europe, with top 3 positions in 90% of our markets, giving scale and diversification.



Group Net Profit share² 2028

38%

Italy
Standing as our capital-light engine



25%

CEE & Greece
2x GDP growth vs. EU

37%

GER & AUT
With GER set to benefit from fiscal stimulus

1. Share of Customer Loans in countries part of the European Union.

2. Summing expected divisional Net Profit 2028. Commerzbank equity contribution – net of hedges – allocated to GER and CEE & Greece proportionally to CBK excluding mBank and mBank share, respectively. Alpha equity contribution allocated to CEE & Greece.

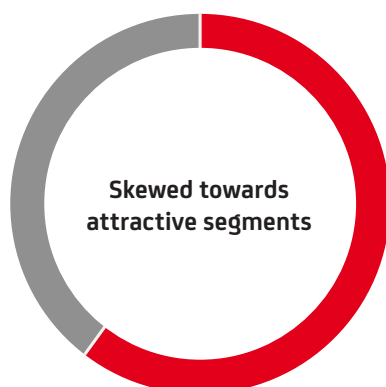


Quality client mix

More than 20 million longstanding client relationships, with strong focus on Private, Affluent and SMEs.

>20m

Clients with primary relationship connected across Europe



60%

Revenue from Private, Affluent and SMEs

>35%

RoAC

c.45%

Fees & Net Insurance / Net Revenue



Best-in-class product mix

Group product factories combined with local reach.

3

Group product factories

Group Fees & Net Insurance share 2028

46%

Individual

28%

Payments

26%

Corporate

High-quality lending

#1

NII RoAC

- > Microbusiness lending
- > UCX Consumer
- > Trade Finance
- > UCX Micro
- > UCX SMEs

Capital-light revenue

increased weight

Top-Tier

Fees & Net Insurance / Net Revenue

Best-in-class products

- > Cross-border payments
- > Investments
- > Insurance
- > Advisory
- > CRM



Evolving and accelerating our winning Strategy

Four years on from UniCredit Unlocked – a proven, winning strategy – we have continued to evolve. 2025 was marked by acceleration and proved we can translate potential into results. Now we are positioned to enter a bold new phase.



1

United by one Vision, one Purpose, one Culture and one Strategy.

2

Leveraging our scale while empowering our banks and our people.

3

Transcending the benchmark by daring to disrupt, innovate and rethink.



Executing our Strategy across all ESG dimensions.

1 One unifying direction

Unified and empowered to deliver for all our stakeholders:

One inspiring Purpose

Our Purpose is to Empower Communities to Progress, while ensuring long-term, sustainable growth and delivering value to all our stakeholders.

By operating with the right Principles and Purpose, we have the power to deliver outstanding value for our clients and communities, our people, our stakeholders and investors.

We are a principles-driven organisation, and we actively engage with and extensively listen to all our stakeholders equally.

At UniCredit, we are committed to maintaining high standards of integrity, transparency, professionalism and cooperation in managing our relations with regulators and EU authorities, and in performing advocacy activities.

We engage with national, European and international regulators to improve the EU sustainable finance framework and facilitate the transition to a low-carbon economy. Contributing to discussions held by EU institutions and participating in the development of a sustainable financial framework is central to fostering long-term economic growth for all our stakeholders.



Our stakeholders



Our shareholders



As a unique pan-European champion, we leverage Group synergies to provide superior capital generation and shareholder distributions.

Our UniCredit Unlocked Strategy has been consistently delivering unmatched value, quality lending and investing to secure sustainable, quality growth and remuneration.

We maintain open and transparent communication with our investors through regular updates, financial disclosures and proactive engagement. Through annual general meetings, investor calls and roadshows, we provide platforms for dialogue, addressing queries and fostering mutual understanding.

We also engage with investors on Environmental, Social and Governance (ESG) topics, highlighting our sustainability initiatives and aligning our practices with investor interests in responsible growth.



Our clients



Our clients are at the heart of everything we do.

We build our business around their needs, providing choice through best-in-class products and innovative solutions.

Our teams deliver exceptional service and personalised support, forging strong relationships and consistently exceeding expectations. Through our service model, we leverage a range of distribution channels – physical and remote branches, call centres, internet and mobile – accessible to our clients anytime, anywhere.

We continuously invest in technology and data to anticipate emerging needs and deliver increasingly seamless experiences. By listening closely to our clients, we refine our approach and evolve our services to ensure we remain their trusted financial partner over time.



Our people



Our people are our greatest asset.

We listen to them and are committed to fostering an environment where they feel valued, trusted, empowered and accountable, so they can focus on bringing value to client-facing activities and achieving excellence.

With our shared Vision and clear Culture, our teams are united and inspired to drive our business forward, aligning individual aspirations with organisational goals. We invest in professional growth through training, and clear career paths that recognise and reward performance.

With a shared belief in our Purpose, we take pride in who we are and in the collective impact we can make.

1. Subject to supervisory, board of directors and shareholders' approval.

One winning Culture

At UniCredit we have created a new benchmark for banking, keeping our clients truly at the centre and unlocking the potential of our people.

Our Culture is key to our success in unifying and inspiring our people to work as a team and achieve excellence

in the right way. Our Culture is fuelled by passion and enthusiasm, spreading positive behavioural change throughout our bank.

Collectively, we are working to achieve our Vision to be the Bank for Europe's Future as one team of people in true

partnership with our clients. A better bank, creating better outcomes; strongly grounded in our Principles and Values; and delivering sustainable, quality growth and value.

Values

Integrity

- > We act in the best interests of our customers.
- > We are honest, straightforward and transparent.
- > We do the right thing – even when no one is watching.



Our Values are the foundation of our identity – what we pass down to our people and what our people share and deliver through their actions.

Our people are at the heart of our decision-making, ensuring we deliver for our clients in a straightforward and transparent way. We are committed to helping our customers, communities and each other by treating everyone with respect and valuing our differences.

Our Employer Value Proposition brings our Values to life and ensures everyone at UniCredit is motivated to actively contribute to Unlocking a Better Tomorrow.

Through a single voice, we are building a shared narrative across the Group and increasing the awareness and attractiveness of our brand.

Ownership

- > We deliver on our promises and take accountability for our actions and commitments.
- > We are empowered to make decisions and learn from failure.
- > We speak up – to express an idea, an opinion or when we see something wrong.



Caring

- > We care about our customers, communities and each other.
- > We are eager to help one another and for our people to thrive.
- > We treat each other with respect and value our differences.



Nurturing our diverse talent base

We have long recognised that an equitable, inclusive and diverse workforce is vital to the success of our business and creates a fair and positive working environment. We believe that when Diversity, Equity and Inclusion (DE&I) work in harmony, great things happen.

International mindset

40%

International presence
in the Board of Directors

38%

International presence¹
in the Leadership team²

Female representation

53%

Board of Directors

58%

Across the Group

62%

International presence in the
Group Executive Committee

46%

Across the Group
Executive Committee

32%

In the Leadership team²

1. International presence refers to people originating from countries outside of Italy.

2. Leadership team refers to Group Executive Committee and its first reporting line.

2 An empowered pan-European business model

Sustainable growth and competitive advantage built on strong foundations – our 13+1 leading and empowered banks, supported by the scale of the Group.

Decision-making moving us closer to clients and communities, within the Group strategic framework.

Enhancing our product offering: three global product factories



Corporate Solutions

Empowering corporates to progress.



Individual Solutions

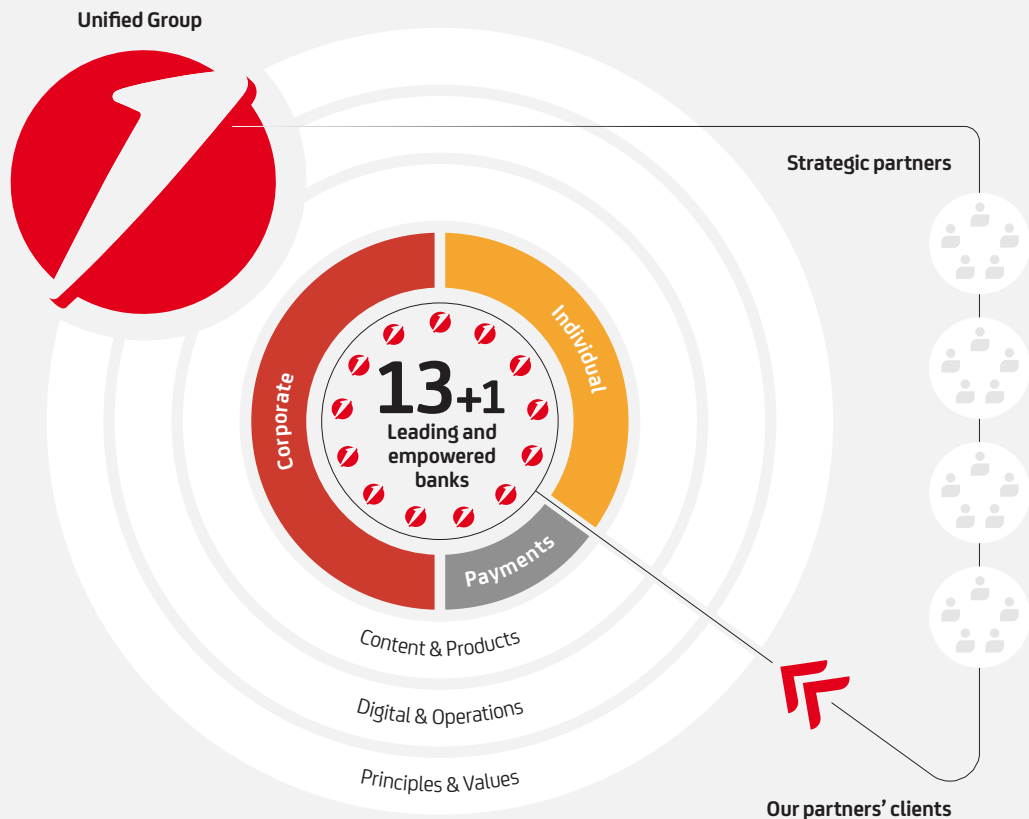
Advising clients to achieve their investment and insurance objectives.



Payments Solutions

Every European client's first choice for payments.

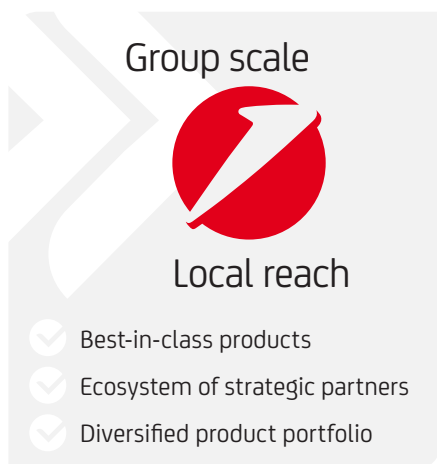
HOW WE CREATE VALUE



Best-in-class product factories reaching clients global players don't

Our banks are close to their clients and leverage common strengths: three high-quality product platforms supported by an ecosystem of strategic partners, a centralised and efficient Group Procurement function – all streamlined and simplified by our Digital and Operations team.

Our clients access our services through local banks and the offering from our three global product factories – Corporate, Individual and Payments Solutions – comprehensively meeting their needs. Each of these platforms delivers best-in-class solutions, developed in-house or through our dynamic ecosystem of trusted partners.



Corporate



Advisory & Financing Solutions

Highly specialised advice and access to capital markets; a market leader offering tailor-made financing solutions.

Group Trade & Correspondent Banking

Wide range of Trade Finance and Working Capital Solutions as well as Securities in CEE.

Client Risk Management

Providing top-tier solutions across multiple asset classes and channels.

Individual



Group Insurance

Best-in-class Insurance Products and Services offered across all countries through constant dialogue with partners and other factories.

Group Investment Product Solutions

State-of-the-art investment solutions built in-house or jointly with external asset managers for all Group clients.

Group Investment Strategy

Long-standing macroeconomic research and unified Group investment strategy, bringing expert investment insight to our networks and to our clients.

Payments



Group Payments Solutions

Leading Cash Management, Payments, Acquiring and Issuing Solutions.

Empowered to execute and deliver for all our stakeholders

We have empowered our people and banks within a clear Group framework, underpinned by a culture of trust, ownership and excellence.

The result is a truly united pan-European commercial bank, with local coverage close to our 20m+ clients.

We have leveraged this reach to achieve targeted acceleration across geographies, clients and products, while further enhancing our operational and capital excellence.



Digital and Operations

Strengthening our operating machine and becoming more efficient and resilient above benchmark.

1

Leaner corporate centre,
converging Digital & Data

+17%

FTEs on Change – as
Run becomes leaner

Zero

Major Cyber Security, Fraud
and Asset & Personnel
Protection incidents

One Procurement

Taking back control and safeguarding our long-term interest.

1

Procurement office

>100

Vendors discontinued

-30%

Average cost avoidance
of contracts negotiated

A trusted ecosystem of partners

helping us meet every client need with precision and innovation.



Google



ALPHA BANK

Allianz

BlackRock



3 A bold new strategic phase

2025, the culmination of five years of excellence, has positioned us to enter the next phase of growth.

A bold new era for our bank – defined by unlimited possibility, bold ambition, and a fundamental rethinking of what a pan-European bank should be.



UniCredit Unlocked

Set the benchmark
2021-2025

Winning proposition

Structural advantages combined with relentless execution have delivered 20 consecutive quarters of quality profitable growth, leading across all KPIs.

Strong momentum

Strong operating performance allowing absorption of one-off costs to prepare for the future, accelerating further into 2026.

UniCredit Unlimited

Transcending
our benchmark
2026-2030

Winning strategy

A strategy to deliver quality growth beyond peers while re-setting the efficiency frontier, elevating our long-term targets.

Superior equity story

Unmatched trajectory offering the best combination of profitable growth and distributions in the sector.

Accelerating towards
a decade of excellence



UniCredit Unlocked (2021-2025)

UniCredit Unlocked released our potential, transforming us from laggard to a leader and **setting a new benchmark for banking**. With unmatched momentum, we are now leading the way in all metrics, including profitable growth and distributions.



UniCredit Unlimited (2026-2030)

If UniCredit Unlocked freed up our bank's potential and set the benchmark, UniCredit Unlimited is about transcending it – enabling us to lead in a new competitive environment and push beyond the boundaries constraining legacy banks.

UniCredit Unlimited will provide a new blueprint that blends the strength of a traditional bank, the agility of a fintech and the dynamism of a technology company, to create a personalised offer that truly puts the client of today and tomorrow at the centre of all that we do.

Our people remain the linchpin across the two phases; they are dynamic, driven by excellence, and are continuously upskilling. They are able to adapt to the changing needs of our clients and the environment – delivering faster decisions, better service and more creative solutions.

We have the momentum, the strength and the Strategy. We are doubling down on our transformation and challenging every assumed limit of what UniCredit can be.

This is the start of a bold new era for our bank.

Winning Strategy

Unlimited Acceleration

Gaining quality profitable revenue and market share.



Unlimited Transformation

Re-setting the efficiency frontier.





Unlimited Acceleration



Our People

They remain the engine of our success, delivering impact through a shared vision and winning culture, combined with relentless execution.



Our Factories

We continue to strengthen the connectivity between our product factories and our distribution that closely interprets our clients' needs.



Our Channels

We leverage a superior omnichannel model: physical, remote and digital – with AI elevating speed, accuracy and personalisation.



Digital, Data & AI

We are accelerating AI adoption across Client Service and Advisory, Technology and Operations – using it to deepen relationships, improve efficiency, increase speed and unlock new value.

Unlimited Transformation



Capital

- > Deploying capital only where returns justify it, redirecting it to the right geographies, the right clients and the right products.
 - > **Maximise our lending profitability;**
 - > **Increase capital-light revenue.**
- > Delivering the best combination of capital-light revenue growth and profitable NII.



Operational

- > **2021 – 2025:** Simplification and streamlining within traditional boundaries:
 - > Simplified and streamlined our bank;
 - > Fixed what was inherited and built a model capable of outperforming peers.
- > **2026 – 2030:** Reinventing and automating, testing new boundaries:
 - > We are automating at scale, embedding AI into every critical workflow – accelerating execution across Risk, Compliance, Finance, Operations, HR – removing friction and eliminating repetitive tasks.

Our ESG Strategy

At UniCredit we are committed to embedding sustainability in everything we do. We lead by example, which is why ESG (Environmental, Social and Governance) is at the heart of our strategic framework.

Our Purpose is to Empower Communities to Progress, guided by three Principles:



Holding ourselves to the highest possible standards to do the right thing for clients and communities.



Being fully committed to playing our part in supporting our clients in a just and fair transition.



Respecting and balancing the perspectives and priorities of all our stakeholders throughout our business and decision-making.

The context in which we operate is rapidly changing, influencing the regulatory agenda and the global sustainable finance market. However, despite shifts against ESG, Europe has reaffirmed its climate commitments and at the same time has become more flexible and business oriented.

We remain committed to our ESG Principles and are evolving our strategy to ensure we are delivering targeted, tangible impact, with an even sharper focus on customers and communities.

We are focusing on ESG where it matters by:



Environment

Driving value for our clients in the transition

We are matching our clients' evolving demands on transition with a dedicated business approach, while continuing to develop our environmental framework beyond decarbonisation.



Social

Championing Social: backing our communities, our people and our society

We are backing our communities with social financing and dedicated social projects combining volunteering and philanthropy, while supporting our people with focus on well-being and training.



Governance

Evidencing accountability and transparency, along with a robust ESG framework

We are providing transparency on our disclosure progress while strengthening our ESG governance and risk framework.

ESG Day 2025

Our ESG Strategy is more than a framework; it is a commitment to active engagement. Our flagship event, ESG Day, serves as a key platform where our strategy meets action, and we bring key stakeholders to discuss concrete solutions.



Our third ESG Day entitled “A New World: Shaping the future of ESG” brought together colleagues, clients, partners and leading experts to confront the challenges and complexities of the green transition amid shifting global dynamics.

Against the backdrop of COP30, it focused on moving from rhetoric to action, exploring how banks can drive the sustainable transition, manage trade-offs and rebuild ESG on stronger, more credible foundations. The forum consisted of six distinct high-impact sessions, featuring a diverse mix of formats to engage our audience and featured renowned expert speakers from academia, business and policy, who shared insights on regulation, innovation and practical solutions for businesses.

Collaboration between banks and businesses was a key theme, highlighted by a panel on UniCredit's new partnership with Ivy Decarb to accelerate decarbonisation in the textile industry.

Social impact also featured prominently, with discussions on the role of banks in driving progress and investing in education. We also showcased the achievements of the Skills for Transition Programme, and the Foundation's flagship social projects.

10

Countries participated

>10,000

Participants (online and in-person), including over 6,000 UniCredit employees

67%

Of attendees at the live event were key clients and strategic partners



Acceleration in 2025

Together, every change we make, every month of the year, across all our businesses and geographies, drives our acceleration and transforms potential into unlimited possibility.

-  Clients
-  Geographies
-  People & Culture
-  Organisation & Processes
-  Digital & Data
-  Finance
-  ESG
-  UniCredit Foundation



- Clients
- Geographies
- People & Culture
- Organisation & Processes
- Digital & Data
- Finance
- ESG
- UniCredit Foundation

FEBRUARY



New partnership with Quant>ICO
Unlocking new investment opportunities in high-potential Italian businesses.

Shaping the future of payments in Austria

Bank Austria elevates payments with new technology for customers and clients.



UniCredit leads Slovakia's largest ever corporate refinancing
Landmark financing package worth €3.6 billion.

Setting a new benchmark for corporate credit approvals in Slovenia

Further streamlining our processes to deliver a faster, simpler and more efficient services to our clients.

MARCH



Completed the acquisition of Aion Bank and Vodeno

UniCredit takes a bold step in digital banking.

A year of partnership with Scuderia Ferrari HP

Bound by Passion. United in Excellence.



APRIL

Next-generation call centre launched in Hungary
Improving service and efficiency for customers.



- Clients
- Geographies
- People & Culture
- Organisation & Processes
- Digital & Data
- Finance
- ESG
- UniCredit Foundation

MAY



UniCredit's inaugural Longevity Forum Leading Europe's conversation on longevity.

Landmark €2.4 billion FlixTrain transaction

UniCredit supports transformative growth in European mobility and technology.



UniCredit launches partnership with Google Cloud

Accelerating digital transformation across our core markets.



1Q25 Group Results

Best quarter in our history. Execution of our winning strategy, underpinning record results.

JUNE



Fast-tracking credit decisions in Serbia

Streamlined processes drive improved customer satisfaction.

Embedding innovation with Banxware

Partnership combines banking expertise with fintech innovation to transform SME financing.



Successfully launched U Share Employee Share Ownership Plan empowers employees.

Completing the internalisation of our life insurance business in Italy

Creating a leader in the market and driving efficiency, product innovation and quality of service.



- Clients
- Geographies
- People & Culture
- Organisation & Processes
- Digital & Data
- Finance
- ESG
- UniCredit Foundation

JULY



New housing loan for non-residents in Bosnia and Herzegovina

Empowering citizens abroad to invest.



UniCredit partners with Wise

Delivering faster, smarter international payments.



Major hiring initiative in Italy launched

Building the workforce of tomorrow with the "Follow Your Talent" campaign.



Supporting historic green bond issuance in Romania

Largest issuance of green, corporate and non-financial bonds for Electrica Group, totalling €500 million.



DealSync: Our AI-powered M&A platform

Using AI to democratise M&A for SMEs.



Innovative student banking solution in the Czech Republic

UniCredit launches new student account to support the next generation.



2Q25 and 1H25 Group Results

Record 2Q completes our best 1H ever. Another milestone in our acceleration.



Merger with Alpha Bank Romania completed

UniCredit's market position and corporate and retail segments strengthened with over 300 branches strategically located for customer convenience.

- Clients
- Geographies
- People & Culture
- Organisation & Processes
- Digital & Data
- Finance
- ESG
- UniCredit Foundation

SEPTEMBER

**Stablecoin initiative launched**

UniCredit unites with European banks to launch a MiCAR-compliant Euro Stablecoin.

**20 years of UniCredit and HypoVereinsbank**

More than 5,000 colleagues celebrate historic milestone together.

OCTOBER

A transformative chapter for the UniCredit Foundation

From shared vision to systemic impact, the UniCredit Foundation continues its journey of transformation.



€550m

Leading largest corporate financing deal in Croatia

UniCredit and Zagrebačka banka finalise a refinancing agreement for Fortenova Group, securing €550 million in debt refinancing.

**3Q25 and 9M25 Group Results**

Record 3Q completes our best 9M ever, reinforcing our unique equity story.

**Increased stake in Alpha Bank Greece**

Strengthened our strategic partnership with Alpha Bank, increasing stake to c.29.5%.

BancoSmart 2.0 introduced

Advancing our digital transformation with a faster, simpler and more sustainable ATM experience.



- Clients
- Geographies
- People & Culture
- Organisation & Processes
- Digital & Data
- Finance
- ESG
- UniCredit Foundation

NOVEMBER

Security Days

Strengthening security awareness across the Group with two days of interactive sessions.

**UniCredit hosts ESG Day 2025**

Over 10,000 participants came together for insightful panels and speeches about the future of social and environmental strategy.

20 years of the Carta Etica Fund

€47 million allocated for social initiatives since 2005.



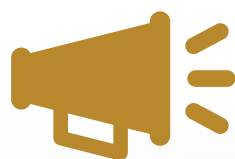
DECEMBER

onemarkets Funds surpasses €30bn in AUM

A significant milestone that reflects the strength of our product factories and the trust of our clients.

CULTUREDAY
Full Speed Ahead**UniCredit hosts Culture Day 2025**

Fourth edition brings together colleagues to celebrate shared Values and UniCredit's Culture evolution.

**4Q25 and FY25 Group Results**

From UniCredit Unlocked to UniCredit Unlimited. Accelerating towards a decade of excellence.

2026 – 2030

UniCredit Unlimited**Transcending our benchmark**

- > A winning strategy to deliver quality growth beyond peers while re-setting the efficiency frontier and elevating our long-term targets.
- > Unmatched trajectory offering the best combination of profitable growth and distributions in the sector.

Shaping the future of payments in Austria



YEAR ROUND



Austria

PRODUCTS AND SERVICES

Advancing our ambition to bring smarter, more flexible payment solutions to clients across all segments.

In 2025, Bank Austria took significant steps to strengthen its payments business, transforming the payments experience for customers and clients.

In September, we completed the sale of UniCredit Bank Austria's 50.1% stake in card complete Service Bank AG, which was key in bringing the full payments value chain in-house and strengthening our position in the Austrian payments market.

UniCredit Bank Austria is now directly offering credit card issuing and acquiring products, and in turn, bringing important areas of the business back in-house. In March, it introduced a modern, nextgeneration credit card, equipped with the latest technology and functions. The new Bank Austria credit card enables simple and secure payments to over 100 million merchants worldwide, improved travel insurance cover, and all functions are seamlessly integrated into the MobileBanking app. It is also compatible with Apple Pay and Google Pay.

In July, even more features were added, enabling customers to take control of their finances more than ever before via the app. Now they can autonomously block cards, order replacements, change limits, activate/deactivate e-commerce and view wallet tokens.

The Touch Card

As we transform payments, we're not just innovating – we're making them more inclusive. Around 253 million people worldwide live with visual impairments, and in February, UniCredit Bank Austria partnered with Mastercard to launch the Touch Card – the first payment card in Austria designed for tactile recognition.

With distinctive notches for debit and credit cards and designed in collaboration with organisations such as the Royal National Institute of Blind People (RNIB) and VISIONS, the Touch Card enables visually impaired customers to identify their cards quickly and independently, enhancing accessibility and convenience.

This innovation anticipated the Accessibility Act, which came into force on 28 June 2025, and goes beyond compliance to set a new benchmark for accessible banking.

In Austria, this commitment extends to the branch network. One hundred percent of its branches are barrier-free and have tactile guidance systems for people with visual impairments, mobile induction devices for people with hearing impairments and self-service devices that are suitable for wheelchair users and have a keyboard with voice output. The bank also offers comprehensive barrierfree online service.

Brand-new point-of-sale terminals

For businesses, July brought the launch of a brand-new acquiring solution with its point-of-sale (POS) terminals and e-commerce capabilities on a futureproof state-of-the-art omnichannel platform. This is designed to enable business clients to accept a broader range of payment methods quickly, easily and securely, while establishing a direct relationship with UniCredit rather than relying on third-party providers.

This is a major step in our ambition to bring smarter, more flexible payment solutions to our clients across all segments. This new service gives businesses more control, better support, and direct access to card schemes and digital wallets.

Initially targeted at micro and small businesses – segments where demand is high and growth potential is considerable – the solution provides access to a premium product that was previously available only to larger enterprises. The service is now fully rolled out to all client segments in Austria, creating new opportunities for both clients and the bank.

For our bank, this initiative is strengthening client relationships through end-to-end payment solutions, expanding market reach, and ensuring that customer interactions remain entirely within the bank.



A year of partnership between UniCredit and Scuderia Ferrari HP



YEAR ROUND



Group

PARTNERSHIPS

Bound by Passion, United in Excellence. In 2025, our multi-year partnership with Scuderia Ferrari HP continued to evolve, uniting two renowned Italian brands that share a passion for high performance and excellence.

Guided by the banner “Bound by Passion. United in Excellence”, the partnership has opened up new banking opportunities and exclusive experiences for our customers, clients and colleagues, and has brought our bank closer to the global community of Ferrari fans.

Building a global community

From international moments to landmark events such as the Drivers' Presentation in Milan's Piazza Castello, which gathered more than 20,000 fans and 5,000 UniCredit employees, and through numerous local initiatives across Europe, the partnership – which began in September 2024 – has turned motorsport into a shared experience for Ferrari fans, and our clients and customers.

Across the year we brought this to life in the communities and markets we serve, with local activations, branding, displays and events in our bank branches.

Through live events, original videos and exclusive content, we amplified the Scuderia Ferrari HP and UniCredit brand across Europe, and our shared Values of excellence, performance and innovation to a new community of customers and clients. Stories, behind-the-scenes moments and the voices of those who live and breathe the paddock every day made the partnership more tangible, authentic and engaging. These campaigns contributed to deeper engagement with younger and digitally active audiences and millions of Ferrari fans.



Additionally, thanks to our partnership with Teach for Italy, the first pilot edition of the UniCredit and Scuderia Ferrari HP Summer School was launched in July 2025, helping fellows and students in educationally disadvantaged areas build skills in science, technology, engineering and mathematics (STEM).

UniCredit Scuderia Ferrari Metal Card

A major milestone in our partnership was the launch of the UniCredit Scuderia Ferrari Metal Card at an exclusive event in Milan with F1 drivers Lewis Hamilton and Charles Leclerc. This premium Mastercard credit card crafted from metal in the iconic Ferrari Mugello Red and engraved with the legendary shield and provides customers in Italy with exclusive benefits.

Developed through our collaboration with Ferrari, the card offers clients broad spending capacity, zero foreign currency fees and a suite of elite services, including:

- > Fast Track security access at major airports;
- > Priority Pass entry to more than 1,700 airport lounges;
- > 24/7 concierge services;
- > Exclusive Mastercard Priceless, Reserved and Travel Rewards benefits.

Cardholders have been able to enjoy access to the dedicated Ferrari Benefits Catalogue, featuring curated Ferrari

products, limited-edition merchandise and unique experiences available exclusively through the partnership.

Creating unique client experiences across Europe

Throughout 2025, we collaborated with Scuderia Ferrari HP to develop exclusive experiences and storytelling that brought our clients closer to the world of Formula 1.

This included special invitations to 12 of the most exclusive Grand Prix events taking place in Europe and worldwide in 2025 and visits to iconic motorsport locations such as Scuderia Ferrari's state-of-the-art headquarters in Maranello in Italy, where clients from Italy, Germany, Austria, Bulgaria, Croatia and Client Solutions received an exclusive tour and were able to enjoy the famous test track in a Ferrari sports car.

We also brought our partnership to life at major international industry conferences, featuring Ferrari replicas at UniCredit-branded stands at events such as Sibos in Germany, Euroconference in Hungary and Salone dei Pagamenti in Italy – all of which attract tens of thousands of visitors. Alongside this, we hosted successful local initiatives across UniCredit premises, from the Bank Austria Forum in Vienna and the car displays in the Italian branches of Imola, Monza, Milan and Verona.

Driving innovation and growth through our Mastercard partnership



YEAR ROUND



Group

PARTNERSHIPS

Our strategic partnership with Mastercard has been instrumental in strengthening our position in the European market and advancing our Vision to become the first choice for payments across Europe.

In 2023, we formed this multi-market partnership with Mastercard and since then we have launched new products in 12 European markets, enabling cards to perform e-commerce transactions in each of our banks.

By leveraging Mastercard's global expertise and advanced payment technologies, we deliver secure, reliable and innovative solutions to our customers – ensuring operational excellence and differentiated services.

Delivering tangible innovation for clients

This collaboration has enabled UniCredit to enrich its offering with cutting-edge features that meet evolving customer needs:

- > Click-to-Pay and Digital Wallet integration, providing seamless, secure payment experiences;
- > Access to Mastercard's Priceless platform, creating exclusive experiences and benefits for customers;
- > Harmonised payment solutions across pan-European markets, improving operational efficiency and card acceptance worldwide;
- > Introduction of sustainable card materials, reinforcing UniCredit's ESG commitments.



Impact and stakeholders

The partnership provides direct benefits for our clients, who enjoy modern, frictionless payment experiences, and communities, through sustainable product innovation. It also supports colleagues, enabling consistent delivery of advanced solutions across markets.

It is also delivering tangible results. Since the partnership started in 2023, it has increased card transactions by 20% and the Mastercard ecosystem has helped drive the digitalisation of payments by increasing card usage to a 2:3 ratio versus cash across Group transaction volumes, with further growth potential ahead.

Looking ahead, UniCredit will continue to scale these innovations across Europe, integrating marketing initiatives and sustainability features to deepen customer relationships and strengthen our competitive position in the payments space.



People & Culture

Investing in our people and winning Culture.
The linchpin of our success.

When Strategy meets Culture to power innovation and growth



YEAR ROUND



Group

Our Culture & Strategy Roadshow and Culture Day brought colleagues together across our bank in 2025 to shape our future through shared Values and bold ideas.

Culture & Strategy Roadshow

The Roadshow returned with a fresh format and new stops, creating even more opportunities for colleagues to connect directly with UniCredit's leadership. Over 27,000 participants came together to explore strategy, strengthen our Culture and celebrate collective achievements.

In 2025, it made 18 visits to 11 countries across Europe. This included key markets in Central and Eastern Europe, as well as Germany and Austria, and for the first time it visited all seven Italian regions and Holding.

Originally launched to deepen understanding of UniCredit's core Values, the Roadshow has evolved into a dynamic platform for strategic dialogue, innovation and local insights. It is a local lens into local opportunities and challenges, offering colleagues the chance to pitch their ideas to the Group CEO and Leadership team and shape our bank's future success.

With more than 1,700 ideas shared across Europe, the Roadshow is not just a conversation – it is driving excellence across UniCredit.

Culture Day

This was supported by Culture Day, which returned with its fourth edition in December, bringing together 8,000 colleagues and senior leaders across the Group to celebrate the remarkable individuals shaping our Culture evolution and reflect on the key pillars of our progress.

Leaders from across the bank shared their insights on themes such as driving innovation, embedding ideation into our Culture, fuelling growth, reimagining

client service, and scaling ideas beyond borders. This included innovations such as the Virtual Mortgage Center, Smarter ATM Interface and Portfolio Reporting Tool, as well as the Innovation Hub, the Problem-solving Hackathon and many more.

Culture Day was a celebration of extraordinary people who have brought UniCredit's Values to life and a springboard into a new year and a future of even greater impact.





Digital & Data

Accelerating the adoption of AI. Turning scale and innovation into competitive advantage.

Accelerating digital transformation through our Google Cloud partnership



MAY



Group



Google Cloud

In 2025, we took an important step forward in our digital transformation journey by entering into a strategic partnership with Google Cloud.

Under this agreement, UniCredit will migrate large sections of its application landscape – including legacy systems – onto Google Cloud's secure and scalable platform. This transition will cover all 13 banks across our Group, providing a unified foundation that enhances agility, scalability and operational resilience. The move positions UniCredit to adapt quickly to future market expansions or acquisitions, ensuring we remain competitive in a rapidly evolving financial landscape.

The deal stands as a major milestone on our digital transformation journey. Securing a high-level deal with a top cloud services provider and laying the foundation for a single AI platform across the Group, it delivers on some of the key ambitions we identified when we updated our Digital Strategy in 2024.

These are central to our Vision to become the Bank for Europe's Future – enabling us to modernise our technology, accelerate AI adoption and create new business opportunities, while maintaining the highest standards of security and resilience.

A unified foundation for growth: harnessing AI to transform banking

Beyond cloud migration, the partnership establishes Google Cloud as UniCredit's primary platform for AI workloads, leveraging advanced technologies such as Vertex AI and Gemini models. These capabilities will empower us to:

- > Develop and refine new service offerings;
- > Drive internal efficiencies;
- > Create industry-leading customer experiences.

Potential practical applications include AI-driven insights for investment banking, enhanced customer interactions, operational process optimisation, financial crime prevention and the development of new AI-powered financial products.

This AI-first approach will enable UniCredit to create industry-leading customer experiences and unlock new revenue streams, reinforcing our position as a digital innovator.

Strategic alignment and future opportunities

The partnership goes beyond infrastructure. It lays the groundwork for broader collaboration with Google, including potential integration of other Google services, such as the Google Maps platform, to enrich customer journeys and optimise operations.

Impact and outlook

This partnership represents a step-change in UniCredit's technology footprint, advancing critical areas such as AI, data and infrastructure across our core markets. Looking ahead, this collaboration will serve as a catalyst for future innovation, while strengthening resilience and supporting sustainable growth.





DealSync: Leveraging AI to democratise M&A for SMEs



JULY



Group

Across the bank, we are focused on using digital tools to expand our support to new client segments in a standardised and accessible way.

This is particularly valuable in helping us reach small and medium-sized enterprises (SMEs) that might otherwise not be able to access our services.

Mergers and acquisitions is one example of a space that has traditionally been the preserve of large corporates when it comes to bank support, with smaller businesses typically working with boutique advisories with limited networks. Our DealSync platform is changing that. Designed for SMEs with EBITDA between €1 million and €20 million and active in seven countries, DealSync leverages artificial intelligence to make M&A advisory accessible, scalable and profitable for this vital segment of the economy.

The opportunity here is significant. SMEs make up 99% of all European companies and in Germany and Italy alone, there are around 3,500 M&A transactions annually, totalling €140 billion – of which €50-60 billion are smaller deals with an enterprise value below €50 million.

A digital marketplace for growth

DealSync acts as a digital marketplace, matching buyers and sellers across UniCredit's client base and beyond. It aggregates M&A interest, screens opportunities and supports introductions at scale. The platform uses machine learning to assess the likelihood of successful deals, while automating key processes such as document generation for pitches, teasers and contracts. This low-touch model enables UniCredit to serve a market worth an estimated €50 billion in total M&A transaction value across Italy and Germany – and more once you add Central and Eastern Europe.

Since launch, DealSync has delivered impressive results:

- > 450 signed mandates and 3,000+ leads across Italy, Germany, Austria and Romania;
- > First transaction completed in July 2025: D.M. Barone S.p.A.'s acquisition of Re Roberto S.p.A., creating Sicily's leading independent pharmaceutical distributor. UniCredit supported both sides, while providing financing to the buyer and wealth management services to the seller.

DealSync's success has also attracted industry attention, winning an ABI Award for Innovation in 2025 and ranking as a finalist for Gartner's Eye on Innovation Award for EMEA.

What's next

DealSync exemplifies UniCredit's commitment to digital transformation and client-centric innovation. By combining AI-driven efficiency with relationship banking, we are unlocking new growth opportunities for SMEs and creating fresh revenue streams for the Group. The next phase will focus on expanding the platform's reach, enhancing predictive analytics and integrating additional financing solutions – cementing UniCredit's role as a trusted partner for businesses of all sizes.



UniCredit Foundation

Purpose in action: From shared vision to systemic impact

A transformative chapter for the UniCredit Foundation.

2025 was a pivotal year for the UniCredit Foundation as it continued its journey of transformation.

Renewed governance

In October, the UniCredit Foundation's Board was streamlined from nine to five members to become even more impactful, cohesive and effective. Moving beyond geographical representation, the new Board unites strong and complementary expertise that reinforces governance and strengthens alignment with the Foundation's mission.

Strengthening education through strategic action

In 2025, the renewed Board announced a **€30 million budget for education** – in line with 2024 – reinforcing its long-term commitment to unlocking the potential of the next generation.

Of this amount, €11.4 million was dedicated to supporting grassroots initiatives, including the €6 million Edu Fund Platform, designed to identify programmes capable of addressing the multidimensional nature of educational poverty and generating long-lasting impact across the 13 UniCredit countries, including Poland.

An additional €5.2 million was invested in the future of outstanding students and researchers in STEM, Economics, and Finance, providing scholarships, fellowships, and research grants at all academic levels – from bachelor's to postdoctoral.

These opportunities enable talent to thrive and contribute meaningfully to shaping the society of tomorrow.

Furthermore, €1.3 million was committed to engaging UniCredit employees in meaningful social initiatives, strengthening the Group's core value of care and reinforcing its bond with local communities. Activities such as matching employee donations and supporting communities in times of crisis or need bring this commitment to life, demonstrating that positive change is most powerful when created together.

Digital evolution

Complementing these strategic steps, the Foundation unveiled a completely redesigned website – a modern, intuitive platform that reflects its evolved identity and commitment to tackling educational poverty across Europe.

➔ Visit the new UniCredit Foundation website [here](#)



Accelerating towards a decade of excellence

Entering 2026 with strong momentum and sizeable buffers, aiming to double-down on transformation, deliver a superior investment proposition and accelerate towards a decade of outperformance.

UniCredit Unlocked
Set the benchmark
2021-2025

QUALITY TOP-LINE GROWTH

Top-tier

Supported by rising rates – while laying the foundations for the future

UNMATCHED OPERATIONAL EFFICIENCY

Best-in-class

Transformation within traditional boundaries

PROFITABLE BOTTOM-LINE GROWTH

Maximising profitability

While preserving top-line growth

BEST-IN-CLASS OCG SUPPORTING DISTRIBUTIONS

Unmatched

Allowing for superior per share growth and distributions

Net Revenue

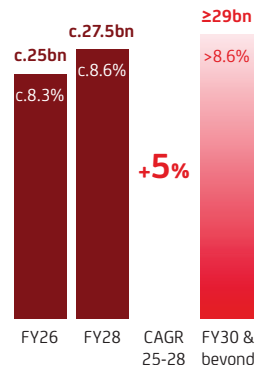
Net Rev. / RWA (%)

€16.3bn

FY21, 5.0%

€23.9bn

FY25, 8.3%



Costs

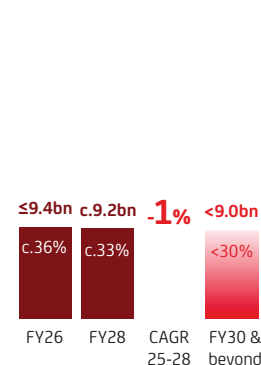
Cost income (%)

€9.8bn

FY21, 54%

€9.4bn

FY25, 38%



Net Profit

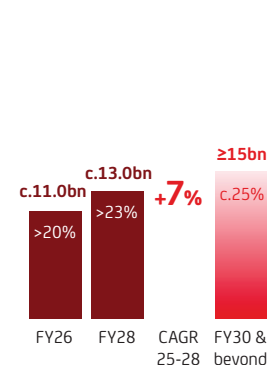
RoTE (%)

€1.5bn

FY21, 7%

€10.6bn

FY25, 19%



Cumulative distribution

€36bn

FY21-25

c.€30bn¹

FY26-28

80%

Ordinary

Pay-out

c.€50bn¹

FY26-30

>4.5bn excess capital to be **deployed** to further improve our organic or inorganic growth or **returned**, evaluated yearly

UniCredit Unlimited
Transcending our benchmark
2026-2030

Capturing quality market share

while maintaining NII RoAC at c.20% and growing capital light as % of revenues

Redefining best-in-class transformation, transcending boundaries and stepping up to a class of our own

Maximising profitable growth through quality growth while taking efficiency to the next level

Unmatched per share growth and best-in-class distributions with excess capital returns evaluated yearly

1. Distribution ambitions are calculated assuming the current 80% ordinary payout and subject to the achievement of Plan targets, including organic capital generation. Potential additional distributions from excess capital return or deployment to be assessed annually. All distributions are subject to supervisory, board of directors and shareholders' approvals.

2021-2025

We maximised efficiency, both operational and capital, while reigniting quality top line growth, delivering unmatched returns on tangible equity and sector-leading distribution growth.

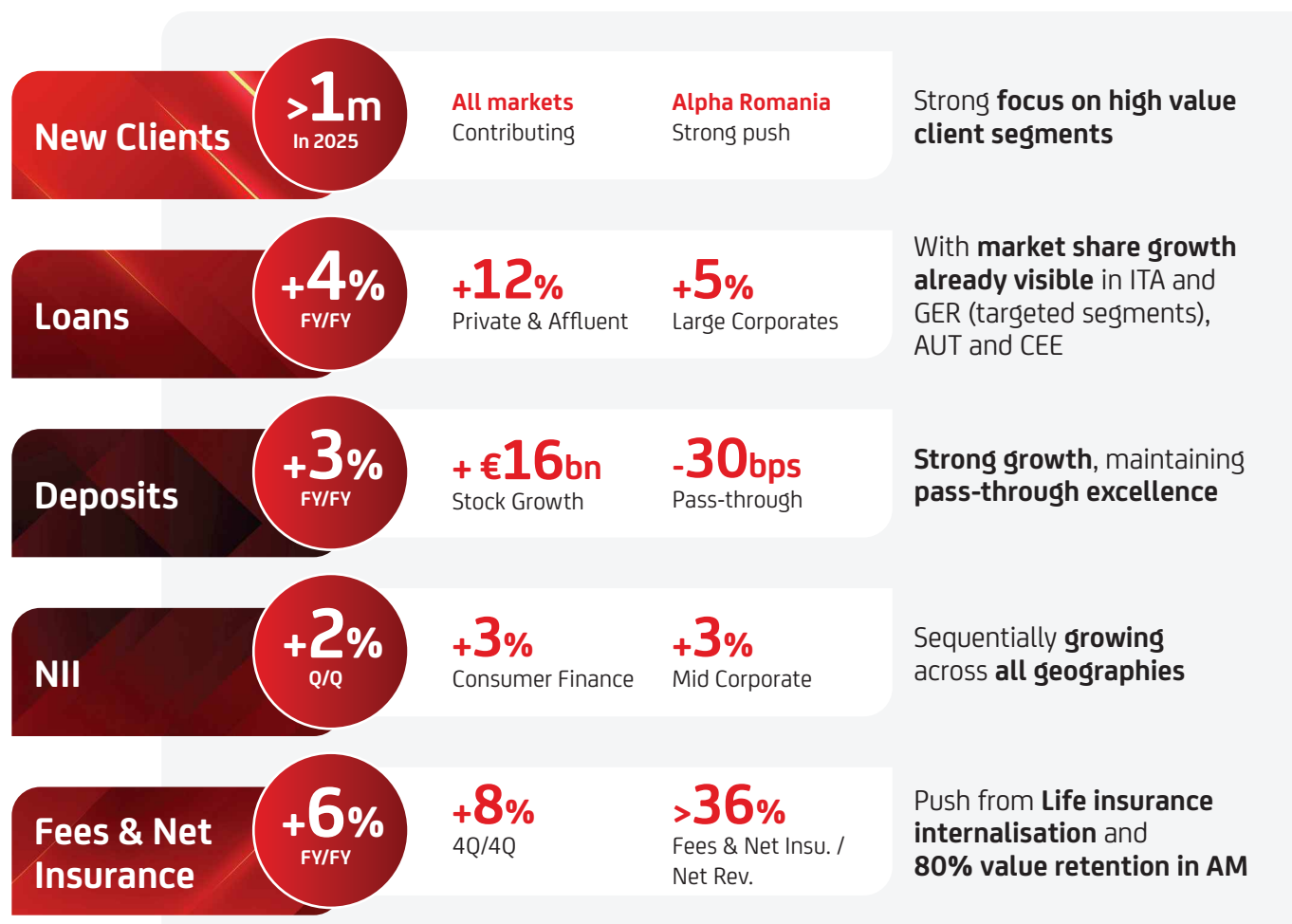
We laid strong foundations for the future, leveraging a supportive rates and Cost of Risk environment.

We are closing 2025 with record results – and entering the new year with strong momentum and a stronger underlying run rate than expected.

We were able to take 1.4 billion in extraordinary charges which together with our overlays of 1.7 billion – that remain intact – and our Excess Capital greater than 4.5 billion, further protect and strengthen our future trajectory.



Commercial acceleration already in flight



2026-2030: Further upgrading our profitable growth trajectory

We will change gears, striving to transcend the boundaries of service, productivity and efficiency that still constrain legacy banks.

Trajectory underpinned by quality profitable growth, operational excellence, and capital excellence.

On top line, we aim to grow more than the peer group both in absolute terms and in quality, with a stable and controlled Cost of Risk.

On costs, we aim to reset efficiency frontier, shifting transformation from simplification to reinvention.

On capital, we aim to deliver the best combination of profitable NII and rising capital light revenues, maintaining one of the strongest balance sheets in Europe.

Continuing a disciplined approach to our three financial levers



OPERATIONAL EXCELLENCE

Superior risk-adjusted top-line growth

Growing in absolute terms and with higher-quality growth, driven by capital-light investments that more than offset Russia, with a rather stable Cost of Risk

CAPITAL EXCELLENCE

Cost base well under control
Re-setting the efficiency frontier with upgraded cost ambition while transforming and investing

QUALITY PROFITABLE GROWTH

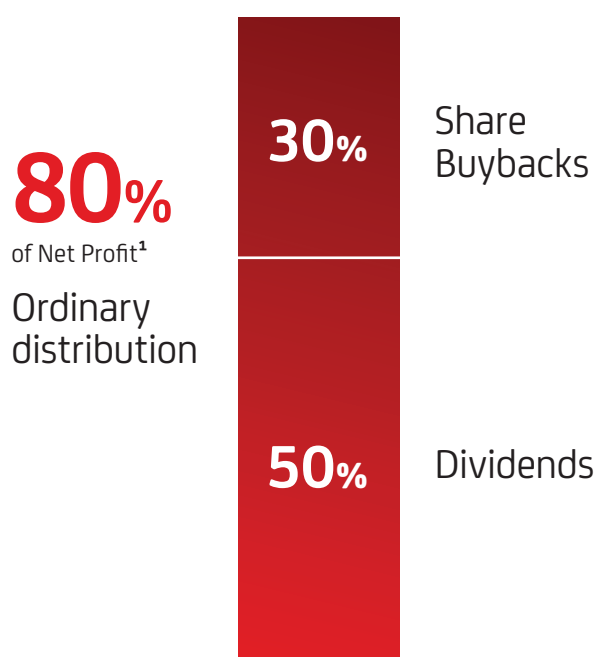
Continued capital excellence
Re-setting the efficiency frontier, delivering the best combination of capital-light revenue growth and profitable NII



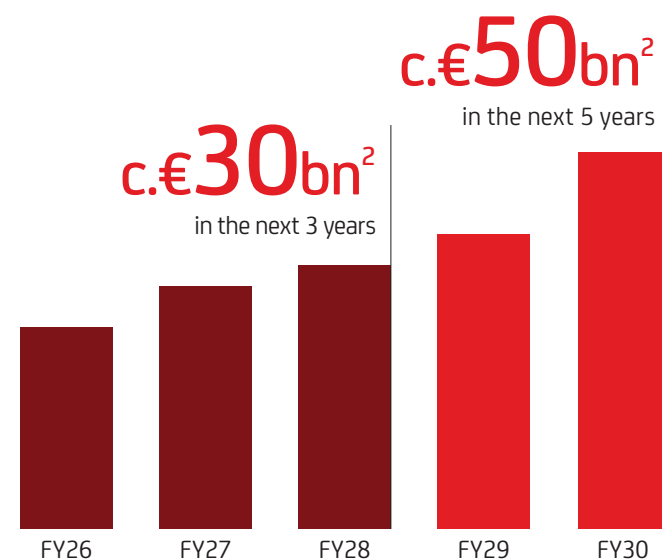
Confirming outsized distributions trajectory

Continuous focus on driving excellent results, leading to top tier shareholder remuneration. A distribution policy which reflects confidence in the sustainability and quality of our earnings.

Confirming ordinary distributions



Aiming for an attractive ordinary **distribution and dividend trajectory, with further upside through** excess capital deployment or return



Excess Capital to 12.5-13% CET1r Target

> €4.5bn

to be deployed to further improve our organic or inorganic growth or returned, evaluated yearly

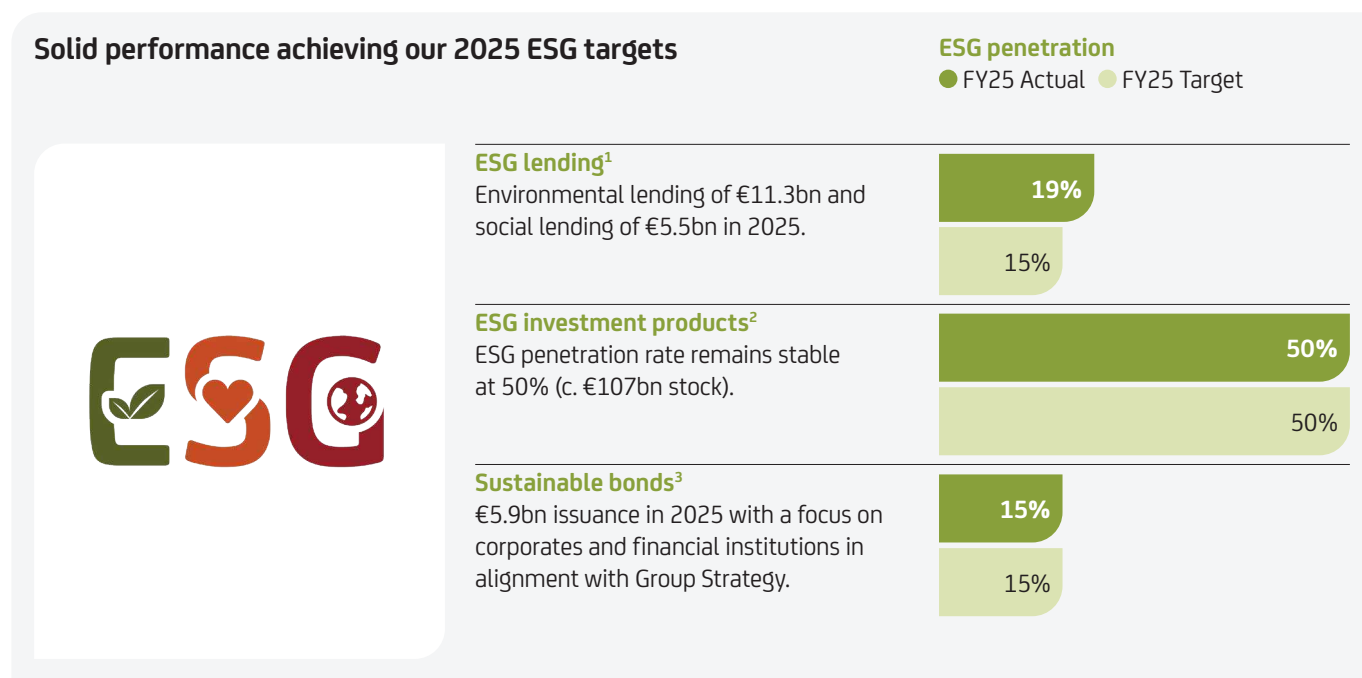
+ €9.5bn²
Planned 2025 distribution

1. Net profit means stated net profit adjusted for impacts from DTAs and tax loss carry forward ("TLCF") resulting from sustainability test.

2. Distribution ambitions are calculated assuming the current 80% ordinary payout and subject to the achievement of Plan targets, including organic capital generation. Potential additional distributions from excess capital return or deployment to be assessed annually. All distributions are subject to supervisory, board of directors and shareholders' approvals.

Executing our Strategy across all ESG dimensions

In 2025, we recorded a solid performance and successfully met all our ESG targets.



Environment

ESG lending, sustainable bonds and Net Zero commitments

→ Read more on page 73

Social

Social financing and contribution to support our communities

→ Read more on page 74

Governance

ESG aligned remuneration, solid risk and policy framework

→ Read more on page 75

1. KPI calculated as ESG new production Including Environmental, Social and Sustainability linked lending, divided by MLT loans new production in given period

2. Penetration rate over total stock, based on Art. 8 and 9 SFDR regulation

3. LT Credit. KPI calculated as ESG All regions' bonds, including sustainability linked bonds, divided by all regions' bonds in given period

Environment

We continued to advance our sustainability ambitions, bringing **environmental lending to €11.3 billion** in 2025 and reducing emissions baselines across all Net Zero sectors.

Over the past few years, we have strengthened our client engagement through dedicated partnerships (**Openes, Fondo Ambiente Italiano**) to support clients in their transition and innovation efforts.

In 2021, we launched Open-es, an inclusive and collaborative ecosystem committed to achieving ESG targets and implementing innovative solutions. This involves more than 40,000 companies and 30 partners. **Building on this, in 2025, we launched Open-es Connecting Innovation by UC Start Lab, a digital format for companies active on Open-es.** This allows us to showcase UC Start Lab startups through sector-based sessions (first event on the Circular Economy)

We also launched **a new collaboration with Ivy Decarb** to support the decarbonisation of Italy's textile sector and its supply chains.

We are also working to **expand our action beyond climate** by engaging with relevant external stakeholders and associations:

- > In line with the Finance for Biodiversity Pledge (which we joined in 2022 as the first Italian Bank), in 2025 we started to **disclose our progress against each pledge commitment through an official repository.**
- > We collaborated with UNEP FI, contributing to the drafting of the pilot PRB Nature Impact Target Setting for Banks Guidelines. We also provided feedback on an ongoing initiative on the Circular Economy–Nature nexus.
- > To broaden our ESG offering beyond climate-related topics, **we launched One4Planet – Water Management in Italy** – a new ESG-linked innovative loan designed to support investments aimed at reducing water waste and enhancing water reuse.



Throughout 2025, we continued to pursue our ambition to become a **Net Zero bank**:



Our Transition Plan supports our ambition through 2030 interim Net Zero targets on six sectors, including Oil & Gas, Power Generation, Automotive, Steel, Shipping and Commercial Real Estate.

With revised metrics introduced in 2025 for Oil & Gas and Power Generation, we have broadened our target coverage.



The Group continued to progress versus its Net Zero targets, with a positive evolution of Net Zero emissions across all sectors relative to previous year and initial baseline.



We also launched dedicated local initiatives such as “ESGeht doch!” in Germany, to support SMEs in developing their Transition Plans, and the “Salotti Energia” series in Italy, to engage with corporate clients on sustainability topics.

Social

Since January 2025, we have provided **€5.5 billion in social financing** via micro-credit, impact financing and lending to disadvantaged areas.

In 2025, we continued to strengthen our commitment to supporting people and communities across our markets.

Our **social financing reached €5.5 billion**, enabling microcredit, impact financing and loans to disadvantaged areas. We are also developing a strategy to improve Financial Health and Inclusion as per our Principles for Responsible Banking (PRB) Commitment.

We provided **c.€71 million in social contribution** through dedicated initiatives (including more than **15,000 hours of employee volunteering**). Notably, over the past three years **the Foundation has deployed €80 million** to tackle educational poverty, through international partnerships, grassroots initiatives and dedicated research projects. All these initiatives have reached and impacted more than 750,000 students, 10,000 schools and 18,000 teachers across all Group territories. Additionally, over the past three years, more than 300 scholarships and grants were awarded to students and researchers to **nurture talent and foster knowledge creation**.

We have also invested in **financial education and ESG awareness initiatives, reaching 292,000 beneficiaries** across our countries.

Our **Banking Academy in Italy** has contributed to these results through two new projects, Conta per Me, targeted at primary schools, and a new fraud prevention course.

Our **Skills for Transition Programme** continued to scale up, delivering 60,000 training hours (c.33,000 students, c.12,000 workers and c.15,000 NEETs) to support young people and businesses in acquiring the skills required for the ongoing transition.

We further supported our communities through **dedicated partnerships** (e.g., FAI, Rise Europe, Venice Sustainability Foundation) and through **local initiatives** such as the UniCredit Bank Austria Social Awards, which, through 300 projects awarded, have distributed €1.5 million to local communities since 2010.

We also continued to foster ESG awareness among our employees by launching a dedicated biodiversity training for all colleagues and an 'ESG outlook' training for Executives, which assessed macro trends and industry impacts with a specific focus on agriculture. Online training courses for all UniCredit employees also cover Natural Capital and Circular Economy topics.



1. Gross monetary amount paid in support of communities and projects, including Sponsorship & Donation (calculations based on B4SI framework).

Governance

The solid ESG governance built in the past few years, supported our ESG results and significant DE&I achievements.

Over the years, we have built a solid ESG governance, promoting accountability through the inclusion of **sustainability KPIs in CEO and top management remuneration, ESG representation within the Group Executive Committee, and robust credit and policy frameworks**, together with clear **product Guidelines**.

In 2025, this enabled **significant DE&I achievements**:

- > **Gender Pay Gap** in comparable roles at c.1%
- > **Strong representation of women**
 - 53% on the Board of Directors (BoD)
 - 58% across the Group
 - 46% in the Group Executive Committee (GEC)
 - 32% in the Leadership Team (GEC & direct reports)

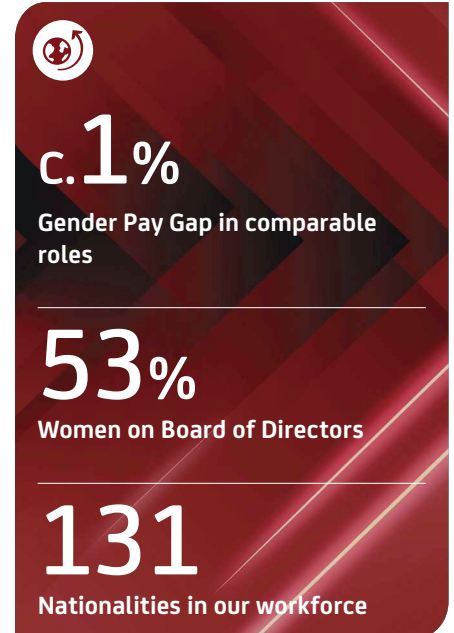
> **Strong international presence**

- 40% on the BoD
- 55% across the Group
- 62% in the GEC
- 38% in the Leadership Team

> **Multicultural diversity**

- Global workforce of 131 nationalities
- Representation across 4 generations

Over the past few years, we have also strengthened our shared Culture through dedicated roadshows, which brought together 27,000 colleagues across 11 countries, and our annual Culture Day.



Bank Austria - Consolidated Financial Statements 2025



Acceleration in action

From potential to unlimited possibility

Management Report

Bank Austria at a glance

Income statement figures and performance ratios

(€ million)

	2025	2024	+/-
Net interest	1,456	1,583	-8.0%
Dividends and other income from equity investments	293	284	3.2%
Fees	805	791	1.8%
Trading income	33	1	>100%
Operating income	2,616	2,698	-3.0%
Operating costs	(1,027)	(1,031)	-0.3%
Gross operating profit	1,589	1,667	-4.7%
Loan loss provisions (LLPs)	(33)	(43)	-23.9%
Net operating profit	1,556	1,624	-4.2%
Profit (loss) before tax	1,464	1,558	-6.0%
Group stated net profit (loss)	1,260	1,263	-0.3%
Cost/income ratio	39.3%	38.2%	+1.1 PP
Cost of risk	5 bp	7 bp	-2 bp

Statement of financial position and RWA

(€ million)

	31.12.2025	31.12.2024	+/-
Total assets	109,593	105,253	4.1%
Loans to customers	62,116	60,165	3.2%
Deposits from customers	70,257	60,536	16.1%
Group shareholders' equity	11,038	10,757	2.6%
Risk-weighted assets (overall)	38,809	38,952	-0.4%

Capital ratios

	31.12.2025	31.12.2024	+/-
Common Equity Tier 1 capital ratio	20.6%	19.3%	1.3 PP
Tier 1 capital ratio	22.4%	21.1%	1.3 PP
Total capital ratio	24.5%	23.2%	1.3 PP
Leverage ratio	6.6%	6.3%	0.3 PP

Staff

(Full-time equivalent)	31.12.2025	31.12.2024	+/-
Total	4,025	4,483	(458)

Offices

	31.12.2025	31.12.2024	+/-
BA AG - Privatkundenbank branches	104	102	2

Notes:

- The income statement of Bank Austria Group, RWA and staff figures are reclassified, corresponding to the format used for segment reporting and reflecting Segment Austria as presented in the segment reporting of the parent company, UniCredit S.p.A. For these figures, recasts were done for the year 2024, mainly relating to the transfer of the Iberian portfolio to the German UniCredit Bank GmbH.
- Balance sheet figures presented in the management report are in accordance with the reclassified consolidated financial statements of Bank Austria Group
- RWA are total regulatory risk-weighted assets pursuant to Basel 4 (2025) and Basel 3 (2024)
- Capital ratios pursuant to Basel 4 (2025) and Basel 3 (2024), based on all risks
- Staff figures as of 31 December 2024 include 303 FTE from card complete. Due to the sale of the company in September 2025, no FTE from card complete staff are included anymore as of 31 December 2025
- n. m = not meaningful; PP = percentage point(s); bp = basis point(s)

Management Report

Economic environment – market developments

A new normal for the global economy

The change of government in the US in 2025 brought about a shift from a rule-based global economy grounded in multilateral rules and institutions to a system characterized more by power politics, protectionism, and regional bloc thinking. Increased protectionism and market fragmentation weighed on the global economy, whose growth reached around 3 percent in 2025. Although subsequent agreements mitigated some of the extremes after the US introduced higher tariffs in February, uncertainty about the stability and development of the global economy remained prevalent in 2025. Economic development in 2025 was characterized by volatility and increasing government influence. Trade policy and fiscal instruments took center stage over monetary policy in steering the economy. The realignment of the global value chain as a result of US policy and to reduce dependence on individual supplier countries led to a shift away from unbridled globalization and a slowdown in the momentum of world trade. With a stimulating fiscal policy, many countries placed greater focus on the domestic economy and cushioned negative growth effects. However, this increased concerns about the sustainability of public finances and the longer-term stability of the financial and capital markets, which had already been exposed to turbulence in 2025 due to the erratic economic policy of the US government.

The slowdown in global growth was strongly influenced by the easing of momentum in the US, although economic development proved remarkably resilient in view of significantly higher import tariffs and political uncertainties. High investment in artificial intelligence and strong consumer spending, primarily driven by higher-income households, enabled economic growth of slightly above 2 percent in 2025, following 2.8 percent in 2024. The eurozone economy also weathered the tariff storm better than expected. Domestic demand was able to pursue a moderate but steady growth path, aided by the increasing impact of monetary easing and fiscal stimulus. Economic growth rose to 1.4 percent after 0.9 percent in 2024, as Germany in particular, alongside Austria, found its way out of recession.

The inflationary effects of tariff policy remained relatively manageable for the US economy in 2025. Inflation in the US averaged 2.7 percent, but showed an upward trend in the second half of the year. In view of the manageable inflationary effects, the US Federal Reserve switched to cautious interest rate cuts after a long period of waiting. Key interest rates were reduced in three steps of 25 basis points each in the second half of the year, bringing the Fed Funds target rate to between 3.50 and 3.75 percent at the end of 2025. In the eurozone, inflation remained solidly within the European Central Bank's target range, supported by low crude oil prices and a strengthening euro. After two interest rate cuts of 25 basis points each in the first half of the year, which led to a decline in the deposit rate to 2.00 percent, the ECB did not take any further monetary policy measures later in the year due to stable inflation expectations.

The cautious interest rate policy of the US Federal Reserve and the high financing requirements of the public sector led to high long-term interest rates in the US. The yield on 10-year US Treasuries fell by 40 basis points to 4.2 percent by the end of 2025 in line with the change in key interest rates. Long-term yields in Europe were significantly lower than in the US in 2025 due to different monetary policy guidelines. However, yields rose despite the cut in key interest rates in the first half of the year due to expectations of higher public financing requirements as a result of the investment programs announced by the EU and, above all, Germany. The yield on 10-year German government bonds was 2.85 percent at the end of 2025, while the yield on Austrian government bonds was 3.10 percent. Despite the high interest rate differential, the increasing loss of confidence in the US market led to a diversion of capital flows, which was reflected in a strengthening of the euro against the US dollar. After 1.03 at the beginning of the year, the US dollar exchange rate stood at 1.18 to the euro at the end of 2025, with relatively stable development in the second half of the year.

The stock markets were characterized by high volatility in 2025, at least at the beginning of the year. Expectations of tax reliefs gave the US stock market a strong start to the year, but tariff increases led to disillusionment with a massive slump in the Dow Jones Index, which was more than offset by the boom in companies involved in artificial intelligence. Compared to the beginning of the year, the Dow Jones index gained 13 percent. Most European stock markets performed even better. The Euro STOXX 50 rose by 18 percent over the course of the year, also amid high volatility, while the DAX rose even by 23 percent. Supported by a high proportion of well-performing financial stocks, the Vienna Stock Exchange Index ATX even achieved a price gain of 45 percent by the end of the year.

Management Report

Economic situation and market development in Austria

In 2025, the Austrian economy managed to emerge from recession and, after two years of declining economic output, achieved at least a GDP growth of 0.5 percent. The economic consolidation was driven by improved domestic demand, which benefited, among other things, from the ECB's relaxed monetary policy. In view of favorable financing conditions, investment increased slightly for the first time in three years, driven by a slight increase in investment in equipment, while construction investment declined again. Overall, investment activity remained below expectations due to economic uncertainties, including those related to the consequences of US tariff policy for export-oriented industries, as did the development of private consumption. The existing economic uncertainties and the deterioration in the labor market situation, with the unemployment rate rising to an average of 7.4 percent after 7.0 percent in 2024, led to a high propensity to save, which, combined with high inflation, counteracted the expected boost to private consumption from strong wage increases. In addition, initial public budget consolidation measures to reduce the deficit below the previous year's level of 4.7 percent of GDP dampened demand momentum. The moderate recovery in domestic demand was offset by a negative development in net exports, caused by high export losses due to increased protectionism and the decline in the international competitiveness of the Austrian economy following high wage and energy cost increases. In particular, the development of energy prices led to a significant rise in inflation to an average of 3.5 percent after only 2.8 percent in 2024 following the abolition of the electricity price cap at the beginning of the year. Inflation was also fueled by higher food and service prices, especially in the restaurant and hotel sector.

Driven by a slight improvement in consumer and investment demand, 2025 saw a slight upturn in lending, driven by household loans. In addition to a slight increase in consumer loans, increased demand for real estate financing provided momentum after two years of declining volumes. Lending to businesses also increased slightly again.

As expected, lower interest rates led to a slowdown in the growth of household and corporate deposits in 2025 compared with 2024. However, the increase in household deposits in particular remained at a high level due to the high level of uncertainty, which triggered a high propensity to save.

Management Report

Business developments 2025

Reclassified income statement of Bank Austria Group according to structure of segment reporting¹⁾

(€ million)

	BANK AUSTRIA GROUP RECAST ²⁾		CHANGE		RECONCILIATION		BANK AUSTRIA GROUP	
	2025	2024	+/- €	+/- %	2025	2024	2025	2024
Net interest	1,456	1,583	(127)	-8.0%	-	21	1,456	1,604
Dividends and other income from equity investments	293	284	9	3.2%	-	-	293	284
Fees	805	791	14	1.8%	-	7	805	798
Trading income	33	1	33	>100%	-	1	33	1
Other expenses/income	29	40	(11)	-27.5%	-	(2)	29	38
Operating income	2,616	2,698	(82)	-3.0%	-	26	2,616	2,725
HR costs	(575)	(583)	8	-1.4%	-	3	(575)	(580)
Non-HR costs	(416)	(407)	(9)	2.2%	-	1	(416)	(406)
Recovery of expenses	0	3	(3)	-87.1%	-	(3)	0	0
Amortisations and depreciations	(37)	(44)	7	-16.0%	-	-	(37)	(44)
Operating costs	(1,027)	(1,031)	4	-0.3%	-	2	(1,027)	(1,030)
GROSS OPERATING PROFIT (LOSS)	1,589	1,667	(79)	-4.7%	-	28	1,589	1,695
Loan loss provisions (LLPs)	(33)	(43)	10	-23.9%	-	2	(33)	(41)
NET OPERATING PROFIT (LOSS)	1,556	1,624	(68)	-4.2%	-	30	1,556	1,654
Other charges and provisions	(111)	(50)	(61)	n.m.	-	(0)	(111)	(51)
<i>of which: systemic charges</i>	(73)	(21)	(51)	>100%	-	(0)	(73)	(22)
Integration costs	(145)	(88)	(57)	64.2%	-	-	(145)	(88)
Net income from investments	164	73	92	n.m.	-	-	164	73
PROFIT (LOSS) BEFORE TAX	1,464	1,558	(94)	-6.0%	-	30	1,464	1,588
Income taxes	(200)	(296)	96	-32.4%	-	(7)	(200)	(303)
Minorities	(5)	1	(6)	n.a.	-	-	(5)	1
GROUP STATED NET PROFIT (LOSS)	1,260	1,263	(4)	-0.3%	-	23	1,260	1,286

¹⁾ Income statement of Bank Austria as presented in this table is reclassified, corresponding to the format used for segment reporting and reflecting UniCredit's Segment Austria. The structure of the above table was slightly amended compared to the previous year's report.

²⁾ For Bank Austria Group results, recasts were done for 2024 which mainly relate to the transfer of the Iberian portfolio to the German UniCredit Bank GmbH. n.m. = not meaningful

Management Report

Details of the 2025 reclassified income statement of Bank Austria Group

The following commentary on Bank Austria's performance is based on the income statement structure used for segment reporting. Segment reporting is based on the segmentation logic of UniCredit Group.

The comparative figures for 2024 have been recast to reflect the transfer of the Iberian portfolio to the German UniCredit Bank GmbH.

Segment reporting covers three business segments: **Retail**, **Wealth Management & Private Banking (WM&PB)** and **Corporates**.

Retail covers the servicing of individuals (including premium banking customers), freelancers and business customers (with an annual turnover of up to €1 million).

Wealth Management & Private Banking (WM & PB) includes Bank Austria's private banking activities for all clients with total assets of €1 million or more, and wealth management, which is concentrated in Schoellerbank.

The **Corporates** division serves corporate customers of all sizes, including multinational and major international customers with a need for capital market-related services and investment banking solutions. The activities of FactorBank and Leasing are also included in this division, as are financial institutions such as banks, asset managers, institutional clients and insurance companies.

Those parts of the bank that are not allocated to a business division, are shown in the **Corporate Center** segment.

Strategic Plan "UniCredit Unlocked" and transformation of UniCredit

The results for the 2025 financial year confirm Bank Austria's and UniCredit Group's ability to achieve high and sustainable profitability supported by resilient, diversified and quality revenues even in a challenging macro-economic context such as the current one.

More specifically, the results achieved reflect the benefits of the transformation project put in place, which leverages a common strategic vision and model for all the banks of the Group; simplification, the support provided by product factories, increasingly shared and integrated technological and data platforms, common procurement and investments generate a competitive advantage and scale for all the banks of the Group, which translates directly into resilient and quality revenues, representing a solid basis for future growth.

In the second phase of the transformation, the Group focused on accelerating commercial growth by focusing on targeted initiatives, directing capital and resources towards the most attractive opportunities in terms of risk-return at the level of geographical areas, customer segment and product areas.

The Group is implementing a set of initiatives aimed at promoting quality, scale and value in the long term, such as the further expansion of product factories to increase integration between them and commercial banks to capture a greater part of the value chain, or commercial acceleration in SMEs and the Private & Affluent sector, where the Group's franchise is stronger and the potential higher.

The other strategic strand on which the Group is focusing to support future growth is innovation through investments in technology, artificial intelligence and distribution channels, building the capabilities and infrastructure necessary for long-term success.

As integral part of UniCredit Group, also Bank Austria Group follows the strategy of the "UniCredit Unlocked" Plan. The results achieved in 2025 confirm Bank Austria's strengthened and sustainable profitability.

Management Report

In 2025, Bank Austria generated **operating income** of €2,616 million (-3% compared to the prior year's figure of €2,698 million). Adjusted for the sale of card complete¹, operating income declined by 2%, from €2,631 million in 2024 to €2,574 million in 2025.

The decrease was driven primarily by lower net interest income as a result of the changed interest rate environment, while fees increased by 2% (or +6% when adjusted for the sale of card complete¹).

Net interest, the largest component of Bank Austria's operating income, declined by 8% to €1,456 million (prior year: €1,583 million), reflecting the lower interest rate level.

Dividends and other income from equity investments amounted to €293 million, exceeding the prior-year figure of €284 million. This item primarily includes pro-rata earnings from significant equity-investments such as the 3-Banken Group and Oesterreichische Kontrollbank.

Fees increased by 2% to €805 million (prior year: €791 million), if adjusted for the sale of card complete¹, fees rose by 6%, with growth recorded across all segments. In particular, fee income from investment business and insurance activities developed positively. The results were supported by the launch of the internal solution for the credit card business of Bank Austria and the successful insourcing of the issuance of own cards after the sale of card complete¹, market introduction of acquiring business, strong growth of Schoeller Invest fund sales and the extension of the insurance product offer.

Trading income amounted to €33 million (including €10 million relating to XVA² developments (tightening of credit spreads) and benefits from interest rate developments in 2025), compared with €1 million in the prior year.

Other expenses/income includes items that are not allocated to the above-mentioned income items. In 2025, this resulted in income of €29 million (compared to €40 million in the prior year).

Operating costs were slightly reduced to €1,027 million in 2025 (prior year: €1,031 million), underscoring the continued efficiency in cost management, while fully compensating for inflation. If adjusted for the sale of card complete¹, operating costs rose by 2%.

HR costs amounted to €575 million and were kept below the 2024 level (€583 million), also impacted by card complete¹ disposal.

Non-HR costs increased by 2% to €416 million, mainly reflecting one-off effects and higher IT expenses, being partly offset by cost-saving measures.

Amortisations and depreciations decreased by 16% from €44 million to €37 million.

Gross operating profit reached €1,589 million, which is 5% below the prior-year figure of €1,667 million, primarily due to the reduction in net interest income described above.

In 2025, the **cost/income ratio** remained strong at a level of 39.3%, reflecting good operational efficiency (prior year: 38.2%), while **Return on Allocated Capital (ROAC)**³ declined from 23.8% to 22.6% following the introduction of Basel 4.

Loan loss provisions (LLPs) for 2025 amounted to €-33 million (of which €+57 million related to stages 1 and 2 and €-89 million to stage 3) compared to prior year of -43 million. In the Retail segment, releases of €+88 million were recorded, while Wealth Management & Private Banking reported a release of €+0.5 million. LLPs in the Corporates segment reached €-121 million in 2025 (a reduction of €6 million vs. previous year), driven by inflows in non-performing exposures due to single larger defaults in 4Q25 and re-assessment of the geopolitical overlays which were partially compensated by model changes and recalibrations.

The **cost of risk**, expressed as the ratio of credit risk costs to average loan volume (in basis points), remained at a very low level of **5 bp** (prior year: 7 bp), demonstrating the continuously strong asset quality. The business divisions showed the following costs of risk: Retail -51 bp, due to releases (prior year: -47 bp), WM & PB -8 bp due to releases (prior year: 5 bp) and Corporates 29 bp (prior year: 31 bp).

¹ Bank Austria closed the sale of its participation in card complete in September 2025. Adjustment refers to the exclusion of the card complete contribution for 8 months of 2025 and for the full year 2024, as card complete results were consolidated line by line.

² **XVA**: collective term for valuation adjustments on derivative contracts. The most important of these are CVA (Credit Value Adjustment), DVA (Debit Value Adjustment) and FuVA (Funding Value Adjustment).

³ **ROAC** (return on allocated capital): net profit measured against allocated capital (allocated capital being calculated based on risk-weighted assets and the CET1 target ratio as defined by UniCredit for the different parts of the group: 13% of Risk-Weighted Assets (2025 and 2024)).

Management Report

In 2025, the Bank generated an operating result after loan loss provisions (**net operating profit, NOP**) of €1,556 million, -4% compared to the prior-year figure of €1,624 million.

The individual business segments contributed to the operating performance (NOP) as follows: Retail €544 million (adjusted prior year: €583 million), Wealth Management & Private Banking €137 million (adjusted prior year: €147 million) and Corporates €604 million (adjusted prior year: €677 million).

Other charges and provisions (incl. systemic charges) recognized during the reporting period amounted to €-111 million (prior year: €-50 million) including a provision for loan processing fees. Furthermore, in this amount **systemic charges** are included which increased significantly to €-73 million (2024: €-21 million), primarily due to an increased bank levy (€-51 million).

Integration costs rose to €-145 million (prior year: €-88 million) and include expenses related to the purchase of Bank Austria's head office building at Rothschildplatz 1 on Vienna's Austria Campus (RP1), as well as measures to successfully implement the multi-year strategic plan.

Net income from investments amounted to €164 million (prior year: €73 million). This primarily reflects value adjustments on selected equity-accounted investments (especially relating to BTV which belongs to the 3-Banken Group), as well as valuation and disposal results from real estate properties.

Based on the above items, **profit before tax** amounted to €1,464 million, representing a 6% decline compared with €1,558 million in the prior year. This decrease was mainly due to lower net interest income and higher contributions to systemic charges and integration costs, partly offset by the positive development of net income from investments.

Income taxes decreased to €-200 million (prior year: €-296 million), mainly due to a lower tax allocation rate following the establishment of a new tax group (see **Note A.6.5** to the consolidated financial statements).

Minorities amounted to €-5 million (prior year: €1 million).

As a result, the 2025 net profit (**Group stated net profit**) amounted to €1,260 million which is broadly unchanged compared to the prior-year period (€1,263 million), despite the bank levy increase of €51 million.

Management Report

Financial position and capital resources

Bank Austria Group's balance sheet at 31 December 2025 reflects the target structure which was to be strategically achieved through an **Austrian universal bank** focused on traditional commercial banking business with customers.

Loans to customers is the largest item on the asset side by far with a proportion of more than 50%. The Corporates division accounted for around two-thirds of total lending volume, underlining Bank Austria's leading position as a major lender to the Austrian business sector. Furthermore, the bank holds an important position in lending to Austrian retail customers.

Deposits from customers represent nearly two-thirds of liabilities and equity. About half consist of deposits from the Retail and Wealth Management & Private Banking divisions and constitute a solid refinancing basis for Bank Austria.

The liquidity coverage ratio (LCR) of UniCredit Bank Austria AG amounted to 146% (previous year: 158%).

Reclassified consolidated statement of financial positions ¹⁾

ASSETS	AMOUNTS AS AT		CHANGE	
	31.12.2025	31.12.2024	AMOUNT	%
Cash and cash balances	7,205	5,602	1,603	+28.6%
Financial assets held for trading	1,159	1,354	(196)	-14.4%
Loans to banks	9,371	10,409	(1,037)	-10.0%
Loans to customers	62,116	60,165	1,951	+3.2%
Other financial assets	27,417	24,581	2,836	+11.5%
Hedging instruments	1,072	1,428	(355)	-24.9%
Property, plant and equipment	740	739	1	+0.1%
Other intangible assets	3	7	(3)	-50.9%
Tax assets	260	332	(72)	-21.6%
Non-current assets and disposal groups classified as held for sale	-	338	(338)	-100.0%
Other assets	250	300	(50)	-16.6%
TOTAL ASSETS	109,593	105,253	4,340	+4.1%

(€ million)

Management Report

continued: Reclassified consolidated statement of financial positions ¹⁾

(€ million)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT		CHANGE	
	31.12.2025	31.12.2024	AMOUNT	%
Deposits from banks	9,458	13,672	(4,213)	-30.8%
Deposits from customers	70,257	60,536	9,720	+16.1%
Debt securities issued	12,373	12,532	(158)	-1.3%
Financial liabilities held for trading	1,207	1,364	(157)	-11.5%
Other financial liabilities	176	286	(110)	-38.4%
Hedging instruments	1,156	1,708	(552)	-32.3%
Tax liabilities	140	77	63	+80.8%
Liabilities included in disposal groups classified as held for sale	-	-	-	-
Other liabilities	3,775	4,288	(513)	-12.0%
<i>o/w pensions and other post-retirement benefit obligations</i>	2,649	2,875	(2,875)	-7.9%
Minorities	12	33	(21)	-63.4%
Group shareholders' equity	11,038	10,757	281	+2.6%
<i>of which:</i>				
- Capital and reserves	9,780	9,472	308	+3.3%
- Group stated net profit (loss)	1,259	1,285	(27)	-2.1%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	109,593	105,253	4,340	+4.1%

¹⁾ see reconciliation of the reclassified balance sheet to the balance sheet items of the consolidated financial statements (on next pages).

Previous year's figures as published (not recast) but partially adjusted to the slightly changed structure compared to the previous year's report (with different granularity in some items).

2024 loans and receivables with customers not considering €0.3bn loans referring to Iberia transaction classified as held-for-sale at the end of the year 2024.

Deposits from customers were impacted by the reclassification of a counterparty for repo transactions from deposits from banks, amounting to €8.5 billion as of 31 December 2025.

Management Report

Reconciliation of the reclassified balance sheet (see previous page) to the balance sheet items of the consolidated financial statements

Consolidated financial statements

(€ million)

ASSETS	AMOUNTS AS AT	
	31.12.2025	31.12.2024
Cash and cash balances	7,205	5,602
Item 10. Cash and cash balances	7,205	5,602
Financial assets held for trading	1,159	1,354
Item 20. Financial assets at fair value through profit or loss: a) Financial assets held for trading	1,159	1,354
Loans to banks	9,371	10,409
Item 40. Financial assets at amortised cost: a) Loans and advances to banks	11,243	11,972
less: Debt securities	(1,872)	(1,563)
Loans to customers	62,116	60,165
Item 40. Financial assets at amortised cost: b) Loans and advances to customers	66,022	62,279
less: Debt securities	(4,165)	(2,436)
less: Leasing assets IFRS16	(35)	(37)
+ Loans (from Item 20 c)	295	359
Other financial assets	27,417	24,581
Item 20. Financial assets at fair value through profit or loss: b) Financial assets designated at fair value	141	115
Item 20. Financial assets at fair value through profit or loss: c) Other financial assets mandatorily at fair value	363	431
less: Loans (to Loans to customers)	(295)	(359)
Item 30. Financial assets at fair value through other comprehensive income	17,650	17,220
Item 70. Equity investments	3,485	3,138
+ Debt securities (from Item 40 a)	1,872	1,563
+ Debt securities (from Item 40 b)	4,165	2,436
+ Leasing assets IFRS16 (from Item 40 b)	35	37
Hedging instruments	1,072	1,428
Item 50. Hedging derivatives	2,332	2,274
Item 60. Changes in fair value of portfolio hedged items (+/-)	(1,260)	(846)
Property, plant and equipment	740	739
Item 90. Property, plant and equipment	740	739
Other intangible assets	3	7
Item 100. Intangible assets net of goodwill	3	7
Tax assets	260	332
Item 110. Tax assets	260	332
Non-current assets and disposal groups classified as held for sale	-	338
Item 120. Non-current assets and disposal groups classified as held for sale	-	338
Other assets	250	300
Item 130. Other assets	250	300
TOTAL ASSETS	109,593	105,253

Management Report

continued: Consolidated financial statements

(€ million)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT	
	31.12.2025	31.12.2024
Deposits from banks	9,458	13,672
Item 10. Financial liabilities at amortised cost: a) Deposits from banks	9,458	13,672
Deposits from customers	70,257	60,536
Item 10. Financial liabilities at amortised cost: b) Deposits from customers	70,423	60,812
less: Leasing liabilities IFRS16	(166)	(275)
Debt securities issued	12,373	12,532
Item 10. Financial liabilities at amortised cost: c) Debt securities in issue	12,373	12,532
Financial liabilities held for trading	1,207	1,364
Item 20. Financial liabilities held for trading	1,207	1,364
Other financial liabilities	176	286
Item 30. Financial liabilities designated at fair value	10	11
+ Leasing liabilities IFRS16 (from Item 10 b)	166	275
Hedging instruments	1,156	1,708
Item 40. Hedging derivatives	2,029	2,549
Item 50. Value adjustment of hedged financial liabilities (+/-)	(874)	(842)
Tax liabilities	140	77
Item 60. Tax liabilities	140	77
Liabilities included in disposal groups classified as held for sale	-	-
Item 70. Liabilities associated with assets classified as held for sale	-	-
Other liabilities	3,775	4,288
Item 80. Other liabilities	663	979
Item 100. Provisions for risks and charges	3,112	3,309
o/w pensions and other post-retirement benefit obligations	2,649	2,875
Minorities	12	33
Item 190. Minority shareholders' equity (+/-)	12	33
Group shareholders' equity:	11,038	10,757
- Capital and reserves	9,780	9,472
Item 120. Valuation reserves	(1,910)	(2,042)
Item 140. Equity instruments	600	600
Item 150. Reserves	5,271	5,097
Item 160. Share premium	4,137	4,136
Item 170. Share capital	1,681	1,681
- Group stated net profit (loss)	1,259	1,285
Item 200. Group stated net profit (loss) (+/-)	1,259	1,285
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	109,593	105,253

Previous year's figures as published (not recast) but partially adjusted to the slightly changed structure compared to the previous year's report (with different granularity in some items).

Management Report

Reconciliation principles followed for the reclassified consolidated balance sheet

The main reclassifications made in the reconciliation from the structure of the consolidated financial statements to the reclassified balance sheet presented above, whose amounts are provided analytically in the tables enclosed with this report, involve:

- the inclusion in "Loans to banks" of item "Financial assets at amortised cost: a) loans and advances to banks", net of debt securities reclassified in "Other financial assets",
- the inclusion in "Loans to customers" of item "Financial assets at amortised cost: b) Loans and advances to customers", net of debt securities and of IFRS16 leasing assets reclassified in "Other financial assets", and of loans related to item "Financial assets at fair value through profit or loss: c) other financial assets mandatorily at fair value",
- the aggregation as "Other financial assets" of items (i) "Financial assets at fair value through profit or loss: b) financial assets designated at fair value and c) other financial assets mandatorily at fair value", net of loans reclassified in "Loans to banks and to customers", of (ii) "Financial assets at fair value through other comprehensive income", of (iii) "Equity investments", besides reclassifications of (iv) debt securities from item "Financial assets at amortised cost: a) loans and advances to banks and b) loans and advances to customers" and of (v) IFRS16 leasing assets from item "Financial assets at amortised cost: a) loans and advances to banks and b) loans and advances to customers",
- the inclusion in "Other financial liabilities" of leasing liabilities pursuant to accounting standard IFRS16 relating to item "Financial liabilities at amortised cost: a) deposits from banks and b) deposits from customers",
- grouping under "Hedging instruments", both assets and liabilities, of items "Hedging derivatives" and "Changes in fair value of portfolio hedged items" in the assets and "Value adjustment of hedged financial liabilities" in the liabilities,
- the inclusion of items "Provision for employee severance pay" and "Provisions for risks and charges" under "Other liabilities".

Total assets as at 31 December 2025 increased by €4.3 billion to €109.6 billion compared to 31 December 2024, in particular driven by **Cash and cash balances** (€7.2 billion, €+1.6 billion vs. year-end 2024), **loans to customer** (€62.1 billion, €+2.0 billion vs. year-end 2024), and **other financial assets** (€27.4 billion, €+2.8 billion vs. year-end 2024).

Loans to customers rose significantly to €62.1 billion (€60.2 billion as at year-end 2024, i.e. an increase of €2.0bn), despite the sale of the Iberia loans to UniCredit Bank GmbH (further details to this sale may be found in chapter A.6.11 of the Notes to the consolidated financial statements) and the sale of card complete.

If adjusted for the sale of Iberia loans and the sale of card complete, the increase would have been €3.0bn (+5%), reflected also in a turnaround in the development of the market share in corporate loans.

Gross non-performing loans amounted to €2.1 billion, an increase of €0.1 billion compared with the end of 2024. The gross NPL ratio (3.2%) increased slightly compared to the end of 2024 (3.1%), and the net NPL ratio also rose slightly (2.2%, after 2.0% at year-end).

Other financial assets rose by €2.8 billion to €27.4 billion, primarily due to an increase in the securities portfolio.

Deposits from banks showed a significant decrease of €4.2 billion to €9.5 billion compared to the 2024 reporting date, due to the reclassification described in the following paragraph.

Deposits from customers increased by €9.7 billion to €70.3 billion in the reporting period, mainly due to the reclassification of a counterparty for repo transactions from **deposits from banks**, amounting to €8.5 billion as of 31 December 2025. The remaining growth was generated mainly in the Corporates business division.

Debt securities issued remained almost unchanged at €12.4 billion at the end of the reporting period (compared to €12.5 billion at year-end 2024). Among other items, an intra-group Tier 2 issue of €0.6 billion was placed in 2025.

Management Report

As of 31 December 2025, **commercial total financial assets (Comm. TFA)**, the sum of all customer investments) amounted to €97.0 billion (this represents an increase of €+3.1 billion compared to the previous year, primarily due to €+1.2 billion in Assets under Custody, €+0.9 billion in Assets under Advisory, and €+0.7 billion in deposits from customers), of which €20.7 billion were **assets under management (AuM)**, fund and asset management products), €3.8 billion were **assets under advisory (AuA)**, €18.3 billion were **assets under custody (AuC)**, direct investments in the capital market/custody business), €51.3 billion were **deposits from customers** (incl. building society savings, balances with severance funds) and €3.0 billion in life insurance products.

Comm. TFA relate to volumes in the Retail, Wealth Management & Private Banking and SME (sub-) segments.
Large Corporates and central functions (Corporate Center) are not included.

Provisions (included in **Other liabilities**) amounted to around € 3.1 billion at the end of 2025, which is €-0.2 billion compared to the end of 2024. The most significant item is provisions for pensions and similar obligations, which amounted to €2.6 billion (31.12.2024: €2.9 billion).
As at 31 December 2025, the discount rate for social capital was 4.05%, which represents an increase of 0.65 percentage points compared to the year-end 2024 figure of 3.40%.

Group shareholders' equity amounted to €11.0 billion as of 31 December 2025, representing an increase of €0.3 bn compared with year-end 2024. This increase was mainly driven by the 2024 dividend payment of €1,082 million and the 2025 balance sheet net profit of €1,259 million.

Management Report

Capital resources and risk-weighted assets

Regulatory capital, capital requirements and regulatory capital ratios were calculated in accordance with the Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD) to implement Basel 4 (Finalization of Basel 3) in the European Union. Under the Austrian CRR Supplementary Regulation and ECB Regulation 2016/445 on the exercise of options and discretions available in EU law, these provisions were not yet fully applicable but will be gradually introduced over several years.

From 1 January 2025, all of the regulatory provisions of CRR including all subsequent amendments (CRR III in force as of 9 July 2024) are applied and were reflected in the calculation of the capital.

The provisions of the CRD V were transposed into Austrian law via the Austrian Banking Act (BWG) amendment of 28 May 2021. The implementation of CRD VI is still ongoing in Austria.

Bank Austria Group calculated its consolidated regulatory capital and consolidated regulatory capital requirements on an IFRS basis. Bank Austria has been making use of the option to allocate the IFRS 9 credit risk effects over time since 1 January 2021 and did so for the last time at the end of the transitional period as of 31 December 2024.

Bank Austria Group's **eligible own capital** increased as of 31 December 2025 by €0.6 billion to €8.4 billion compared to year-end 2024. The Additional Tier 1 (AT1) capital remained stable at €0.6 billion compared with year-end 2024.

Common Equity Tier 1 capital (CET1) increased to €7.0 billion (year-end 2024: €6.5 billion).

Compared with year-end 2024, **total risk-weighted assets (RWA)** increased from €33.6 billion to €34.1 billion.

The €1.0 billion decrease in credit risk was driven by Basel 4-related increases which were more than offset by the new securitization signed in 4Q25, by updated local EAD models and the sale of Iberia loans to UniCredit Bank GmbH.

In contrast, operational risk increased significantly from €3.0 billion to €4.7 billion as Basel 4 came into force.

Market risk decreased by €0.1 billion to €0.4 billion during the period under review.

The **capital ratios** show a strong increase in the table below. The ratios continue to significantly exceed the legal requirements.

Capital ratios (based on all risks)

	31.12.2025	31.12.2024
Common Equity Tier 1 (CET1) capital ratio	20.6%	19.3%
Tier 1 capital ratio	22.4%	21.1%
Total capital ratio	24.5%	23.2%

The **leverage ratio** pursuant to the Delegated Regulation (EU) 2015/62, based on the current status of transitional arrangements, was 6.6% as at 31 December 2025.

Management Report

Development of business segments

Retail

(€ million)

	2025	2024 ¹⁾	CHANGE	
			+/- € million	+/- %
Operating income	961	1,017	(57)	-5.6%
Operating costs	(505)	(522)	17	-3.3%
Gross operating profit (loss)	455	495	(39)	-8.0%
Loan Loss Provisions (LLPs)	88	88	0	0.5%
Net operating profit (loss)	544	583	(39)	-6.7%
Profit (loss) before tax	495	578	(83)	-14.3%
Commercial Total Financial Assets ²⁾	43,636	42,780	856	2.0%
Loans to customers	17,371	18,191	(820)	-4.5%
Deposits from customers	28,342	28,059	283	1.0%
Ø Risk-weighted assets (RWA) ³⁾	8,718	8,894	(176)	-2.0%
ROAC ⁴⁾	32.8%	38.5%	-5.8 PP	n.m.

1) In segment reporting, the comparative figures for the previous year differed from the published figures due to a recast to reflect the current structure and methodology (see Segment Reporting section in the Notes to the consolidated financial statements)

2) Commercial total financial assets: sum of customer assets, i.e. sum of deposits from customer, assets under management (fund and asset management products) and assets under custody (direct capital market investments/custody business)

3) Average risk-weighted assets (all risks) according to Basel 4 (2025) and Basel 3 (2024)

4) Allocated capital calculated at 13% (2025 and 2024) common equity tier 1 (CET1) target ratio; in Retail, there are slight deviations due to minority interests in card complete

n.m. = not meaningful

PP = percentage points

Gross operating profit

Operating income was slightly below the previous year, driven by lower net interest income as a result of declining market rates, partly offset by the termination of a deposit product not reflecting current market conditions.

Fees showed a strong growth of 11%, if adjusted for the sale of card complete⁴, driven by investment products, card issuing and insurance sales, supported by a new contract with an insurance company.

Operating costs decreased by 3% year-on-year. Excluding card complete¹, they increased slightly by 2%, due to higher spending on sponsorships and ICT expenses.

Loan loss provisions

Loan loss provisions remained unchanged vs. previous year, primarily due to net write-backs in the performing portfolio due to recalibrations.

Profit (loss) before tax

Due to the above-mentioned decline in net interest income as a result of the market environment as well as higher provisions for risks and charges, the yearly profit before tax decreased to €495 million (-14% compared to the prior year).

Loans to customers/deposits from customers

The 2024 lending volume included €0.5 billion in card complete loans, which no longer existed at the end of 2025 as a result of the sale of card complete. This change explains approximately two-thirds of the reduction, while the remainder is mainly attributable to repayments of legacy CHF mortgage financings.

Customer deposits increased by €0.3 billion to €28.3 billion during the same period, primarily in sight deposits.

⁴ Bank Austria closed the sale of its participation in card complete in September 2025. Adjustment refers to the exclusion of the card complete contribution for 8 months of 2025 and for the full year 2024, as card complete results were consolidated line by line.

Management Report

In the **Retail** Division, private customers with investment volume of up to €1 million, as well as freelancers and business clients with an annual turnover of up to €1 million, are served in branches and through alternative channels. The division also included card complete which was operating in the credit card business and was sold in September 2025. The details regarding the sale of card complete Service Bank AG are available in Section A.8.2 – Breakdown of minority interests in the Notes to the consolidated financial statements.

In terms of **digital banking services** usage, Bank Austria has achieved above-average growth: while the market grew from 60% to 61%, Bank Austria increased its usage rate from 66% to 69%. At Bank Austria, more than 20% of customers are already pure digital customers, around two-thirds are multichannel users, and only slightly more than 10% are branch-only customers.

To serve our customers even better, Bank Austria expanded its **digital payment product portfolio** in the first half of 2025 by introducing **Google Pay**, in addition to the already established **Apple Pay** service. Both Google Pay and Apple Pay can now be used with all debit cards issued by Bank Austria as well as the new generation of Bank Austria credit cards.

With the successful **insourcing of customer credit cards** and the **issuance of the first Bank Austria credit cards** following the sale of card complete, the bank achieved a strategic milestone in the first half of 2025. Customers now have access to next-generation credit cards. All functions are available in the MobileBanking app - no additional app is required.

Furthermore, many **digital customer journeys** have been **optimized** to make it even easier for customers to use the bank's services in the MobileBanking app and in the 24You internet banking—and, above all, to purchase products from the wide digital offering directly in the app or in 24You. In addition to personal, individual advice in branches, customers also have access to personal consultations via central and decentralized remote channels for a wide range of savings products, loans, leasing, insurance, and securities. **Over 50% of product sales take place via remote channels**—either fully digital or remotely assisted with the support from our central and decentralized teams. Digital services are also becoming increasingly important, ranging from displaying card PINs in the app and customer-controlled limit changes to secure communication for all customer needs via the communication hub in the bank's digital channels.

Since approximately 15% of the world's population lives with certain impairments and 2%–4% with significant impairments, we have implemented a **Digital Accessibility** Project. These impairments are highly diverse, ranging from visual, auditory, motor, or cognitive limitations of individuals to entire population groups, such as older people with age-related vision impairment. To address this issue and make our digital channels even more user-friendly, we have further improved them as part of our Digital Accessibility Project, optimizing color contrasts, line spacing, page layout, and font sizes, among other aspects.

In the **ESG (Environmental, Social & Governance)** area, our position on **sustainability** is based in no small part on our account offerings. Since 2020, four Bank Austria account products have been successfully certified with the Austrian Ecolabel. Three of these products — the GoGreen Account, the MegaCard GoGreen Account, and the GoGreen Student Account — are exclusively for private customers, while the GoGreen Business Account is designed for business customers. With this broad product range, our customers can actively contribute to sustainability throughout their entire lifecycle, starting at the age of 10.

In the area of **construction and housing finance**, we continue to focus on **sustainable financing**, known as **Green Finance**. With our mortgage loan — whether for a new purchase or renovation — customers who present a valid energy performance certificate receive a €150 credit to their checking account, positioning us successfully as a sustainable financing partner.

We ensure a structured approval process for consumer loans through both digital self-service channels and branch networks, so customers can conveniently access financing tailored to their financial needs. In addition, given strong customer demand for risk mitigation solutions, portfolio stability and customer benefits have been further strengthened. For example, in the first half of 2025, every second newly concluded consumer loan was accompanied by a credit residual debt insurance policy by ERGO (SorgenfreiER GO!). In May 2025, a new premium package of SorgenfreiER GO! credit residual debt insurance was introduced, offering a higher level of protection, including coverage for permanent disability resulting from an accident and for extended periods of illness.

Overall, the positive trend in **insurance** continued from 2024. The legal protection product introduced in mid-2024 — the D.A.S. Recht-2-Go insurance — as well as the ERGO dental preservation insurance and ERGO dental replacement insurance remain highly popular among our customers.

Management Report

Wealth Management & Private Banking (WM & PB)

(€ million)

	2025	2024 ¹⁾	CHANGE	
			+/- € million	+/- %
Operating income	256	261	(5)	-2.0%
Operating costs	(119)	(114)	(5)	4.6%
Gross operating profit (loss)	137	147	(10)	-7.1%
Loan Loss Provisions (LLPs)	0	(0)	1	n.m.
Net operating profit (loss)	137	147	(10)	-6.5%
Profit (loss) before tax	132	131	1	0.5%
Commercial Total Financial Assets ²⁾	27,704	26,858	846	3.1%
Loans to customers	580	628	(48)	-7.7%
Deposits from customers	7,019	7,168	(149)	-2.1%
Ø Risk-weighted assets (RWA) ³⁾	782	634	149	23.4%
ROAC ⁴⁾	99.1%	121.5%	-22.5 PP	n.m.

1) In segment reporting, the comparative figures for the previous year differed from the published figures due to a recast to reflect the current structure and methodology (see Segment Reporting section in the Notes to the consolidated financial statements)

2) Commercial total financial assets: sum of customer assets, i.e. sum of deposits from customer, assets under management (fund and asset management products) and assets under custody (direct capital market investments/custody business)

3) Average risk-weighted assets (all risks) according to Basel 4 (2025) and Basel 3 (2024)

4) Allocated capital calculated at 13% (2025 and 2024) common equity tier 1 (CET1) target ratio

n.m. = not meaningful

PP = percentage points

Gross operating profit

In 2025, the operating income of the Wealth Management & Private Banking (WM & PB) stood at €256 million, which is €5 million below last year. This results from a decline in net interest due to the development of market rates, partially offset by higher net fee & commission income (+5% year-on-year), driven by better results in the investment business.

Operating costs increased slightly by €5 million and amounted to €119 million, driven by wage drift and strategical investments.

Profit (loss) before tax

The profit before tax in 2025 was €132 million, that is €1 million above the previous year's figure.

Loans to customers/deposits from customers

At the end of the year, the loan volume was €0.6 billion which is slightly below previous year's level, due to redemptions; deposits from customers were decreasing slightly to €7.0 billion.

The main focus of Wealth Management & Private Banking is on the continuous growth of **Commercial Total Financial Assets**.

Commercial TFA increased by 3% (+0.8 billion) year-over-year to €27.7 billion, mainly due to solid new business production as well as the positive development of the international financial markets.

The **Wealth Management & Private Banking** Division serves and supports affluent and high-net-worth clients, focusing on tailored investment solutions and intergenerational wealth management.

The **Wealth Management** segment is concentrated within **Schoellerbank**, recognized as a specialist in sophisticated asset management and financial planning. For more than three decades, its core competency has been portfolio management – always guided by the principle “Investing rather than speculating.” At Schoellerbank, wealth management means far more than pure asset allocation. The experts see themselves as “architects” of client relationships, placing the needs of their clients – who currently entrust the bank with Commercial Total Financial Assets of €13.7 billion – at the center of holistic wealth management. Within this comprehensive advisory approach, solutions such as financial and liquidity planning, succession and retirement planning, support with real estate transactions, and foundation expertise are offered.

Management Report

Decades of experience and expertise have earned this traditional institution, founded in 1833, not only many satisfied and loyal clients but also numerous prestigious awards within the financial industry. Schoellerbank has consistently been **Austria's most awarded private bank** in independent international industry tests, reaffirming its role as the country's leading wealth manager. With eight locations, Schoellerbank – a wholly owned subsidiary of UniCredit Bank Austria AG – is the only private bank with nationwide presence in Austria.

Schoellerbank Invest, the in-house asset management company with a strong ESG focus, offers both customized special funds for clients with particularly high investment needs and public funds. These funds are also available to Bank Austria clients. The volume of Schoellerbank Invest funds in the public fund category increased by +8% compared to the previous year, primarily driven by new distribution channels.

The **Private Banking** segment focuses on affluent private clients, churches, and foundations as part of UniCredit Bank Austria AG's clientele. Currently, more than 12,200 clients are served, with Commercial Total Financial Assets of approximately €14.0 billion.

Our clients receive advice at 15 Private Banking locations across Austria. A dedicated competence center in Vienna manages the financial affairs of churches and foundations. A distinctive feature of Bank Austria Private Banking is its personalized 360-degree advisory approach, covering the full spectrum of banking services and products – from investment financing and real estate loans to premium investment solutions. The experts in Private Banking Asset Management are responsible for market assessments and their implementation in portfolio management solutions. In addition, our Credit Advisory and Wealth Planning specialists support Private Banking advisors with complex financing issues and holistic financial and succession planning.

Management Report

Corporates

(€ million)

	2025	2024 ¹⁾	CHANGE	
			+/- € million	+/- %
Operating income	1,097	1,169	(73)	-6.2%
Operating costs	(372)	(366)	(7)	1.8%
Gross operating profit (loss)	725	804	(79)	-9.9%
Loan Loss Provisions (LLPs)	(121)	(127)	6	-4.8%
Net operating profit (loss)	604	677	(73)	-10.8%
Profit (loss) before tax	605	676	(71)	-10.5%
Loans to customers ²⁾	43,273	40,608	2,665	6.6%
Deposits from customers	25,577	24,474	1,103	4.5%
Ø Risk-weighted assets (RWA) ³⁾	19,649	17,618	2,031	11.5%
ROAC ⁴⁾	17.5%	21.9%	-4.4 PP	n.m.

1) In segment reporting, the comparative figures for the previous year differed from the published figures due to a recast to reflect the current structure and methodology (see Segment Reporting section in the Notes to the consolidated financial statements)

2) 2024 loans to customers were recast due to the transfer of the Iberia loans to UniCredit Bank GmbH

3) Average risk-weighted assets (all risks) according to Basel 4 (2025) and Basel 3 (2024)

4) Allocated capital calculated at 13% (2025 and 2024) common equity tier 1 (CET1) target ratio

n.m. = not meaningful

PP = percentage points

Gross operating profit

Operating income in 2025 stood at €1,097 million, lower by €73 million compared to the previous year. Net interest income dropping by €85 million was driven by the market rates development impacting especially deposit revenues, partially offset by net fees and commissions that increased by €11 million year-on-year, driven by services in the financing business and investment services.

Operating costs amounted to €372 million (€+7 million), affected by higher staff expenses (wage drift).

In total, a gross operating profit of €725 million (-10% compared to the previous year) was achieved.

Loan loss provisions

In 2025, loan loss provisions reached €121 million (a reduction of €6 million vs. previous year), driven by inflows in non-performing exposures due to single larger defaults in 4Q25 and re-assessment of geopolitical corporates overlay which were partially compensated by model changes and recalibrations.

Profit (loss) before tax

Profit before tax in 2025 amounted to €605 million (€-71 million vs. 2024), driven by the negative impact of market rate development on net interest income.

Loans to customers/deposits from customers

At year-end 2025, the loan volume stood at €43.3 billion (year-end 2024: €40.6 billion), an increase of €2.7 billion, achieved in a challenging market environment. Portfolio growth – normalized for the transfer effect from Iberian loan business – was generated especially with investment grade Large Corporates and well-positioned medium sized non-financial corporations, complemented by an increase in selected engagements with Public Sector entities. Overall, in an Austrian market environment characterized by low demand for new Corporate lending and exceptionally strong price competition for high quality transactions, Corporate business growth was achieved without compromising on overall profitability and loan portfolio quality.

The deposit base from Corporate customers increased by around €1.1 billion to €25.6 billion (2024: €24.5 billion). Even in the phase of significant market interest rate reduction, the balance of volume stock and pricing for short- and longer-term placements was actively managed across all client segments. Thus, funding structures were safeguarded, while attractive product offers for clients could be maintained and the adverse impact on net interest income from deposits could be limited.

Management Report

UniCredit Bank Austria is **Austria's leading corporate bank**, holding a strong and established position in corporate financing, ESG loans, and structured syndicated and real estate financing. This leadership is reflected in its top ranking in the 2025 League Table for Austrian Syndicated Loans. Furthermore, the bank was honored at the prestigious *Euromoney Awards for Excellence 2025* as '**Austria's Best Bank for Large Corporates**' and by *Global Finance* magazine as '**Best Bank**' in Austria, confirming our strength and performance in the Austrian market.

In 2025, the Austrian corporate banking sector continued to be influenced by mixed economic signals. While the overall economic environment remained subdued, Bank Austria's Corporate Banking achieved solid progress in loan growth and in acquiring new clients in the Small Corporates segment, thanks to a disciplined risk approach and targeted growth initiatives.

ESG Focus: Sustainability considerations have become an integral part of our corporate credit risk analysis. The demand for ESG data and planned climate and environmental measures remains crucial for assessing the resilience of business models. We remain committed to supporting our clients throughout their transformation journey and enabling sustainable decisions.

The market for **Large Corporate clients, including financial institutions and the public sector**, remained challenging throughout 2025. Weak economic conditions in Austria, regulatory burdens, global trade conflicts, and geopolitical uncertainties dampened investment appetite for organic growth and led to muted financing volumes. For companies with resilient business models capable of executing acquisitions and sustainable investments, this environment also created opportunities, which Bank Austria supported with excellent advisory, financing, and capital markets solutions. Bank Austria maintained its leading position in Austria, particularly in structured finance, transaction banking, and corporate treasury solutions. Our focused approach to selected international clients in the Nordic region proved highly successful and presents further growth potential. Assuming a stabilization of the environment, we see opportunities for a business revival in 2026.

Our **Public Sector** business continues to benefit from our long-standing expertise and strong market position as Austria's leading public sector partner. Due to higher public spending in healthcare and education as well as financing costs, demand for financing solutions from public entities increased slightly this year. However, 2025 proved challenging as new competitors entered the market with aggressive pricing. As a result, success rates in financing tenders declined compared to the previous year. Nevertheless, the public sector maintained its high market share (>20%), primarily through strategically relevant transactions. In addition to traditional financing products, we continued to provide advisory services to municipalities in 2025, with a particular focus on ESG-compliant financing structures.

In the **Commercial & Subsidized Real Estate** segment, 2025 was marked by ongoing market consolidation and correction, particularly among commercial project developers. Investor sentiment in the Austrian real estate market remained cautious. Thanks to Bank Austria's strong market position and the solid quality of our real estate portfolio, we continued to finance new, large, and complex projects while remaining a strong and reliable partner for our existing clients. Although the real estate market for developers remains challenging, there are initial encouraging signs of recovery and renewed interest from foreign investors.

Business development in the **Small & Medium Enterprises (SME)** segment remained robust despite Austria's continued weak economic momentum. Within the industrial sector, a specific client group continues to face persistent economic challenges, particularly in manufacturing. Nevertheless, a consistently implemented sales strategy and attractive financing solutions enabled loan growth. Additional supportive measures optimized the service model, significantly accelerated credit decisions, and launched a broad new customer acquisition campaign, making our offering accessible to more companies.

Management Report

Complementing segment-specific initiatives, the current product portfolio was strengthened by introducing direct **credit card issuing** and **providing card terminals** for POS acquiring services, which became a core product this year. Furthermore, 2025 saw the full rollout of DEALSYNC, a **new platform for sell- and buy-side transactions**. This provides significant added value for Bank Austria corporate clients looking to expand or consolidate their business activities in Austria and abroad or address the challenge of business succession.

Across all segments, **digitalization and data-driven solutions** play an increasingly important role in improving efficiency and enhancing the customer experience. By consistently implementing our new service model and targeted optimizations in credit processes, we continue to improve transaction speed and service quality for all our corporate clients.

With its comprehensive product portfolio, market proximity, and proven expertise, Bank Austria remains **THE strategic financial partner for Austrian corporate clients**.

Management Report

Outlook

Economic environment 2026

In 2026, the global economy will demonstrate its ability to adapt to the economic policy conditions changed by Trump 2.0, but the risks are clearly on the downside. Prolonged uncertainty, increased protectionism, and shocks in the labor supply will lead to negative effects on demand. Global trade will slow down, but trade in services could have a balancing effect, as further digitalization and the increasing use of artificial intelligence could accelerate the shift in global trade towards services. The production of strategic goods such as chips and batteries is increasingly being promoted by governments in order to reduce dependence on China. These measures will mitigate the negative effects on demand but will also increase public debt. Higher fiscal vulnerabilities, possible corrections in the financial markets, and the erosion of institutions are further threats to stable global economic development in 2026.

We expect global economic growth to slow to 2.8 percent in 2026, down from around 3 percent in the previous year, with advanced economies growing by around 1.5 percent. By contrast, the economic output of emerging and developing countries should grow by just over 4 percent, led by the Chinese economy, whose growth is likely to slow to 4.1 percent, however, as the headwinds from US tariff policy continue. Among the industrialized countries, the US will continue to achieve above-average momentum, albeit at a significantly slower pace than in previous years. We expect solid GDP growth of 2.3 percent, supported by fiscal measures, high investment in artificial intelligence, a certain easing of political uncertainty, primarily due to the private sector becoming accustomed to or more adaptable to erratic economic policy decisions, and more favorable financing conditions due to monetary policy easing. After a cautious start to the year, economic momentum in Europe should pick up over the course of 2026. Fiscal measures in Germany, among other countries, the reduction in uncertainty in foreign trade due to US tariff policy, and the delayed effect of the ECB's monetary policy easing on investment will contribute to this. The main markets, Germany and France, will be able to achieve roughly the eurozone's average growth of 1.0 percent, while a more dynamic development is expected especially in the southern member states, such as Spain, Portugal or Greece.

As a result of slower growth, global inflationary pressure will ease in 2026 due to more moderate energy and food price trends. The situation in the US will differ from this trend. The pass-through of tariff increases will continue and also spill over into service inflation. However, the effects of tariff policy should level off in the second half of 2026. Nevertheless, average inflation is likely to be higher than in the previous year at 3.0 percent, remaining well above the US Federal Reserve's target. For the first half of 2026, the macroeconomic conditions therefore argue against a further interest rate cut. In the second half of the year, however, two cuts in the Fed Funds Target Range of 25 basis points each to 3.25–3.50 percent are likely. With the end of Federal Reserve Chairman Jerome Powell's term in May 2026, political influence on the Fed could increase, but without completely undermining its independence. With inflation in the eurozone continuing to decline to an annual average of 1.8 percent in 2026, we expect a prolonged period of stable key interest rates in the eurozone. The deposit rate should therefore remain at 2.0 percent at the end of 2026, although weaker economic and inflationary developments in the first half of the year would entail the risk of a final interest rate cut. Despite the interest rate differential, the US dollar is likely to continue to decline against the euro, albeit more gently than in 2025, with de-dollarization developing gradually rather than abruptly. In an environment characterized by structural change, political complexity, and ongoing uncertainty, cautious optimism toward equities contrasts with limited bond markets.

The outlook for Austria

Global challenges and the consequences of high inflation will continue to have a strong impact on economic development in Austria in 2026. No significant change in the economic situation is expected at the beginning of the year. However, the Austrian economy should be able to gain stability and momentum over the course of the year, based on a consolidation of domestic demand. Supported by lower inflation, which should be around one percentage point below the previous year's level due to the elimination of the driving effect of the electricity price cap from the calculation, the high propensity to save is expected to decline, which will have a positive effect on the development of private consumption. On the other hand, a slow easing of investment restraint is also expected, partly due to an incipient recovery in construction and additional impetus from Germany's investment program, among other things.

Management Report

In addition, export business should stabilize again after the loss of market share due to US tariff policy and reduced competitiveness as a result of higher wage and energy costs. The negative cost shock will diminish due to lower wage increases and productivity gains in Austria, as well as higher wage increases in export markets, and thus foreign trade should at least no longer dampen economic development. This trend should accelerate in the course of 2026. We expect economic growth to be noticeably higher in 2026 than in 2025, at 1.0 percent, supported by domestic demand and a more stable development in foreign trade, which should also be reflected in a decline in the unemployment rate, especially as demographic effects support this.

The European Central Bank's relaxed monetary policy will have a stronger impact in 2026 and reinforce the upward trend on the financing market in Austria. Driven by improved consumer and investment demand, the lending business should pick up. Following a slight increase in the previous year, household lending is likely to grow even more strongly in 2026. This will be driven by consumer loans and, above all, by the development of real estate financing, which will continue to expand following last year's trend reversal in light of slightly more affordable real estate prices. In 2026, interest rate cuts, combined with a more stable economic outlook, should lead to greater willingness to invest, which should support the upturn in corporate financing in 2026 and lead to higher growth than in the previous year.

In view of the lower key interest rates, deposit interest rates have lost their appeal. Growth in household deposits is therefore expected to slow in 2026, especially as the trend toward investing in the stock and bond markets is also strengthening in Austria. Although the high propensity to save among Austrian households is expected to decline in the course of 2026, it will remain above average and continue to ensure only a slightly lower increase in household deposits compared to 2025. Longer-term investments will be preferred over short-term, low-interest investments. In view of lower interest rates and economic challenges, corporate deposit growth will also slow down somewhat. Overall, deposits at Austrian banks will continue to rise in 2026, but at a slightly slower pace.

Business outlook

Within a challenging macroeconomic environment, Bank Austria will maintain its focus on quality growth, based on a sustainable and profitable net interest margin net of loan loss provisions, strong fee evolution and disciplined focus on cost management and capital efficiency. These factors, together with the permanent attention on customer needs, the structural initiatives implemented by the bank and the investments made will ensure future growth, allowing Bank Austria to face the challenges and risks linked with the uncertainty of the current environment. This will create further value for the stakeholders of Bank Austria.

Regarding the further financial development, Bank Austria continues to keep a strong return on allocated capital (ROAC), in the year 2025 at around 23% and high-level regulatory capital ratios (especially the CET1 ratio). In addition, the bank will focus on a solid liquidity position based on a balanced development of loans, deposits and securities issues.

Sustainability in customer business

Bank Austria has set itself the goal of supporting the transformation of the economy towards climate neutrality focusing on gradual decarbonization of its loan portfolio.

Bank Austria has a clear **focus on ESG/sustainability**:

- Alignment of the business with long-term net-zero targets and climate commitments,
- Continuous expansion of its **range of green products and services**, such as ESG asset management for private banking clients,
- Further strengthening of its social commitment - with a focus on **educational projects and financial education**, including the Wealth Management & Private Banking division's "Girls Go Finance" initiative in cooperation with Teach for Austria,
- Facilitating ESG awareness and education with internal **ESG and sustainability learning initiatives** for all employees and managers, as well as an ESG Day for all employees and clients to actively engage with the topic of Sustainability.

Management Report

Digitalisation and simplification: Important pillars of the "UniCredit Unlocked" Strategic Plan

Digitalization and simplification are key priorities for the bank in successfully implementing the group-wide strategic plan "UniCredit Unlocked." Bank Austria has already defined numerous relevant initiatives and is continuously implementing them step by step, including further improvements to the **Mobile Banking app** and expansions of the **range of products that can be concluded online**.

In addition, Bank Austria has brought the **Issuing & Acquiring business** back in-house, thereby offering for the first time a fully integrated service portfolio – from card issuance (Issuing) to payment processing and acceptance (Acquiring). In **Issuing**, the offering includes the provision and management of credit cards for private and corporate customers. In **Acquiring**, UniCredit Bank Austria provides its business customers with a comprehensive **range of solutions for accepting card payments**. These include stationary payment terminals (Point of Sale, POS), e-commerce solutions for online shops, as well as mobile payment methods such as SoftPOS, which enables card payments directly via smartphone. These holistic **omnichannel solutions** cover all customer needs – from card acceptance in-store to online payments and mobile applications.

Permanent establishments

There are no significant permanent establishments.

Until the year 2025, Bank Austria had administrative units in Poland and Romania, which mainly perform back-office activities for the bank's business units.

In the last quarter of 2025, the management of UniCredit Bank Austria AG approved the transfer of the two branches in Poland and Romania to UniCredit S.p.A. with effective date 1 January 2026 with the aim to simplify the overall set-up and governance.

On 18 December 2025, the asset purchase agreement was signed, and the purchase price was determined at €2.6 million for the Poland branch and at €2.4 million for the Romania branch, based on an assessment by an independent external valuator.

Further information

Non-financial performance indicators

As a member of UniCredit Group, UniCredit Bank Austria AG does not prepare its own non-financial statement in accordance with Section 267a of the Austrian Commercial Code (UGB), since it is included in UniCredit S.p.A.'s non-financial statement pursuant to Section 267a (7) UGB. This takes into account the requirements of the *Corporate Sustainability Reporting Directive 2022/2464* ("CSRD"). UniCredit publishes its non-financial statement on its website (<https://www.unicreditgroup.eu/en.html>).

Research and development

Bank Austria is a credit institution that provides banking services. A bank's production process is generally not associated with research and development in the industrial sense, but development work is constantly incorporated into the bank's day-to-day business. Bank Austria's principle here is to meet the needs of the various customer groups with products that are as simple as possible. Furthermore, new regulatory requirements mean that constant new developments and adjustments are necessary.

Information and communication technology (ICT) makes a significant contribution to the further development of integrated services and products. The ongoing digitalization and continuous improvement of our digital products put our customers at the center – with the aim of simplifying bank processes and quickly adapting our products to customer needs, as well as anticipating these needs wherever possible. The clear objective here is to improve customer satisfaction, expand the services offered via digital channels and ensure compliance with all regulatory requirements. The expenses and investments for information and communication technology (investment budgets) are capitalized by the IT service provider of UniCredit Group and passed on to Bank Austria. This serves to benefit from group-wide developments and common IT platforms, and to generate significant synergies in the IT area.

Management Report

The following detailed information is included in the notes to the consolidated financial statements:

- Events after the end of the reporting period are included in section F.16 within "*F – Additional disclosures*" of the Notes to the consolidated financial statements.
- The risk report is a separate chapter ("*E – Risk report*") in the Notes to the consolidated financial statements. It includes, among other things, details on credit risk (E.2), liquidity risk (E.3), market risk (E.4) and climate-related and environmental risks (E.14).
- The report on key features of the internal control and risk management system in relation to the financial reporting process is contained in section E.16 of the risk report.
- Information on the use of financial instruments is included in the Notes to the consolidated financial statements (sections E.4 - Market risk and E.5 - Financial derivatives).
- Regarding the details of the completed sale of shares in card complete Service Bank AG, please refer to Section A.8.2 – Breakdown of minority interests in the Notes to the consolidated financial statements.
- Details on the transfer of the Iberia customer portfolio to UniCredit Bank GmbH can be found in Section A.6.11 – Income from fees and commissions and other operating income in the Notes to the consolidated financial statements.

Management Report

Vienna, 17 February 2026



Ivan Vlaho
CEO – Chief Executive Officer
(Chairperson)



Daniela Barco
Retail



Hélène Buffin
CFO – Chief Financial Officer



Dieter Hengl
Corporates



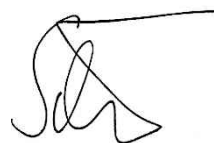
Emilio Manca
COO – Chief Operating Officer



Marion Morales Albiñana-Rosner
Wealth Management & Private Banking



Svetlana Pančenko
People & Culture



Wolfgang Schilk
CRO – Chief Risk Officer

Consolidated Income Statement

Consolidated income statement

(€ million)

ITEMS	YEAR	
	2025	2024
10. Interest income and similar revenues	3,552	5,116
<i>of which: interest income calculated with the effective interest method</i>	3,018	3,794
20. Interest expenses and similar charges	(2,003)	(3,412)
30. Net interest margin	1,549	1,705
40. Fees and commissions income	906	935
50. Fees and commissions expenses	(175)	(208)
60. Net fees and commissions	731	726
70. Dividend income and similar revenues	13	13
80. Net gains (losses) on trading	76	43
90. Net gains (losses) on hedge accounting	6	(1)
100. Gains (Losses) on disposal and repurchase of:	12	(2)
a) financial assets at amortised cost	(1)	(2)
b) financial assets at fair value through other comprehensive income	4	3
c) financial liabilities	10	(2)
110. Net gains (losses) on other financial assets/liabilities at fair value through profit or loss:	(12)	2
a) financial assets/liabilities designated at fair value	(7)	(1)
b) other financial assets mandatorily at fair value	(4)	3
120. Operating income	2,375	2,486
130. Net losses/recoveries on credit impairment	10	(64)
a) financial assets at amortised cost	10	(64)
b) financial assets at fair value through other comprehensive income	(0)	0
140. Gains/Losses from contractual changes with no cancellations	0	(0)
150. Net profit from financial activities	2,386	2,422
160. Net premiums	-	-
170. Other net insurance income/expenses	-	-
180. Net profit from financial and insurance activities	2,386	2,422
190. Administrative expenses:	(1,232)	(1,177)
a) staff costs	(702)	(735)
b) other administrative expenses	(530)	(442)
200. Net provisions for risks and charges:	(85)	(5)
a) commitments and financial guarantees given	(41)	24
b) other net provisions	(44)	(30)
210. Net value adjustments/write-backs on property, plant and equipment	(61)	(84)
220. Net value adjustments/write-backs on intangible assets	(1)	(3)
230. Other operating expenses/income	44	86
240. Operating costs	(1,335)	(1,183)
250. Gains (Losses) of equity investments	419	350
260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(10)	(3)
270. Goodwill impairment	-	-
280. Gains (Losses) on disposals of investments	4	1
290. Profit (Loss) before tax from continuing operations	1,463	1,587
300. Tax expenses (income) of the year from continuing operations	(200)	(303)
310. Profit (Loss) after tax from continuing operations	1,263	1,284
320. Profit (Loss) after tax from discontinued operations	-	-
330. Profit (Loss) of the year	1,263	1,284
340. Minority profit (loss) of the year	(5)	1
350. PROFIT (LOSS) FOR THE PERIOD - ATTRIBUTABLE TO THE OWNERS OF BANK AUSTRIA	1,259	1,285

Consolidated Statement of Comprehensive Income

Earnings per share (in €, basic and diluted)

POSITIONS	YEAR	
	2025	2024
Earnings per share from profit (loss) after taxes from continuing operations	5.44	5.56
Earnings per share from profit (loss) after taxes from discontinued operations	-	-

Consolidated statement of comprehensive income

ITEMS	YEAR	
	2025	2024
10.PROFIT (LOSS) FOR THE PERIOD	1,263	1,284
Other comprehensive income after tax not reclassified to profit or loss	92	(55)
20. Equity instruments designated at fair value through other comprehensive income	27	11
30. Financial liabilities designated at fair value through profit or loss (own creditworthiness changes)	-	-
40. Hedge accounting of equity instruments designated at fair value through other comprehensive income	-	-
50. Property, plant and equipment	(2)	2
60. Intangible assets	-	-
70. Defined-benefit plans	65	(66)
80. Non-current assets and disposal groups classified as held for sale	(0)	-
90. Portion of valuation reserves from investments valued at equity method	3	(1)
Other comprehensive income after tax reclassified to profit or loss	41	(24)
100. Foreign investments hedging	-	-
110. Foreign exchange differences	-	-
120. Cash flow hedging	(6)	(16)
130. Hedging instruments (non-designated items)	-	-
140. Financial assets (different from equity instruments) at fair value through other comprehensive income	45	(12)
150. Non-current assets and disposal groups classified as held for sale	-	-
160. Part of valuation reserves from investments valued at equity method	1	5
170. Total other comprehensive income after tax	133	(78)
180. Comprehensive income (Item 10+170)	1,396	1,206
190. Minority profit (loss) of the year	(5)	1
200. Parent Company's consolidated comprehensive income	1,392	1,207

Consolidated Statement of Financial Position

Consolidated balance sheet

(€ million)

ASSETS	AMOUNTS AS AT	
	31.12.2025	31.12.2024
10. Cash and cash balances	7,205	5,602
20. Financial assets at fair value through profit or loss:	1,663	1,901
a) financial assets held for trading	1,159	1,354
b) financial assets designated at fair value	141	115
c) other financial assets mandatorily at fair value	363	431
30. Financial assets at fair value through other comprehensive income	17,650	17,220
40. Financial assets at amortised cost:	77,265	74,251
a) loans and advances to banks	11,243	11,972
b) loans and advances to customers	66,022	62,279
50. Hedging derivatives	2,332	2,274
60. Changes in fair value of portfolio hedged items (+/-)	(1,260)	(846)
70. Equity investments	3,485	3,138
80. Insurance reserves charged to reinsurers	-	-
90. Property, plant and equipment	740	739
100. Intangible assets	3	7
<i>of which: goodwill</i>	-	-
110. Tax assets:	260	332
a) current	71	14
b) deferred	189	318
120. Non-current assets and disposal groups classified as held for sale	(0)	338
130. Other assets	250	300
TOTAL ASSETS	109,593	105,253

Consolidated Statement of Financial Position

(€ million)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT	
	31.12.2025	31.12.2024
10. Financial liabilities at amortised cost:	92,255	87,015
a) deposits from banks	9,458	13,672
b) deposits from customers	70,423	60,812
c) debt securities in issue	12,373	12,532
20. Financial liabilities held for trading	1,207	1,364
30. Financial liabilities designated at fair value	10	11
40. Hedging derivatives	2,029	2,549
50. Value adjustment of hedged financial liabilities (+/-)	(874)	(842)
60. Tax liabilities:	140	77
a) current	116	73
b) deferred	24	4
70. Liabilities associated with assets classified as held for sale	(0)	(0)
80. Other liabilities	663	979
90. Provision for employee severance pay	-	-
100. Provisions for risks and charges:	3,112	3,309
a) commitments and guarantees given	184	157
b) post-retirement benefit obligations	2,649	2,875
c) other provisions for risks and charges	279	276
110. Technical reserves	-	-
120. Valuation reserves	(1,910)	(2,042)
130. Redeemable shares	-	-
140. Equity instruments	600	600
150. Reserves	5,271	5,097
160. Share premium	4,137	4,136
170. Share capital	1,681	1,681
180. Treasury shares (-)	-	-
190. Minority shareholders' equity (+/-)	12	33
200. Profit (Loss) of the year	1,259	1,285
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	109,593	105,253

Consolidated Statement of Changes in Equity

Statement of changes in equity as at 31.12.2024 (See Note C.21)

(€ million)

	BALANCE AS AT 31.12.2023	ALLOCATION OF PROFIT FROM PREVIOUS YEAR		CHANGES IN THE PERIOD					BALANCE AS AT 31.12.2024
		RESERVES	DIVIDENDS AND OTHER ALLOCATIONS	CHANGES IN RESERVES	SHAREHOLDERS' EQUITY TRANSACTIONS			COMPREHENSIVE INCOME	
					CHANGES IN CONSOLIDATION SCOPE	OTHER	TOTAL		
Issued capital:	1,681	-	-	-	-	-	-	-	1,681
<i>a) ordinary shares</i>	1,681	-	-	-	-	-	-	-	1,681
<i>b) other shares</i>	-	-	-	-	-	-	-	-	-
Share premium	4,135	-	-	-	-	1	1	-	4,136
Reserves:	4,845	1,120	(832)	(36)	0	-	0	-	5,097
<i>a) other reserve</i>	4,847	1,120	(832)	(36)	0	-	0	-	5,098
<i>b) foreign currency reserve</i>	(2)	-	-	0	-	-	-	-	(1)
Revaluation reserves:	(1,964)	-	-	(0)	-	-	-	(78)	(2,042)
<i>a) Cashflow Hedge Reserve</i>	13	-	-	-	-	-	-	(16)	(3)
<i>b) Revaluation Reserve FA @FVTOCI</i>	(293)	-	-	-	-	-	-	(1)	(294)
<i>c) Revaluation Reserve associates and joint ventures</i>	46	-	-	(0)	-	-	-	4	49
<i>d) Revaluation reserve tangible assets</i>	77	-	-	-	-	-	-	2	79
<i>e) Pension and similar liabilities IAS 19</i>	(1,807)	-	-	-	-	-	-	(66)	(1,874)
<i>f) Revaluation reserve: non-current assets classified held-for-sale</i>	-	-	-	-	-	-	-	0	0
Equity instruments	600	-	-	-	-	-	-	-	600
Net profit or loss for the period	1,120	(1,120)	-	-	-	-	-	1,285	1,285
Shareholders' Equity Group	10,417	-	(832)	(36)	0	1	1	1,207	10,757
Shareholders' Equity minorities	34	-	(0)	0	-	-	-	(1)	33
Total Shareholders' Equity	10,451	-	(833)	(36)	0	1	1	1,206	10,789

Consolidated Statement of Cash Flows

Consolidated cash flow statement (indirect method) (See Note C.22)

Consolidated cash flow statement (indirect method)

(€ million)

	YEAR	
	2025	2024
A. OPERATING ACTIVITIES		
1. Non-cash items included in net profit and adjustments to reconcile net profit to cash flows from operating activities:	(101)	87
- profit (loss) for the year (+/-)	1,263	1,284
- gains/losses on financial assets held for trading and on the other financial assets/liabilities at fair value through profit or loss (-/+)	(52)	(30)
- gains (losses) on hedge accounting (-/+)	(6)	1
- net losses/recoveries on impairments (+/-)	133	293
- net value adjustments/write-backs on property, plant and equipment and intangible assets (+/-)	73	89
- net provisions for risks and charges (incl. personnel) and other expenses/income (+/-)	(195)	(267)
- unpaid duties, taxes and tax credits (+/-)	200	295
- impairment/write-backs after tax on discontinued operations (+/-)	-	-
- other adjustments (+/-)	(1,519)	(1,579)
2. Changes in assets and liabilities arising from operating activities after corrections for non-cash positions and liquidity from interest and tax	1,585	(2,425)
2a. Liquidity generated/absorbed by financial assets:	(2,903)	(5,869)
- financial assets held for trading	101	40
- financial assets designated at fair value	(31)	(27)
- other financial assets mandatorily at fair value	64	80
- financial assets at fair value through other comprehensive income	(322)	(1,913)
- financial assets at amortised cost	(2,810)	(4,592)
- other assets	96	543
2b. Liquidity generated/absorbed by financial liabilities:	2,998	1,748
- financial liabilities at amortised cost	3,920	2,457
- financial liabilities held for trading	-	-
- financial liabilities designated at fair value	(1)	(50)
- other liabilities	(921)	(659)
2c. Liquidity generated/absorbed by interest and tax received/paid:	1,489	1,696
- interest received	3,552	5,116
- interest paid	(2,003)	(3,412)
- income taxes received (+)/ paid (-) from operating activities	(60)	(8)
Net liquidity generated/absorbed by operating activities	1,483	(2,338)

Consolidated Statement of Cash Flows

continued: Consolidated cash flow statement (indirect method)

(€ million)

	YEAR	
	2025	2024
B. INVESTMENT ACTIVITIES		
1. Liquidity generated by:	124	120
- sales of equity investments	-	-
- collected dividends on equity investments	83	72
- sales of property, plant and equipment	36	48
- sales of intangible assets	-	-
- sales of subsidiaries and business units (less cash disposed)	5	-
2. Liquidity absorbed by:	(213)	(49)
- purchases of equity investments	-	-
- purchases of property, plant and equipment	(211)	(46)
- purchases of intangible assets	(2)	(3)
- purchases of subsidiaries and business units (less cash disposed)	-	-
Net liquidity generated/absorbed by investment activities	(89)	71
C. FUNDING ACTIVITIES		
- issue/purchase of equity instruments	-	-
- payouts on equity instruments	(29)	(29)
- dividend distribution to shareholders and non-controlling interests	(1,082)	(833)
- sale/purchase of minority control	-	-
- Proceeds from issues of subordinated liabilities	1,820	-
- Payments for repayment of subordinated liabilities	(500)	-
Net liquidity generated/absorbed by funding activities	209	(861)
NET LIQUIDITY GENERATED/ABSORBED IN THE YEAR	1,603	(3,128)

Reconciliation

(€ million)

	YEAR	
	2025	2024
CASH AND CASH EQUIVALENTS AT END OF PREVIOUS PERIOD	5,602	8,730
Cash flows from operating activities	1,483	(2,338)
Cash flows from investment activities	(89)	71
Cash flows from funding activities	209	(861)
Effects of changes in scope of consolidation	-	-
Effects of exchange rate changes	-	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	7,205	5,602

Notes to the Consolidated Financial Statements

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Notes

In this report, "Bank Austria" and "the Bank Austria Group" refer to the Group. To the extent that information relates to the parent company's separate financial statements, "UniCredit Bank Austria AG" is used.

In adding up rounded figures and calculating the percentage rates of changes, slight differences may result compared with totals and rates arrived at by adding up component figures which have not been rounded off.

Explanatory notes on figures/tables:

- "X" means that there can be no values for Bank Austria in this item (e.g. due to reporting standards applied or not applied),
- a dash ("-") means exactly zero,
- a zero means that this value in the respective numerical unit (e.g. in € million) rounded to a zero.

A – Accounting methods

A.1 – Information on the company

UniCredit Bank Austria AG, Rothschildplatz 1, 1020 Vienna, Austria, ("Bank Austria" or "BA") is a universal bank conducting banking business within the meaning of Section 1 (1) of the Austrian Banking Act. It is registered under no. FN 150714p in the Austrian Register of Firms. The Bank Austria Group as part of the UniCredit Group offers a complete range of banking and other financial services, such as corporate finance, foreign trade financing, project finance, capital market and money market services, securities and foreign exchange trading, investment banking, consumer credit and mortgage lending, savings accounts, asset management, leasing and factoring. The bank operates in the market under the "Bank Austria" brand name. Austria is the geographical focus of business activities.

A.2 – Basis for the preparation of the financial statements

The consolidated financial statements of Bank Austria for financial year 2025 and the comparative information have been prepared in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and endorsed by the European Commission up to December 31, 2025, pursuant to EU Regulation 1606/2002. SIC and IFRIC interpretations and the disclosure requirements according to Section 245a UGB (Austrian Business Code) and Section 59a BWG (Austrian Banking Act).

In the preparation of the consolidated financial statements, the guidelines specified by the parent company UniCredit S.p.A. as binding for the Group were taken into account.

The following documents have been used to interpret and support the application of IFRSs:

- the Framework for the Preparation and Presentation of Financial Statements issued by the IASB in 2010 and revised in 2018,
- Implementation Guidance, Basis for Conclusions and any other documents prepared by the IASB or the IFRS Interpretations Committee supplementing the IFRS,
- Publications of the European Securities and Markets Authority (ESMA) and the Consob (Italian Companies and Exchange Commission),
- Interpretative statements on the application of IFRS in Austria prepared by the Austrian Financial Reporting and Advisory Committee (AFRAC).

Furthermore, the Austrian Financial Market Authority issued its audit report on December 11, 2025 based on the published annual statement ("*European common enforcement priorities for 2025 corporate reporting*", ECEP) of ESMA for the 2025 financial reports of issuers admitted to trading on the regulated markets of the European Economic Area (EEA).

The audit report addresses the following main topics in ECEP 2025:

- IFRS Accounting Standards financial statements:
 - Geopolitical risk and uncertainties:
 - Clear, detailed and entity-specific disclosures to ensure that stakeholders receive relevant, accurate and timely information that enables them to understand how such uncertainties affect the entity's financial position and performance. with special focus on Write-down of inventories and impairment of non-financial assets, revenue recognition, recoverability of deferred tax assets, recognition of provision needs for restructuring costs.
 - Segment statements:
 - Presentation of the business activities, economic environment and material factors used to identify segments,
 - Ensuring consistency between the segment information from the management to financial reporting,
 - Assessment of changes in the operating segments and in the aggregation and/or disaggregation of revenue disclosures reasoned by geopolitical and climate-related uncertainties,
 - Consideration of materiality principles for applying judgements,
 - Review of disclosures under IFRS 8 and judgements used for the presentation of subtotals,
 - Disclosure of information on geographical areas and major customers.

A – Accounting methods

- Sustainability statements:
 - Monitoring legislative developments and changing requirements,
 - Avoiding reliance on exposure draft of EFRAG and its technical advice to the European Commission,
 - Materiality considerations with focus on:
 - clarity to the input parameters, such as data source, scope of operations to geographical areas or activities or key assumptions,
 - transparency in the consideration of impacts in the materiality assessment,
 - explanation of engagement with external and internal stakeholders,
 - structured presentation, management and mapping of material impacts, risks and opportunities (IROs) and how these IROs affect the strategy and business model,
 - clear identification of non-material information so that it does not obscure material information,
 - Same scope of the sustainability and financial reporting perimeter with full transparency on consequences of limitations in the coverage of the full value chain,
 - Usable and readable structure of the sustainability statement by applying practical solutions such as cross-referencing or hyperlinks,
 - Ensuring connectivity of the sustainability with financial reporting.
- ESEF reporting (European Single Electronic Format):
 - Attention to filing errors in the statement of cash flows, such as incorrect signs, correctness of mark-ups or not required extensions
- General considerations and reminders:
 - Connectivity and consistency between financial and sustainability statements,
 - Considerations on IFRS financial and ESEF reporting, in particular, amendments of IFRS 9 and IFRS 7 and assessment of the impact of IFRS 18 on the financial statements,
 - Improving ESEF data quality and useability by applying ESEF Reporting Manual,
 - Ensuring consistent definition, fair review and calculation for alternative performance measures (APMs) and caution when APMs are adjusted or implemented solely to reflect geopolitical impacts.

UniCredit Bank Austria took all ESMA recommendations into consideration in the preparation of its financial statements.

The consolidated financial statements comprise the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows (compiled using the "indirect method") and the notes to the consolidated financial statements. The Group management report is a complement to the consolidated financial statements.

The consolidated financial statements are prepared in euros, the presentation currency of the Group. Unless indicated otherwise, all figures are expressed in millions of euros (€).

The measurement and accounting criteria adopted are consistent with this assumption and with the principles of accrual-based accounting, the relevance and materiality of accounting information, and the prevalence of economic substance over legal form. These criteria have not changed with respect to the previous year.

Going concern statement

Management determined that during 2025 the geopolitical uncertainties still have a significant effect on the economic and business environment. The persisting geopolitical tensions caused by the war between the Russian Federation and Ukraine, the conflicts in the Middle East and the implementation of new U.S. tariffs had noticeable effects on the macroeconomic outlook, in terms of GDP, inflation rates and interest rates. Management has assessed these circumstances and concluded with reasonable certainty that Bank Austria will be able to operate profitably in the foreseeable future; therefore, in accordance with the provisions of IAS 1, the consolidated financial statements for the year ended December 31, 2025 have been prepared on a going concern basis.

For releasing such statement and the connected evaluations, the main regulatory ratios of the Bank Austria Group were also taken into account in particular Tier 1 capital ratio and total capital ratio of 20.6% and 24.5% respectively as at December 31, 2025 (previous year: 19.3% and 23.2% respectively) as well as a very good liquidity position on the part of UniCredit Bank Austria AG (LCR as at December 31, 2025: 146%, previous year: 158%).

Risk and uncertainty in relation to the use of estimates and assumptions

The preparation of financial statements under IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting principles and the amounts of assets and liabilities and income and expenses reported in the consolidated financial statements, as well as the disclosure concerning contingent assets and liabilities. Estimates and assumptions in this regard are based on historic values considered appropriate under the given circumstances. These values were used to estimate the balance sheet values of assets and liabilities for which no proof of value from other sources is available.

A – Accounting methods

The parameters used to estimate the above-mentioned figures in the balance sheet, income statement and the statement of comprehensive income could change rapidly in ways that are currently unforeseeable, not least due to the uncertainty of the market environment both in the short and medium-term outlook.

More details can be found in Part E – Risk report – Section E.2 – Credit risk.

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

Uncertainty affecting estimates is generally inherent in the measurement of:

- fair value of financial instruments not listed in active markets (A.7),
- loans and receivables, investments and financial assets/liabilities (C),
- post-employment benefit obligations and other employee benefits (A.6.7.1),
- provisions for risks and charges, contingent liabilities and obligations (A.6.7, C.20),
- other intangible assets (A.6.3, C.9),
- impairment of financial instruments (A.5.3.3),
- recoverability of deferred tax assets (C.10),
- recoverability of property, plant and equipment (A.6.2, C.8),
- impairment test of investments in not fully consolidated subsidiaries, associates and other companies (A.5.4).

The reason for this uncertainty, in particular also due to the effects of the persistent Russia/Ukraine war and the tensions in the Middle East and the implementation of new U.S. tariffs, is the fact that the measurement of these items depends primarily on the development of economic, political and social conditions and the financial markets, which have an impact on interest rates, securities prices, actuarial assumptions and the creditworthiness of borrowers and counterparties. With regard to assessing credit risks, it must be noted that the estimate of IFRS 9 is based on forward-looking information and, in particular, on the development of macroeconomic scenarios that are used when calculating the risk provision. Further information can be found in part A – 5.3.3. Impairment of financial instruments and Part E – Risk report – Section E.2 – Credit risk.

A more detailed description of the relevant estimates, assumptions and methods used in the consolidated financial statements of the Bank Austria Group as well as quantitative sensitivity analyses are disclosed in detail in the relevant notes to the consolidated financial statements.

A – Accounting methods

Deferred tax assets

With regard to deferred tax assets, the valuation is influenced by assumptions about future profit expectations, which in turn include assumptions about the assessment of the macroeconomic scenario.

As a result, with the aim of reflecting the above-mentioned degree of uncertainty, in accordance with the requirements of ESMA's public statement, a weighting of the future profit expectations (basis for the taxable results) - "base" scenarios and "alternative" scenarios - with a higher probability of the "base" scenario (therefore 65% vs. 35%) was applied in the valuation.

In addition to future profit expectations, other parameters used in the impairment test of deferred taxes are relevant, e.g. the (i) volatility of expected pre-tax profits and (ii) the confidence level used in the Monte Carlo calculation and were therefore reviewed taking into account the ESMA statements on the recognition of deferred tax assets from loss carryforwards. Furthermore, the valuation was carried out taking into account appropriate valuation assumptions in connection with ongoing tax audits or years not yet finally assessed.

The results of this valuation may change depending on the development of geopolitical issues, inflation and ultimately the degree of economic recovery. Possible deviations in the actual economic recovery from the assumptions underlying the valuations could necessitate a redefinition of the parameters used for valuation purposes, particularly with regard to future profit expectations, and the resulting change in the valuation. Further details can be found in Part A 6.5 - Current and deferred taxes.

Valuation of the real estate portfolio

With regard to the valuation of non-financial assets, the valuation of the real estate portfolio should be emphasized. The fair value model (for assets held for investment purposes) and the revaluation model (for assets used in operations) are applied.

The fair value is determined by an external, independent, certified expert either by means of a "full on-site appraisal" or a "desktop appraisal" and re-estimated every six months.

With regard to investment properties, the entire portfolio is subject to a "full on-site appraisal" within three years and part of the portfolio is subject to an annual appraisal, while "desktop appraisals" are carried out every six months for the remaining properties. In the event that the difference between the fair value resulting from the "desktop appraisals" and the fair value resulting from the last "full on-site appraisal" exceeds 10%, the property is subject to a new full on-site appraisal evaluation, even if 3 years have not yet passed.

As in the previous year, the fair value of these assets as at December 31, 2025 was determined by external experts. In this context, it should be noted that the fair value of these assets could deviate from the fair value determined as at December 31, 2025 in the coming financial years due to possible developments on the real estate market.

In 2025, a negative effect before taxes of €-11.3 million (previous year: €0.7 million) was recognized as detailed below:

- a decrease in specific valuation reserve in the amount of €-2.0 million (previous year: €4.7 million) was realized for properties used in the business (posted in item "90. Property, plant and equipment"). In addition to the decrease, losses of €-5.3 million (previous year: €-1.8 million) were recognized in the income statement,
- a negative effect of €-4.0 million (previous year: €-2.2 million) was recognized in the income statement for investment property (posted under "90. Property, plant and equipment").

A – Accounting methods

A.3 – Consolidation principles

This section outlines the consolidation criteria and principles used to prepare the consolidated financial statements on 31 December 2025.

Consolidated Accounts

The information in the consolidated financial statements includes the parent company, UniCredit Bank Austria AG and its subsidiaries, joint ventures and associates as of December 31, 2025.

Amounts in foreign currencies are translated on the balance sheet using the exchange rates prevailing as at the balance sheet date and in the profit and loss account using the average annual exchange rates (based on the currency rates at the end of the day for major currencies).

Subsidiaries

Subsidiaries are entities which the parent company controls in accordance with IFRS 10.

Control means that another company (parent company)

- may exercise power of disposal over investees, and
- is exposed to the risk of fluctuating returns, and
- has the ability to make use of the power of disposal in such a way that it affects the level of return of the investee.

In order to verify the existence of control, Bank Austria takes the following factors into account:

- the purpose and structure of the investee, in order to determine what the company's objectives are, what activities drive its revenues and how those activities are managed,
- the power of disposal, in order to understand whether the Group has contractual rights that give it the ability to direct the relevant activities; for this purpose, only essential rights that offer a practical manner of control are taken into account,
- exposure to the investee, in order to assess whether the Group has relationships with the investee, the revenues of which may change depending on the performance of the investee,
- the existence of potential relationships (principal-agent).

The carrying amount of an ownership interest in a fully consolidated entity held by the parent company or another Group company is eliminated – against the recognition of the assets and liabilities of the investee – as an offsetting entry to the portion of equity of the subsidiary due to the Group.

Subsidiaries may also include any “structured entity” in which the voting rights are not significant for establishing control, including special purpose entities and investment funds.

In the case of structured entities, the existence of control is ascertained considering both the contractual rights that enable governance of the relevant activities (or those that contribute most to the results) and the Bank's exposure to the variability of returns deriving from these activities

Intragroup balances, off-balance sheet transactions, income and expenditure and gains/losses between consolidated companies are eliminated.

A subsidiary's income and expenses are included in the consolidated financial statements from the date the parent acquires control. On disposal of a subsidiary, its income and expenses are consolidated up to the date of disposal, i.e., until the parent ceases to control the subsidiary. The difference between the proceeds from the disposal of the subsidiary and the carrying amount of its net assets is recognised in the item “280. Gains and losses on disposal of investments” in profit or loss, in the net equity if the sale does not entail loss of control.

In the consolidated statement of financial position, non-controlling interests are presented separately from liabilities and parent shareholders' equity under “190. Minority shareholders' equity”. In the consolidated income statement, non-controlling interests are reported under the item “340. Minority profit (loss) of the year”.

The fair value of identifiable assets acquired and liabilities assumed, when a subsidiary is included in consolidation for the first time, is measured at the acquisition date.

A – Accounting methods

Joint arrangements

A joint arrangement is a contractual agreement in which two or more contracting parties agree to jointly manage a business. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Under IFRS 11 - Joint Arrangements, such arrangements are to be classified as joint operations or joint ventures in accordance with the contractual rights and obligations that the Group holds.

A joint operation is a joint arrangement in which the parties have rights to the assets and obligations in respect of the liabilities of the arrangement.

A joint venture is a joint arrangement in which the parties have rights to the net assets of the arrangement.

Bank Austria has assessed the type of joint arrangements and determined that its jointly-managed equity investments are to be assigned to joint ventures. These equity investments are accounted for using the equity method.

Carrying amount of the Joint Ventures is tested in accordance with IAS 36 as a single asset, by comparing it with the corresponding recoverable amount (i.e. higher of value in use (VIU) and fair value (FV) less cost to sell).

Associates

These are entities over which an investor has significant influence and which are not subsidiaries or joint ventures.

Significant influence is presumed when:

- the investor holds, directly or indirectly, at least 20 per cent of the share capital of another entity, or,
- is able also through shareholders' agreements to exercise significant influence through:
 - representation on the board of directors or equivalent governing body of the investee,
 - participation in policy-making process, including participation in decisions about dividends or other distributions,
 - material transactions between the investor and the investee,
 - interchange of managerial personnel,
 - provision of key technical information.

It should be noted that structured entities, which are not controlled through voting rights, cannot be classified as companies with significant influence. Investments in associates are accounted for using the equity method. The carrying amount of associates is assessed as a single asset in accordance with IAS 36 by comparing it to its recoverable amount (i.e. the higher of value in use and FV less costs to sell).

Equity method

Investments in companies accounted for according to the equity method include the goodwill paid for the acquisition (less any impairment loss). The investor's share of the profit and loss of the investee after the acquisition date is recognised under item "250. Profit (loss) on equity investments" in the income statement. Any dividends paid reduce the carrying amount of the equity investment.

If the investor's share in the losses of an investee is equal to or exceeds the carrying amount, no further losses are recorded unless the investor has incurred specific obligations or made payments on behalf of the investee.

Gains and losses from transactions with associates or joint agreements are eliminated to the extent of the Group's interest in the associate or joint arrangement.

Any changes in the revaluation reserve of associates or joint arrangements recorded as an offset to changes in the value of the phenomena relevant for this purpose are presented separately in the statement of other comprehensive income.

The net investment in an associate or joint venture is impaired and an impairment loss is incurred if and only if there is objective evidence of an impairment as a result of one or more events that occurred after the initial recognition of the net investment (a "loss event") and this damaging event (or damaging events) has a reliably estimable impact on estimated future cash flows from the net investment.

Impairment/write-ups are recorded in item "250. Profit (loss) on equity investments".

A – Accounting methods

A.4 – Application of amended and new financial reporting standards

A.4.1 – Application of amended financial reporting standards and accounting methods

Since July 1, 2025, Bank Austria applies hedge accounting by adopting the provisions of Chapter 6 of IFRS 9. The adoption of new principle refers to all micro fair value hedges and cash flow hedges, while portfolio-fair value hedges will continue to be applied according to IAS 39. The cash flow hedge reserve in accordance with IAS 39, amounting to € 0.8 million was released.

A.4.2 – First-time application of amended and new financial reporting standards and accounting methods

Amendments to IAS21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

On August 15, 2023, the IASB published amendments to IAS 21 (Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability). The amendments clarify how an entity should assess whether a currency is convertible and how it should determine a closing rate when convertibility does not exist and require the disclosure of information that enables users of the financial statements to understand the effects of a non-convertible currency. The amendments are effective for annual reporting periods beginning on or after January 1, 2025. The application of these amendments did not result in any significant impact for Bank Austria.

A.4.3 – New and amended financial reporting standards not yet adopted by the Group

Changes to the classification and measurement of financial instruments under IFRS 9 and IFRS 7

On May 30, 2024, the IASB published amendments to the classification and measurement of financial instruments under IFRS 9 and IFRS 7 to clarify issues identified during the review of the classification and measurement requirements for financial instruments in IFRS 9. The amendments are effective for reporting periods beginning on or after January 1, 2026. Earlier application is permitted.

The amendments affect:

- The derecognition of financial liabilities generally takes place at the time they are extinguished. Liabilities settled through electronic transfer may be derecognized before extinguishment.
- Classification of financial assets in relation to:
 - Contract terms that are consistent with a basic credit agreement,
 - Assets without recourse,
 - Contractually linked instruments,
- Disclosures related to:
 - Financial investments in equity instruments measured at fair value through other comprehensive income,
 - Contract terms that could change the timing or amount of contractual cash flows.

The final approval of the amendments was granted on 30 June 2025. Bank Austria is assessing the impacts of the new requirements, and the changes will be implemented in the course of 2026.

Implementation of IFRS 18 Presentation and Disclosure in Financial Statements

The IASB published the introduction of the new IFRS 18 requirements on 9 April 2024, which will replace IAS 1 and introduce three fundamental principles aimed at improving communication of financial performance in the statement of profit or loss:

- Presentation of newly defined subtotals in the statement of profit or loss,
- Disclosure of management-defined performance measures, and
- Enhanced requirements for the grouping (aggregation and disaggregation) of information.

A – Accounting methods

With regard to the presentation of newly defined subtotals, the standard requires an entity to:

- classify income and expenses in the statement of profit or loss into the categories operating, investing, financing, income taxes, and discontinued operations, and
- present two new defined subtotals: operating profit and profit before financing and income taxes.

Consequently, banks do not present the subtotal “profit before financing and income taxes.”

IFRS 18 applies to all financial statements prepared in accordance with IFRS accounting standards and becomes effective for reporting periods beginning on or after 1 January 2027. The EFRAG endorsement recommendation was issued on 15 November 2024. Bank Austria is currently assessing the impacts of the new requirements arising from IFRS 18.

Implementation of IFRS 19 Subsidiaries without Public Accountability

IASB published the introduction of the new IFRS 19 regulation on May 9, 2024. IFRS 19 aims to set out specific disclosure requirements for when an entity does not apply IFRS accounting standards because it:

- is a subsidiary,
- is not subject to public accountability and,
- has an ultimate or intermediate parent that prepares publicly available consolidated financial statements that comply with IFRS accounting standards.

IFRS 19 is intended to reduce the costs and effort involved in preparing the annual financial statements for the afore-mentioned companies. The new IFRS standard will be applied for the first time for financial years beginning on or after January 1, 2027. Bank Austria does not expect significant impacts arising from the entry into force of IFRS 19.

A.5 – Significant accounting policies

A.5.1 – Business combinations

A business combination is a transaction or other event through which an entity gains control over one or more businesses.

IFRS 3 requires that all business combinations shall be accounted for by applying the purchase method, which involves the following steps:

- identifying the acquirer,
- determining the acquisition date,
- recognising and measuring the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree; and
- recognising and measuring goodwill or a gain from a bargain purchase.

After initial recognition, goodwill is tested for impairment at least annually.

If the balance of the amounts of the assets acquired and liabilities assumed measured at fair value at the acquisition date exceeds the consideration transferred, the acquirer must remeasure the fair values and, following this reappraisal, recognise any excess in profit or loss.

In the case of an acquisition of less than 100% of the shares in the acquired company, non-controlling interests are recognised. At the acquisition date, non-controlling interests are recognised:

- either at fair value (“full goodwill method”) or
- as a proportion of non-controlling interests in the assets, liabilities and identifiable contingent liabilities of the acquired company.

A decision on the method applied in the case of an acquisition will be made on a case-by-case basis.

A – Accounting methods

Business combinations under common control (e.g. transfers of entities to and from other subsidiaries of UniCredit S.p.A. outside the Bank Austria Group) are not within the scope of application of IFRS 3 and are accounted for using the predecessor basis of accounting, with any effects directly recognised in equity.

A reduction of a stake from a controlled entity to an entity with significant influence accounted for under the equity method is accounted for as a sale without any proportionate elimination of the result of deconsolidation regarding the percentage of ownership retained. The fair value of the remaining stake is the initial value for subsequent accounting of an investment accounted for using the equity method.

A.5.2 – Foreign currency transactions

The consolidated financial statements are prepared in euros, the presentation currency of the Group.

Various entities in the Group use a different functional currency, the currency of the primary economic environment in which the entity operates.

Foreign currency transactions are translated into euro or into the corresponding functional currency of a Group company using the exchange rates prevailing at the dates of the transaction or valuation when items are re-measured.

Monetary assets and liabilities denominated in foreign currencies are translated into euro or into the functional currency of a Group company at the rate of exchange of the European Central Bank effective at the balance sheet date. Any resulting exchange differences are included in the income statement under “gains and losses on financial assets and liabilities held for trading”.

Non-monetary assets and liabilities recognised at historical cost in a foreign currency are translated into euro using the exchange rate at the date of the initial transaction. Non-monetary assets and liabilities measured at fair value in a foreign currency are translated into euro at the closing rate. In this case the exchange differences are recognised:

- in the profit or loss if the financial asset is classified in a portfolio measured at fair value through profit or loss; or
- in the Statement of other comprehensive income, and disclosed in the Revaluation reserves, if the financial asset is classified in “Financial assets at fair value through other comprehensive income”.

For consolidation purposes assets, liabilities and equity of foreign operations, the functional currency of which is not euro, are translated into the Group's presentation currency at the closing rate of exchange. Items of income and expenses are translated at the average rate of exchange for the reporting period. Differences arising from the use of spot and weighted average exchange rates and from the remeasurement of a foreign operation's net assets at the closing rate of the period are recognised in the item “110. Technical reserves”.

The exchange differences arising on the translation of the financial statements of a foreign operation are recognised in other comprehensive income and accumulated in a separate component of equity. The amount attributable to any non-controlling interests is allocated to and recognised as part of non-controlling interests.

Goodwill and intangible assets recognised on acquisition of foreign subsidiaries (brands, customer relationships) and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of a foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

On the disposal of a foreign subsidiary and associate, which results in the loss of control or loss of significant influence of that operation, all the exchange differences accumulated in a separate component of equity in respect of that operation attributable to the equity holders of the company are reclassified to profit or loss.

A – Accounting methods

In case of a partial disposal of a foreign operation that does not result in the loss of control, the proportionate share of the accumulated exchange differences is re-attributed to non-controlling interests and is not recognised in profit or loss. For all other partial disposals the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

Exchange rates used for foreign currency translation^{*)}

		(Exchange rate in currency/€)					
		2025		2024		CHANGE IN %	
		AVERAGE	END OF REPORTING PERIOD	AVERAGE	END OF REPORTING PERIOD	AVERAGE	END OF REPORTING PERIOD
US Dollar	USD	1.1300	1.1750	1.0824	1.0389	4.40%	13.10%
British Pound	GBP	0.8568	0.8726	0.8466	0.8292	1.20%	5.24%
Japanese Yen	JPY	169.0430	184.0900	163.8520	163.0600	3.17%	12.90%
Swiss Franc	CHF	0.9370	0.9314	0.9526	0.9412	-1.64%	-1.04%

^{*)} The main exchange rates are listed.

A.5.3 – Financial instruments

A.5.3.1 – General definitions in the context of financial instruments

Initial recognition and measurement

A financial instrument is any contract giving rise to a financial asset at one company and a financial liability or equity instrument at another company. Pursuant to IFRS 9, all financial assets and financial liabilities (including derivative financial instruments) must be assessed according to their assigned category and recognised in the balance sheet. The categories are described in more detail in subsequent sections. The Group classifies its financial instruments into the following categories:

- Financial assets at fair value through profit or loss
 - Financial assets held for trading,
 - Financial assets at fair value through profit or loss,
 - Other financial assets mandatorily at fair value
- Financial assets at fair value through other comprehensive income
- Financial assets at amortised cost
 - Loans and receivables with banks,
 - Loans and receivables with customers.
- Financial liabilities at amortised cost
 - Deposits from banks,
 - Deposits from customers,
 - Debt securities in issue.
- Financial liabilities designated at fair value
 - Financial liabilities held for trading
- Financial liabilities designated at fair value

Classification and subsequent assessment of financial assets

In a first step, portfolios of Bank Austria's core business are allocated to one of the following business models:

- Hold: Management of financial assets with the objective of collecting contractual cash flows through principal and interest payments over the term of the instruments. For these financial instruments, sales are not part of management's stated intention.
- Hold and Sell: includes financial assets that are managed both by collecting contractual cash flows and by selling financial assets. This "hold and sell" business model includes a number of sales, with a greater number and frequency than the "hold" business model.
- Other: Those portfolios held by Bank Austria for trading purposes with the aim of realising cash flows through a sale. This business model is also applied to portfolios that are managed on a fair value basis and whose performance is assessed on a fair value basis. Derivatives are always allocated to this business model unless they are designated as hedging instruments in an effective hedging relationship.

A – Accounting methods

The assessment of the business model is based on the following factors:

- Sales behaviour: available information on how cash flows have been realised in the past. These are typically observable through the activities the Bank undertakes to achieve the objective of the business model. The timing, frequency, and reason for a sale are included in the analysis of sales behavior,
- Internal reporting structure: how the performance of the business model and the financial assets held under that business model are assessed and reported to management,
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, how those risks are managed,
- the manner in which management is remunerated; for example, whether remuneration is based on the fair value of the financial assets under management or on contractual cash flows. If the compensation is based on changes in fair value, the instrument would qualify for either a “hold and sell” or “other” business model. If, on the other hand, the compensation is based on interest and/or recognised provisions for loan losses, this would indicate the “hold” business model.

An analysis of the asset’s cash flow characteristics (“*Solely Payments of Principal and Interest-Test* / SPPI test”) is also needed for classifying financial assets into the corresponding valuation categories of IFRS 9, as well as defining the “business model” criterion.

To assess the cash flows of loans and debt instruments, Bank Austria developed processes and systems (SPPI test) to identify at a later stage whether the contractual cash flows enable a subsequent measurement “at amortised cost” (in the “hold” business model) or “at fair value through other comprehensive income, in equity” (in the “hold and sell” business model) if the SPPI result is positive (“pass”) or if they require an assessment at fair value through profit and loss (if the SPPI test yields a negative result (“fail”)).

The valuation of this SPPI criterion is done depending on the relevant product and contract characteristics. The analysis is done both with the help of a software solution developed by the UniCredit Group (the “SPPI-Tool”) and using information from external data providers. Loans and securities that meet ESG criteria or that have special ESG features are also subject to the SPPI test as reported in the specific accounting policy.

ESG instruments

Certain debt instruments (e.g. loans and bonds) may contain ESG (Environmental, Social, Governance) linked features according to which the spread paid by the customer may:

- increase in case certain ESG KPI defined by the contract are not met; and/or
- decrease in case certain ESG KPI defined by the contract are met

These instruments have started to be originated after the entry into force of IFRS 9 whose guidance, developed between 2008 and 2017, does not take into account the specific features of these instruments.

Therefore, a specific accounting policy is applied in order to establish when these instruments may be considered SPPI compliant in light of the general principles dictated by IFRS 9.

It is worth noting that the Group policy applies to debt instruments having the following features:

- contractual provisions clearly establish that the spread charged to the borrower may change in response to meeting ESG KPI,
- ESG KPI to be met shall be clearly identified by the contract; such ESG KPI shall be nonfinancial variables specific to the borrower and typically aimed at (i) reducing the environmental impact of the borrower, (ii) increasing the social value of the borrower vis a vis its community (iii) foster diversity in the governance of the borrower.

These debt instruments are SPPI compliant provided that one of the following conditions are met:

- it can be documented by the Business that the compliance with the ESG features reduces the credit risk of the customer so to justify the change in spread,
- decrease (or increase) in spread arising from compliance (or not compliance) with the ESG features are de minimis.

With reference to the first condition (credit risk) it shall be demonstrated that the credit risk parameters used for Expected Credit Loss calculation (Probability of Default, Loss Given Default) are higher in case the borrower will not comply with the ESG features and are lower in case of compliance. In addition to the above, it shall also be demonstrated that the increase/decrease in spread arising from noncompliance/compliance with ESG linked features are also commensurate with the reduction in credit spread.

With reference to the second condition (de minimis), an increase (decrease) in spread arising from noncompliance (compliance) with a ESG linked feature is considered “de minimis” thus allowing the credit exposure to pass the SPPI test provided that the change in such a spread is immaterial according to some internally defined thresholds.

A – Accounting methods

Derecognition of financial assets

Before evaluating whether, and to what extent, derecognition is appropriate, under IFRS 9 an entity should determine whether the relevant conditions apply to a financial asset in its entirety or to a part of a financial asset. The standard is applied to a part of financial assets being transferred if, and only if, the part being considered for derecognition meets one of the following conditions:

- the part comprises only specifically identified cash flows from a financial asset (or a group of assets), e. g. interest cash flows from an asset,
 - the part comprises a clearly identified percentage of the cash flows from a financial asset, e.g. a 90 per cent share of all cash flows from an asset,
 - the part comprises only a fully proportionate (pro rata) share of specifically identified cash flow, e.g. a 90 per cent share of interest cash flows from an asset.
- In all other cases, the standard is applied to the financial asset in its entirety (or to the group of similar financial assets in their entirety).

A financial asset must be derecognised when the contractual rights to the cash flows from the financial asset expire or the contractual rights to receive the cash flows of the financial asset are transferred to a non-Group counterparty. Rights to cash flow are considered to be transferred even if contractual rights to receive the asset's cash flow are retained but there is an obligation to pay this cash flow to one or more entities and all the following conditions are fulfilled (pass-through agreement):

- The Group is obliged to transfer all cash flows received in the future, and may not invest them, except for liquidity invested for the short period between the date of receipt and that of payment, provided that the interest accrued in that period is also paid.
- there is no obligation on the Group to pay amounts not received from the original asset,
- sale or pledge of the original asset is not allowed, unless it secures the obligation to pay cash flow.

Derecognition is also subject to verification of effective transfer of all the risks and rewards of ownership of the financial asset. If the entity transfers substantially all the risks and rewards of ownership of the financial asset, the entity shall derecognise the asset (or group of assets) and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Conversely, if the entity substantially retains all the risks and rewards of ownership of the asset (or group of assets), the entity must continue to recognise the transferred asset (or the group of assets). In this case, it is necessary to recognise a liability corresponding to the amount received under the transfer and subsequently recognise all income accruing on the asset or expense accruing on the liability. If the entity retains at least the power of disposal, the asset (or group of assets) shall remain in the balance sheet as part of the entity's ongoing exposure.

The main transactions that do not allow, under the above rules, derecognition of a financial asset are securitisations, repurchase (sell and buybacks) and stock lending transactions.

In the case of repurchase transactions and stock lending, the assets transacted are not derecognised since the terms of the transaction entail the retention of all their risks and rewards.

Securities lending transactions – which are either collateralised by other securities, or remain uncollateralised – are recorded as liability obligations which are not included on the balance sheet.

Bank Austria writes off a financial liability if the underlying obligations have been fulfilled, cancelled or have expired. The difference between the book value of the derecognised financial liability and the consideration paid is recognised in the income statement under item "100. Gains and losses on disposal and repurchase of financial liabilities".

A – Accounting methods

A.5.3.2 – Categories of financial instruments

Financial assets valued at amortised cost

A financial asset is assessed at amortised cost, if:

- it is held to collect contractual cash flows (“hold” business model),
- and its cash flows exclusively consist of interest payments and repayments (SPPI conformity).

The amortised cost of a financial asset is the amount at which the asset is initially recognised, less principal repayments and adjusted for the amortisation of premiums or discounts (differences between initial recognition and repayment), which is calculated using the effective interest method. The effective interest method is a method of allocating the interest income or interest expense over the life of a financial asset or liability. The effective interest rate is the rate that discounts estimated future cash payments or receipts for the net carrying amount of the financial asset or liability, throughout the expected lifespan of the financial instrument. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Transaction costs include fees and commissions paid to agents (including employees acting as selling agents), advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs do not include debt premiums or discounts, financing costs or internal administrative or holding costs.

The carrying amount of financial assets at amortised cost is adjusted if impairments or value recoveries result from the assessment process. These are recognised in the profit and loss account under the item “Impairment of financial assets at amortised cost”.

Although the objective of the “Hold” business model is to hold financial assets in order to receive contractual cash flows, not all of these instruments need to be held until maturity. Bank Austria considers the following types of sale to be compatible with the “Hold” business model:

- Sales that occur due to a deterioration in the creditworthiness of the financial assets,
- Sales of a non-significant value: Sales are considered non-significant if these sales make up less than 10% (based on the carrying amount of the respective portfolio at the end of the previous reporting period). The 10% threshold is also supplemented by a 25% limit over a period of three years (rolling),
- Sales made shortly before maturity: This exemption applies to loans and securities with a residual maturity at the time of initial recognition of at least 3 years beginning with 6 months to maturity, provided the sale price is close to the repayment amount. In addition, debt instruments with a residual maturity of between 3 years and 1 year at initial recognition may be sold from a residual maturity of three months. Debt instruments purchased on the primary market with a residual term to maturity of 1 year or less on initial recognition may be sold from 1 month to maturity,
- Sales are rare or irregular.

In order to ensure that sales are consistent with the “Hold” business model, Bank Austria regularly monitors all planned and completed sales.

Upon disposal, the accumulated profits and losses are also recognised in the item “Profits and losses on disposals of financial assets at amortised cost”. Amounts resulting from the adjustment of the carrying amounts of the financial assets before deduction of accumulated amortisation are reported in the item “Income/expenses due to contractual changes (without derecognition)”. The effects of contractual changes on the expected loss, on the other hand, are recognised in the item “Impairments on financial assets at amortised cost”.

This item may also include on-balance-sheet credit exposures that are already non-performing at initial recognition. These investments are classified as “Purchased Originated Credit Impaired - POCI”. The amortised cost and interest income from these assets are calculated by taking into account the expected credit losses over the remaining life of the asset when estimating future cash flows. These expected credit losses are reviewed regularly to determine the recognition of impairments or write-downs.

A – Accounting methods

Financial assets at fair value through profit or loss

a) Financial assets held for trading

A financial asset is classified as a “financial asset held for trading” if it:

- was acquired or incurred principally for the purpose of selling or repurchasing it in the near term,
- part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking,
- a derivative (except for derivatives which constitute financial guarantees, see Section 5.3.3, and derivatives designated as hedging instruments).

Financial assets held for trading are measured at fair value with the initial recognition on the settlement date. This is equally equal to the amount paid, excluding transaction costs and income, which are recognised in profit and loss even when directly attributable to the financial assets. After initial recognition these financial assets are measured at their fair value through profit or loss.

Profit or loss from the disposal, repayment or change in the fair value of an asset is recorded through profit or loss in gains and losses on financial assets and liabilities held for trading, including profit or loss from financial derivatives that refer to financial assets or financial liabilities that are designated at fair value or other financial assets that must be measured at fair value. If the fair value of a financial instrument falls below zero, which may happen in the case of derivative contracts, it shall be recorded under financial liabilities held for trading. Interest income from gains and losses on financial assets and liabilities held for trading is reported under net interest income.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to: The change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index, credit rating or credit index or other variable (usually called the “underlying”),
- it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors,
- it is settled at a future date.

An embedded derivative is considered a component of a structured contract that also included a non-derivative host contract. As a result, part of the cash flows of the compound financial instrument are subject to fluctuations similar to those of a free-standing derivative. If the basic contract falls within the shape of a financial asset in the area of application of IFRS 9, then the entire contract must be measured in this way.

The conditions for the separation from the basic contract must be implemented if:

- the economic characteristics and risks of the embedded derivative are not closely related to those of the basic contract,
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative,
- the hybrid (combined) instrument is not measured entirely at fair value through profit or loss.

In Bank Austria, the bifurcated structure separated from a liability is hedged 1:1 by a respective derivative. The valuation gain or loss of this hedging derivative is shown in net trading income in the same way as the valuation gain or loss of the separated derivative, which has a neutralizing effect in the income statement. There is no accounting mismatch, so neither the embedded derivative nor the hedging derivative is part of hedge accounting. Derivatives embedded in financial liabilities, and embedded derivatives whose basic contracts (leasing or insurance contracts) are not subject to the regulations of IFRS 9 are to be separated, unchanged, from the basic contract.

If an embedded derivative is spun-off, the basic contract must be treated according to the IFRS provisions, and the derivative must initially be assessed at fair value. As a result, changes to the fair value are recognised in the profit and loss account for the period.

A – Accounting methods

b) Financial assets designated at fair value through profit or loss

A financial asset can irrevocably be designated at fair value through profit or loss (fair value option) when it is recognised for the first time, if as a result inconsistencies in the measurement or recognition (accounting mismatch) can be remedied or significantly reduced. Mismatches may arise if the valuation of assets or liabilities, or the recording of profit and loss, is carried out on a different basis.

Financial assets that are required to be recognised at fair value through profit or loss under the fair value option are accounted for in the same way as instruments in the category "Financial assets held for trading". Realised or unrealised gains and losses are reported under item "110. Net gains (losses) on other financial assets/liabilities fair value through profit or loss: a) financial assets/liabilities designated at fair value through profit or loss"; these items also include changes in the fair value of "financial liabilities measured at fair value through profit and loss" associated with the Company's own credit risk if such classification causes or increases an income statement mismatch in accordance with IFRS 9.

c) Other financial assets measured at fair value on a mandatory basis

A financial asset is required to be classified at fair value if the classification rules are not satisfied for measurement at amortised cost or at fair value through other comprehensive income. Above all, this includes the following financial assets:

- loans and bond issues that are not assigned to a "hold" or "hold and sell" business model,
- loans and bond issues that do not meet the SPPI criterion (excluding repayments and interest payments),
- shares in a mutual fund,
- equity instruments for which Bank Austria does not exercise the option of accounting as at fair value through profit or loss.

Financial assets that are required to be recognised at fair value through profit or loss are accounted for in the same way as instruments in the category "Financial assets designated at fair value through profit or loss".

Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if the instrument is both assigned to the "hold and sell" business model, the SPPI criterion is met and the cash flows therefore represent only repayments and interest payments on the outstanding principal amount.

These balance sheet items also include equity instruments for which Bank Austria exercises the option of accounting at fair value through other comprehensive income.

On initial recognition, at settlement date, an AfS financial asset is measured at fair value through other comprehensive income plus transaction costs and income directly attributable to the transaction.

In the case of debt instruments, the collection of interest income takes place using the effective interest method and thus analogous to the treatment of instruments recognised at amortised cost. Gains and losses arising from changes in fair value are recognised in the statement of comprehensive income ("other comprehensive income") and reported cumulatively in the equity item "valuation reserves" in the balance sheet. Furthermore, the impairment regulations of IFRS 9 must be considered for these instruments. Upon de-recognition of the financial asset, the amount previously accumulated in other comprehensive income is reclassified in the income statement ("recycling").

For equity securities, gains and losses arising from changes in fair value are recognised in the statement of comprehensive income ("other comprehensive income") and shown in the equity items "valuation reserve" in the balance sheet. The cumulative amount recognised in other comprehensive income (as opposed to debt instruments) is never reclassified to the income statement and reclassified to other comprehensive income at the time of de-recognition. Dividends received from these instruments are reported in the profit and loss account.

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Financial liabilities valued at amortised cost

Financial liabilities measured at amortised cost include financial instruments (with the exception of financial liabilities held for trading that are measured at fair value) which have various forms of third-party financing.

The amortised cost of a financial liability is the amount at which the liability is initially recognised, less principal repayments and adjusted for the amortisation of premiums or discounts (differences between initial recognition and repayment), which is calculated using the effective interest method; less value adjustments.

Financial liabilities held for trading

Financial liabilities held for trading purposes include:

- Derivatives, with the exception of those designated as hedging instruments,
- Delivery obligations from short sales,
- Financial liabilities with short-term resale intent,
- Part of a portfolio of identified financial instruments that are managed together, and for which there is evidence of a recent pattern of short-term profit-taking.

Financial liabilities in the category “*held for trading*” are measured at fair value through profit or loss both on initial recognition and subsequent measurement.

Financial liabilities designated at fair value

Financial assets can be irrevocably designated at fair value through profit and loss (fair value option) on their initial recognition if the classification of existing inconsistencies in the assessment of liabilities or the recording of profit or loss on a different basis is remedied or significantly reduced, and the liability belongs to a group of financial liabilities that are managed according to a documented risk management or investment strategy, and of which the performance is evaluated on a fair value basis.

Financial liabilities in this category are measured at fair value through profit or loss, both on initial recognition and subsequent measurement.

For instruments designated under the fair value option, the changes in fair value arising from the credit risk of the financial liability are recognised in the statement of comprehensive income and included under the equity item “revaluation reserve”, unless this causes or increases mismatches in valuation or recognition (“*accounting mismatch*”). In the latter case, all fair value changes are recognised in profit or loss.

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A.5.3.3 – Impairment of financial instruments

Bank Austria has implemented internal guidelines for the recording, administration and valuation of loans, which govern both types of impairment 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 Article 178 EU Regulation 575/2013 (CRR – Capital Requirements Regulation – Section regarding default) as well as 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:

- material 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 expected credit loss (“*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).

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:

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- 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, items where payment is delayed by at least 30 days, and since 2025 also certain watch list cases. 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 (now IFRS PD, previously IRB PD). Conversely, all transactions with a PD below 30 basis points (12-month PD) are classified as Stage 1. The quantitative transfer logic model was recalibrated in 2025. The most relevant amendment was the update of the calibration horizon up to December 2024. In addition, technical amendments were made concerning the application of PD-curves for group-wide PD-models as well as regarding the consideration of physical and transition risks. These amendments had overall a negligible ECL impact.
- 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 as well as internal and temporary clearing accounts 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.

With regard to the use of Overlays, please refer also to the chapter "Assessment of the loss potential in the current environment" in section E.2, where the use of Overlays and their impact on impairments of transactions in stages 1 & 2 is described. The pivotal point here is actually not the staging but instead the expectation of increasing default rates for specific segments. However, in addition there is a proactive stage-2 classification element corresponding to watch-list cases, which is also described there.

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 in course of classification as non-performing and subsequently, on a quarterly basis. The calculation 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.

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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.

Portfolio-based specific provisioning method

UniCredit Bank Austria AG applies a parameter-based method for the calculation of a flat-rate specific loan loss provision ("*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. In addition, climate-related environmental factors - physical and transition risks – are incorporated into the determination of risk provisioning (see also E.14 Climate-related and environmental risks). Both risks have a minor impact on LGD of real estate collateral, resulting in an overall increase in PEWB of approximately 3%.

In individual cases (subject to a decision by the restructuring unit), 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.

Write-offs of non-performing loans

With regard to IFRS 9, non-performing loan portfolios are analysed, and the following characteristics regarding depreciation events are identified:

- No factual expectation regarding the recovery due to the high credit age and the economic/legal situation,
- Lack of recoverability due to insolvency proceedings, legal action/execution,
- Significant difficulties in the recovery of a guarantee due to the economic/legal framework.

Credit exposures that can no longer be viewed as recoverable are written off by reducing the gross carrying amount of the receivable. If only a determinable share of the current credit exposure is seen as being realisable, the non-recoverable residual amount is written off. The modalities of the writedowns to be made are specified in detail in the internal policy for individual portfolios. A one-off writedown constitutes a derecognition and can therefore no longer be written back. In addition to the time and amount of the write-off, the related process, the competency limits for the amounts, the monitoring and the reporting are regulated in the internal guidelines, among other things. Full or partial depreciation does not represent a waiver of legal title with regard to the recoverability of the loan. If the legal claim is forfeited externally, derecognition takes place, which can no longer be written up, but is posted as "subsequent receipts" in the item "130. Net losses/recoveries on credit impairment".

In summary, write-offs take place if a financial asset cannot reasonably be assessed to be fully or partially realizable (IFRS 9, 5.4.4).

Purchased or originated credit-impaired financial assets ("POCIs")

Pursuant to IFRS 9, loans and receivables measured at amortised cost or at fair value through other comprehensive income and classified as non-performing instruments at the date of acquisition are classified as purchased or originated by a lender as credit impaired ("POCI") instruments. In Bank Austria, "POCI" loans include new loans for defaulting customers (above a defined threshold value), which are granted as a forbearance measure, as well as permanently converted non-performing foreign currency loans. FX conversions are treated as a significant modification.

Definition of parameters and risks

Specific methods have been developed at Bank Austria to determine expected credit losses. The methods are mainly based on the input parameters PD, LGD, EAD and the effective interest rate:

- PD (Probability of Default): Likelihood of a loan default during a defined period, e.g. 1 year,
- LGD (loss given default): Loss ratio of the outstanding credit amount in the event of a loan default,
- EAD (exposure at default): Estimate of the credit amount at the time of the loan default,
- The effective interest rate is the discount rate that reflects the time value of the money.

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Credit risk parameters are calibrated for regulatory purposes (RWA, EL) over a horizon encompassing the entire cycle ("*through the cycle, TTC*"). It is therefore necessary that these parameters for IFRS 9 purposes be calibrated in a point-in-time and *forward-looking* manner, so they reflect the current situation and the expectations of future economic performance. Consequently, the values used for regulatory purposes for PD, LGD and EAD are adjusted, in order to take the requirements of IFRS 9 into consideration. The major adjustments include:

- an elimination of regulatory conservative factors,
- a "point in time" calibration instead of the regulatory "*through the cycle*" adaptation,
- the consideration of forward-looking, macroeconomic information and
- the modelling of credit risk parameters over the life of the instrument (multi-year perspective).

The modelling of the multi-year PDs includes a "*point in time*" adjustment of the observed cumulative default rates with consideration of future-oriented macroeconomic information. The conservativity margins in the recovery rates included in the regulatory "*through the cycle*" LGD are broadly adjusted according to IFRS 9 requirements so that they reflect the current expectations in consideration of forward-looking, macroeconomic information when discounting with the effective interest rate. In addition, the correlation between key LGD components (i.e. recovery rates and liquidation LGDs) and key macro factors is analyzed at segment level. In those segments where the analysis shows significant correlations, a PIT adjustment of the respective LGD components is waived; in those segments where there is no corresponding sensitivity, the long-term LGD parameters are adjusted to those observed in the short term (PIT adjustment). PIT adjustments for LGD and PD were newly calibrated in 2025 and most recently updated in the 4th quarter.

The EAD is modelled on the expected lifetime ("*lifetime EAD*") based on the regulatory (one-year) EADs, without any conservativity factors and in consideration of the expected cash flow. Early repayments are also modelled and taken into account.

Changes to the regulatory IRB models follow the acceptance procedure of the banking supervisory authority with regard to their implementation. This can result in an interim phase where the essential effects of planned IRB model changes can already be estimated; however, the calculation of the equity requirement cannot be used until after approval by the authority (see also E2 – Current status of the application of the internal ratings-based approaches). For IFRS 9 purposes, effects such as these are anticipated in any case if the interim phase goes beyond a balance sheet date and if the changes significantly affect the calculation of the ECL. This essentially applies to changes in the average level of credit risk parameters resulting from IRB model recalibrations. It involves anticipating the expected changes to the IRB models for IFRS 9 purposes by way of an approximation (see also E.2. – Assessment of potential loss due to the current environment).

Special features of the group of foreign currency loans

The foreign currency credit portfolio, or repayment vehicle credit portfolio, with final maturity in the retail customer segment was analysed collectively as a special group of financial instruments, with the result that the entire portfolio (following the application of IFRS 9) was assigned to Stage 2, and the modelling of the expected credit loss considers some additional specific factors that are not relevant for the remaining credit portfolio. The overwhelming majority of this portfolio relates to loans in Swiss Franc (see also Section E.6 Currency risk).

New business of this kind has not been recorded since 2008, and old business has long maturities, as is customary for mortgage-backed transactions. The allocation to Stage 2 is based on the long-term exchange rate development of the Swiss Franc (which led to increased EADs compared with the time the loan was issued) and as a result of the development of repayment vehicles frequently remaining considerably below original expectations.

As a result of the special significance of the currency development for this portfolio, in addition to the forward-looking information described below that is applied to the remaining portfolios, the following factors are considered:

- A scenario-weighted adjustment of the lifetime EAD is made, based inter alia on the long-term exchange rate development of the Swiss franc and continuously adjusted.
- Certain components of the regulatory PD models are adapted to the PD curve criteria used for IFRS 9. Because the majority of the foreign currency loans are paid off at maturity, the probability of default is not reduced according to the residual term but is instead based on the total term.

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Consideration of forward-looking information

Macroeconomic forecasts are considered in the determination of expected credit losses. The application of a multiple scenario consideration of forward-looking components considers the partly non-linear nature in the correlation between the macroeconomic changes and the credit risk. For Stages 1 and 2, the multiple scenarios are considered by estimating the impact of specific factors on the ECL (*“overlay factor”*). The same scenarios are taken into account when calibrating the loss rates for the portfolio-based specific provisioning methods. A basic scenario, a negative and a positive scenario are used as of 4Q25 (see also Section E – “Consideration of baseline and alternative scenarios”).

The inclusion of forward-looking macroeconomic information is consistent with other macroeconomic forecasting techniques used in the UniCredit Group (e.g. taking into account macroeconomic forecasts of expected credit losses within the EBA Stress Test and the ICAAP), using independent UniCredit Research functionalities. This results in the creation of a unified starting point, which is adjusted to meet each of the now divergent regulatory requirements, using internally developed scenarios. The respective macroscenarios are modelled by the UniCredit Group unit responsible for stress tests with regard to their effect on the credit risk parameters (the so-called satellite model used for this is a multi-factor model). This modelling results in adjustments to the parameters on the multi-year horizon of the scenarios. For subsequent terms, the parameters of the base scenario are gradually approximated to their original values. See also the general and specific explanations in section E2, “Macroeconomic and Geopolitical environment” regarding the use of satellite Models and their calibration.

With regard to the application and description of the scenarios, see also section E2 – Assessment of potential loss due to the current environment.

Governance

The methodical framework conditions to determine the expected credit losses in accordance with IFRS 9 was developed based on Group-wide models, regulations and standards. The main models are validated by independent internal validation during initial use or on an ongoing basis.

Internal processes ensure that the regulations from IFRS 9 are used correctly: This relates in particular to the process for determining the expected credit losses and the associated technical accounting representation of the credit risk provisions. Adaptations are simulated accordingly and subjected to a plausibility check in terms of their respective effects. The results and scenario assumptions are presented in detail and submitted to the FCRC (*Financial and Credit Risks Committee*) for information. Significant model changes require the explicit approval of the FCRC, with the corresponding meeting minutes also presented to the Management Board. Further comments regarding IRB changes and adjustments in relation to the current macroenvironment are mentioned in section E2 (Credit risk).

Contractual modifications

Changes in existing financial instruments which determine a modification of contractual conditions might be the result of either:

- commercial initiatives, which may be specific for each customer or applied to portfolio of customers also as a result of dedicated initiatives sponsored by public authorities or banking associations,
- concessions granted in light of a debtor's financial difficulties (Forbearance).

As part of renegotiations of loans and receivables, contractual cash flow is changed, meaning that an assessment regarding the significance of the change is necessary.

In the case of a non-significant change in the contractual cash flow, an adjustment will be made to the gross carrying amount of the instrument based on a cash consideration of the new contractual cash flow, discounted with the original effective interest rate. The difference between the old gross carrying amount and the new gross carrying amount is recognised in profit or loss as a modification gain or loss under the item "140. Income/expense from contract modifications (without derecognition)".

If cash flows differ significantly, the contractual rights of the cash flow from the original instruments shall be considered to have been forfeited. In this case, the original instrument will be derecognised and a new financial instrument will be recognised at fair value plus any chargeable transaction costs.

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A.5.3.4 – Further explanations in the context of financial instruments

Factoring

Loans acquired in the context of factoring transactions with recourse are recorded in the amount of advances granted to customers in return for their consideration. Loans acquired without recourse are recorded as such once it has been established that there are no contractual clauses that preclude the transfer of all risks and benefits to the factor.

Guarantees and credit derivatives in the same class

Guarantees and credit derivatives are initially and subsequently recognised under “Other liabilities”, as long as these are classed as guarantees pursuant to IFRS 9 (i.e. contracts under which the purchaser makes ongoing payments, and therefore receives compensation for losses suffered as a result of default by a third-party debtor if hedging occurs). On first recognition guarantees given are recognised at fair value, which usually corresponds to the amount received when the guarantee is issued. After initial recognition, guarantees given are recognised at the greater of the initially recognised value, net of any amortised portion, and the estimated amount required to meet the obligation. The effects of valuation, related to any impairment of the underlying, are recognised in the item “Write-downs and write-backs due to impairment of other financial transactions” in the income statement.

For credit commitments and financial guarantees, the time at which the company is the party of the irrevocable commitment shall be considered as the time of the initial recognition for the purposes of applying the impairment regulations.

Lease agreements

As part of its business activities, Bank Austria concludes lease agreements, for which rights of use are recognised, which mainly relate to the following types of property, plant and equipment:

- buildings,
- other.

These contracts are reported in accordance with the IFRS 16 accounting standards.

The rights of use resulting from these lease agreements are mainly used to provide services or for administrative purposes and are recorded in accordance with the acquisition cost model. If these rights of use are leased to third parties, a financing or operating lease agreement is recorded, depending on the specific characteristics.

As provided for in the accounting standard, the Bank has decided not to record rights of use or lease liabilities if they relate to:

- short-term lease agreements with a term of less than 12 months and
- lease agreements relating to low-value assets.

In this context, an asset is considered to be low-value if its fair value, in its new condition, is equal to or lower than €5,000. This category mainly includes office equipment (PCs, monitors, tablets, etc.), as well as landline and mobile telephone devices.

Lease payments must be discounted at the interest rate implicit in the contract or, if this is not available, at the incremental borrowing rate. When calculating this interest rate, it is essentially assumed that the lessee takes out a senior secured loan with the same term as the lease agreement in order to acquire the assets underlying the agreement itself. The resulting interest rate is adjusted if necessary to take into account the special features of the lease.

With regard to the subleases, it should be noted that these contracts generated interest income of €0.5 million (previous year: €0.5 million) during the year if they were classified as finance leases and other operating income of €3.5 million (previous year: €2.8 million) if they were classified as operating leases.

Finance leases

In the case of finance leases, all risks and opportunities associated with the property shall transfer to the lessee. Recognition in the lessor's accounts is as follows:

- Statement of Financial Position: Value of the receivable, less the lease payments already collected,
- in profit or loss: interest received.

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Operating leases

For operating leases, the opportunities and risks associated with the subject of the lease will remain with the lessor who is the economic owner of the subject of the lease and who will be accounted for on the balance sheet. In the case of operating leases, the lessor records the lease payments in the income statement according to the period in which they are made.

The accounting of finance leases and operating leases agreements with the lessee has been carried out since 1 January 2019 in accordance with IFRS 16.

The lessee records an asset that represents the right of use of the underlying asset and, at the same time, a liability for the future payments required in the lease agreement.

The right of use is initially recorded under item "90. Property, plant and equipment" on the basis of the amount in which the relevant lease liability is initially recognised, which is adjusted if necessary to take into account lease payments made at or before the start of the lease, the initial direct costs and estimated costs necessary to put the assets in the condition prescribed by the lease agreement.

After initial recognition, the interest on the lease liability is calculated at the interest rate implied in the contract and recorded under item "20. Interest expense and similar charges". The amount of the lease liability is reassessed if the term of the lease changes, even if the valuation of a purchase option for the leased item changes, or if the lease payments change, either due to a change in the index or the interest rate used to determine these payments, or due to the amount which is expected to be paid under a residual value guarantee.

In these cases, the carrying amount of the lease liability is calculated by discounting the lease payments over the term of the lease, using the original or a new discount rate.

Changes in the amount of the lease liability arising from the revaluation are recorded as an adjustment to the right of use.

In the event of a change to a lease agreement, the lessee records an additional separate lease if the change in the scope of the lease is extended and the right of use of one or more assets is added and the fee to be paid for this extension corresponds to the individual price of the extension.

Hedge accounting

The bank uses hedging instruments to hedge market risks (interest-rate, currency and other price risks) in underlying transactions.

Hedge accounting is applied for most of these security instruments.

Hedging derivatives are initially recognised at the settlement date and are valued at their fair value.

A hedging relationship meets the requirements for accounting if the hedging relationship is formally defined and documented. The documentation also includes the risk management objective, the strategy with regard to hedging, and a description of how the future and retroactive effects of the hedging instrument are assessed. It is necessary to assess the hedge's effectiveness, at inception and in subsequent periods, in offsetting the risks from changes in the hedged items fair value or cash flows attributable to the hedged risk.

Bank Austria applies since July 1, 2025, the hedge accounting by adopting the provisions of Chapter 6 of IFRS 9. The adoption of new principle refers to all micro fair value hedges and cash flow hedges, while portfolio-fair value hedges will continue to be applied according to IAS 39.

In order for hedge accounting to be recognized as such according to IFRS 9, hedges must be effective to a great extent and the hedge ratio must reflect the quantities actually hedged and hedging instruments in terms of their relative weighting. The hedge ratio in IFRS 9 is not fixed and must be formally documented at inception, aligned with risk-management, and maintained through rebalancing. Rebalancing refers to the adjustments made to the designated quantities of the hedged item or the hedging instrument of an already existing hedging relationship for the purpose of maintaining a hedge ratio that complies with the hedge effectiveness requirements.

The effectiveness is assessed on each reporting date. If the assessment does not indicate the effectiveness of the hedge and the hedge relationship cannot be rebalanced, hedge accounting is discontinued from then on in respect of the hedge, and the hedging derivative is reclassified as a held-for-trading instrument.

In addition, the hedging relationship ceases when the hedging instrument expires or is sold, terminated or exercised; the hedged item is sold, expires or is repaid; or it is no longer highly probable that the forecast transaction will occur.

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Derivatives may only be designated as hedging instruments when identifiable with an ultimate counterparty outside the Group.

Hedging derivatives are measured at fair value. Specifically:

- Micro fair value hedge** – Any changes in the market value of the hedging derivative are recognised in the profit and loss account, under “Fair value adjustments in hedge accounting”. Profit or loss from the change in the hedged risk in the underlying transaction is also recognised in the same item and at the same time changes the carrying amount of the hedged underlying transaction as a “basis adjustment”. If the hedging relationship is terminated for reasons other than the sale of the hedged underlying transaction, this is measured according to the original criterion dictated by the accounting standard applied to the relevant portfolio. In the case of an interest-bearing underlying transaction, the “basic adjustment” is amortised over the remaining term of the underlying transaction as interest income or interest expenditure. The difference in fair value of the hedging derivative since the latest effectiveness testing date is recognised in profit or loss under the item “Fair value adjustments in hedge accounting”. If the hedged item is sold or repaid, the portion of fair value which is still unamortised is at once recognised through profit or loss in the item “80. Trading result”.
 The micro fair value hedge at Bank Austria serves to hedge changes in market value from individual fixed-interest items in the assets or liabilities side against changes in the market interest rate. This hedging therefore in particular takes place with interest swaps, caps, floors, cross currency swaps and swaptions. When initiating the hedge relationship, the prospective efficacy is verified using a critical terms match. Subsequently, ongoing efficiency is proven by a calculation of ineffectiveness. If changes in market value from an underlying transaction and hedge derivative of the hedge relationship do not correlate effectively in the retrospective consideration, the hedge relationship can be rebalanced.
- Cash Flow Hedge** – Cash flow hedges are used by Bank Austria for protecting future variable cash flows against changes in foreign currency and market rates. They hedge the exposure to variability in cash flows which result from assets or liabilities or from planned transactions and have an effect on profit or loss. The effective portion of the change in market value of the hedging transaction (e.g., cross-currency swaps) was recognized in other comprehensive income in equity under “Valuation reserve in accordance with IAS 39” until June 30, 2025. The cash flow hedge reserve of €0.8 million was released on July 1, 2025, with the introduction of IFRS 9 hedge accounting. The cash flow hedge relationships were terminated, and the previously designated instruments are accounted and measured separately. With the implementation of IFRS 9 hedge accounting, the Cost of Hedging was introduced, in which FX basis spreads from new designated cross currency swaps are recognized. The new reserve is part of equity (other comprehensive income).
 The effectiveness of cash flow hedging relationships continues to be reviewed on a regular basis.
- Portfolio Fair Value Hedge** for financial assets or debts: Until the introduction of the dynamic hedging of portfolios regulations (expected future amendments to IFRS 9), the portfolio hedging regulations of IAS 39 continue to apply. Pursuant to IAS 39, not only fixed-interest assets or debts can be hedged against interest rate changes as a fair value hedge, but also a monetary item that is spread across a number of financial assets or debts (or parts thereof). Accordingly, a group of derivatives can be used to hedge fluctuations in fair value in a portfolio of hedge items as a consequence of fluctuations in market interest rates. Macro hedging may not be used for net positions resulting from the offsetting of assets and liabilities. Net changes – gains or losses – in the fair value of the macro-hedged assets and liabilities attributable to the hedged risk are recognised in special line items on the asset or liability side. The ineffectiveness of the hedging arises to the extent that the change in the fair value of the hedging item differs from the change in the fair value of the hedged monetary position. The extent of hedge ineffectiveness is in any case recognised in the profit and loss item “Fair value adjustments in hedge accounting”. If the underlying transactions are sold or repaid, the realized gain or loss is recognized immediately in the income statement under “Gains and losses on disposal and repurchase”. If there is no P&L effect from the derecognition of the hedged item, the basis adjustment is realized in the same item in which the current P&L effect of the hedged item was recognized.

A portfolio fair value hedge is also used by Bank Austria for fixed-rate exposures. The bank uses interest rate swaps and cross-currency interest rate swaps with fixed legs, which hedge fixed exposures resulting from transactions on the assets side or liabilities side – depending on the currency – in euro or foreign currency. In this context Bank Austria applies the “*EU carve-out*” because it also includes replication portfolios of sight deposits in the portfolio of hedged items.

In 2023, the USD sight deposit model book was dissolved due to a sharp reduction in sight deposits in USD and the hedging relationships were terminated. The basis adjustment on termination amounted to €28 million. Due to the disposal of underlying transactions, €-5.5 million was derecognized in the item “20. Interest and similar expenses”. From the deferral of the basis adjustment over the average remaining term of the hedging derivatives, €-3.2 million was derecognized in 2025 (previous year: €-3.3 million) under “20. Interest and similar expenses”.

A – Accounting methods

Equity investments

The principles governing the recognition and measurement of equity investments under IFRS 10 and IFRS 11 are given in detail in Part A.3 – Consolidation principles.

Additional Tier 1 capital instruments are included in this category in accordance with the provisions of Regulation (EU) No 575/2013 (CRR) on prudential requirements for credit institutions and investment firms if, in addition to the characteristics described above,

- it is at the issuer's full discretion to write-up the nominal value after an event that led to a write-down of the capital,
- they do not contain any conditions that oblige the issuer to make payments ("must-pay clause") upon the occurrence of certain events (which are subject to direct control by the contracting parties).

Repo transactions and securities lending

Securities received in a transaction that entails a contractual obligation to sell them at a later date or delivered under a contractual obligation to repurchase are neither recognised nor derecognised. In respect of securities purchased under an agreement to resell, the consideration is recognised as "Loans and receivables with customers" or "Loans and receivables with banks". In respect of securities held in a repurchase agreement, the selling price for securities is recognised as "liabilities due to banks" or "liabilities due to customers". Revenue from these loans, resulting from the difference between the purchase and sale price as well as between the retransfer price and the purchase price, is deferred and shown under "interest income and similar revenues".

These transactions can only be offset if, and only if, they are carried out with the same counterparty and provided that such offset is provided for in the underlying contracts.

The same rules apply to securities lending transactions. Counterparty risk related to such securities lending or borrowing transactions is shown in the tables in section "E.2 – Credit risk".

Liabilities, debt securities in issue and subordinated loans

The items "Deposits from banks", "Deposits from customers" and "Debt securities in issue" comprise all forms of third-party funding other than trading liabilities or those measured at fair value at fair value through profit and loss.

These financial liabilities are recognised on the settlement date principle initially at fair value, which is normally the consideration received less transaction costs directly attributable to the financial liability. Subsequently these instruments are measured at amortised cost using the effective interest method.

Hybrid debt instruments relating to equity instruments, foreign exchange, credit instruments or indexes, are treated as structured instruments. The embedded derivative is separated from the host contract and recognised as a derivative, provided that separation requirements are met, and recognised at fair value. Any subsequent changes in fair value are recognised in the profit and loss item "Gains and losses on financial assets and liabilities held for trading".

The difference between the total amount received and the initial fair value of the embedded derivative is attributed to the host contract. Instruments convertible into treasury shares imply recognition, at the issuing date, of a financial liability and of the equity part, recognised in the item "Equity instruments", any time contractual terms provide for physical delivery settlement. The equity part is initially measured at the residual value, i.e., the overall value of the instrument less the present value of a financial liability with no conversion clause and the same cash flow. The financial liability is subsequently measured at amortised cost using the effective interest method. Within the Bank Austria Group, only the subsidiary Bank Austria Wohnbaubank AG has issued debt instruments theoretically involving convertibility to equity instruments, because this feature is required for providing tax advantages for the holder of the instruments. However, in line with practice in the Austrian banking sector, the embedded call options are deemed to have a fair value of zero upon issuance as a conversion into equity does virtually never occur.

Debt securities in issue are shown net of repurchased amounts. Any difference between the carrying value of the liability and the amount paid to repurchase it is recognised in the Group's profit and loss accounts under the item "Gains and losses on the disposal of financial liabilities".

A – Accounting methods

Loan securitisations

Loans and receivables also include securitized loans.

Corresponding amounts received for the sale of securitised loans net of the amount of any issued securities and any other type of credit enhancement held in portfolio (retained risk) are recognised in the liability items "Deposits from banks" and "Deposits from customers" and "Debt Securities" respectively.

Both assets and liabilities are measured at amortised cost and interest received is recognised through profit or loss. Impairment losses on securitised assets sold but not derecognised are reported in item "Impairments on financial assets at amortised cost".

Asset encumbrance

Assets used to guarantee own liabilities and commitments are summarised here. Such assets continue to be recognised in the financial statements as long as the Bank Austria Group retains beneficial ownership. For information on assets pledged as security see section F.8.

A.5.4 – Impairment test of investments in subsidiaries, associates and other companies

For the impairment test of investments in subsidiaries and associates, the recoverable amount (defined as the higher of value in use and fair value minus cost to sell) was used. The value in use is determined based on a discounted cash flow valuation model (3-phase model):

- **Phase 1 planning period** (2026 to 2028; different in individual cases):

For 2025, annual net profit and, in the case of valuations of banks, risk-weighted assets were used according to forecast figures for 2025, while for the following years, values according to the currently available multi-year plan, which usually extends to 2028, were used. Where planning data were available for subsequent years, they were applied.

- **Phase 2** (from end of planning period until 2033):

Within this phase, the growth rate converges on the anticipated sustainable long-term economic growth of the euro area of 2% (unchanged from the previous year).

- **Phase 3 – Perpetual annuity:**

Calculation of the present value of a perpetual annuity on the assumption of a long-term growth rate of 2%, which takes into account the sustained long-term economic growth expected by Bank Austria for the euro area (unchanged from the previous year).

The impairment test was performed based on the multi-year plans provided. Usually, Bank Austria uses a target CET1 capital ratio of 12.0% for banks (unchanged from the previous year). The cash flows are discounted using the rate of cost of capital which is determined based on the long-term risk-free interest rate, the market risk premium for Austria (in consideration of the recommendations of the Austrian Chamber of Tax Consultants and Auditors), and an appropriate beta rate. The discount rate is a nominal rate after taxes.

Bank Austria holds stakes in three Austrian regional banks (Oberbank, BKS Bank AG (BKS), BTV Vier Länder Bank AG (BTV), known collectively as the "3-Banken Group"), which are recognized "at equity" in the annual consolidated statements of Bank Austria. In the consolidated income statement, the Group's share of the profit and loss of associates is reported in the item "Profit (loss) on equity investments" and clarified in detail in Section B.16 – Profit (loss) on equity investments. Shares in associates are reported in the consolidated balance sheet under "Investments in associates and joint ventures", and the corresponding details are provided in Section C.7 – Investments in associates and joint ventures. In accordance with IAS 36, it was established as of December 31, 2025 whether there was any indication from either external or internal information sources that the investments could be impaired. A check was also done to determine whether there is any indication that an impairment that has been recognized in an earlier period no longer exists or may have decreased. If such an indication was identified, an impairment test was carried out in accordance with IAS 36.

As of December 31, 2025, there was an evaluation of the indications for an impairment or the reversal of an impairment recognized in previous periods for the three Austrian regional banks, in which the carrying amount was compared with the fair value (market capitalization less costs to sell). Where the fair value (less costs to sell) was less than the carrying amount or, in the case of a previously existing impairment, where the fair value (less costs to sell) was greater than the carrying amount, the value in use (ViU) was calculated using a discounted cash flow (DCF) model based on the multi-year plans (MYPs) provided by the companies.

A – Accounting methods

The value in use was calculated using the DCF model, with the following two scenarios considered:

- **“Baseline scenario”:**

The value in use was calculated on the basis of the information from the multi-year plans provided by Oberbank, BTV, and BKS. The planning period extends to 2028.

- **“Adverse scenario”:**

The adverse scenario differs from the basic scenario by adjusting the expected cash flows in Phase 2 to the long-term average level of the three investments, supported by the level of the selected peer group.

The basic scenario and adverse scenario were each weighted with a probability of occurrence of 50% (unchanged compared to the previous year).

For BKS, as indication for an impairment, the fair value was below the carrying amount; for BTV, such indication was the fair value being above the carrying amount in connection with past impairments; for Oberbank, there were no indications for an impairment.

As the fair value of BKS was below the value in use at the valuation date, the value in use was used for the measurement; for BTV, the fair value was above the value in use and was used for the measurement.

3-Banken - Impairment Test

(€ million)

LEGAL ENTITY	SHARE	CARRYING VALUE BEFORE CHANGE OF VALUE ¹⁾	CARRYING VALUE AFTER CHANGE OF VALUE ^{1) 2)}	PROPORTIONAL MARKET CAPITALIZATION ²⁾	DECISIVE VALUE FOR THE IMPAIRMENT TEST
Oberbank	27.2%	1,199.18 €	1,199.18 €	1,462.19 €	proportionate market capitalization
BTV	47.4%	1,056.66 €	1,196.22 €	1,196.22 €	proportionate market capitalization
BKS	29.8%	587.14 €	587.14 €	251.00 €	value in use

¹⁾ Values incl. 2025 share of earnings

²⁾ as of December 31, 2025

For the impairment test of the 3-Banken Group for 2025, the result for BTV led to a write-up of €139.6 million, due to the longer-term increase in the share price, and to no value change for BKS and Oberbank (previous year: overall write-up of €78.5 million for BTV; in the previous year as well, no impairment was carried out for Oberbank and BKS).

The applied cost of capital was 8.375% (previous year: 8.625%).

As the parameters and data used to test carrying amounts for impairment are significantly influenced by the overall economic environment and by market conditions, which may be subject to rapid unpredictable changes, the results of future impairment tests may differ from those which were used for the 2025 financial statements.

The value in use was used for the valuation of BKS as of December 31, 2025. A 5% shift of the probability of occurrence in favor of the adverse scenario would reduce the value in use of BKS by €19.5 million (while a 5% shift in favor of the baseline scenario would increase the value in use of BKS by the same amount). Furthermore, an increase in the cost of capital rate by 0.5 percentage points would reduce the value in use of BKS by €35.7 million, and a reduction in the cost of capital rate by 0.5 percentage points would increase the value in use of BKS by €41.2 million.

A – Accounting methods

A.6 – Information on other financial statement line items

A.6.1 – Cash and cash equivalents

The cash and cash equivalents reported in the cash flow statement comprise the cash reserve. The cash reserve includes the current accounts at banks and contains the liquidity surplus in excess of the minimum reserve held at the Austrian National Bank.

A.6.2 – Property, plant and equipment; investment property

Item "90. Property, plant and equipment" includes:

- land,
- buildings,
- furniture and fixtures,
- plant and machinery,
- other machinery and equipment,

and is divided between

- assets used in the business and
- assets held as investment and
- inventories within the scope of application of IAS 2.

This item also includes property, plant and equipment from the recall of collateral.

Assets used in the business are held for use in the production or supply of goods or services or for administrative purposes and are expected to be used for more than one period.

This category also includes assets that are rented out and are activated by the group as a right of use or are leased by the Group as a lessor as part of an operating lease.

Property, plant and equipment also include leasehold improvements relating to assets which can be separately identified. The improvements are classified according to the specific sub-items relating to the asset type (e.g. plants). Leasehold improvements are usually borne in order to make leased premises fit for the expected use.

Assets held for investment purposes are land and buildings covered by IAS 40, i.e. properties held in order to derive rentals and/or a capital gain.

Bank Austria assesses the properties used in the business (regulated by IAS 16 "Property, plant and equipment") with the revaluation model and properties held for financial investment (regulated by IAS 40 "Properties held for investment purposes") at the fair value. All other plant, property and equipment are assessed using the amortised cost model.

For properties used in the business, the differences between the carrying amount and fair value are accounted for using the revaluation model as follows:

- if negative: in the profit and loss statement, unless there is a revaluation reserve item for this asset. In this case, the negative difference between the fair value and carrying amount is recorded in other income, if this does not exceed the credit of the corresponding revaluation reserve item.
- If positive: Under other income in the statement of comprehensive income and accumulated in the equity in the revaluation reserve item, unless an impairment was reported for this asset. In this case, the positive difference between the fair value and the carrying amount is recognised in the profit or loss statement until the impairment loss is fully reversed.

Properties held for investment purposes are assessed at the fair value, with value changes to be recorded in the profit and loss statement.

A – Accounting methods

The market value of the properties was determined by independent experts every six months. Based on the significance of the individual real estate items, either:

- "Full/on-site" assessments, based on a physical inspection of the property by the expert, or
- "Desktop" reports, which are based on an assessment that was carried out without a physical inspection of the property and are therefore based solely on the reference market value.

The market value, land value and capitalisation interest rate for the properties in the portfolio were estimated for the preparation of the appraisals of the properties.

With specific reference to investment properties, the entire portfolio is subject to "full/on-site appraisals" over 3 years. Every year part of the portfolio is thus subject to "full/on-site appraisal" while "Desktop appraisals" have to be performed on a semi-annual basis for the remaining ones.

In case the difference between the fair value resulting from the desktop appraisals and the fair value resulting from the last "full/onsite" valuation exceeds 10%, the real estate shall be subject to full/on-site appraisal even if 3 years did not pass yet.

As in the previous year, useful life continues to be assessed in Bank Austria as follows:

- buildings: max. 50 years,
- moveable installations: max. 25 years,
- electronic systems: max. 15 years,
- other: maximum 10 years.

Land and buildings are recognised separately, even if acquired together. Land is not depreciated since it usually has an indefinite useful life. Buildings, conversely, have a finite useful life and are therefore subject to depreciation.

The estimate of the useful life of an asset is verified at least at the end of every financial year. The use conditions of the assets, its state of maintenance and expectations regarding obsolescence as well as expert opinions are inter alia used as a basis for this estimate. Should the expectations deviate from earlier estimates, the depreciation amount for the ongoing financial year and subsequent financial years shall be adjusted accordingly.

Property, plant and equipment is derecognised when it is disposed of or if no further economic benefit can be expected from its use or sale. A difference between the sales proceeds or the achievable value and the carrying amount is recorded in the item "Profit and losses from the disposal of financial investments" in the profit and loss account.

In line with UniCredit's Real Estate Strategy, on 3 December 2025 UniCredit Bank Austria has finalized the following transaction:

- Purchase of the building at Rothschildplatz 1 on Vienna's Austria Campus (RP1), location of the headquarters for an amount of €169 million,
- Early termination of the Lease Agreement on RP1 (original contract maturity 2036), with a payment of an amount of €35 million,
- Early termination of the various obligations on the Infrastructure Agreement (original contract maturity 2036), with a payment of an amount of €30.2 million.

The early termination amounts will be recognized on the P&L line item 230. Other operating expenses/income.

A.6.3 – Intangible assets

Intangible assets mainly include software and are not explained due to their insignificance.

A.6.4 – Non-current assets and disposal groups classified as held for sale

Non-current assets or groups of associated assets/liabilities (i.e. so-called "disposal groups", which may also be cash-generating units), the sale of which is highly probable, are recognised on both sides of the balance sheet in the item "Non-current assets, liabilities and disposal groups classified as held for sale" at the lesser of the carrying amount and fair value less disposal costs.

A – Accounting methods

If a disposal group constitutes a separate material line of business or geographical operation, it is referred to as a “discontinued operation”. The balance of revenue and expense relating to discontinued operations and the measurement as determined above of discontinued operations, net of current and deferred tax, is recognised in the item “Total profit or loss after tax from discontinued operations”.

The valuation results of assets and groups of assets held for sale, which are booked as offsetting items in the other valuation changes in equity, are not reflected in the P&L statement.

A.6.5 – Current and deferred taxes

Tax assets and tax liabilities are recognised in the consolidated balance sheet in the item “Tax assets” and in the item “Tax liabilities”, respectively.

In compliance with the “balance sheet liability method”, a distinction is made between current and deferred tax items:

- current tax liabilities, i.e. the amount of corporate tax due in accordance with local tax regulations,
- current tax assets, i.e. the amount of tax paid in excess of income tax due in accordance with local tax regulations,
- deferred tax assets, i.e. the amounts of income tax recoverable in future fiscal years and attributable to:
 - deductible temporary differences and
 - the carryforward of unused tax losses,
- deferred tax liabilities, i.e. the amounts of income tax due in future fiscal years in respect of taxable temporary differences.

Current and deferred tax assets and tax liabilities are calculated in accordance with local tax regulations and are recognised in profit or loss on an accrual basis.

In general, deferred tax assets and liabilities arise when there is a difference between the accounting treatment and the tax treatment of the carrying amount of an asset or liability.

Deferred tax assets and deferred tax liabilities are measured using the tax rates (eg. tax contribution rate) expected to apply to the period when the asset's carrying amount is realised or the liability is settled, and the amounts recognised are reviewed regularly to take account of changes in legislation.

Deferred tax assets are recognised only to the extent that it is probable that sufficient taxable profit will be generated by the entity. In accordance with the provisions of IAS 12, the probability that sufficient future taxable profit against which the deferred tax assets can be utilised will be available is reviewed periodically. The carrying amount of deferred tax assets is reduced to the extent that it is not probable that sufficient taxable profit will be available. Deferred tax assets from unused tax losses can only be balanced to the extent in which sufficient temporary taxable differences are available or as long as there are convincingly substantial indications (approved multi-year plan) that a sufficiently taxable result will be available against which the unused tax losses can be used.

An update of the Strategic Plan “UniCredit Unlocked” was available to assess the usability of the tax losses carried forward as at December 31, 2025. For tax purposes, an update was carried out for subsequent years (10-year period) using the Monte Carlo simulation. Furthermore, the valuation was carried out taking into account appropriate valuation assumptions in connection with ongoing tax audits or years not yet finally assessed or annual declaration not yet prepared.

It should be noted that assumptions have been made in the tax impairment analysis that could change in the event of a change in the economic and other framework conditions and thus have an impact on the income tax treatment.

Deferred tax assets and deferred tax liabilities are offset in the consolidated financial statements if there is a legally enforceable right to offset and the deferred taxes relate to the same tax jurisdiction and the same taxpayer (in accordance with IAS 12.74).

Actual and deferred taxes are recorded under the item “Income tax from discontinued operations” in the profit and loss account; taxes that refer to items that are recorded directly under equity in the same or in another financial year are excluded from this.

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As at December 31, 2024, in accordance with Section 9 of the Austrian Corporate Income Tax Act (KStG), a group of companies consisted of UniCredit Bank Austria AG as the parent company and 129 exclusively domestic group members, of which 9 companies with profit and loss transfer agreements and 120 companies with tax allocation agreements.

In December 2025, the previous tax group was dissolved and, in accordance with Section 9 of the Austrian Corporate Income Tax Act (KStG), a new tax group was established with UniCredit S.p.A PE Vienna as the tax group parent and 114 group members, including UniCredit Bank Austria AG. The tax group with UniCredit Bank Austria AG as the tax group parent ended with the 2024 assessment year and the new tax group has been effective since the 2025 assessment year. A tax allocation agreement was concluded between the tax group parent and the group members, stipulating a tax contribution rate of 15% of the taxable result of each member. The agreed contribution rate of 15 % reflects the economic benefit arising from the utilization of tax loss carryforwards at the level of the group parent and ensures an equitable sharing of the resulting cash advantage. By applying this rate, the group parent retains the liquidity benefit from offsetting taxable profits of group members against its own tax loss carryforwards, while compensating group members for their contribution to this advantage. This mechanism aligns the internal tax burden allocation with the actual economic impact on cash flows within the group.

The dissolution of the previous tax group resulted in final settlement payments amounting to €14 million, which were recognized in tax expense.

Deferred tax assets and liabilities are measured in accordance with IAS 12.47 et seq. using tax rates expected to apply when temporary differences reverse. For Austria, the statutory corporate income tax rate is 23% for 2025, unless another rate is reliably determinable. Consistent with AFRAC Statement No. 13 (IFRS), paras. 6–7, for temporary differences that arise during the period of group membership and are expected to reverse while the entity remains in the tax group, the fixed tax allocation rate of 15% agreed in the tax allocation agreement is used. In 2025, the remeasurement of deferred taxes for temporary differences expected to reverse while the entity remains in the group—from 23% to 15%—results in a charge to profit or loss within the income tax line, reflecting the decrease in deferred tax balances attributable to those differences.

The tax group parent is not included in the sub-consolidated financial statements. Receivables and liabilities arising from the tax allocation agreement represent transactions with related parties in accordance with IAS 24. The allocation of current and deferred tax expense among group members is based on the contractual tax contribution rate defined in the tax allocation agreement.

If a positive taxable result is attributed to the tax group parent, the respective group member pays a positive tax contribution of 15% of the attributed income to the parent. If a negative taxable result is attributed, the tax group parent compensates the group member with a negative tax contribution of 15% of the attributed loss. This mechanism replaces the previous approach under the former tax group, where no negative tax contributions were made; instead, losses were carried forward internally within the group. Apart from this change, the general principle of allocating tax expense based on taxable results remains unchanged.

The basis for calculating the tax contribution includes the taxable result of UniCredit Bank Austria AG and the results of its subsidiaries that have entered into profit transfer agreements with UniCredit Bank Austria AG. Adjustments may arise from subsequent changes in taxable income (e.g., due to tax audits), which can result in additional settlement payments even after a member leaves the tax group or the group is dissolved. Furthermore, if the corporate income tax rate changes by more than two percentage points, the contribution rate will be renegotiated.

A – Accounting methods

A.6.6 – Other assets

The components of this item are mainly accounts receivable from deliveries of goods and the performance of services, tax claims and other deferrals, unless these relate to income tax.

A.6.7 – Other liabilities, provisions for risks and charges and contingent liabilities

A.6.7.1 – Long-term former employee benefits

The provision for long-term employee benefits is calculated in accordance with the actuarial principles set out in IAS 19.

In the case of company pension benefits - i.e. benefits payable to employees after termination of employment - a distinction is made between defined contribution plans and defined benefit plans, depending on the economic content of the pension plans.

Under defined benefit plans, various benefits are granted depending on age, years of service and remuneration guidelines. Under such plans, the company bears the actuarial risk and the investment risk.

Under defined contribution plans, the company pays fixed contributions. The benefits result from the amount of contributions paid and the return on invested contributions. With such plans, the employer bears no actuarial risk or investment risk because it has no legal or implicit obligation to pay further contributions if the plan is insufficient to pay benefits to all employees.

In the case of defined benefit plans, the present value is determined by an external actuary using the projected unit credit method. This method spreads the cost of benefits evenly over the employee's years of service. The obligations correspond to the present value of the average future benefits pro rata to the ratio of years of service to the theoretical length of service at the time the benefit is paid.

The amount recognised in the item "Provisions for risks and charges – post-retirement benefit obligations" is the present value of the obligation at the balance sheet date. There are currently no plan assets in the Bank Austria Group. Pursuant to IAS 19, actuarial gains and losses are not recognised in profit or loss but in other comprehensive income. Such gains and losses are stated in the table "Other comprehensive income".

As part of a defined benefit commitment, UniCredit Bank Austria AG bears the claims of employees who retired before the pension reform came into force on December 31, 1999 and - as a special feature of UniCredit Bank Austria AG's employment law - the claims equivalent to compulsory insurance of those pensioners for whom UniCredit Bank Austria AG is the pension insurance provider within the meaning of Section 5 ASVG (i.e. has assumed the obligations of statutory pension insurance) and who left the company due to retirement by December 31, 2016 at the latest.

The claims arising from the provisions for social capital that employees can assert have different durations. The following durations (weighted) were calculated as of December 31, 2025:

- Pensions: 9.97 years (previous year: 10.51 years),
- Severance: 7.25 years (previous year: 6.74 years),
- Anniversary bonus: 5.87 years (previous year: 6.71 years).

The present value of pension obligations and severance-payment obligations as well as anniversary bonuses is determined with due regard to internal service regulations, on the basis of the following actuarial assumptions:

- Discount rate: 4.05% p.a. (previous year: 3.40% p.a.)

The interest rate was determined by the UniCredit Group on the basis of the DBO cash flows calculated by Mercer and using the UniCredit yield curve. The actuarial assumptions used to determine the obligations vary from plan to plan. The discount rate is determined according to the maturity of the liability by reference to market yields at the balance sheet date for a portfolio of "high quality corporate bonds" in order to reflect the economic correlation and to ensure the mutual consistency of the various valuation assumptions (i.e. inflation rate, salary and pension increase rates, plan assets). As at December 31, 2025, the weighted duration for pension, severance and jubilee benefit obligations was 9.76 years (previous year: 10.21 years),

- Salary increase: 2.53% (previous year: 2.47%), taking into account an average expected long-term inflation rate (corresponding to the average duration) of 2.23% (previous year: 2.15%),

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- Pension increase (BA – ASVG): 2,13% p.a. (previous year: 1.97% p.a.), calculated on the basis of the effective average real pension increases over the last 20 years, taking into account an average expected long-term inflation rate of 2.23% (previous year: 2.15%),
- Pension increase (other): 2.35% p.a. (previous year: 2.29% p.a.), calculated on the basis of the effective average real pension increases, taking into account a long-term expected inflation rate of 2.23% (previous year: 2.15%),
- No discount for staff turnover (like in the previous year),
- AVÖ-2018 P mortality tables for employees (Aktuarverein Österreich, generation tables for employees) (previous year: AVÖ-2018 P for employees).

A.6.7.1 Sensitivity analysis

		(€ million)	
		EFFECT ON DEFINED BENEFIT OBLIGATION	
		31.12.2025	31.12.2024
Discount rate	-0.25%	63	72
	0.25%	(60)	(69)
Salary increase rate	-0.25%	(3)	(4)
	0.25%	3	4
Pension increase rate	-0.25%	(58)	(66)
	0.25%	60	69

No provisions are made for defined-contribution plans. Payments agreed to be made to a pension fund for defined-contribution plans are recognised as an expense.

A.6.7.2 – Other provisions for risks and charges and contingent liabilities

Provisions for risks and charges are recognised when

- the entity has a present obligation (legal or constructive) as a result of a past event,
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amounts recognised as provisions are the best estimate of the expenditure required to settle the present obligation. The risks and uncertainties that inevitably surround the relevant events and circumstances are taken into account in reaching the best estimate of a provision.

Where the effect of the time value of money is significant, the amount of the provision should be the present value of the best estimate of the cost required to settle the obligation. The discount rate used reflects the current market assessments.

Provisions are reviewed periodically and adjusted to reflect the current best estimate. If it becomes clear that it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Provisions are used only for expenses for which they were originally recognised. Allocations done during the year are recognised in profit or loss and include increases due to the passage of time; they are also net of any reversal.

“Other provisions” also include obligations relating to benefits due to agents, specifically supplementary customer portfolio payments, merit payments, contractual payments and payments under non-competition agreements, which are measured as per defined benefit plans; accordingly these obligations are calculated using the projected unit credit method (see above under retirement payments and similar obligations).

Restructuring provisions are formed in the case of a restructuring programme that entails significant changes with regard to the modality of the business activity.

Contingent liabilities, which include certain guarantees and letters of credit pledged as collateral security, are possible obligations that arise from past events whose existence will be confirmed only by occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of Bank Austria, or are present obligations that have arisen from past events but are not recognised because it is not probable that settlement will require the outflow of resources, or because the amount of obligation cannot be reliably measured.

A – Accounting methods

A.6.7.3 – Share-based payments

Share-based remuneration paid to employees or other service providers as consideration for goods or services received includes:

- stock options,
- performance-related shares (i.e. they are granted when certain targets are achieved),
- blocked shares (i.e. that are subject to a vesting period).

Instruments are measured at fair value at the time of allocation.

The fair value is recorded under the item "190. Administrative costs – a) staff costs" in the profit and loss account as expenses charged to reserves within equity. This takes place according to the appropriate period, i.e. the period in which the services were acquired.

The fair value of a cash-settled share-based payment, the services acquired and the liability incurred are measured at the fair value of the liability, recognised in the item "Other liabilities". The fair value of the liability, as long as it has not been settled, is revalued on each balance sheet date, and all changes in the fair value are recorded in the income statement under the item "190. Administrative costs – a) staff costs".

A.6.7.4 – Other long-term employee benefits

Long-term employee benefits – e.g. long-service bonuses, paid on reaching a predefined number of years' service – are recognised in the item "Other liabilities" on the basis of the measurement at the balance sheet date of the liability, also in this case determined by an external actuary using the projected unit credit method (see section "Provisions for risks and charges – post-employment benefits").

Actuarial gains/losses from this type of benefit are recognised at once through profit or loss.

A.6.8 – Targeted longer-term refinancing operations (TLTRO)

UniCredit Bank Austria AG originally used a total amount of €16.95 billion in central bank refinancing (of which €15.40 billion under the fourth tranche of TLTRO III in June 2020 and €1.55 billion under the seventh tranche of TLTRO III in March 2021) which each had a 3-year term.). The remaining portion of €1.55 billion in TLTRO III.7 that UniCredit Bank Austria AG held at December 31, 2023 has been repaid at maturity in March 2024. Therefore, TLTRO III.7 did not have any contribution to 2025 income statement (previous year: €-14.9 million).

A.6.9 – Equity

Equity is comprised of paid-in capital (capital provided by the owners; subscribed capital plus capital reserves), other reserves (retained earnings, profit carried forward), reserves from foreign currency translation, valuation reserves and actuarial gains/losses in accordance with IAS 19 and Group net profit.

The valuation reserves include the cost of hedging reserve for cash flow hedge, the financial assets valuation reserve @FVTOCI, the financial assets reserve @FVTOCI for associated companies and joint ventures, as well as the valuation reserve for property, plant and equipment.

In December 2021, UniCredit Bank Austria AG issued an additional Tier 1 capital instrument of €600 million in the form of a tier 1 issue (AT1 bonds). This was fully subscribed by the parent company UniCredit S.p.A.

The instrument complies with the provisions of Article 52 of Regulation (EU) 575/2013 including all subsequent amendments. It is therefore attributable to additional Tier 1 capital. It was used to meet the minimum requirement for regulatory own funds and eligible liabilities (MREL) set out in Regulation (EU) 806/2014 including all subsequent amendments.

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The bond has an unlimited term, is directly issued, subordinated and unsecured and can only be redeemed by the issuer.

The issuer has the right to cancel the interest at any time and at its own discretion.

All or part of the instrument is to be written down if the common equity tier 1 ratio under the CRR falls below a lower limit of 5.125% on a single institute or consolidated basis.

Under certain conditions, it may be written up to the original issue volume again, but in any event there must be a net income and there must be no trigger event.

The issuer first has the option to redeem the issue after five years, and the initial interest is 4.750%. From 3 June 2027, the interest rate corresponds to the five-year mid-market swap rate of + 4.900%.

The instrument is recognised in regulatory capital as additional tier 1 capital and interest is recognised as appropriation of earnings. It is the issuer's responsibility to reach a decision regarding a payout.

For further details, please see additional disclosures in Part F Consolidated equity capital and supervisory equity requirement.

A.6.10 – Interest income and interest expenses

Interest income, interest expenses and similar income and expenses relating to monetary items, i.e. liquidity and current debts assessed in the interim, financial instruments held for trading, financial assets measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, financial assets at amortised cost, hedging derivatives, other assets, financial liabilities at amortised cost, financial liabilities held for trading, financial liabilities designated at fair value through profit or loss and other liabilities.

Interest income and expenses are recognised in profit or loss on instruments measured at amortised cost and financial assets at fair value through other comprehensive income using the effective interest method. Further execution using the effective interest method can be found in section A.5.3.2 – Categories of financial instruments – Financial assets valued at amortised cost.

Interest also includes the net credit or debit balance of differentials and margins on financial derivatives,

- used for the hedging of interest-bearing assets and liabilities,
- which are held for trading (HfT) but linked for business purposes to assets and liabilities designated as measured at fair value (fair value option),
- which are linked for business purposes to HfT assets and liabilities paying differentials or margins on different maturities.

A.6.11 – Income from fees and commissions and other operating income

Income from fees and commissions and other operating income is recognised in the income statement if the company has fulfilled the performance obligation included in the contract in accordance with the rules of "IFRS 15 - Revenue from Contracts with Customers".

Especially:

- if the performance obligation is fulfilled at a specific *point in time*, the relevant revenue is recorded in the income statement at the time of service provision,
- if the performance obligation is met over time, the relevant revenue is recorded in the income statement in order to reflect the progress of the fulfilment of this obligation.

Other fees and commission income, including account servicing fees, deposit fees, investment managing fees, sales commission, placement fees and syndication fees, are recognised as the related services are performed. Other fee and commission expenses relate mainly to transaction and service fees, which are expensed as the services are received.

The amount of revenue in connection with fees and commissions and other operating income is determined on the basis of contractual provisions. If the contractually stipulated amount is subject to fluctuations in whole or in part, a return must be recorded on the basis of the most likely amount that the Bank expects.

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On July 22, 2024, UniCredit Bank Austria AG (UCBA) approved the transfer of the existing Corporates portfolio with Iberian customers, subject to customer consent, to UniCredit Bank GmbH Munich (UCB) at an initial purchase price of €43.8 million determined considering the existing and the future business and compounded with 3-month EURIBOR spot rate. The purchase price has been accrued in the item "80. Other liabilities" at year end 2024 and recognized in the income statement, in the item "230. Other operating expenses/income", on the basis of the customer consent received.

At the evaluation date (end 2022) the portfolio was composed of 101 corporate clients for an overall outstanding value of €2.3 billion (including derivatives, loans, deposits, bonds but excluding off-balance loan commitments).

Following the finalization of the customer transfers in June 2025 the final purchase price of €33.7 million has been calculated with the Price Adjustment Mechanism. The total consideration adjustment of € 10.1 million has been paid back in September 2025 to UCB.

The final portfolio transferred was composed of 68 corporate clients for an overall outstanding value of €1.8 billion, of which 44 loans with an overall outstanding value of €1.3 billion were directly migrated.

A.6.12 – Dividends

Dividends are recognised in profit or loss in the financial year in which their distribution has been approved.

A.6.13 – Gains and losses on the sale and repurchase of financial assets at amortised cost, financial assets and financial liabilities at fair value through other comprehensive income

The results from the disposals of financial assets at amortised cost, financial assets measured at fair value through other comprehensive income and financial liabilities are shown under this item.

A.6.14 – Gains and losses on financial assets/liabilities at fair value through profit or loss

Gains and losses of financial assets held for trading or that do not fall within the "hold" or "hold and sell" business model, are allocated to this item. Gains and losses from assets that had to be measured at fair value are shown separately from those designated as this value. Gains and losses from financial liabilities designated at fair value through profit or loss also fall under this item.

A.6.15 – Impairments

Impairments on financial assets at amortised cost, impairments on financial assets measured at fair value through other comprehensive income and impairments on off-balance-sheet obligations such as credit commitments and financial guarantees are shown under this item.

A.6.16 – Impairment/write-backs on property, plant and equipment and on intangible assets

Write-downs on assets held under leasing transactions are part of this item.

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A.6.17 – Profit (loss) on equity investments

The share of the owner in the profit or loss of the associated company and the write-ups or write-downs of companies accounted for at equity are recorded in this item.

A.6.18 – Gains and losses on disposal of investments

This item includes profits/losses from the sale of land, buildings and other assets held as financial investments.

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A.7 – Information on fair value

A.7.1 – General overview

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

For financial instruments listed in active markets, fair value is determined on the basis of official prices in the principal market to which the Group has access (Mark to Market).

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from a pricing service, dealer, broker, agency that determines prices or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If a published price quotation in an active market does not exist for a financial instrument in its entirety, but active markets exist for its component parts, fair value is determined on the basis of the relevant market prices for the component parts.

The Group may use valuation techniques, such as:

- a market approach (e.g., using quoted prices for similar assets, liabilities or equity instruments held by other parties as assets),
- a cost approach (e.g., it reflects the amount that would be required currently to replace the service capacity of an asset, that is the current replacement cost),
- an income approach (e.g., a present value technique that takes into account the future cash flows that a market participant would expect to receive from holding the liability or equity instrument as an asset).

The Group uses valuation models (Mark to Model) in keeping with the methods generally accepted and used by the market. Valuation models include techniques based on the discounting of future cash flows and on volatility estimates, and they are subject to revision both during their development and periodically in order to ensure their consistency with the objectives of the valuation.

These methods use inputs based on prices set in recent transactions for the instrument being valued and/or prices/quotation for instruments having similar characteristics in terms of risk profile. Indeed, these prices/quotation are decisive for determining significant parameters in terms of the credit risk, liquidity risk and price risk of the instrument being valued. Reference to these "market" parameters makes it possible to limit the discretionary nature of the valuation, and ensures that the resulting fair value can be verified. If for one or more risk factors it is not possible to refer to market data, the valuation models employed use estimates based on historical data as inputs.

As a further guarantee of the objectivity of valuations derived from valuation models, the Group employs:

- independent price verifications (IPVs) and
- fair value adjustments (FVAs).

Independent price verification requires that the prices are verified at least monthly by Risk Management units that are independent from the units that assume the risk exposure. This verification calls for comparing and adjusting the daily price in line with valuations obtained from independent market participants. For instruments not quoted in active markets, the above verification process uses prices contributed by info providers as a reference and assigns a greater weighting to those prices that are considered representative of the instrument being valued. This valuation can include the feasibility of the transaction at the price observed, the number of contributors, the degree of similarity of the financial instruments, the consistency of prices from different sources, and the process followed by the info provider to obtain the information.

Fair value levels 2 and 3: valuation techniques and inputs used

Hereby we provide IFRS13 disclosure requirements about accounting portfolios measured at fair value on a recurring basis, not measured at fair value, or measured at fair value on a non-recurring basis.

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Assets and Liabilities measured at fair value on a recurring basis

Fixed income securities

Fixed income securities are priced in a two-tier process depending on the liquidity in the respective market. Liquid instruments in active markets are valued at their market price. Holdings of such instruments are therefore reported in Level 1 within the fair value hierarchy. Instruments not traded in active markets are marked to model through discounted cash flows model whose inputs include implied credit spread curves. In this respect, depending on the proximity of the credit-spread curve applied, the bonds are disclosed as Level 2 or Level 3 respectively. Under fair value accounting, fair value adjustments for liquidity and model deficiencies compensate for the lack of market observables for the Level 2 and Level 3 positions.

In the global bond IPV process market prices of liquid bonds as well as pricing models for illiquid bonds are regularly verified for accuracy.

Structured financial products

The company determines the fair value of structured financial products using the appropriate derivative valuation methodology given the nature of the embedded derivative. Such instruments are classified as Level 2 or Level 3 depending on the observability of significant inputs to the model.

Derivatives

Fair value of derivatives not traded in an active market is determined using a valuation technique. In such cases, where active markets exist for its component parts, then fair value is determined on the basis of the relevant market prices for the component parts. Valuation techniques that are based on significant inputs that are observable are referred to as Level 2 valuations, while those based on techniques that use significant unobservable inputs are referred to as Level 3 valuations.

Equity instruments

Equity instruments are assigned to Level 1 when a quoted price is available on an active market and to Level 3 when no quotations are available or quotations have been suspended indefinitely. Equity instruments are disclosed as Level 2 only if the market where the equity is quoted is not considered to be sufficiently active and therefore an adjustment to the quoted prices appears to be required.

Investment funds

The Bank Austria Group holds investments in certain investment funds that calculate the net asset value (NAV) per share, including mutual funds, private equity funds, and real estate funds. The company's investments include co-investments in funds that are managed by the company and investments in funds that are managed by third parties. In particular:

- Real estate funds are mapped to Level 1 when quoted prices are available on an active market; when this condition does not hold, real estate funds are disclosed as Level 3 and they are evaluated through an adequate credit adjustment of the NAV based on the specific features of each fund.
- Other funds including mutual funds, hedge funds and private equity funds, are usually assigned to Level 1 when a quoted price is available on an active market. Funds are disclosed as Level 2 or Level 3 depending on NAV availability, portfolio transparency and possible issues relating to position write-off; these funds are measured on the basis of internal analysis that consider further information, included those provided by management companies.

Loans

The fair value of loans measured at fair value is determined using either quoted prices or discounted cash flows analysis. They are classified under Level 2 if implied credit spread curves, as well as any other parameters used for determining fair value, are observable on the market. In the case the spreads curves are not observable they are derived using an internal spread model that is based both on observable and unobservable inputs, in the case the impact of unobservable inputs is significant they are classified as Level 3. These include loans to corporates and household for which no indication of applicable credit spread is available and for which, therefore, fair value has been determined through internal credit risk parameters.

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Fair value adjustments

Fair value adjustment is defined as the amount to be added either to the market observed mid-price or to the theoretical price generated by a valuation model with the aim of obtaining a fair value of the position. Therefore, FVA are aimed at insuring that the fair value reflects the actual exit price of a certain position.

Below a list of adjustments:

- Credit/Debit Valuation Adjustment (“CVA/DVA”),
- Funding Cost and Benefit Value Adjustment (“FCA/FBA”),
- model risk,
- close-out costs,
- other adjustments.

Credit/Debit Valuation Adjustment (CVA/DVA)

Credit valuation adjustments (CVAs) and debit valuation adjustments (DVAs) are incorporated into derivative valuations to reflect the impact on fair value of counterparty credit risk and UniCredit Bank Austria’s own credit quality respectively.

UniCredit Group’s CVA/DVA methodology is based on the following inputs:

- Positive and negative exposure profiles derived by simulation techniques. Simulated exposures also take into account Specific Wrong-Way Risk that arises from transactions where there is a correlation between counterparty credit risk and the underlying derivative risk factors,
- PD implied by current market default rates, obtained from Credit Default Swaps,
- LGD based on the estimated level of expected recovery should a counterparty default and implied by current market default rates, obtained from credit default swaps.

As at December 31, 2025, a CVA of €-18.6 million (previous year: €-27.8 million) and a DVA of €20.5 million (previous year: €20.5 million) were recognized for the derivatives business.

Funding Valuation Adjustment

Funding Valuation Adjustment (“FundVA”) is the sum of a Funding Cost Adjustment (“FCA”) and of a Funding Benefit Adjustment (“FBA”) that indeed account for the expected future funding costs/benefits for derivatives that are not fully collateralised.

UniCredit FundVA methodology is based on the following inputs:

- positive and negative exposure profiles derived leveraging on the counterparty credit risk internal model,
- PD term structure implied by current market default rates obtained from credit default swaps,
- a funding spread curve that is representative of the average funding spread of peer financial groups.

As at December 31, 2025, the balance sheet amount of the Funding Valuation Adjustment component (FundVA) valued through P&L amounts to €15.1 million positive (previous year: €8.9 million).

Model risk

Financial models are used for the valuation of the financial instruments if direct market quotes are not deemed reliable. Model risk is represented by the possibility that a financial instrument’s evaluation is actually sensitive to the choice of model. It is possible to value the same financial instrument by using alternative models which could provide different results in terms of pricing. The model risk adjustments refer to the risk that the actual fair value of the instrument differs from the value produced by the model.

Close-out cost

It measures the implicit cost of closing a trading position. The position can be closed by a long position (or purchase in the case of a short position), or by entering into a new transaction (or several transactions) that offsets (hedges) the open position. The close-out costs are typically derived from the bid/ask spreads observed on the market. It accounts for the fact that a position is valued at mid but can only be closed at bid or ask. This adjustment is not needed when the position is marked at bid or ask and already represents an exit price. In addition, a close-out adjustment of the NAV is applied when there are some penalties relating to position write-off in an investment fund.

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Other adjustments

Other fair value adjustments, which are not included in the previous categories, could be taken into consideration to align the evaluation to the current exit price, also according to the level of liquidity of the market and valuation parameters, e.g., adjustment of equity prices whose quotation on the market are not representative of the effective exit price.

Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis

Financial instrument not carried at fair value, for example retail loans and deposit and credit facilities extended to corporate clients, are not managed on a fair value basis. For these instruments fair value is calculated for disclosure purposes only and does not impact the balance sheet or the profit or loss. Additionally, since these instruments generally do not trade, there is significant management judgment required to determine their fair values as defined by IFRS13.

Detailed information on financial assets that are not or not recurrently measured at fair value can be found in "C.4 - 40. Financial assets at amortized cost".

Cash and cash balances

Cash and cash balances are reported in the consolidated balance sheet at amortised cost.

Financial assets at amortised cost

For securities, fair value is determined according to what reported in section "Assets and liabilities measured at fair value on a recurring basis - Fixed income securities".

The fair value of loans and receivables with customers and banks measured at amortised cost is mainly determined using a risk-adjusted net present value approach.

Cash flows include capital repayments and interest payments and depend on contractual conditions and market conditions (i.e. interest rates). In addition, potential premature repayments for some customer segments are taken into account in the assessment.

The risk-free rate represents the amount of interest the market asks for investments with no risk for a specific maturity.

Credit Spread (CS) represents the excess return a market participant asks for a risky investment. The credit spread for non-quoted products, such as loans to non-banks, cannot be derived directly from observable market prices; the bank therefore estimates the credit spread based on counterpart/transaction-specific factors (i.e. recovery-rate assumptions, probability of default), taking into account observable market prices.

Financial Liabilities at amortised cost

The fair value of liabilities, recorded at amortised cost, is determined using the Discounted Cash Flow model as previously described for loans and receivables. The bank's own credit spread is determined using Bank Austria's subordinated and non-subordinated risk curves.

Description of the valuation techniques

Valuation techniques are used to value positions for which a market price is not directly observable from market sources. The Bank Austria Group uses well known valuation techniques to determine the fair value of financial and non-financial instruments that are not actively traded and quoted. The valuation techniques used for Level 2 and Level 3 assets and liabilities are described as follows.

Option pricing model

Option model valuation techniques are generally used for instruments in which the holder has a contingent right or obligation based on the occurrence of a future event, such as the price of a referenced asset going above or below a predetermined strike price. Option models estimate the likelihood of the specified event occurring by incorporating assumptions such as volatility estimates, price of the underlying instrument and expected rate of return.

Discounted cash flow

Discounted cash flow valuation techniques generally consist of developing an estimate of future cash flows that are expected to occur over the life of an instrument. The model requires the estimate of the cash flow and the application of market parameters for discounting: discount rate or discount margin reflects the credit and/or funding spreads required by the market for instruments with similar risk and liquidity profiles to produce a "discounted value". The fair value of the contract is given by the sum of the present values of future cash flows.

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Hazard rate model

The valuation of CDS instruments (Credit Default Swap) requires the knowledge of the entity's survival probability at future dates. The estimate of this probability curve uses the standard model for survival probabilities and requires as parameters the credit default swap market quotes on standard future dates in addition to the risk-free curve and the expected recovery rate. The Hazard Rate is part of the described process, and it indicates the instantaneous probability of default at different future instants.

Market approach

A valuation technique where the value is determined based on the prices generated by market or previous transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities.

Gordon Growth Model

A model used to determine the intrinsic value of a stock, based on a strip of future cash flows growing at a constant rate. Given a single cash flow and a hypothesis on constant growth through time, the model estimates the present value of future cash flows.

Dividend Discount Model

A model used to determine the value of a stock based on expectations on its future dividend flow. Given a series of forecasts on dividends payable in future exercises and a hypothesis on the subsequent annual growth of dividends at a constant rate, the model estimates the fair value of a stock as the sum of the current value of all future dividends.

Adjusted Net Asset Value

NAV is the total value of a fund's assets less liabilities. An increase in NAV would result in an increase in a fair value measure.

Description of the inputs used to measure the fair value of items categorised in Level 2 and 3

Hereby a description of the main significant inputs used to measure the fair value of items categorised in Level 2 and 3 of the fair value hierarchy.

Volatility

Volatility is a measure for variation of price of a financial instrument over time. In particular, volatility measures the speed and severity of market price changes for an instrument, parameter or market index given the particular instrument, parameter or index changes in value over time, expressed as a percentage of relative change in price. The higher the volatility of the underlying, the riskier the instrument. In general, long option positions (assets) benefit from increases in volatility, whereas short option positions (liabilities) will suffer losses.

Differentiated are different macro-types of volatility:

- volatility of interest rate,
- inflation volatility,
- volatility of foreign exchange and
- volatility of equity stocks, equity or other indexes/prices.

Correlation

Correlation is a measure of the relationship between the movements of two variables. Therefore, changes in correlation levels can have a major impact, favourable or unfavourable, on the fair value of an instrument, depending on the type of correlation.

Correlation is a pricing input for a derivative product where the payoff is driven by multiple underlying risks. The level of correlation used in the valuation of derivatives with multiple underlying risks depends on a number of factors including the nature of those risks.

Dividends

The derivation of a forward price for an individual stock or index is important both for measuring fair value for forward or swap contracts and for measuring fair value using option pricing models. The relationship between the current stock price and the forward price is based on a combination of expected future dividend levels and payment timings and, to a lesser extent, the relevant funding rates applicable to the stock in question. The dividend yield and payment timing represents the most significant parameter in determining fair value for instruments that are sensitive to an equity forward price.

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Interest rate curve

The calculation of the interest rate curve is based on standard bootstrapping techniques relying on the set of quotes of appropriate financial instruments, for each currency, which turns interest rates in zero-coupon. Less liquid currencies' interest curve refers to the rates in currencies for which a market liquidity in terms of tightness, depth and resiliency does not exist.

Inflation swap rate

The determination of forward levels for inflation indexes is based on swap quote over inflation indexes. Swap over inflation may present a low liquidity level whether there is no liquid market in terms of rigidity, deepness and resistance.

Credit spreads

Credit spreads reflect the credit quality of the associated credit name. The credit spread of a particular security is reported in relation to the yield on a benchmark security or reference rate and is generally expressed in terms of basis points.

Loss Given Default (LGD)/recovery rate

LGD, also known as loss severity (the inverse concept is the recovery rate), represents the percentage of contractual cash flows lost in the event of a default, expressed as the net amount of loss relative to the outstanding balance. An increase in the loss severity, in isolation, would result in a decrease in a fair value measure. Loss Given Default is facility-specific because such losses are generally understood to be influenced by key transaction characteristics such as the presence of collateral and the degree of subordination.

Prepayment rate (PR)

The PR is the estimated rate at which forecast prepayments of principal of the related debt instrument are expected to occur. Voluntary unscheduled payments (prepayments) change the future cash flows for the investor and thus also the fair value of the instrument. In general, as prepayment speeds change, the weighted average life of the instrument changes, which impacts the valuation either positively or negatively, depending on the nature of the instrument and the direction of the change in the weighted average life.

Probability of default (PD)

The probability of default is an estimate of the likelihood of not collecting contractual amounts. It provides an estimate of the likelihood that a client of a financial institution will be unable to meet its debt obligations over a particular time horizon. The PD of an obligor not only depends on the risk characteristics of that particular obligor but also on the economic environment and the degree to which it affects the obligor.

Early conversion

The early conversion is the estimate of the probability that the liability would be converted into equity earlier than the terms stated.

EBITDA

EBITDA is an indicator of the current operating profitability of the business, that is the income generated by the use of the company's assets and the commercialisation of the products manufactured.

Ke

The Ke (cost of capital) represents the minimum rate that the company has to offer to its shareholders as remuneration for the funds received.

Growth rate

It is the constant growth rate used for the future dividends estimate.

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Quantitative information on significant unobservable inputs used in the fair value measurement: accounting portfolios measured at fair value categorised as Level 3 - 2025

The following table shows the relevant unobservable parameters for the measurement of financial instruments classified at **fair value Level 3 in accordance with the definition in IFRS 13**. The table presents the statistical uncertainty associated with each risk factor. The ranges indicate the delta of variation of the underlying parameters.

								(€ million)
PRODUCT CATEGORIES			FAIR VALUE ASSETS	FAIR VALUE LIABILITIES	VALUATION TECHNIQUE	UNOBSERVABLE PARAMETERS	UNCERTAINTY RANGES	
Derivatives								
Financial instruments	Equity & Commodities	45.0	0.2	Option Pricing Model	Volatility	1%	11%	
					Correlation	2%	24%	
				Option Pricing Model/ Discounted Cash Flows	Dividends Yield	1%	26%	
		Foreign Exchange	2.0	3.0	Option Pricing Model	Volatility	0%	47%
						Discounted Cash Flows	Interest rate (bps)	0.378
		Interest Rate	1.5	4.9	Discounted Cash Flows	Swap Rate (bps)	0.378	587
						Inflation Swap Rate (bps)	2.66	21.07
					Option Pricing Model	Inflation Volatility	1%	3%
						Interest Rate Volatility	0%	29%
	Correlation					0%	23%	
	Credit derivatives	0.0	0.0	Hazard Rate Model	Credit Spread (bps)	1	16	
					Recovery rate	0%	5%	
Debt Securities and Loans		Corporate/ Government/ Other	2.9	0.0	Market Approach	Credit Spread (bps)	1	1,269
		Mortgage & Asset-Backed Securities	57.9	0.0	Discounted Cash Flows	Credit Spread (bps)	35	1,050
						Recovery rate	0%	100%
						Default Rate	0%	3%
						Prepayment Rate	0%	12%
Equity Securities		Unlisted Equity & Holdings	125.5	0.0	Market Approach	Price (% of used value)	0%	3%
							0%	0%
					Gordon Growth Model	Ke	11%	20%
						Growth Rate	1%	4%
Units in Investment Funds		Real Estate & Other Funds	0.4	0.0	Adjusted NAV	PD	1%	30%
						LGD	35%	60%

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Quantitative information on significant unobservable inputs used in the fair value measurement: accounting portfolios measured at fair value categorised as Level 3 - 2024

(€ million)														
PRODUCT CATEGORIES		FAIR VALUE ASSETS	FAIR VALUE LIABILITIES	VALUATION TECHNIQUE	UNOBSERVABLE PARAMETERS	UNCERTAINTY RANGES								
Derivatives														
Financial instruments	Equity & Commodities	0.5	0.0	Option Pricing Model	Volatility	1%	18%							
					Correlation	2%	25%							
				Option Pricing Model/ Discounted Cash Flows	Dividends Yield	1%	26%							
		Foreign Exchange	1.5	1.6	Option Pricing Model	Volatility	0%	45%						
						Discounted Cash Flows	Interest rate (bps)	0.317	587					
			Interest Rate	3.8	10.1	Discounted Cash Flows	Swap Rate (bps)	0.317	587					
		Inflation Swap Rate (bps)					2.94	11.59						
		Option Pricing Model				Inflation Volatility	1%	3%						
						Interest Rate Volatility	0%	29%						
	Credit derivatives	0.4	0.0	Hazard Rate Model	Correlation	0%	22%							
					Credit Spread (bps)	1	67							
					Recovery rate	0%	5%							
					Debt Securities and Loans			Corporate/ Government/ Other	499.2	0.0	Market Approach	Credit Spread (bps)	1	809
					Mortgage & Asset-Backed Securities	89.8	0.0	Discounted Cash Flows	Credit Spread (bps)	62	992			
Recovery rate	0%	70%												
Default Rate	0%	3%												
Prepayment Rate	0%	30%												
Equity Securities		Unlisted Equity & Holdings	112.3	0.0	Market Approach	Price (% of used value)	0%	3%						
Gordon Growth Model	Ke				9%	22%								
	Growth Rate				1%	4%								
Units in Investment Funds		Real Estate & Other Funds	0.4	0.0	Adjusted NAV	PD	1%	30%						
						LGD	35%	60%						

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A.7.2. - Valuation processes and sensitivities

Bank Austria verifies that the value attributed to each position reflects the current fair value in an appropriate way. Assets and liabilities subject to fair value measurements are determined using different techniques, among which (but not only) models such as discounted cash flow and internal models. On the basis of the observability of the input used, all the measurements are classified as Level 1, Level 2 or Level 3 of the fair value hierarchy. When a financial instrument, measured at fair value, is valued through the use of one or more significant inputs not directly observable on the market, a further procedure for the price verification is implemented. These procedures may include the revision of relevant historical data, the analyses of profit and loss, the individual valuation of each component for structural products and benchmarking.

This approach involves estimation and expert judgement and, therefore, might require valuation adjustments which take into account bid-ask spreads, liquidity and counterparty risk, besides the employed valuation model.

In accordance with the “Group Market Risk Governance Guidelines”, all valuation models developed by the Group companies’ front offices are tested and validated centrally and independently by market risk units of the holding company. This guarantees an appropriate separated between the offices that are responsible for development and validation. The purpose of this independent control framework is to assess model risk arising from models’ theoretical soundness, calibration techniques where needed, and the appropriateness of the model for a specific product in a defined market.

In addition to daily “marking to market” or “marking to model”, Independent Price Verification (IPV) is applied by Market Risk function with the aim of guaranteeing a fair value provided by an independent structure for all instruments, illiquid included.

Fair value sensitivity to variations in unobservable input used in the fair value computation for instruments categorised as Level 3

The sensitivities to changes in the unobservable parameters for the different categories of Level 3 financial instruments at fair value are shown in the following table:

- for derivatives on equities and commodities: 1% absolute shift in underlying volatility, 10% relative shift in underlying volatility, 1% absolute shift in underlying correlation, and 10% relative shift in underlying volatility skew,
- for foreign exchanges: 1% absolute of underlying volatility,
- for interest rate derivatives: 1 basis point absolute of rates curves and volatilities or 1% absolute of swaption volatilities,
- for credit derivatives: 1 basis point absolute of credit spread or, if Level 3 attribution for a derivative is due to counterparty classification as not performing, the CVA impact of a 5% absolute shift of the recovery rate,
- for debt securities and loans: 1 basis point absolute of credit spread,
- for equities: 1% of the underlying,
- for Units in Investment Funds quotes: 5 basis points absolute shift in PD and LGD, if evaluated leveraging on models considering counterparty credit risk as main risk factor, otherwise 1% of fair value.

A.7.2.1 Sensitivity analysis - FV hierarchy - Stage 3

			(in %)
PRODUCT CATEGORIES		FAIR VALUE MOVEMENTS	
Derivatives	Financial Instruments	Equity & Commodities	+/- 3.68
		Foreign Exchange	+/- 0.00
		Interest Rate	+/- 0.20
		Credit Derivatives	+/- 0.09
	Debt Securities and Loans	Corporate/ Government/Other	+/- 0.03
		Mortgage & Asset Backed Securities	+/- 0.00
Equity Securities	Unlisted Equity & Holdings	+/- 0.00	
Units in Investment Funds	Real Estate & Other Funds	+/- 0.00	

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A.7.3 - Fair value hierarchy

IFRS13 establishes a fair value hierarchy according to the observability of the input used in the valuation techniques adopted for valuations.

The fair value hierarchy level associated to assets and liabilities is set as the minimum level among all the significant valuation inputs used.

A valuation input is not considered significant for the fair value of an instrument if the remaining inputs are able to explain a major part of the fair value variance itself.

In particular, three levels are considered:

- Level 1: the fair value for instruments classified within this level is determined according to the quoted prices on active markets,
- Level 2: the fair value for instruments classified within this level is determined according to the valuation models for which significant inputs are observable on active markets,
- Level 3: the fair value for instruments classified within this level is determined according to the valuation models for which significant inputs are unobservable on active markets.

The following tables show a breakdown of the financial assets and financial liabilities measured at fair value according to the aforementioned levels.

A.7.3.1 Assets and liabilities measured at fair value on a recurring basis: breakdown by fair value levels

FINANCIAL ASSETS/LIABILITIES MEASURED AT FAIR VALUE	AMOUNTS AS AT 31.12.2025			AMOUNTS AS AT 31.12.2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Financial assets at fair value through profit or loss	141	1,412	110	115	1,626	159
a) Financial assets held for trading	-	1,110	48	0	1,348	6
b) Financial assets designated at fair value	141	-	-	115	-	-
c) Financial assets mandatorily at fair value	-	302	61	-	278	153
2. Financial assets at fair value through other comprehensive income	16,497	1,024	129	15,410	1,258	552
3. Hedging derivatives	-	2,332	-	-	2,274	-
4. Property, plant and equipment	-	-	474	-	-	356
Total	16,638	4,768	712	15,526	5,158	1,067
1. Financial liabilities held for trading	-	1,199	8	-	1,355	9
2. Financial liabilities designated at fair value	-	10	-	-	10	1
3. Hedging derivatives	-	2,029	0	-	2,546	3
Total	-	3,239	8	-	3,912	13

(€ million)

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A.7.3.2a Annual changes in assets measured at fair value on a recurring basis (level 3)

(€ million)

	CHANGES IN 2025							
	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS							
	TOTAL	OF WHICH: A) FINANCIAL ASSETS HELD FOR TRADING	OF WHICH: B) FINANCIAL ASSETS DESIGNATED AT FAIR VALUE	OF WHICH: C) FINANCIAL ASSETS MANDATORILY AT FAIR VALUE	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	HEDGING DERIVATIVES	PROPERTY, PLANT AND EQUIPMENT	INTANGIBLE ASSETS
1. Opening balances	159	6	-	153	552	-	356	-
2. Increases	49	46	-	3	15	-	206	-
2.1 Purchases	46	46	-	-	0	-	187	-
2.2 Profits recognised in	0	-	-	0	15	-	18	-
2.2.1 Income statement	0	-	-	0	-	-	12	-
- of which unrealised gains	0	-	-	0	-	-	12	-
2.2.2 Equity	X	X	X	X	15	-	6	-
2.3 Transfers from other levels	3	-	-	3	-	-	-	-
2.4 Other increases	-	-	-	-	-	-	1	-
3. Decreases	99	4	-	95	438	-	88	-
3.1 Sales	4	4	-	-	-	-	49	-
3.2 Redemptions	-	-	-	-	1	-	-	-
3.3 Losses recognised in	2	-	-	2	1	-	31	-
3.3.1 Income statement	2	-	-	2	-	-	23	-
- of which unrealised losses	2	-	-	2	-	-	21	-
3.3.2 Equity	X	X	X	X	1	-	8	-
3.4 Transfers to other levels	88	-	-	88	435	-	-	-
3.5 Other decreases	5	-	-	5	0	-	8	-
of which: business combinations	-	-	-	-	-	-	-	-
4. Closing balances	110	48	-	61	129	-	474	-

Increases/decreases in financial assets are recognised in the income statement in the following items:

- Gains and losses on financial assets held for trading,
- Fair value adjustments in hedge accounting,
- Gains and losses on financial assets at fair value through profit or loss.

Gains or losses arising out of changes in fair value are recognised in the equity item "Revaluation reserves" – except losses due to impairment and exchange rate gains or losses on monetary items (debt instruments) which are recognised under "Impairment losses on available-for-sale financial assets" and "Gains and losses on financial assets and liabilities held for trading", respectively – until the financial asset is sold, at which time cumulative gains and losses presented in revaluation reserves are recognised in profit or loss in "Gains (losses) on disposal or repurchase of available-for-sale financial assets".

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A.7.3.2b Annual changes in assets measured at fair value on a recurring basis (level 3)

(€ million)

CHANGES IN 2024								
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS								
	TOTAL	OF WHICH: A) FINANCIAL ASSETS HELD FOR TRADING	OF WHICH: B) FINANCIAL ASSETS DESIGNATED AT FAIR VALUE	OF WHICH: C) FINANCIAL ASSETS MANDATORILY AT FAIR VALUE	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	HEDGING DERIVATIVES	PROPERTY, PLANT AND EQUIPMENT	INTANGIBLE ASSETS
1. Opening balances	165	8	-	157	586	-	354	-
2. Increases	27	3	-	24	20	-	37	-
2.1 Purchases	3	3	-	-	6	-	19	-
2.2 Profits recognised in	5	0	-	5	13	-	16	-
2.2.1 Income statement	5	0	-	5	-	-	6	-
- of which unrealised gains	5	0	-	5	-	-	6	-
2.2.2 Equity	X	X	X	X	13	-	10	-
2.3 Transfers from other levels	18	-	-	18	-	-	-	-
2.4 Other increases	-	-	-	-	1	-	2	-
3. Decreases	33	5	-	28	55	-	35	-
3.1 Sales	6	5	-	0	12	-	15	-
3.2 Redemptions	-	-	-	-	30	-	-	-
3.3 Losses recognised in	3	-	-	3	9	-	18	-
3.3.1 Income statement	3	-	-	3	-	-	12	-
- of which unrealised losses	3	-	-	3	-	-	10	-
3.3.2 Equity	X	X	X	X	9	-	5	-
3.4 Transfers to other levels	21	-	-	21	-	-	0	-
3.5 Other decreases	4	-	-	4	3	-	3	-
of which: business combinations	-	-	-	-	-	-	-	-
4. Closing balances	159	6	-	153	552	-	356	-

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A.7.3.3 Annual changes in liabilities measured at fair value on a recurring basis (level 3)

(€ million)

	CHANGES IN 2025			CHANGES IN 2024		
	FINANCIAL LIABILITIES HELD FOR TRADING	FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE	HEDGING DERIVATIVES	FINANCIAL LIABILITIES HELD FOR TRADING	FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE	HEDGING DERIVATIVES
1. Opening balances	9	1	3	14	1	4
2. Increases	2	-	-	2	-	3
2.1 Issuance	2	-	-	2	-	3
2.2 Losses recognised in	-	-	-	-	-	-
2.2.1 Income statement	-	-	-	-	-	-
- of which unrealised losses	-	-	-	-	-	-
2.2.2 Equity	X	-	-	X	-	-
2.3 Transfers from other levels	-	-	-	-	-	-
2.4 Other increases	-	-	-	-	-	-
of which: business combinations	-	-	-	-	-	-
3. Decreases	2	1	3	7	0	4
3.1 Redemptions	2	-	3	7	-	4
3.2 Purchases	-	-	-	-	-	-
3.3 Profits recognised in	-	-	-	-	-	-
3.3.1 Income statement	-	-	-	-	-	-
- of which unrealised gains	-	-	-	-	-	-
3.3.2 Equity	X	-	-	X	-	-
3.4 Transfers to other levels	-	-	-	-	-	-
3.5 Other decreases	-	1	-	-	0	-
of which: business combinations	-	-	-	-	-	-
4. Closing balances	8	-	0	9	1	3

Increases/decreases in financial liabilities are recognised in the income statement in the following items:

- Gains and losses on financial liabilities held for trading,
- Fair value adjustments in hedge accounting,
- Gains and losses on financial liabilities at fair value through profit or loss.

Assets valued at fair value: Transfers between Levels of the fair value hierarchy (Level 1 and Level 2)

The main factors for transfers between the fair value levels (between Level 1 and Level 2) include changes in market conditions (including liquidity parameters) as well as improvements in valuation techniques and the weighting of the unobservable parameters used for the valuation itself.

In the 2025 financial year, there were transfers from Level 1 to Level 2 in the amount of €18 million (previous year: €6 million) and no transfers from Level 2 to Level 1 (previous year: €104 million).

A.7.4 – Day One Profit /Loss

In accordance with IFRS 9, a Day-One Profit/Loss is considered to exist if the transaction value differs from the fair value. The fair value of financial instruments, other than those designated at fair value through profit or loss, at their recognition date is set as equal to the amount collected or paid. For financial instruments held for trading (see Part A.5.3.2 above) and instruments designated at fair value (see Part A.5.3.2 above), any difference from the amount collected or paid is posted under the appropriate items of the income statement.

It should be noted that in the fourth quarter of 2025 UniCredit Bank Austria has recognized an overall day one loss for Euro €-68.2 million (previous year: €- million), which has not been recognized in the statement of profit or loss considering that such losses arise from the circumstance that measurement of fair value at day one was different from the price paid. As of 31 December 2025, the amortized amount of €67.9 million is reported in the balance sheet in the item "130. Other assets". The deferred day one loss is reversed through Profit & Loss on the bases of the duration of the contract on the item "80. Net gains (losses) on trading".

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A.8 – Scope of consolidated companies and changes in the scope of consolidated companies of Bank Austria Group

A.8.1 – Information on fully consolidated companies

Investments in subsidiaries (consolidated line by line)

NAME	MAIN OFFICE/ OPERATIONAL HQ	ISSUED CAPITAL	2025	VOTING RIGHTS % *)	2024	VOTING RIGHTS % *)
			HOLDING %		HOLDING %	
"BF NINE" Holding GmbH	VIENNA	EUR 35,000	Deconsolidation on 31.01.2025		100.00	
Allegro Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
ALMS Leasing GmbH.	VIENNA	EUR 36,000	100.00		100.00	
Alpha Rent doo Beograd	BELGRAD	RSD 3,285,948,900	100.00		100.00	
ANTARES Immobilien Leasing Gesellschaft m.b.H. in Liqu.	VIENNA	EUR 36,500	Liquidated on 08.07.2025		100.00	
Arno Grundstücksverwaltungs Gesellschaft m.b.H.	VIENNA	EUR 36,337	100.00		100.00	
BA CA SECUND Leasing GmbH	VIENNA	EUR 36,500	100.00		100.00	
BA Eurolease Beteiligungsgesellschaft m.b.H.	VIENNA	EUR 363,364	100.00		100.00	
BA GebäudevermietungsgmbH	VIENNA	EUR 36,336	100.00		100.00	
BA/CA-Leasing Beteiligungen GmbH	VIENNA	EUR 454,000	100.00		100.00	
BA-CA Andante Leasing GmbH	VIENNA	EUR 36,500	100.00		100.00	
BACA HYDRA Leasing GmbH	VIENNA	EUR 36,500	100.00		100.00	
BACA KommunalLeasing GmbH	VIENNA	EUR 36,500	100.00		100.00	
BA-CA Leasing Drei Garagen GmbH	VIENNA	EUR 35,000	100.00		100.00	
BA-CA Leasing MAR Immobilien GmbH	VIENNA	EUR 36,500	100.00		100.00	
BACA Leasing und Beteiligungsmanagement GmbH	VIENNA	EUR 18,287	100.00		100.00	
BA-CA Markets & Investment Beteiligung Ges.m.b.H.	VIENNA	EUR 127,177	100.00		100.00	
BA-CA Presto Leasing GmbH	VIENNA	EUR 36,500	100.00		100.00	
BAHBETA Ingatlanhasznosito Kft.	BUDAPEST	HUF 30,000,000	Sold on 31.01.2025		100.00	
BAL HESTIA Immobilien Leasing GmbH	VIENNA	EUR 36,500	100.00		100.00	
BAL HORUS Immobilien Leasing GmbH	VIENNA	EUR 36,500	100.00		100.00	
BAL HYPNOS Immobilien Leasing GmbH	VIENNA	EUR 36,500	100.00		100.00	
BAL LETO Immobilien Leasing GmbH	VIENNA	EUR 36,500	Merged on 30.06.2025		100.00	
BAL OSIRIS Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
Bank Austria Creditanstalt Leasing Immobilienanlagen GmbH	VIENNA	EUR 36,500	100.00		100.00	
Bank Austria Leasing ARGO Immobilien Leasing GmbH	VIENNA	EUR 36,500	100.00		100.00	
Bank Austria Leasing Ikarus Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
Bank Austria Leasing MEDEA Immobilien Leasing GmbH in Liqu.	VIENNA	EUR 36,500	Liquidated on 08.07.2025		100.00	
Bank Austria Real Invest Immobilien-Kapitalanlage GmbH	VIENNA	EUR 5,000,000	94.95	100.00	94.95	100.00
Bank Austria Real Invest Immobilien-Management GmbH	VIENNA	EUR 10,900,500	94.95		94.95	
Bank Austria Wohnbaubank AG	VIENNA	EUR 18,765,944	100.00		100.00	
Beteiligungsverwaltungsgesellschaft der Bank Austria Creditanstalt Leasing GmbH	VIENNA	EUR 36,500	100.00		100.00	

*) Voting rights are only shown if they differ from the percentage of shareholdings and/or if there has been a change compared with the previous year.

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NAME	MAIN OFFICE/ OPERATIONAL HQ	ISSUED CAPITAL	2025	2024
			HOLDING %	VOTING RIGHTS % *) HOLDING %
Brewo Grundstücksverwaltungs-Gesellschaft m.b.H.	VIENNA	EUR 36,337	100.00	100.00
CABET-Holding GmbH	VIENNA	EUR 290,909	100.00	100.00
CABO Beteiligungsgesellschaft m.b.H.	VIENNA	EUR 35,000	100.00	100.00
CALG 307 Mobilien Leasing GmbH	VIENNA	EUR 36,500	100.00	100.00
CALG 443 Grundstückverwaltung GmbH	VIENNA	EUR 36,336	100.00	100.00
CALG 445 Grundstückverwaltung GmbH	VIENNA	EUR 18,168	100.00	100.00
CALG Alpha Grundstückverwaltung GmbH	VIENNA	EUR 36,500	Merged on 04.06.2025	100.00
CALG Anlagen Leasing GmbH	VIENNA	EUR 36,500	100.00	100.00
CALG Anlagen Leasing GmbH, Wien & Co. Grundstücksvermietung und -verwaltung KG	MÜNCHEN	EUR 2,326,378	99.90	99.90
CALG Delta Grundstückverwaltung GmbH	VIENNA	EUR 36,336	100.00	100.00
CALG Gamma Grundstückverwaltung GmbH	VIENNA	EUR 36,337	100.00	100.00
CALG Grundstückverwaltung GmbH	VIENNA	EUR 36,500	100.00	100.00
CALG Immobilien Leasing GmbH	VIENNA	EUR 254,355	100.00	100.00
CALG Minal Grundstückverwaltung GmbH	VIENNA	EUR 18,286	100.00	100.00
card complete Service Bank AG	VIENNA	EUR 6,000,000	Sold on 16.09.2025	50.10
Castellani Leasing GmbH	VIENNA	EUR 1,800,000	100.00	100.00
CA-ZETA Real Estate Development Limited Liability Company	BUDAPEST	HUF 3,000,000	100.00	100.00
Charade Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Chefren Leasing GmbH	VIENNA	EUR 36,500	100.00	100.00
Civitas Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Communa - Leasing Grundstücksverwaltungsgesellschaft m.b.H.	VIENNA	EUR 36,337	100.00	100.00
Contra Leasing-Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
DiRana Liegenschaftsverwertungsgesellschaft m.b.H.	VIENNA	EUR 35,000	Deconsolidation on 31.01.2025	100.00
DLV Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
DUODEC Z Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Eurolease ANUBIS Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Eurolease ISIS Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Eurolease MARDUK Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Eurolease RA Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Eurolease RAMSES Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,336	100.00	100.00
FactorBank Aktiengesellschaft	VIENNA	EUR 3,000,000	100.00	100.00
FINN Arsenal Leasing GmbH	VIENNA	EUR 36,500	100.00	100.00
Folia Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,336	100.00	100.00
GALA Grundstückverwaltung Gesellschaft m.b.H.	VIENNA	EUR 27,434	100.00	100.00
Gebäudeleasing Grundstücksverwaltungs-Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Gemeindeleasing Grundstücksverwaltung Gesellschaft m.b.H.	VIENNA	EUR 18,333	100.00	100.00

*) Voting rights are only shown if they differ from the percentage of shareholdings and/or if there has been a change compared with the previous year.

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NAME	MAIN OFFICE/ OPERATIONAL HQ	ISSUED CAPITAL	2025	VOTING RIGHTS % *)	2024	VOTING RIGHTS % *)
			HOLDING %		HOLDING %	
Grundstücksverwaltung Linz-Mitte GmbH	VIENNA	EUR 35,000	100.00		100.00	
INTRO Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,336	100.00		100.00	
ISB Universale Bau GmbH	BERLIN	EUR 6,288,890	100.00		100.00	
Jausern-Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,336	100.00		100.00	
Kaiserwasser Bau- und Errichtungs GmbH und Co OG	VIENNA	EUR 36,336	99.80	100.00	99.80	100.00
Kutra Grundstücksverwaltungs-Gesellschaft m.b.H.	VIENNA	EUR 36,337	100.00		100.00	
Lagev Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
LARGO Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
LEASFINANZ Alpha Assetvermietung GmbH	VIENNA	EUR 35,000	100.00		100.00	
LEASFINANZ GmbH	VIENNA	EUR 218,019	100.00		100.00	
Legato Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
Lelev Immobilien Leasing Gesellschaft m.b.H. in Liqu.	VIENNA	EUR 36,500	Liquidated on 07.11.2025		100.00	
Lipark Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
Liva Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
M. A. V. 7., Bank Austria Leasing Bauträger GmbH & Co. OG	VIENNA	EUR 3,707	100.00		100.00	
MBC Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
Menuett Grundstücksverwaltungs-Gesellschaft m.b.H.	VIENNA	EUR 36,337	100.00		100.00	
Nage Lokalvermietungsgesellschaft m.b.H. in Liqu.	VIENNA	EUR 36,500	Liquidated on 08.11.2025		100.00	
Oct Z Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
OLG Handels- und Beteiligungsverwaltungsgesellschaft m.b.H.	VIENNA	EUR 36,336	100.00		100.00	
Palais Rothschild Vermietungs GmbH & Co OG	VIENNA	EUR 2,180,185	100.00		100.00	
Paytria Unternehmensbeteiligungen GmbH	VIENNA	EUR 36,336	100.00		100.00	
PELOPS Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,337	Merged on 12.06.2025		100.00	
Piana Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
POLLUX Immobilien GmbH	VIENNA	EUR 36,500	100.00		100.00	
Posato Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
Projekt-Lease Grundstücksverwaltungs-Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
QUADEC Z Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
Quart Z Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
Quint Z Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00		100.00	
RANA-Liegenschaftsverwertung GmbH	VIENNA	EUR 72,700	99.90		99.90	
Real Invest Europe d BA RI KAG	VIENNA		Liquidated on 31.07.2025		96.91	

*) Voting rights are only shown if they differ from the percentage of shareholdings and/or if there has been a change compared with the previous year.

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NAME	MAIN OFFICE/ OPERATIONAL HQ	ISSUED CAPITAL	2025	2024
			HOLDING %	VOTING RIGHTS % ^{*)}
Real-Lease Grundstücksverwaltungs-Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Real-Rent Leasing Gesellschaft m.b.H.	VIENNA	EUR 73,000	100.00	100.00
Schoellerbank Aktiengesellschaft	VIENNA	EUR 20,000,000	100.00	100.00
Schoellerbank Invest AG	SALZBURG	EUR 2,543,549	100.00	100.00
SECA-Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
SEDEC Z Immobilien Leasing Gesellschaft m.b.H. in Liqu.	VIENNA	EUR 36,500	Liquidated on 04.07.2025	100.00
Sext Z Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Sigma Leasing GmbH	VIENNA	EUR 18,286	100.00	100.00
Spectrum Grundstücksverwaltungs-Gesellschaft m.b.H.	VIENNA	EUR 36,336	100.00	100.00
Stewe Grundstücksverwaltungs-Gesellschaft m.b.H.	VIENNA	EUR 36,337	100.00	100.00
Terz Z Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
UCLA Am Winterhafen 11 Immobilienleasing GmbH & Co OG	VIENNA		100.00	100.00
UCLA Immo-Beteiligungsholding GmbH & Co KG	VIENNA	EUR 10,000	100.00	100.00
Ufficiu Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,337	100.00	100.00
Unicom Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
UniCredit Achterhaus Leasing GmbH	VIENNA	EUR 35,000	100.00	100.00
UniCredit AURORA Leasing GmbH	VIENNA	EUR 219,000	100.00	100.00
UniCredit Bank Austria AG	VIENNA	EUR 1,681,033,521	100.00	100.00
UniCredit Center am Kaiserwasser GmbH	VIENNA	EUR 35,000	100.00	100.00
UniCredit Garagen Errichtung und Verwertung GmbH	VIENNA	EUR 57,000	100.00	100.00
Unicredit Gustra Leasing GmbH	VIENNA	EUR 35,000	100.00	100.00
Unicredit Hamred Leasing GmbH	VIENNA	EUR 35,000	100.00	100.00
UniCredit KFZ Leasing GmbH	VIENNA	EUR 648,000	100.00	100.00
UniCredit Leasing (Austria) GmbH	VIENNA	EUR 17,296,134	100.00	100.00
UniCredit Leasing Alpha Assetvermietung GmbH	VIENNA	EUR 35,000	100.00	100.00
UniCredit Leasing Technikum GmbH	VIENNA	EUR 35,000	100.00	100.00
UniCredit Luna Leasing GmbH	VIENNA	EUR 36,500	100.00	100.00
UniCredit Mobilien und KFZ Leasing GmbH	VIENNA	EUR 36,500	100.00	100.00
UniCredit OK1 Leasing GmbH	VIENNA	EUR 35,000	100.00	100.00
UniCredit Pegasus Leasing GmbH	VIENNA	EUR 36,500	100.00	100.00
UniCredit Polaris Leasing GmbH	VIENNA	EUR 36,500	100.00	100.00
UniCredit Sterneck Leasing GmbH	VIENNA	EUR 35,000	100.00	100.00

*) Voting rights are only shown if they differ from the percentage of shareholdings and/or if there has been a change compared with the previous year.

A – Accounting methods

NAME	MAIN OFFICE/ OPERATIONAL HQ	ISSUED CAPITAL	2025	2024
			HOLDING %	VOTING RIGHTS % ^{*)}
UniCredit TechRent Leasing GmbH	VIENNA	EUR 36,336	100.00	100.00
UniCredit Zega Leasing GmbH	VIENNA	EUR 36,500	100.00	100.00
UNIVERSALE International Realitäten GmbH	VIENNA	EUR 32,715,000	100.00	100.00
Vape Communa Leasinggesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
WÖM Grundstücksverwaltungs-Gesellschaft m.b.H.	VIENNA	EUR 36,336	100.00	100.00
Z Leasing Alfa Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing ARKTUR Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing AURIGA Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing DORADO Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing DRACO Immobilien Leasing Gesellschaft m.b.H. in Liqu.	VIENNA	EUR 36,500	Liquidated on 09.07.2025	100.00
Z Leasing Gama Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing GEMINI Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing HEBE Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing HERCULES Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing IPSILON Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing Ita Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing JANUS Immobilien Leasing Gesellschaft m.b.H. in Liqu.	VIENNA	EUR 36,500	Liquidated on 06.11.2025	100.00
Z Leasing KALLISTO Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing KAPA Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	Sold on 05.07.2025	100.00
Z Leasing LYRA Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing NEREIDE Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing OMEGA Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing PERSEUS Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	100.00	100.00
Z Leasing VENUS Immobilien Leasing Gesellschaft m.b.H.	VIENNA	EUR 36,500	Sold on 31.10.2025	100.00
Zapadni Trgovacki Centar d.o.o.	RIJEKA	EUR 2,655	Sold on 18.12.2025	100.00

*) Voting rights are only shown if they differ from the percentage of shareholdings and/or if there has been a change compared with the previous year.

A – Accounting methods

A.8.2 – Breakdown of minority interests

Non-controlling interests

	31.12.2025	31.12.2024
card complete Service Bank AG	-	23
Other entities	3	3
Consolidation adjustments	8	7
TOTAL	12	33

In the first half of February 2025, the management of UniCredit Bank Austria AG decided to sell its 50.1% stake in card complete Service Bank AG ("transaction") and a share purchase agreement was signed on 17 February 2025.

The assets and liabilities of card complete Service Bank AG were disclosed under "120. Non-current assets and disposal groups classified as held for sale" in the half-year 2025 reporting given the fulfilment of IFRS 5 conditions.

Following the approval of the transaction by the relevant authorities, the transaction was closed on 16 September 2025 with a negative impact of €1.4 million on the income statement and the net assets deconsolidated.

Investments in subsidiaries with material non-controlling interests, 2025

NAME	TOTAL ASSETS	CASH AND CASH EQUIVALENTS	FINANCIAL ASSETS	PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS	FINANCIAL LIABILITIES	SHAREHOLDERS' EQUITY	SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	NON-CONTROLLING INTERESTS %
card complete Service Bank AG	-	-	-	-	-	-	-	-

Investments in subsidiaries with material non-controlling interests, 2024

NAME	TOTAL ASSETS	CASH AND CASH EQUIVALENTS	FINANCIAL ASSETS	PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS	FINANCIAL LIABILITIES	SHAREHOLDERS' EQUITY	SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	NON-CONTROLLING INTERESTS %
card complete Service Bank AG	678,032	74,186	546,922	54,078	370,076	42,456	21,185	49.90

A – Accounting methods

(€ thousand)

NET INTEREST MARGIN	OPERATING INCOME	OPERATING COSTS	TOTAL PROFIT OR LOSS BEFORE TAX FROM CONTINUING OPERATIONS	TOTAL PROFIT OR LOSS AFTER TAX FROM CONTINUING OPERATIONS	PROFIT (LOSS) AFTER TAX FROM DISCONTINUED OPERATIONS	NET PROFIT OR LOSS (1)	OCI (2)	COMPREHENSIVE INCOME (3) = (1) + (2)	TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO NON- CONTROLLING INTERESTS	DIVIDENDS PAID TO NON- CONTROLLING INTERESTS
(2,430)	41,525	(42,433)	(1,051)	7,300	-	7,300	-	7,300	3,643	-

(€ thousand)

NET INTEREST MARGIN	OPERATING INCOME	OPERATING COSTS	TOTAL PROFIT OR LOSS BEFORE TAX FROM CONTINUING OPERATIONS	TOTAL PROFIT OR LOSS AFTER TAX FROM CONTINUING OPERATIONS	PROFIT (LOSS) AFTER TAX FROM DISCONTINUED OPERATIONS	NET PROFIT OR LOSS (1)	OCI (2)	COMPREHENSIVE INCOME (3) = (1) + (2)	TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO NON- CONTROLLING INTERESTS	DIVIDENDS PAID TO NON- CONTROLLING INTERESTS
(6,055)	67,662	(71,887)	(4,547)	(4,314)	-	(4,314)	1,006	(3,308)	(1,651)	-

A – Accounting methods

A.8.3 - Joint Ventures and associated companies

Investments in associates and joint ventures

NAME	METHOD OF ACCOUNTING	MAIN OFFICE/ OPERATIONAL HQ	NATURE OF RELATIONSHIP	DATE OF PUBLICATION ¹⁾
BTV Vier Länder Bank AG	At equity	INNSBRUCK	1	30.09.2025
BKS Bank AG	At equity	KLAGENFURT	1	30.09.2025
CBD International Sp.z.o.o.	At equity	WARSAW	5	31.12.2024
Fides Leasing GmbH	Joint Venture	VIENNA	2	31.12.2025
NOTARTREUHANDBANK AG	At equity	VIENNA	1	30.09.2025
Oberbank AG	At equity	LINZ	1	30.09.2025
Oesterreichische Kontrollbank Aktiengesellschaft	At equity	VIENNA	1	30.09.2025
Österreichische Wertpapierdaten Service GmbH	At equity	VIENNA	3	31.12.2024
Palatin Grundstückverwaltungs Gesellschaft m.b.H.	Joint Venture	ST. PÖLTEN	2	
PSA Payment Services Austria GmbH	At equity	VIENNA	2	31.12.2024
"UNI" Gebäudemanagement GmbH	At equity	LINZ	5	
WKBG Wiener Kreditbürgschafts- und Beteiligungsbank AG	At equity	VIENNA	1	31.12.2024

1) Last financial statements used for consolidation.

Nature of relationship:

- 1 = Bank
- 2 = Financial entities
- 3 = Ancillary banking entities services
- 4 = Insurance enterprises
- 5 = non-financial enterprises
- 6 = Other equity investments

A – Accounting methods

(€ thousand)

2025				2024			
ISSUED CAPITAL	HOLDING %	VOTING RIGHTS %	CARRYING AMOUNT € THSD	ISSUED CAPITAL	HOLDING %	VOTING RIGHTS %	CARRYING AMOUNT € THSD
EUR 74,250,000	47.38		1,196,223	EUR 74,250,000	47.38		985,126
EUR 91,612,000	29.78		587,141	EUR 91,612,000	29.78		547,576
PLN 100,500	49.75		900	PLN 100,500	49.75		889
EUR 36,000	50.00		156	EUR 36,000	50.00		121
EUR 8,030,000	25.00		16,919	EUR 8,030,000	25.00		15,715
EUR 105,863,000	27.17		1,199,183	EUR 105,863,000	27.17		1,113,855
EUR 130,000,000	49.15		455,945	EUR 130,000,000	49.15		447,663
EUR 100,000	29.30		99	EUR 100,000	29.30		95
Liquidated on 08.11.2025				EUR 36,336	50.00		23
EUR 285,000	24.00		16,520	EUR 285,000	24.00		11,308
Deconsolidation on 31.03.2025				EUR 18,168	50.00		255
EUR 9,205,109	21.54		3,697	EUR 9,205,109	21.54		3,697

*) Note: Voting rights are only shown if they differ from the percentage of shareholdings and/or there has been a change compared with the previous year.

A – Accounting methods

Investments in associates and joint ventures: accounting information 2025

NAME	TOTAL ASSETS	CASH AND CASH EQUIVALENTS	FINANCIAL ASSETS	NON-FINANCIAL ASSETS	FINANCIAL LIABILITIES
Under significant influence					
BTV Vier Länder Bank AG	15,485,337	2,770,042	12,217,559	497,736	12,549,130
BKS BANK AG	11,058,438	640,865	10,150,678	266,895	8,847,955
NOTARTREUHANDBANK AG	2,152,895	1	2,150,959	1,935	2,082,239
OBERBANK AG	29,343,454	2,486,024	26,279,402	578,028	24,483,211
OESTERREICHISCHE KONTROLLBANK AKTIENGESELLSCHAFT	35,693,247	380,098	35,193,808	119,341	32,765,174

Investments in associates and joint ventures: accounting information 2024

NAME	TOTAL ASSETS	CASH AND CASH EQUIVALENTS	FINANCIAL ASSETS	NON-FINANCIAL ASSETS	FINANCIAL LIABILITIES
Under significant influence					
BTV Vier Länder Bank AG*)	14,706,441	2,316,732	11,869,129	520,580	11,918,833
BKS BANK AG*)	10,836,224	677,187	9,895,650	263,387	8,755,024
NOTARTREUHANDBANK AG	1,949,255	1	1,948,036	1,219	1,882,137
OBERBANK AG*)	27,910,025	2,490,321	24,840,455	579,249	23,316,654
OESTERREICHISCHE KONTROLLBANK AKTIENGESELLSCHAFT	35,259,761	375,297	34,766,418	118,046	32,540,393

*) Data as at 30.09.2024, *) adjusted for events occurred until 31.12.2024

A – Accounting methods

(€ thousand)

NON-FINANCIAL LIABILITIES	NET EQUITY	TOTAL REVENUES	NET INTEREST MARGIN	OPERATING COSTS	TAX EXPENSE (INCOME)	PROFIT (LOSS)	PROFIT (LOSS) AFTER REVALUATION RESERVE	DIVIDENDS RECEIVED
383,531	2,552,677	781,948	246,804	(68,306)	(24,859)	168,433	177,111	10,555
254,576	1,955,907	530,983	231,292	(100,295)	(20,256)	140,924	152,367	5,457
2,980	67,676	29,978	22,211	(7,455)	(4,130)	11,675	11,675	1,715
604,380	4,255,863	1,536,684	626,789	(344,731)	(112,308)	413,866	395,303	22,068
2,000,413	927,660	819,456	132,375	(90,995)	(17,096)	73,483	76,691	29,411

(€ thousand)

NON-FINANCIAL LIABILITIES	NET EQUITY	TOTAL REVENUES	NET INTEREST MARGIN	OPERATING COSTS	TAX EXPENSE (INCOME)	PROFIT (LOSS)	PROFIT (LOSS) AFTER REVALUATION RESERVE	DIVIDENDS RECEIVED
385,894	2,401,715	882,070	268,948	(49,476)	(35,304)	210,884	229,014	7,037
258,149	1,823,050	572,014	241,423	(84,148)	(28,216)	172,472	187,453	4,774
4,257	62,861	35,911	26,538	(6,128)	(5,115)	15,844	15,844	2,125
651,510	3,941,860	1,566,676	645,864	(328,765)	(83,509)	295,868	269,228	19,189
1,808,559	910,809	1,077,563	132,955	(101,292)	(17,847)	63,354	58,908	23,789

A – Accounting methods

Consolidated companies and changes in consolidated companies of the Bank Austria Group in 2025

	CONSOLIDATED COMPANIES	COMPANIES ACCOUNTED FOR UNDER THE EQUITY METHOD	TOTAL
Opening balance	157	12	169
Additions	-	-	-
Newly established companies	-	-	-
Acquired companies	-	-	-
Other changes	-	-	-
Changes in UniCredit Group	-	-	-
Disposals	18	2	20
Companies sold or liquidated	13	1	14
Mergers	3	-	3
Changes in UniCredit Group	2	1	3
CLOSING BALANCE	139	10	149

The changes in the group of consolidated companies mainly relate to a further simplification of the structure of Bank Austria Group's holdings.

A – Accounting methods

List of subsidiaries and associates not consolidated because the equity investments are not material^{*)}

NAME	MAIN OFFICE/ OPERATIONAL HQ	HOLDING %
Human Resources Service and Development GmbH	Vienna	100.00
"MARTIANEZ COMERCIAL, SOCIEDAD ANONIMA"	Puerto de la Cruz	100.00
Palais Rothschild Vermietungs GmbH	Vienna	100.00
RE-St. Marx Holding GmbH	Vienna	100.00
Treuconsult Beteiligungsgesellschaft m.b.H.	Vienna	94.95
"UNI" Gebäudemanagement GmbH	Linz	50.00
RAMSES-Immobilienholding GmbH	Vienna	100.00
BA WORLDWIDE FUND MANAGEMENT LTD	Tortola	94.95
BA Alpine Holdings Inc.	Wilmington	100.00
Bank Austria Real Invest Asset Management GmbH	Vienna	94.95
DC elektronische Zahlungssysteme GmbH	Vienna	Sold on 16.09.2025
BA-CA Investor Beteiligungs GmbH	Vienna	94.95
"BF NINE" Holding GmbH	Vienna	100.00
"Neue Heimat" Gemeinnützige Wohnungs-und Siedlungsgesellschaft, Gesellschaft mit beschränkter Haftung	Wiener Neustadt	25.00
GEWOG Gemeinnützige Wohnungsbau-Gesellschaft m.b.H.	Vienna	20.00
Alpine Cayman Islands Ltd.	George Town	100.00
Bank Austria BAF GmbH in Liqu.	Vienna	Liquidated on 15.04.2025
LF Gamma GmbH in Liqu.	Vienna	Liquidated on 15.04.2025
DiRana Liegenschaftsverwertungsgesellschaft m.b.H.	Vienna	100.00
Diners Club CS, s.r.o.	Bratislava	Sold on 16.09.2025

^{*)} Inclusion is based on quantitative (e.g. total assets <€10 million, possibility of realizing profits) and qualitative criteria (e.g. strategic relevance).

A – Accounting methods

Exposure towards unconsolidated structured entities

Exposure towards unconsolidated investment funds

Units in investment funds

(€ million)

EXPOSURE TYPE	CATEGORY	31.12.2025			31.12.2024		
		BOOK VALUE	NOMINAL VALUE	FAIR VALUE	BOOK VALUE	NOMINAL VALUE	FAIR VALUE
Units in investment funds	Financial assets mandatorily at fair value through P&L	0	4	0	15	4	15
	Held for trading	-	-	-	-	-	-
TOTAL		0	4	0	15	4	15

Other exposure towards unconsolidated investment funds

Assets

(€ million)

EXPOSURE TYPE	CATEGORY	31.12.2025		31.12.2024	
		BOOK VALUE	NOMINAL VALUE	BOOK VALUE	NOMINAL VALUE
Loans and receivables	Financial assets at amortised cost with customers and financial assets mandatorily at FV through profit or loss	612	612	658	679
Credit derivatives	Held for trading	-	-	-	-
Other derivatives	Held for trading	0	15	-	15
Guarantees	Off-balance sheet	-	-	-	-
Credit lines revocable	Off-balance sheet	-	2,287	-	2,052
Credit lines irrevocable	Off-balance sheet	-	53	-	73
TOTAL		612	2,967	658	2,819

Liabilities

(€ million)

EXPOSURE TYPE	CATEGORY	31.12.2025	31.12.2024
		BOOK VALUE	BOOK VALUE
Deposits	Financial liabilities measured at amortised cost with customers	580	908
Other derivatives	Held for trading	2	-
Other liabilities	Held for trading	0	-
TOTAL		582	908

The decrease of €328 million in the item Deposits is mainly due to matured transactions and reduced volumes compared to last year.

Income from unconsolidated structured entities

In 2025, Bank Austria Group generated €47 million in income from fees and commissions from unconsolidated investment funds (previous year: €42 million).

A – Accounting methods

Disclosure of material restrictions

Minimum regulatory capital requirements and disbursement blocks restrict the ability of subsidiaries of our Group to pay dividends or redeem capital.

These minimum capital requirements are a result of the regulations of the CRR, BWG (Austrian Banking Act), capital buffer regulations and any SREP regulations. According to CRR, equity can only be reduced with the approval of the responsible supervisory authorities,

In addition, there are significant restrictions other than legal or regulatory minimum capital requirements and restrictions that are based on such minimum capital requirements, such as limitations on large exposures.

B – Notes to the income statement

B.1 – 10. Interest income/20. Interest expenses

B.1.1 Interest income and similar revenues: breakdown

ITEMS/TYPES	YEAR 2025				(€ million)
	DEBT SECURITIES	LOANS	OTHER TRANSACTIONS	TOTAL	YEAR 2024 TOTAL
1. Financial assets at fair value through profit or loss	4	11	248	262	583
1.1 Financial assets held for trading	-	-	248	248	563
1.2 Financial assets designated at fair value	2	-	-	2	1
1.3 Other financial assets mandatorily at fair value	2	11	-	13	18
2. Financial assets at fair value through other comprehensive income	452	-	X	452	386
3. Financial assets at amortised cost	92	2,473	X	2,565	3,408
3.1 Loans and advances to banks	21	498	X	519	851
3.2 Loans and advances to customers	70	1,976	X	2,046	2,557
4. Hedging derivatives	X	X	272	272	737
5. Other assets	X	X	1	1	1
6. Financial liabilities	X	X	X	0	0
Total	548	2,484	520	3,552	5,116
<i>of which: interest income on impaired financial assets</i>	-	35	-	35	34
<i>of which: interest income on financial lease</i>	X	66	X	66	89

Total interest income for financial assets not measured at fair value through profit or loss amounts to €3,018 million (previous year: €3,794 million).

Interest income from currency-denominated financial assets amounts to €308 million (previous year: €349 million).

The decrease in interest income is mainly due to the development of the interest rate environment in 2025.

B – Notes to the income statement

B.1.2 Interest expenses and similar charges: breakdown

(€ million)

ITEMS/TYPES	YEAR 2025				YEAR 2024
	DEBTS	SECURITIES	OTHER TRANSACTIONS	TOTAL	TOTAL
1. Financial liabilities at amortised cost	(1,121)	(357)	X	(1,478)	(2,212)
1.1 Deposits from central banks	(1)	X	X	(1)	(18)
1.2 Deposits from banks	(523)	X	X	(523)	(764)
1.3 Deposits from customers	(597)	X	X	(597)	(1,038)
1.4 Debt securities in issue	X	(357)	X	(357)	(392)
2. Financial liabilities held for trading	-	-	(253)	(253)	(566)
3. Financial liabilities designated at fair value	-	(0)	-	(0)	(1)
4. Other liabilities and funds	X	X	(1)	(1)	(1)
5. Hedging derivatives	X	X	(271)	(271)	(632)
6. Financial assets	X	X	X	(0)	(0)
Total	(1,121)	(357)	(525)	(2,003)	(3,412)
<i>of which: interest expenses on lease liabilities</i>	<i>(5)</i>	<i>X</i>	<i>X</i>	<i>(5)</i>	<i>(7)</i>

Total interest expense for liabilities not measured at fair value through profit or loss amounts to €-1,478 million (previous year: €-2,212 million).

Interest expense on financial liabilities denominated in foreign currencies amounts to €-171 million (previous year: €-201 million).

Additionally, the TLTRO-III.7 tranche incurred no interest expenses in the 2025 financial year (prior year: €-14.9 million).

The decrease in interest expenses is mainly due to the development of the interest rate environment in 2025.

B – Notes to the income statement

B.2 – 40. Fees and commissions income/50. Fees and commissions expenses

B.2.1 Fees and commissions income: breakdown

(€ million)		
TYPE OF SERVICES/VALUES	YEAR 2025	YEAR 2024
a) Financial Instruments	36	40
1. Placement of securities	-	-
1.1 Underwriting and/or on the basis of an irrevocable commitment	-	-
1.2 Without irrevocable commitment	-	-
2. Reception and transmission of orders	5	5
2.1 Reception and transmission of orders of financial instruments	5	5
2.2 Execution of orders on behalf of customers	-	-
3. Other fees related to activities linked to financial instruments	30	35
of which: <i>proprietary Trading</i>	-	-
of which: <i>individual portfolio management</i>	30	35
b) Corporate Finance	10	8
1. M&A advisory	-	-
2. Treasury services	-	-
3. Other fee and commission income in relation to corporate finance activities	10	8
c) Fee based advice	24	23
d) Clearing and settlement	-	-
e) Collective portfolio management	142	140
f) Custody and administration of securities	92	85
1. Custodian Bank	-	-
2. Other fee and commission income in relation to corporate finance activities	92	85
g) Central administrative services for collective investment	-	-
h) Fiduciary transactions	-	-
i) Payment services	212	271
1. Current accounts	1	1
2. Credit cards	119	181
3. Debits cards and other card payments	32	30
4. Transfers and other payment orders	46	44
5. Other fees in relation to payment services	15	15
j) Distribution of third party services	102	82
1. Collective portfolio management	70	62
2. Insurance products	29	16
3. Other products	3	3
of which: <i>individual portfolio management</i>	-	-
k) Structured finance	-	-
l) Loan securitization servicing activities	-	-
m) Loan commitment given	-	-
n) Financial guarantees	39	40
of which: <i>credit derivatives</i>	0	0
o) Lending transaction	73	71
of which: <i>factoring services</i>	3	3
p) Currency trading	2	2
q) Commodities	-	-
r) Other fee income	175	175
of which: <i>management of sharing multilateral trading facilities</i>	-	-
of which: <i>management of organized trading systems</i>	-	-
Total	906	935

In 2025, the decrease in item i) Payments services, under 2. Credit Cards is mainly driven by the sale of card complete Service Bank AG. Detailed information can be found in A.8.2 – Breakdown of minority interests.

B – Notes to the income statement

B.2.2 Fees and commissions expenses: breakdown

(€ million)		
SERVICES/VALUES	YEAR 2025	YEAR 2024
a) Financial instruments	(4)	(3)
<i>of which: trading in financial instruments</i>	(3)	(3)
<i>of which: placement of financial instruments</i>	(0)	(0)
<i>of which: individual Portfolio management</i>	(1)	(1)
- own portfolio	(1)	(1)
- third party portfolio	-	-
b) Clearing and settlement	-	-
c) Portfolio management: collective	(19)	(19)
1. Own portfolio	(4)	(5)
2. Third party portfolio	(15)	(14)
d) Custody and Administration	(20)	(21)
e) Collection and payments services	(105)	(142)
<i>of which: debit credit card service and other payment cards</i>	(93)	(130)
f) Loan securitization servicing activities	-	-
g) Loan commitment given	(18)	(14)
h) Financial guarantees received	(5)	(3)
<i>of which: credit derivatives</i>	-	-
i) Off - site distribution of financial instruments, products and services	(2)	(1)
j) Currency trading	(1)	(1)
k) Other commission expenses	(2)	(4)
Total	(175)	(208)

In 2025, the decrease in item e) Collection and payments services is mainly driven by the sale of card complete Service Bank AG. Detailed information can be found in A.8.2 – Breakdown of minority interests.

B.3 – 70. Dividend income and similar revenues

B.3.1 Dividend income and similar revenues: breakdown

(€ million)				
ITEMS/REVENUES	YEAR 2025		YEAR 2024	
	DIVIDENDS	SIMILAR REVENUES	DIVIDENDS	SIMILAR REVENUES
A. Financial assets held for trading	-	-	-	-
B. Other financial assets mandatorily at fair value	0	-	0	-
C. Financial assets at fair value through other comprehensive income	8	-	8	-
D. Equity investments	5	-	6	-
Total	13	-	13	-
Total dividends and similar revenues	13		13	

B – Notes to the income statement

B.4 – 80. Net gains (losses) on trading

B.4.1 Gains and losses on financial assets and liabilities held for trading: breakdown

(€ million)

TRANSACTIONS/P&L ITEMS	CAPITAL GAINS (A)	REALISED PROFITS (B)	CAPITAL LOSSES (C)	REALISED LOSSES (D)	NET PROFIT [(A + B) + (C + D)]
1. Financial assets held for trading	-	0	-	(0)	0
1.1 Debt securities	-	0	-	-	0
1.2 Equity instruments	-	-	-	-	-
1.3 Units in investment funds	-	-	-	-	-
1.4 Loans	-	-	-	-	-
1.5 Other	-	-	-	(0)	(0)
2. Financial liabilities held for trading	-	-	-	-	-
2.1 Debt securities	-	-	-	-	-
2.2 Deposits	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Financial assets and liabilities: exchange differences	X	X	X	X	14
4. Derivatives	61	-	(0)	-	61
4.1 Financial derivatives	61	-	(0)	-	61
- On debt securities and interest rates	59	-	-	-	59
- On equity securities and share indices	1	-	-	-	1
- On currency and gold	X	X	X	X	0
- Other	1	-	(0)	-	1
4.2 Credit derivatives	-	-	(0)	-	(0)
of which: economic hedges linked to the fair value option	X	X	X	X	-
Total 31.12.2025	61	0	(0)	(0)	76
Total 31.12.2024	29	0	(2)	(0)	43

B – Notes to the income statement

B.5 – 90. Net gains (losses) on hedge accounting

B.5.1 Net gains (losses) on hedge accounting: breakdown

		(€ million)	
P&L COMPONENT/VALUES	YEAR 2025	YEAR 2024	
A. Gains on			
A.1 Fair value hedging instruments	716		452
A.2 Hedged financial assets (in fair value hedge relationship)	-		706
A.3 Hedged financial liabilities (in fair value hedge relationship)	122		-
A.4 Cash-flow hedging derivatives	-		-
A.5 Assets and liabilities denominated in currency	-		-
Total gains on hedging activities (A)	839		1,158
B. Losses on			
B.1 Fair value hedging instruments	-		(564)
B.2 Hedged financial assets (in fair value hedge relationship)	(747)		(104)
B.3 Hedged financial liabilities (in fair value hedge relationship)	(86)		(491)
B.4 Cash-flow hedging derivatives	-		-
B.5 Assets and liabilities denominated in currency	-		-
Total losses on hedging activities (B)	(833)		(1,159)
C. Net hedging result (A – B)	6		(1)
<i>of which: net gains (losses) of hedge accounting on net positions</i>	-		-

The development is mainly attributable to the decline in interest rates in 2025, which increased in sum the fair values of the hedging instruments and related liabilities, whereas the underlying financial assets moved in the opposite direction.

B – Notes to the income statement

B.6 – 100. Gains (losses) on the disposal of financial assets and repurchase of financial liabilities

B.6.1 Gains (Losses) on disposal/repurchase: breakdown

(€ million)

ITEMS/P&L ITEMS	YEAR 2025			YEAR 2024		
	GAINS	LOSSES	NET PROFIT	GAINS	LOSSES	NET PROFIT
A. Financial assets						
1. Financial assets at amortised cost	0	(1)	(1)	-	(2)	(2)
1.1 Loans and advances to banks	-	-	-	-	-	-
1.2 Loans and advances to customers	0	(1)	(1)	-	(2)	(2)
2. Financial assets at fair value through other comprehensive income	4	-	4	7	(4)	3
2.1 Debt securities	4	-	4	7	(4)	3
2.2 Loans	-	-	-	-	-	-
Total assets (A)	4	(1)	2	7	(6)	0
B. Financial liabilities at amortised cost						
1. Deposits from banks	-	-	-	-	-	-
2. Deposits from customers	10	-	10	-	-	-
3. Debt securities in issue	0	(0)	0	1	(3)	(2)
Total liabilities (B)	10	(0)	10	1	(3)	(2)
Total financial assets/liabilities			12			(2)

In 2025, the item B. Financial liabilities at amortised cost under 2. Deposits from customers includes the impact of the cancelation of the RoU asset related to Vienna's Austria Campus (RP1). Detailed information can be found in Note A.6.2 – Property, plant and equipment; investment property.

B – Notes to the income statement

B.7 – 110. Net gains (losses) on financial assets and liabilities at fair value through profit or loss

B.7.1 Net gains (losses) on other financial assets/liabilities at fair value through profit or loss: a) financial assets/liabilities designated at fair value: breakdown

(€ million)

TRANSACTIONS/P&L ITEMS	CAPITAL GAINS (A)	REALISED PROFITS (B)	CAPITAL LOSSES (C)	REALISED LOSSES (D)	NET PROFIT [(A + B) + (C + D)]
1. Financial assets	-	-	(5)	(2)	(7)
1.1 Debt securities	-	-	(5)	(2)	(7)
1.2 Loans	-	-	-	-	-
2. Financial liabilities	-	0	(0)	-	(0)
2.1 Debt securities	-	0	(0)	-	(0)
2.2 Deposits from banks	-	-	-	-	-
2.3 Deposits from customers	-	-	-	-	-
3. Financial assets and liabilities in foreign currency: exchange differences	X	X	X	X	-
Total 31.12.2025	-	0	(6)	(2)	(7)
Total 31.12.2024	1	-	(1)	(1)	(1)

B.7.2 Net gains (losses) on other financial assets/liabilities at fair value through profit or loss: b) other financial assets mandatorily at fair value: breakdown

(€ million)

TRANSACTIONS/P&L ITEMS	CAPITAL GAINS (A)	REALISED PROFITS (B)	CAPITAL LOSSES (C)	REALISED LOSSES (D)	NET PROFIT [(A + B) + (C + D)]
1. Financial assets	2	0	(6)	(0)	(4)
1.1 Debt securities	0	0	(4)	-	(4)
1.2 Equity securities	-	0	-	-	0
1.3 Units in investment funds	0	-	-	(0)	(0)
1.4 Loans	2	0	(2)	(0)	0
2. Financial assets: exchange differences	X	X	X	X	-
Total 31.12.2025	2	0	(6)	(0)	(4)
Total 31.12.2024	9	1	(7)	(0)	3

B – Notes to the income statement

B.8 – 130. Net losses/recoveries on credit impairments

B.8.1 Net impairment losses for credit risk relating to financial assets at amortised cost: breakdown

YEAR 2025												(€ million)	YEAR
TRANSACTIONS/INCOME ITEMS	WRITE-DOWNS						WRITE-BACKS				TOTAL	TOTAL	
	STAGE 1	STAGE 2	STAGE 3		POCI ASSETS		STAGE 1	STAGE 2	STAGE 3	POCI ASSETS			
			WRITE-OFF	OTHER	WRITE-OFF	OTHER							
STAGE 1	STAGE 2	WRITE-OFF	OTHER	WRITE-OFF	OTHER	STAGE 1	STAGE 2	STAGE 3	POCI ASSETS	TOTAL	TOTAL		
A. Loans and advances to banks	(0)	(1)	-	(1)	-	-	0	0	1	-	(1)	(1)	
- Loans	(0)	(1)	-	(1)	-	-	0	0	1	-	(1)	(1)	
- Debt securities	(0)	-	-	-	-	-	0	-	-	-	0	(0)	
B. Loans and advances to customers	(47)	(178)	(10)	(258)	-	(0)	76	269	160	0	11	(63)	
- Loans	(47)	(178)	(10)	(258)	-	(0)	76	269	160	0	11	(62)	
- Debt securities	(0)	-	-	-	-	-	0	0	-	-	0	(1)	
Total	(47)	(179)	(10)	(259)	-	(0)	76	269	161	0	10	(64)	

The development of provisions and write-downs on "loans and advances to customers" is presented in the risk report at the sections "Overall picture of the development of expected credit losses", "Development of credit risk costs" and "Non-performing loans".

B.8.2 Net change for credit risk relating to financial assets at fair value through other comprehensive income: breakdown

(€ million)												YEAR	
TRANSACTIONS/INCOME ITEMS	YEAR 2025											TOTAL	2024
	WRITE-DOWNS						WRITE-BACKS				TOTAL		
	STAGE 1	STAGE 2	STAGE 3		POCI ASSETS		STAGE 1	STAGE 2	STAGE 3	POCI ASSETS			
			WRITE-OFF	OTHER	WRITE-OFF	OTHER							
STAGE 1	STAGE 2	WRITE-OFF	OTHER	WRITE-OFF	OTHER	STAGE 1	STAGE 2	STAGE 3	POCI ASSETS	TOTAL			
A. Debt securities	(0)	(0)	-	-	-	-	0	0	-	-	(0)	0	
B. Loans	-	-	-	-	-	-	-	-	-	-	-	-	
- Loans and advances to customers	-	-	-	-	-	-	-	-	-	-	-	-	
- Loans and advances to banks	-	-	-	-	-	-	-	-	-	-	-	-	
Total	(0)	(0)	-	-	-	-	0	0	-	-	(0)	0	

B – Notes to the income statement

B.9 – 190. a) Staff costs

B.9.1 Staff costs: breakdown

(€ million)		
TYPE OF EXPENSES/VALUES	YEAR 2025	YEAR 2024
1) Employees	(698)	(732)
a) Wages and salaries	(418)	(430)
b) Social charges	(102)	(104)
c) Severance pay	-	-
d) Social security costs	-	-
e) Allocation to employee severance pay provision	-	-
f) Provision for retirements and similar provisions	(102)	(105)
- Defined contribution	-	-
- Defined benefit	(102)	(105)
g) Payments to external pension funds	(14)	(14)
- Defined contribution	(13)	(13)
- Defined benefit	(1)	(1)
h) Costs arising from share-based payments	(5)	(4)
i) Other employee benefits	(56)	(76)
2) Other staff	(8)	(12)
3) Directors and Statutory Auditors	(0)	(0)
4) Early retirement costs	-	-
5) Recovery of payments for employees seconded to other companies	13	20
6) Refund of expenses for employees seconded to the company	(9)	(11)
Total	(702)	(735)

B.9.2 Defined benefit company retirement funds: costs and revenues: breakdown

(€ million)		
	YEAR 2025	YEAR 2024
Current service cost	(8)	(10)
Settlement gains (losses)	0	4
Past service cost	-	-
Interest cost on the DBO	(94)	(99)
Interest income on plan assets	-	-
Other costs/revenues	(0)	-
Administrative expenses paid through plan assets	-	-
Total recognised in profit or loss	(102)	(105)

B.9.3 Other employee benefits: breakdown

(€ million)		
	YEAR 2025	YEAR 2024
- Seniority premiums	(1)	(1)
- Leaving incentives	(44)	(67)
- Other	(12)	(9)
Total	(56)	(76)

In 2025, the sub-item "Leaving incentives" mainly includes additional allocations to the provision for restructuring and strategic measures as part of the existing Strategic Plan of UniCredit in the amount of €-39 million before discounting (previous year: €-56 million).

B – Notes to the income statement

B.10 – 190. b) Other administrative expenses

B.10.1 Other administrative expenses: breakdown

		(€ million)	
TYPE OF EXPENSES/SECTORS	YEAR 2025	YEAR 2024	
1) Indirect taxes and duties	(73)	(23)	
1a. Settled	(73)	(23)	
1b. Unsettled	-	-	
2) Contributions to Resolution Funds and Deposit Guarantee Schemes (DGS)	(0)	(0)	
3) Guarantee fee for DTA conversion	-	-	
4) Miscellaneous costs and expenses	(456)	(419)	
a) Advertising marketing and communication	(21)	(15)	
b) Expenses relating to credit risk	(6)	(6)	
c) Indirect expenses relating to personnel	(4)	(6)	
d) Information & Communication Technology expenses	(251)	(243)	
Lease of ICT equipment and software	(0)	(0)	
Software expenses: lease and maintenance	(5)	(6)	
ICT communication systems	(5)	(6)	
Services ICT in outsourcing	(230)	(219)	
Financial information providers	(11)	(10)	
e) Consulting and professional services	(12)	(17)	
Consulting	(8)	(11)	
Legal expenses	(4)	(5)	
f) Real estate expenses	(34)	(37)	
Rentals of premises	(3)	(3)	
Utilities	(10)	(11)	
Other real estate expenses	(22)	(23)	
g) Operating costs	(128)	(96)	
Surveillance and security services	(4)	(4)	
Money counting services and transport	(7)	(6)	
Printing and stationery	(1)	(3)	
Postage and transport of documents	(15)	(13)	
Administrative and logistic services	(53)	(49)	
Insurance	(3)	(3)	
Association dues and fees and contributions to the administrative expenses deposit guarantee funds	(12)	(11)	
Other administrative expenses - other	(33)	(5)	
Total (1+2+3+4)	(530)	(442)	

In 2025, indirect taxes and duties amounted to €-73 million (previous year: €-23 million). This amount mainly relates to the bank levy contribution, which accounted for €-72 million (previous year: €-21 million).

B – Notes to the income statement

B.11 – 200. a) Net provisions for credit risk from commitments and financial guarantees given

B.11.1 Net provisions for credit risk from loan commitments and financial guarantees given: breakdown

(€ million)

	YEAR 2025		
	PROVISIONS	SURPLUS REALLOCATIONS	TOTAL
Loan commitments	(72)	50	(22)
Financial guarantees given	(49)	30	(20)

Details on the development of the provision for loan commitments and financial guarantees issued for 2025 and 2024 are presented in E.2.4 "Regulatory consolidation - Financial assets, loan commitments and financial guarantees given: changes in overall impairments and provisions".

B.11.2 Net provisions for credit risk from loan commitments and financial guarantees given: breakdown

(€ million)

	YEAR 2024		
	PROVISIONS	SURPLUS REALLOCATIONS	TOTAL
Loan commitments	(35)	57	22
Financial guarantees given	(27)	30	3

B.12 – 200. b) Other net provisions for risks and charges

B.12.1 Other net provisions for risks and charges: breakdown

(€ million)

ASSETS/P&L ITEMS	YEAR 2025			YEAR 2024 TOTAL
	PROVISIONS	REALLOCATION SURPLUS	TOTAL	
1. Other provisions				
1.1 Legal disputes	(61)	18	(43)	(31)
1.2 Staff costs	-	-	-	-
1.3 Other	(1)	0	(1)	1
Total	(62)	18	(44)	(30)

B – Notes to the income statement

B.13 – 210. Net value adjustments/write-backs on property, plant and equipment

B.13.1 Net value adjustments/write-backs on property, plant and equipment: breakdown

(€ million)

ASSETS/INCOME ITEMS	YEAR 2025				YEAR 2024			
	DEPRECIATION (A)	IMPAIRMENT LOSSES (B)	WRITE-BACKS (C)	NET PROFIT (A+B-C)	DEPRECIATION (A)	IMPAIRMENT LOSSES (B)	WRITE-BACKS (C)	NET PROFIT (A+B-C)
A. Property, plant and equipment								
A.1 Used in the business	(61)	(1)	1	(61)	(73)	(12)	0	(84)
- Owned	(34)	(0)	0	(34)	(42)	(0)	0	(42)
- Right of use of Leased Assets	(27)	(1)	1	(27)	(31)	(11)	0	(42)
A.2 Held for investment	-	-	-	-	-	-	-	-
- Owned	-	-	-	-	-	-	-	-
- Right of use of Leased Assets	-	-	-	-	-	-	-	-
A.3 Inventories	-	-	-	-	-	-	-	-
Total A	(61)	(1)	1	(61)	(73)	(12)	0	(84)
B. Non-current assets and groups of assets held for sale	X	-	-	-	X	-	-	-
- Used in the business	X	-	-	-	X	-	-	-
- Held for investments	X	-	-	-	X	-	-	-
- Inventories	X	-	-	-	X	-	-	-
Total (A+B)	(61)	(1)	1	(61)	(73)	(12)	0	(84)

B – Notes to the income statement

B.14 – 220. Net value adjustments/write-backs on intangible assets

B.14.1 Net value adjustments/write-backs on intangible assets: breakdown

ASSETS/INCOME ITEMS	YEAR 2025			
	AMORTISATION (A)	IMPAIRMENT LOSSES (B)	WRITE-BACKS (C)	NET PROFIT (A+B-C)
A. Intangible assets				
<i>of which: software</i>	(1)	-	-	(1)
A.1 Owned	(1)	-	-	(1)
- Generated internally by the company	(0)	-	-	(0)
- Other	(1)	-	-	(1)
A.2 Right of use of Leased Assets	-	-	-	-
Total	(1)	-	-	(1)

B.14.1 Net value adjustments/write-backs on intangible assets: breakdown

ASSETS/INCOME ITEMS	YEAR 2024			
	AMORTISATION (A)	IMPAIRMENT LOSSES (B)	WRITE-BACKS (C)	NET PROFIT (A+B-C)
A. Intangible assets				
<i>of which: software</i>	(3)	-	-	(3)
A.1 Owned	(3)	-	-	(3)
- Generated internally by the company	(0)	-	-	(0)
- Other	(3)	-	-	(3)
A.2 Right of use of Leased Assets	-	-	-	-
Total	(3)	-	-	(3)

B.15 – 230. Other operating expenses/income

B.15.1 Other operating expenses: breakdown

TYPE OF EXPENSE/VALUES	YEAR 2025		YEAR 2024
Costs for operating leases	-	-	-
Non-deductible tax and other fiscal charges	(0)	(0)	(0)
Write-downs on leasehold improvements	(7)	(12)	(12)
Costs relating to the specific service of financial leasing	-	-	-
Other	(92)	(31)	(31)
Total of other operating expenses	(99)	(43)	

The change in item "Other" is due to the early termination of some contracts related to Vienna's Austria Campus (RP1), with an overall effect of €-61 million. Detailed information can be found in Note A.6.2 – Property, plant and equipment; investment property.

B – Notes to the income statement

B.15.2 Other operating income: breakdown

(€ million)		
TYPE OF REVENUE/VALUES	YEAR 2025	YEAR 2024
A) Recovery of costs	4	6
B) Other revenues	139	123
Revenues from administrative services	10	12
Revenues from operating leases	53	61
Recovery of miscellaneous costs paid in previous years	7	8
Revenues on financial leases activities	-	-
Other	69	41
Total of other operating income (A+B)	143	129

The change in item B) Other revenues under "Other" is mainly due to the transfer of UniCredit Bank Austria AG (UCBA) existing Corporates portfolio with Iberian customers to UniCredit Bank GmbH Munich (UCB), resulting in a €32.2 million impact recognized in 2025. Detailed information can be found in Note A.6.11 – Income from fees and commissions and other operating income.

B.16 – 250. Gains (losses) on equity investments

B.16.1 Gains (losses) on equity investments: breakdown

(€ million)		
P&L ITEMS/VALUES	YEAR 2025	YEAR 2024
A. Income	420	350
1. Revaluations	281	271
2. Gains on disposal	-	0
3. Writebacks	140	79
4. Other gains	-	-
B. Expenses	(1)	(0)
1. Writedowns	(0)	(0)
2. Impairment losses	(1)	(0)
3. Losses on disposal	(0)	-
4. Other expenses	-	-
Net profit	419	350

Profit of associated companies amounts to €281 million (previous year: €271 million). This item includes pro rata profits from companies subject to significant influence, mainly the 3-Banken Group and Oesterreichische Kontrollbank.

The write-backs in the financial year 2025 related to BTV €139.6 million (previous year: BTV €79 million). Detailed information can be found in Note A.5.4 – Impairment test of investments in subsidiaries, associates and other companies.

B – Notes to the income statement

B.17 – 260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value

B.17.1 Net gains (losses) on property, plant and equipment and intangible assets measured at fair value: breakdown

(€ million)

(€ million)

ASSETS/INCOME COMPONENTS	YEAR 2025				NET PROFIT (A-B+C-D)
	EXCHANGE DIFFERENCES				
	REVALUATIONS (A)	WRITEDOWNS (B)	POSITIVE (C)	NEGATIVE (D)	
A. Property, plant and equipment	12	(21)	-	(1)	(10)
A.1 Used in the business	5	(10)	-	-	(5)
- Owned	5	(10)	-	-	(5)
- Right of use of Leased Assets	-	-	-	-	-
A.2 Held for investment	6	(10)	-	(1)	(5)
- Owned	6	(10)	-	(1)	(5)
- Right of use of Leased Assets	-	-	-	-	-
A.3 Inventories	-	-	-	-	-
B. Intangible assets	-	-	-	-	-
B.1 Owned	-	-	-	-	-
- Generated internally by the company	-	-	-	-	-
- Other	-	-	-	-	-
B.2 Right of use of Leased Assets	-	-	-	-	-
Total	12	(21)	-	(1)	(10)

B.17.2 Net gains (losses) on property, plant and equipment and intangible assets measured at fair value: breakdown

(€ million)

(€ million)

ASSETS/INCOME COMPONENTS	YEAR 2024				NET PROFIT (A-B+C-D)
	EXCHANGE DIFFERENCES				
	REVALUATIONS (A)	WRITEDOWNS (B)	POSITIVE (C)	NEGATIVE (D)	
A. Property, plant and equipment	6	(10)	1	-	(3)
A.1 Used in the business	0	(2)	-	-	(2)
- Owned	0	(2)	-	-	(2)
- Right of use of Leased Assets	-	-	-	-	-
A.2 Held for investment	6	(8)	1	-	(1)
- Owned	6	(8)	1	-	(1)
- Right of use of Leased Assets	-	-	-	-	-
A.3 Inventories	-	-	-	-	-
B. Intangible assets	-	-	-	-	-
B.1 Owned	-	-	-	-	-
- Generated internally by the company	-	-	-	-	-
- Other	-	-	-	-	-
B.2 Right of use of Leased Assets	-	-	-	-	-
Total	6	(10)	1	-	(3)

B – Notes to the income statement

B.18 – 280. Gains (losses) on disposals of investments

B.18.1 Gains (losses) on disposals of investments: breakdown

(€ million)		
P&L ITEMS/SECTORS	YEAR 2025	YEAR 2024
A. Property		
- Gains on disposal	-	1
- Losses on disposal	-	-
B. Other assets		
- Gains on disposal	6	0
- Losses on disposal	(2)	(0)
Net profit	4	1

UniCredit Bank Austria AG sold its 50.1% stake in card complete Service Bank AG, the transaction was closed on 16 September 2025 with a negative impact of €1.4 million. Detailed information can be found in Note A.8.2 – Breakdown of minority interests.

B.19 – 300. Tax expenses (income) from continuing operations

B.19.1 Tax expenses (income) relating to profit or loss from continuing operations: breakdown

(€ million)		
P&L ITEMS/SECTORS	YEAR 2025	YEAR 2024
1. Current taxes (-)	(115)	(91)
2. Change of current taxes of previous years (+/-)	(8)	4
3. Reduction of current taxes for the year (+)	11	29
3.a Reduction of current taxes for the year due tax credit under Law 214/2011 (+)	-	-
4. Change of deferred tax assets (+/-)	(80)	(252)
5. Change of deferred tax liabilities (+/-)	(7)	7
6. Tax expenses for the year (-) (-1+/-2+3+/-4+/-5)	(200)	(303)

At UniCredit Bank Austria AG, deferred tax liabilities of €21 million (previous year: deferred tax liabilities of €20 million) were offset outside profit or loss for the period in shareholders' equity, primarily due to the recognition of actuarial gains and losses on pension and severance obligations in the current year.

The change of the deferred tax assets results mainly from the usage of capitalized tax losses carryforwards, from the change in the pension and severance provisions and from the changes in the bad debt allowances.

The change of the deferred tax liabilities results mainly from the changes related to pension and severance obligations as well as financial instruments.

Starting from fiscal year 2024, the UniCredit Group and UniCredit Bank Austria Sub-Group applies the newly designed Pillar Two regulation. The Pillar Two regulation provides for an international framework of rules aimed at ensuring that the worldwide profits of multinational groups are subject to tax at a rate not lower than 15% in every jurisdiction in which the groups operate.

The rules have been firstly designed by the Inclusive Framework of the OECD and then implemented in the European Union through the EU Council Directive 2022/2523 of 14 December 2022.

For EU countries, the Directive entered into force in FY2024 (in Austria, the provisions of the Directive have been transposed into law with the "Mindestbesteuerungsreformgesetz" from 14.12.2023), except for Latvia (postponement to 2030 granted by the Directive to certain Member States). Certain non-EU Member States in which the UniCredit Group operates have implemented the Pillar Two rules starting from 2024 (e.g. United Kingdom) or 2025.

B – Notes to the income statement

In a nutshell, the Pillar Two rules provide that, if in certain jurisdictions where the UniCredit Group or UniCredit Bank Austria Sub-Group operates, the effective tax rate (given by the ratio between adjusted corporate income taxes paid in that jurisdiction and adjusted accounting results) falls below 15%, then the UniCredit Group will be required to pay an additional tax (so-called top-up tax) to reach the 15% tax rate threshold.

The relevant set of rules also provides for a transition period in which the in-scope multinational groups may avoid undergoing the complex effective tax rate calculation required by the new piece of legislation. In particular, the Pillar Two legislation provides for a transitional safe harbor ("TSH") that applies for the first three fiscal years following the entry into force of the relevant regulation (recently extended by one year – until FY 2027). The TSH relies on simplified calculations (mainly based on data extracted from the Country-by-Country Reporting under BEPS Action 13, implemented in Italy with Law n. 208/2015) and three kinds of alternative tests. Where at least one of the TSH tests is met for a jurisdiction in which the UniCredit Group operates, the top-up tax due for such jurisdiction will be deemed to be zero.

A test is met for a jurisdiction where:

1. revenue and profit before tax are below, respectively, EUR 10 million and EUR 1 million (the de minimis test),
2. the Effective Tax Rate (i.e. ETR) equals or exceeds an agreed rate (the ETR test, 15% for FY 2024), or
3. the profit before tax does not exceed an amount calculated as a percentage of tangible assets and payroll expense (the routine profits test).

The UniCredit Group has performed an assessment of its potential exposure for top-up taxes based on the most recent information available regarding the financial performance (Country-by-Country Reporting related to fiscal year 2024 for TSH regime and, provisionally, 2025 financial statements data).

Based on the assessment performed, Austria may not benefit from the TSH. Therefore, the potential top-up tax exposure has been calculated based on the full Pillar Two regime. Based on the calculation, the ETR of Austria is higher than the 15% minimum ETR, with no top-up tax due.

The above analysis on the requirements to access the transitional simplified regime has to be considered as an estimation, given that, as already highlighted, it was based on the 2024 Country-by-Country Reporting and 2025 forecast data.

Starting from 2024, each legal entity of the UniCredit group has applied the exception to the recognition and disclosure of deferred tax assets and liabilities relating to Pillar Two income taxes referred to in paragraph 4 A IAS 12.

B.19.2 Reconciliation of theoretical tax charge to actual tax charge

	(€ millions)	
	YEAR 2025	YEAR 2024
Total profit of loss before tax from continuing operations	1,463	1,587
Applicable tax rate	23%	23%
Theoretical tax	(337)	(365)
Different tax rates	-	-
Non-taxable income	51	(22)
Non-deductible expenses	(39)	(16)
Different fiscal laws	6	1
Prior years and changes in tax rates	(13)	32
a) effects on current tax	(3)	34
b) effects on deferred tax	(10)	(2)
Valuation adjustments and non-recognition of deferred taxes	43	66
Amortisation of goodwill	-	0
Non-taxable foreign income	-	-
Other differences	89	2
Recognized taxes on income	(200)	(303)

The majority of the other differences is attributable to the adjustment of current tax expenses to the tax contribution rate of 15% (€81 million) due to the new tax group with PE Vienna as the group leader.

B – Notes to the income statement

B.20 – 320. Profit (loss) after tax from discontinued operations

B.20.1 Profit (loss) after tax from discontinued operations

As in the previous year, there were no discontinued operations in the 2025 financial year. Therefore, no data is to be disclosed.

B.21 – Earnings per share

B.21.1 Earnings per share

	YEAR 2025	YEAR 2024
Net profit or loss attributable to the ordinary shareholders of UniCredit Bank Austria AG in € million	1,259	1,285
<i>from continuing operations</i>	1,259	1,285
<i>from discontinued operations</i>	-	-
Weighted average number of ordinary shares (in million) outstanding in the reporting period	231.2	231.2
Basic/diluted earnings per share in €	5.44	5.56
<i>from continuing operations</i>	5.44	5.56
<i>from discontinued operations</i>	-	-

During the reporting period, no financial instruments with a dilutive effect on the bearer shares were outstanding. Therefore, basic earnings per share in accordance with IAS 33 equal diluted earnings per share in accordance with IAS 33. Earnings per share are calculated based on the average number of shares outstanding (2025: 231.2 million shares; 2024: 231.2 million shares).

B.22 – Appropriation of profits

The net profit of UniCredit Bank Austria AG for the financial year from 1 January 2025 to 31 December 2025 amounted to €946,849,196.17.

The Management Board proposes to the Annual General Meeting that from the accumulated balance sheet profit for the financial year 2025 of UniCredit Bank Austria AG in the amount of €1,533,663,767.98, a dividend of €4.09 per share entitled to a dividend be paid out on the share capital of €1,681,033,521.40. As the number of shares is 231,228,820, the total amount of the proposed dividend is €945,725,873.80.

C – Notes to the statement of financial position

C.1 – 10. Cash and cash balances

C.1.1 Cash and cash balances: breakdown

(€ million)

	AMOUNTS AS AT	
	31.12.2025	31.12.2024
a) Cash	63	78
b) Current accounts and demand deposits with Central Banks	6,745	5,237
c) Current accounts and demand deposits with Banks	397	287
Total	7,205	5,602

The item "c) Current accounts and demand deposits with Banks" comprises current accounts that can be converted into cash immediately.

C.2 – 20. Financial assets at fair value through profit or loss

C.2.1 Financial assets held for trading: breakdown by product

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2025			AMOUNTS AS AT 31.12.2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
A. Financial assets (non-derivatives)						
1. Debt securities	-	-	-	-	0	-
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	-	-	-	-	0	-
2. Equity instruments	-	-	-	-	-	-
3. Units in investment funds	-	-	0	0	-	0
4. Loans	-	-	-	-	-	-
4.1 Reverse Repos	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total (A)	-	-	0	0	0	0
B. Derivative instruments						
1. Financial derivatives	-	1,110	48	-	1,348	6
1.1 Trading	-	873	4	-	1,256	6
1.2 Linked to fair value option	-	237	45	-	91	-
1.3 Other	-	-	-	-	-	-
2. Credit derivatives	-	0	-	-	-	0
2.1 Trading	-	-	-	-	-	-
2.2 Linked to fair value option	-	0	-	-	-	0
2.3 Other	-	-	-	-	-	-
Total (B)	-	1,110	48	-	1,348	6
Total (A+B)	-	1,110	48	0	1,348	6
Total Level 1, Level 2 and Level 3			1,159			1,354

The change in fair value level 2 in item B.1 Financial derivatives results from the change in the market interest rate in the financial year 2025.

C – Notes to the statement of financial position

C.2.2 Financial assets at fair value through profit or loss: other financial assets mandatorily at fair value

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2025			AMOUNTS AS AT 31.12.2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	-	65	3	-	10	63
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	-	65	3	-	10	63
2. Equity instruments	-	-	-	-	-	-
3. Units in investment funds	-	-	0	-	-	0
4. Loans	-	237	58	-	269	90
4.1 Structured	-	-	-	-	-	-
4.2 Other	-	237	58	-	269	90
Total	-	302	61	-	278	153
Total Level 1, Level 2 and Level 3			363			431

C.2.3 Other Financial assets mandatorily at fair value:breakdown by borrowers/issuers

(€ million)

ITEMS/VALUES	AMOUNTS AS AT	
	31.12.2025	31.12.2024
1. Equity instruments	-	-
of which: banks	-	-
of which: other financial companies	-	-
of which: non-financial companies	-	-
2. Debt securities	68	72
a) Central banks	-	-
b) Governments and other Public Sector Entities	55	60
c) Banks	-	-
d) Other financial companies	13	12
of which: insurance companies	13	12
e) Non-financial companies	-	-
3. Units in investment funds	0	0
4. Loans and advances	295	359
a) Central banks	-	-
b) Governments and other Public Sector Entities	-	-
c) Banks	-	-
d) Other financial companies	1	3
of which: insurance companies	-	-
e) Non-financial companies	151	187
f) Households	142	168
Total	363	431

C – Notes to the statement of financial position

C.3 – 30. Financial assets at fair value through other comprehensive income

C.3.1 Financial assets at fair value through other comprehensive income: breakdown by product

(€ million)

ITEMS/VALUES	AMOUNTS AS AT 31.12.2025			AMOUNTS AS AT 31.12.2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	16,497	945	-	15,410	1,198	436
1.1 Structured securities	-	-	-	-	-	-
1.2 Other	16,497	945	-	15,410	1,198	436
2. Equity instruments	-	79	129	-	60	115
3. Loans	-	-	-	-	-	-
Total	16,497	1,024	129	15,410	1,258	552
Total Level 1, Level 2 and Level 3	17,650			17,220		

C.3.2 Financial assets at fair value through other comprehensive income: breakdown by borrowers/issuers

(€ million)

ITEMS/VALUES	AMOUNTS AS AT	
	31.12.2025	31.12.2024
1. Debt securities	17,442	17,045
a) Central Banks	-	-
b) Governments and other Public Sector Entities	12,425	12,270
c) Banks	4,570	4,435
d) Other financial companies	259	201
of which: insurance companies	-	-
e) Non-financial companies	189	139
2. Equity instruments	208	175
a) Banks	79	60
b) Other issuers	129	115
- Other financial companies	46	45
of which: insurance companies	-	-
- Non-financial companies	77	65
- Other	5	5
3. Loans and advances	-	-
a) Central Banks	-	-
b) Governments and other Public Sector Entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	17,650	17,220

C – Notes to the statement of financial position

C.3.3 Financial assets at fair value through other comprehensive income: gross value and total accumulated impairments

(€ million)

	GROSS VALUE					TOTAL ACCUMULATED IMPAIRMENTS				PARTIAL ACCUMULATED WRITE-OFFS(*)
	STAGE 1									
		OF WHICH: INSTRUMENTS WITH LOW CREDIT RISK EXEMPTION								
			STAGE 2	STAGE 3	POCI ASSETS	STAGE 1	STAGE 2	STAGE 3	POCI ASSETS	
Debt securities	17,304	17,304	139	-	-	0	0	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-
Total 31.12.2025	17,304	17,304	139	-	-	0	0	-	-	-
Total 31.12.2024	17,045	17,045	-	-	-	0	-	-	-	-

C.4 – 40. Financial assets at amortised cost

C.4.1 Financial assets at amortised cost: breakdown by product of loans and advances to banks and central banks

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2025						AMOUNTS AS AT 31.12.2024					
	BOOK VALUE			FAIR VALUE			BOOK VALUE			FAIR VALUE		
	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT- IMPAIRED FINANCIAL ASSETS	LEVEL 1	LEVEL 2	LEVEL 3	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT- IMPAIRED FINANCIAL ASSETS	LEVEL 1	LEVEL 2	LEVEL 3
A. Loans and advances to Central Banks	1,267	(0)	-	-	-	1,267	213	(0)	-	-	-	213
1. Time deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Compulsory reserves	1,267	(0)	-	X	X	X	213	(0)	-	X	X	X
3. Reverse repos	-	-	-	X	X	X	-	-	-	X	X	X
4. Other	-	-	-	X	X	X	-	-	-	X	X	X
B. Loans and advances to banks	9,955	20	-	1,766	7,915	205	11,725	34	-	1,431	10,087	134
1. Loans	8,083	20	-	-	7,892	205	10,161	34	-	-	10,062	134
1.1 Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2 Time deposits	2,131	-	-	X	X	X	3,639	-	-	X	X	X
1.3 Other loans	5,952	20	-	X	X	X	6,522	34	-	X	X	X
- Reverse repos	5,420	-	-	X	X	X	6,052	-	-	X	X	X
- Lease Loans	-	-	-	X	X	X	-	-	-	X	X	X
- Other	533	20	-	X	X	X	470	34	-	X	X	X
2. Debt securities	1,872	-	-	1,766	24	-	1,563	-	-	1,431	25	-
2.1 Structured	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other	1,872	-	-	1,766	24	-	1,563	-	-	1,431	25	-
Total	11,222	20	-	1,766	7,915	1,472	11,938	34	-	1,431	10,087	347
Total Level 1, Level 2 and Level 3	11,153						11,865					

C – Notes to the statement of financial position

C.4.2 Financial assets at amortised cost: breakdown by product of loans and advances to customers

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2025						AMOUNTS AS AT 31.12.2024					
	BOOK VALUE			FAIR VALUE			BOOK VALUE			FAIR VALUE		
	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT- IMPAIRED FINANCIAL ASSETS	LEVEL 1	LEVEL 2	LEVEL 3	STAGE 1 AND STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT- IMPAIRED FINANCIAL ASSETS	LEVEL 1	LEVEL 2	LEVEL 3
1. Loans	60,492	1,358	6	-	24,610	35,168	58,634	1,201	8	-	19,750	38,360
1.1 Current accounts	2,028	63	1	X	X	X	4,674	123	4	X	X	X
1.2 Reverse repos	529	-	-	X	X	X	-	-	-	X	X	X
1.3 Mortgages	15,225	60	1	X	X	X	14,583	54	1	X	X	X
1.4 Credit cards and personal loans, including wage assignment	167	38	0	X	X	X	668	47	0	X	X	X
1.5 Lease loans	1,251	63	-	X	X	X	1,399	89	-	X	X	X
1.6 Factoring	2,463	5	-	X	X	X	2,269	4	-	X	X	X
1.7 Other loans	38,830	1,128	4	X	X	X	35,041	884	3	X	X	X
2. Debt securities	4,165	-	-	3,765	304	6	2,436	-	-	1,801	444	35
2.1 Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other debt securities	4,165	-	-	3,765	304	6	2,436	-	-	1,801	444	35
Total	64,658	1,358	6	3,765	24,914	35,174	61,070	1,201	8	1,801	20,194	38,395
Total Level 1, Level 2 and Level 3				63,853						60,389		

The column “purchased or originated credit-impaired financial assets” (POCI assets) includes loans, belonging to stage 2 and stage 3, that at the time of the purchase, as part of transactions other than business combinations, were already impaired.

The item “1.7 Other loans” mainly includes export and special financing in the amount of €18,738 million (previous year: €14,939 million).

C – Notes to the statement of financial position

C.4.3 Financial assets at amortised cost: breakdown by borrowers/issuers of loans and advances to customers

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2025			AMOUNTS AS AT 31.12.2024		
	STAGE 1 OR STAGE 2	STAGE 3	POCI ASSETS	STAGE 1 OR STAGE 2	STAGE 3	POCI ASSETS
1. Debt securities	4,165	-	-	2,436	-	-
a) Governments and other Public Sector Entities	3,836	-	-	2,059	-	-
b) Other financial companies	184	-	-	131	-	-
of which: insurance companies	-	-	-	-	-	-
c) Non-financial companies	146	-	-	247	-	-
2. Loans	60,492	1,358	6	58,634	1,201	8
a) Governments and other Public Sector Entities	7,475	158	-	6,444	186	-
b) Other financial companies	4,204	1	-	4,007	5	-
of which: insurance companies	0	-	-	0	-	-
c) Non-financial companies	31,545	920	3	30,214	701	5
d) Households	17,268	279	4	17,970	310	3
Total	64,658	1,358	6	61,070	1,201	8

The breakdown of financial assets into stage 1 and stage 2 and the accumulated impairments of loans and advances to customers at amortized cost can be found in "E.2 - Credit risks".

The gross loan volume of receivables from customers before deduction of impairments as at December 31, 2025 amounted to €63,025 million (previous year: €61,180 million).

C.4.4 Financial assets at amortised cost: gross value and total accumulated impairments

(€ million)

(€ million)										
		GROSS VALUE				TOTAL ACCUMULATED IMPAIRMENTS				PARTIAL ACCUMULATED WRITE-OFFS(*)
		STAGE 1		PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	STAGE 1	STAGE 2	STAGE 3	POCI ASSETS		
			OF WHICH: INSTRUMENTS WITH LOW CREDIT RISK EXEMPTION							
1. Debt securities		6,032	6,032	6	-	-	0	1	-	-
2. Loans		60,717	4,096	9,610	2,065	7	92	391	687	0
Total	31.12.2025	66,749	10,128	9,616	2,065	7	93	392	687	0
Total	31.12.2024	61,151	9,963	12,464	1,970	8	122	485	734	0

C – Notes to the statement of financial position

C.5 – 50. Hedging derivatives (assets)

C.5.1 Hedging derivatives: breakdown by hedged risk and fair value hierarchy

(€ million)

	AMOUNTS AS AT 31.12.2025				AMOUNTS AS AT 31.12.2024			
	FAIR VALUE			NOTIONAL AMOUNT	FAIR VALUE			NOTIONAL AMOUNT
	LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3	
A. Financial derivatives	-	2,332	-	46,279	-	2,274	-	41,555
1) Fair value	-	2,332	-	46,279	-	2,216	-	38,183
2) Cash flows	-	-	-	-	-	57	-	3,372
3) Net investment in foreign subsidiaries	-	-	-	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-	-	-	-
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	-	2,332	-	46,279	-	2,274	-	41,555
Total Level 1, Level 2 and Level 3	2,332				2,274			

The fair value measurements were classified according to hierarchy levels that reflect the observability of the inputs used in the measurement.

A breakdown of financial derivatives by interest rate and currency derivatives can be found in table "E.5.2 Hedging derivatives: positive and negative gross fair value - breakdown by product".

C.6 – 60. Changes in fair value of portfolio hedged items (assets)

C.6.1 Changes to macro-hedged financial assets: breakdown by hedged portfolio

(€ million)

CHANGES TO HEDGED ASSETS/GROUP COMPONENTS	AMOUNTS AS AT	
	31.12.2025	31.12.2024
1. Positive changes	529	789
1.1 Of specific portfolios	529	789
a) Financial assets at amortised cost	529	789
b) Financial assets at fair value through other comprehensive income	-	-
1.2 Overall	-	-
2. Negative changes	1,789	1,635
2.1 Of specific portfolios	1,789	1,635
a) Financial assets at amortised cost	1,789	1,635
b) Financial assets at fair value through other comprehensive income	-	-
2.2 Overall	-	-
Total	(1,260)	(846)

The decrease in the item is due to the development of the market yield curves in 2025.

C – Notes to the statement of financial position

C.7 – 70. Equity investments

C.7.1 Investments in associates and joint ventures

(€ million)

	CHANGES IN	
	31.12.2025	31.12.2024
A. Opening balance as at 1 January	3,138	2,850
B. Increases	420	350
B.1 Purchases	-	-
B.2 Write-backs	140	79
B.3 Revaluation	281	271
B.4 Other changes	-	-
C. Decreases	(73)	(62)
C.1 Sales	-	-
C.2 Write-downs	(1)	(0)
C.3 Impairment	-	-
C.4 Other changes	(72)	(62)
D. Closing balance as at 31 December	3,485	3,138

The revaluation amounted to €281 million (previous year: €271 million). This item primarily includes the pro-rata results of the material equity-accounted investments in 3-Banken Group and Oesterreichische Kontrollbank.

The Write-backs in the financial year 2025 related to BTV €139.6 million (previous year: BTV €79 million). Detailed information can be found in Note B.16.1 Profit (loss) from equity investments.

C – Notes to the statement of financial position

C.8 – 90. Property, plant and equipment

The UniCredit Bank Austria AG adopts the fair value model for measurement of properties held for investment and the revaluation model for measurement of properties used in business.

As at 31 December 2025, as in previous year fair value of both properties held for investment and properties used in business were re-determined through external appraisals. Other properties are measured at amortised costs.

C.8.1 Property, plant and equipment used in the business: breakdown of assets carried at cost

ASSETS/VALUES	AMOUNTS AS AT	
	31.12.2025	31.12.2024
1. Owned assets	170	193
a) Land	-	-
b) Buildings	-	-
c) Office furniture and fitting	18	16
d) Electronic systems	11	12
e) Other	141	164
2. Right of use of Leased Assets	96	190
a) Land	(0)	0
b) Buildings	92	185
c) Office furniture and fitting	-	-
d) Electronic systems	-	-
e) Other	4	5
Total	266	383
<i>of which: obtained by the enforcement of collateral</i>	-	-

The reduction in Right of use of Leased Assets in position 2. b) Building is due to the purchase of the building at Rothschildplatz 1 on the Vienna Austria Campus (RP1) and the resulting early termination of the lease agreement. Further information can be found under A.6.2 - Property, plant and equipment; investment property.

C.8.2 Property, plant and equipment used in the business: breakdown of revalued assets

ASSETS/VALUES	AMOUNTS AS AT 31.12.2025			AMOUNTS AS AT 31.12.2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Owned assets	-	-	319	-	-	149
a) Land	-	-	109	-	-	62
b) Buildings	-	-	210	-	-	87
c) Office furniture and fitting	-	-	-	-	-	-
d) Electronic systems	-	-	-	-	-	-
e) Other	-	-	-	-	-	-
2. Right of use of Leased Assets	-	-	-	-	-	-
a) Land	-	-	-	-	-	-
b) Buildings	-	-	-	-	-	-
c) Office furniture and fitting	-	-	-	-	-	-
d) Electronic systems	-	-	-	-	-	-
e) Other	-	-	-	-	-	-
Total	-	-	319	-	-	149
<i>of which: obtained by the enforcement of collateral</i>	-	-	-	-	-	-
Total Level 1, Level 2 and Level 3			319			149

C – Notes to the statement of financial position

The increase in item 1. Owned assets is due to the purchase of the building at Rothschildplatz 1 on the Vienna Austria Campus (RP1), location of the headquarters, in the amount of €169 million.

C.8.3 Property, plant and equipment held for investment: breakdown of assets booked at fair value

ASSETS/VALUES	AMOUNTS AS AT 31.12.2025			AMOUNTS AS AT 31.12.2024		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Owned assets	-	-	155	-	-	208
a) Land	-	-	83	-	-	108
b) Buildings	-	-	72	-	-	100
2. Right of use of Leased Assets	-	-	-	-	-	-
a) Land	-	-	-	-	-	-
b) Buildings	-	-	-	-	-	-
Total	-	-	155	-	-	208
<i>of which: obtained by the enforcement of collateral</i>	-	-	70	-	-	65
Total Level 1, Level 2 and Level 3			155			208

C.8.4 Inventories of property, plant and equipment in accordance with IAS2

As in the previous year, no inventories of property, plant and equipment were reported at the end of the reporting period in accordance with the IAS2 portfolio.

C – Notes to the statement of financial position

C.8.5 Property, plant and equipment used in the business: annual changes

(€ million)

	CHANGES IN 2025					TOTAL
	LANDS	BUILDINGS	OFFICE FURNITURE AND FITTINGS	ELECTRONIC SYSTEMS	OTHER	
A. Gross opening balance	62	518	53	39	281	952
A.1 Total net reduction in value	-	(246)	(37)	(26)	(111)	(421)
A.2 Net opening balance	62	272	16	12	169	532
B. Increases	59	151	4	6	33	253
B.1 Purchases	58	122	4	3	17	203
of which: business combinations	-	-	-	-	-	-
B.2 Capitalised expenditure on improvements	-	7	-	-	-	7
B.3 Write-backs	-	1	-	0	0	1
B.4 Increases in fair value	1	10	-	-	-	11
a) In equity	1	5	-	-	-	6
b) Through profit or loss	0	5	-	-	-	5
B.5 Positive exchange differences	-	-	-	-	-	-
B.6 Transfer from properties held for investment	-	-	X	X	X	-
B.7 Other changes	-	12	0	2	16	31
C. Reductions	12	122	2	7	58	200
C.1 Disposals	-	80	0	-	29	109
of which: business combinations	-	-	0	-	-	0
C.2 Depreciation	0	28	3	2	28	61
C.3 Impairment losses	-	1	-	-	0	1
a) In equity	-	-	-	-	-	-
b) Through profit or loss	-	1	-	-	0	1
C.4 Reduction of fair value	11	7	-	-	-	19
a) In equity	8	1	-	-	-	8
b) Through profit or loss	4	7	-	-	-	10
C.5 Negative exchange differences	-	-	-	-	-	-
C.6 Transfer to	-	4	0	5	0	9
a) Property, plant and equipment held for investment	-	-	X	X	X	-
b) Non-current assets and disposal groups classified as held for sale	-	4	0	5	0	9
C.7 Other changes	-	2	(1)	-	0	1
D. Net final balance	109	302	18	11	145	585
D.1 Total net reduction in value	-	(268)	(40)	(27)	(119)	(455)
D.2 Gross closing balance	109	570	57	39	264	1,039
E. Carried at cost	63	164	-	-	-	228

C – Notes to the statement of financial position

C.8.6 Property, plant and equipment used in the business: annual changes

(€ million)

	CHANGES IN 2024					TOTAL
	LANDS	BUILDINGS	OFFICE FURNITURE AND FITTINGS	ELECTRONIC SYSTEMS	OTHER	
A. Gross opening balance	59	542	53	38	321	1.013
A.1 Total net reduction in value	-	(207)	(34)	(25)	(112)	(378)
A.2 Net opening balance	59	335	19	13	209	635
B. Increases	6	42	0	4	26	78
B.1 Purchases	-	26	0	4	24	54
<i>of which: business combinations</i>	-	-	-	-	-	-
B.2 Capitalised expenditure on improvements	-	1	-	-	-	1
B.3 Write-backs	-	0	-	-	0	0
B.4 Increases in fair value	6	4	-	-	-	10
a) In equity	6	4	-	-	-	10
b) Through profit or loss	0	0	-	-	-	0
B.5 Positive exchange differences	-	-	-	-	-	-
B.6 Transfer from properties held for investment	-	-	X	X	X	-
B.7 Other changes	0	10	-	0	2	13
C. Reductions	3	105	3	4	66	182
C.1 Disposals	1	26	0	0	32	59
<i>of which: business combinations</i>	-	-	-	-	-	-
C.2 Depreciation	0	32	3	4	33	73
C.3 Impairment losses	0	11	-	-	0	12
a) In equity	0	-	-	-	-	0
b) Through profit or loss	-	11	-	-	0	12
C.4 Reduction of fair value	2	6	-	-	-	7
a) In equity	2	3	-	-	-	5
b) Through profit or loss	-	2	-	-	-	2
C.5 Negative exchange differences	-	-	-	-	-	-
C.6 Transfer to	0	1	-	-	-	2
a) Property, plant and equipment held for investment	-	-	X	X	X	-
b) Non-current assets and disposal groups classified as held for sale	0	1	-	-	-	2
C.7 Other changes	-	29	(0)	0	0	29
D. Net final balance	62	272	16	12	169	532
D.1 Total net reduction in value	-	(246)	(37)	(26)	(111)	(421)
D.2 Gross closing balance	62	518	53	39	281	952
E. Carried at cost	9	45	-	-	-	54

C – Notes to the statement of financial position

C.8.7 Property, plant and equipment held for investment: annual changes

(€ million)

	CHANGES IN 2025			CHANGES IN 2024
	LANDS	BUILDINGS	TOTAL	TOTAL
A. Opening balances	108	100	208	203
B. Increases	4	11	15	27
B.1 Purchases	2	5	7	19
<i>of which: business combinations</i>	-	-	-	-
B.2 Capitalised expenditure on improvements	-	-	-	-
B.3 Increases in fair value	2	5	6	6
B.4 Write-backs	-	-	-	-
B.5 Positive exchange differences	0	1	1	1
B.6 Transfer from properties used in the business	-	-	-	-
B.7 Other changes	-	0	0	0
C. Reductions	28	39	67	23
C.1 Disposals	16	33	49	13
<i>of which: business combinations</i>	16	31	47	-
C.2 Depreciation	-	-	-	-
C.3 Reductions in fair value	6	4	10	8
C.4 Impairment losses	-	-	-	-
C.5 Negative exchange differences	0	1	1	1
C.6 Transfer to	-	-	-	-
a) Properties used in the business	-	-	-	-
b) Non-current assets and disposal groups classified as held for sale	-	-	-	-
C.7 Other changes	6	1	7	0
D. Closing balances	83	72	155	208
E. Measured at fair value	-	-	-	-

C.8.8 Inventories of property, plant and equipment regulated by IAS2: annual changes

As in the previous year, no inventories of property, plant and equipment were reported at the end of the reporting period in accordance with the IAS2 portfolio.

C – Notes to the statement of financial position

C.9 – 100. Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance, to be used for several years. Intangible assets may include goodwill and, among “other intangible assets”, brands, customer relationships and software.

C.9.1 Intangible assets: breakdown by asset type

(€ million)

ASSETS/VALUES	AMOUNTS AS AT 31.12.2025		AMOUNTS AS AT 31.12.2024	
	FINITE LIFE	INDEFINITE LIFE	FINITE LIFE	INDEFINITE LIFE
A.1 Goodwill	X	-	X	-
A.1.1 Attributable to the Group	X	-	X	-
A.1.2 Attributable to minorities	X	-	X	-
A.2 Other intangible assets	3	-	7	-
<i>of which: software</i>	3	-	7	-
A.2.1 Assets carried at cost	3	-	7	-
a) Intangible assets generated internally	-	-	0	-
b) Other assets	3	-	7	-
A.2.2 Assets measured at fair value	-	-	-	-
a) Intangible assets generated internally	-	-	-	-
b) Other assets	-	-	-	-
Total	3	-	7	-
Total finite and indefinite life	3		7	

C – Notes to the statement of financial position

C.9.2 Intangible assets: annual changes

(€ million)

	OTHER INTANGIBLE ASSETS					TOTAL 31.12.2025	TOTAL 31.12.2024
	GENERATED INTERNALLY			OTHER			
	GOODWILL	FINITE LIFE	INDEFINITE LIFE	FINITE LIFE	INDEFINITE LIFE		
A. Gross opening balance	(2)	0	-	46	-	45	42
A.1 Total net reduction in value	2	(0)	-	(40)	-	(38)	(36)
A.2 Net opening balance	-	0	-	7	-	7	6
B. Increases	X	-	-	1	-	1	4
B.1 Purchases	X	-	-	1	-	1	3
B.2 Increases in intangible assets generated internally	-	-	-	-	-	-	-
B.3 Write-backs	X	-	-	-	-	-	-
B.4 Increases in fair value	X	-	-	-	-	-	-
- In equity	-	-	-	-	-	-	-
- Through profit or loss	-	-	-	-	-	-	-
B.5 Positive exchange differences	-	-	-	-	-	-	-
B.6 Other changes	-	-	-	-	-	-	0
of which: business combinations	-	-	-	-	-	-	-
C. Reduction	-	0	-	5	-	5	3
C.1 Disposals	X	-	-	-	-	-	-
C.2 Write-downs	-	0	-	1	-	1	3
- Amortisation	X	0	-	1	-	1	3
- Write-downs	-	-	-	-	-	-	-
- In equity	-	-	-	-	-	-	-
- Through profit or loss	X	-	-	-	-	-	-
C.3 Reduction in fair value	X	-	-	-	-	-	-
- In equity	-	-	-	-	-	-	-
- Through profit or loss	-	-	-	-	-	-	-
C.4 Transfer to non-current assets held for sale	-	0	-	3	-	3	-
C.5 Negative exchange differences	-	-	-	0	-	0	-
C.6 Other changes	-	-	-	1	-	1	0
of which: business combinations	-	-	-	-	-	-	-
D. Net closing balance	-	-	-	3	-	3	7
D.1 Total net write-down	2	-	-	(20)	-	(19)	(38)
E. Gross closing balance	(2)	-	-	24	-	22	45
F. Carried at cost	-	-	-	-	-	-	-

C – Notes to the statement of financial position

C.10 – 110. Tax assets

C.10.1 Tax claims: breakdown

(€ million)

	AMOUNTS AS AT	
	31.12.2025	31.12.2024
Deferred tax assets arising from tax losses	2	20
Deferred tax assets arising from temporary differences	485	601
Financial assets and liabilities (different from loans and deposits)	81	122
Loans and deposits to/from banks and customers	49	57
Hedging and hedged item revaluation	81	73
Property, plant and equipment and intangible assets different from goodwill	44	63
Goodwill and equity investments	1	1
Current assets and liabilities held for sale	-	-
Other assets and Other liabilities	11	23
Provisions, pension funds and similar	217	262
Other	-	-
Accounting offsetting	(297)	(303)
Total	189	318

Details on deferred tax liabilities are provided in Part C.18.

Included in assets are deferred taxes due to capitalized benefits from unused tax loss carryforwards in the amount of €2 million (previous year: €20 million). The reduction in tax losses is due to utilisation and the associated release of deferred taxes. The majority of these loss carryforwards can be carried forward indefinitely.

No deferred tax assets were recognised for the following items (gross amounts), as from today's perspective a tax benefit does not appear realisable within a reasonable time. The amount of deferred taxes on tax losses carryforwards not recognized amounts to €11.3 million (previous year: €76 million).

C.10.2 Tax losses carried forward

(€ million)

	31.12.2025	31.12.2024
Tax losses carried forward	49	330
Deductible temporary differences	-	-
Total	49	330

All tax losses carried forward without deferred taxes in the amount of €49 million (previous year: €330 million) originate from companies in Austria and can be carried forward without time restriction. In Austria, the annual set-off of losses carried forward is limited to 75% of the relevant taxable profit. The decrease in unrecognised tax loss carryforwards is partly attributable to the utilisation and on the disposal of tax losses.

C – Notes to the statement of financial position

C.11 – 120. Non-current assets and disposal groups classified as held for sale

C.11.1 Non-current assets and disposal groups classified as held for sale: breakdown by asset type

		AMOUNTS AS AT	
		31.12.2025	31.12.2024
A. Assets held for sale			
A.1 Financial assets	(0)	337	
A.2 Equity investments	-	-	
A.3 Property, plant and equipment	-	1	
<i>of which: obtained by the enforcement of collateral</i>	-	-	
A.4 Intangible assets	-	-	
A.5 Other non-current assets	-	-	
Total (A)	(0)	338	
<i>of which: carried at cost</i>	<i>(0)</i>	<i>337</i>	
<i>of which: designated at fair value - level 1</i>	<i>-</i>	<i>-</i>	
<i>of which: designated at fair value - level 2</i>	<i>-</i>	<i>0</i>	
<i>of which: designated at fair value - level 3</i>	<i>-</i>	<i>0</i>	
B. Discontinued operations			
B.1 Financial assets at fair value through profit or loss	-	-	
- Financial assets held for trading	-	-	
- Financial assets designated at fair value	-	-	
- Other financial assets mandatorily at fair value	-	-	
B.2 Financial assets at fair value through other comprehensive income	-	-	
B.3 Financial assets at amortised cost	-	-	
B.4 Equity investments	-	-	
B.5 Property, plant and equipment	-	-	
<i>of which: obtained by the enforcement of collateral</i>	-	-	
B.6 Intangible assets	-	-	
B.7 Other assets	(0)	(0)	
Total (B)	(0)	(0)	
<i>of which: carried at cost</i>	<i>-</i>	<i>-</i>	
<i>of which: designated at fair value - level 1</i>	<i>-</i>	<i>-</i>	
<i>of which: designated at fair value - level 2</i>	<i>-</i>	<i>-</i>	
<i>of which: designated at fair value - level 3</i>	<i>(0)</i>	<i>(0)</i>	
C. Liabilities associated with assets classified as held for sale			
C.1 Deposits	-	-	
C.2 Securities	-	-	
C.3 Other liabilities	(0)	(0)	
Total (C)	(0)	(0)	
<i>of which: carried at cost</i>	<i>(0)</i>	<i>(0)</i>	
<i>of which: designated at fair value - level 1</i>	<i>-</i>	<i>-</i>	
<i>of which: designated at fair value - level 2</i>	<i>-</i>	<i>-</i>	
<i>of which: designated at fair value - level 3</i>	<i>-</i>	<i>-</i>	
D. Liabilities associated with discontinued operations			
D.1 Financial liabilities at amortised cost	-	-	
D.2 Financial liabilities held for trading	-	-	
D.3 Financial liabilities designated at fair value	-	-	
D.4 Provisions	-	-	
D.5 Other liabilities	-	-	
Total (D)	-	-	
<i>of which: carried at cost</i>	<i>-</i>	<i>-</i>	
<i>of which: designated at fair value - level 1</i>	<i>-</i>	<i>-</i>	
<i>of which: designated at fair value - level 2</i>	<i>-</i>	<i>-</i>	
<i>of which: designated at fair value - level 3</i>	<i>-</i>	<i>-</i>	

C – Notes to the statement of financial position

Discontinued operations

At the financial year 2025 – like in the prior year – there were no discontinued operations reported.

Non-current assets held for sale

In 2024, the item 'A.1 Financial assets' includes the net carrying amount for 3 Iberian customers in the amount of €337 million of the corporate customer portfolio approved for transfer to UCB. The transaction was completed during 2025. Further information can be found in A.6.11 – Income from fees and commissions and other operating income.

C.12 – 130. Other assets

C.12.1 Other assets: breakdown

ITEMS/VALUES	AMOUNTS AS AT	
	31.12.2025	31.12.2024
Margin with derivatives clearers (non-interest bearing)	-	-
Gold, silver and precious metals	19	46
Accrued income and prepaid expenses other than capitalised income	2	14
Positive value of management agreements (so-called servicing assets)	-	-
Cash and other valuables held by cashier	0	0
- Current account cheques being settled, drawn on third parties	0	0
- Current account cheques payable by group banks, cleared and in the process of being debited	-	-
- Money orders, bank drafts and equivalent securities	-	-
- Coupons, securities due on demand, revenue stamps and miscellaneous valuables	-	-
Interest and changes to be debited to	3	5
- Customers	3	5
- Banks	0	0
Items in transit between branches not yet allocated to destination accounts	-	-
Items in processing	154	115
Items deemed definitive but not-attributable to other items	0	-
- Securities and coupons to be settled	-	-
- Other transactions	0	-
Adjustments for unpaid bills and notes	-	-
Tax items other than those included in item C.10 tax claims	0	1
Commercial credits pursuant to IFRS15	-	-
Other items	71	118
Total	250	300

The item "Other items" in the amount of €71 million (previous year: €118 million) includes mainly improvements to leased assets in the amount of €18 million (previous year: €43 million).

C – Notes to the statement of financial position

C.13 – 10. Financial liabilities at amortised cost

C.13.1 Financial liabilities at amortised cost: breakdown by product of deposits from banks

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2025				AMOUNTS AS AT 31.12.2024			
	BOOK VALUE	FAIR VALUE			BOOK VALUE	FAIR VALUE		
		LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3
1. Deposits from central banks	10	X	X	X	17	X	X	X
2. Deposits from banks	9,449	X	X	X	13,655	X	X	X
2.1 Current accounts and demand deposits	908	X	X	X	1,458	X	X	X
2.2 Time deposits	7,967	X	X	X	6,444	X	X	X
2.3 Loans	372	X	X	X	5,687	X	X	X
2.3.1 Repos	372	X	X	X	5,687	X	X	X
2.3.2 Other	-	X	X	X	-	X	X	X
2.4 Liabilities relating to commitments to repurchase treasury shares	-	X	X	X	-	X	X	X
2.5 Lease deposits	-	X	X	X	-	X	X	X
2.6 Other deposits	201	X	X	X	66	X	X	X
Total	9,458	-	3,165	6,291	13,672	-	7,628	6,043
Total Level 1, Level 2 and Level 3			9,456					13,671

Deposits from banks decreased mainly due to the reclassification into deposits from customers of a counterparty for repo transactions, amounting to €8.5 billion as of 31 December 2025.

C.13.2 Financial liabilities at amortised cost: breakdown by product of deposits from customers

(€ million)

TYPE OF TRANSACTION/VALUES	AMOUNTS AS AT 31.12.2025				AMOUNTS AS AT 31.12.2024			
	BOOK VALUE	FAIR VALUE			BOOK VALUE	FAIR VALUE		
		LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3
1. Current accounts and demand deposits	48,199	X	X	X	47,044	X	X	X
2. Time deposits	13,553	X	X	X	13,441	X	X	X
3. Loans	8,465	X	X	X	2	X	X	X
3.1 Repos	8,465	X	X	X	-	X	X	X
3.2 Other	-	X	X	X	2	X	X	X
4. Liabilities relating to commitments to repurchase treasury shares	-	X	X	X	-	X	X	X
5. Lease liabilities	166	X	X	X	275	X	X	X
6. Other deposits	39	X	X	X	50	X	X	X
Total	70,423	-	21,059	49,461	60,812	-	12,608	48,360
Total Level 1, Level 2 and Level 3			70,520					60,968

Deposits from customers increased mainly due to the reclassification from deposits from banks of a counterparty for repo transactions, amounting to €8.5 billion as of 31 December 2025.

C – Notes to the statement of financial position

C.13.3 Financial liabilities at amortised cost: breakdown by product of debt securities in issue

(€ million)

TYPE OF SECURITIES/VALUES	AMOUNTS AS AT 31.12.2025				AMOUNTS AS AT 31.12.2024			
	BOOK VALUE	FAIR VALUE			BOOK VALUE	FAIR VALUE		
		LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3
A. Debt securities								
1. Bonds	12,373	5,810	6,482	101	12,532	6,265	6,243	15
1.1 Structured	377	-	351	29	239	-	228	15
1.2 Other	11,996	5,810	6,131	73	12,292	6,265	6,015	-
2. Other securities	-	-	-	-	-	-	-	-
2.1 Structured	-	-	-	-	-	-	-	-
2.2 Other	-	-	-	-	-	-	-	-
Total	12,373	5,810	6,482	101	12,532	6,265	6,243	15
Total Level 1, Level 2 and Level 3				12,394				12,523

C.13.4 Amounts payable under lease contracts

(€ million)

	31.12.2025	31.12.2024
	CASH OUTFLOWS LEASES	CASH OUTFLOWS LEASES
Up to 1 year	28	39
1 to 2 years	27	38
2 to 3 years	27	37
3 to 4 years	26	41
4 to 5 years	26	37
Over 5 years	75	141
Total Lease Payments to be made	209	332
Reconciliation with deposits	(43)	(57)
<i>Unearned finance expenses (-) (Discounting effect)</i>	(43)	(57)
Lease deposits	166	275

C – Notes to the statement of financial position

C.14 – 20. Financial liabilities held for trading

C.14.1 Financial liabilities held for trading: breakdown by product

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2025					AMOUNTS AS AT 31.12.2024				
	NOMINAL VALUE	FAIR VALUE			FAIR VALUE	NOMINAL VALUE	FAIR VALUE			FAIR VALUE
		LEVEL 1	LEVEL 2	LEVEL 3			LEVEL 1	LEVEL 2	LEVEL 3	
A. Cash liabilities										
1. Deposits from banks	-	-	-	-	-	-	-	-	-	-
2. Deposits from customers	-	-	-	-	-	-	-	-	-	-
3. Debt securities	-	-	-	-	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	-	-	-	-	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total (A)	-	-	-	-	-	-	-	-	-	-
B. Derivatives instruments										
1. Financial derivatives	X	-	1,199	8	X	X	-	1,355	9	X
1.1 Trading derivatives	X	-	879	8	X	X	-	1,275	9	X
1.2 Linked to fair value option	X	-	320	-	X	X	-	80	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit derivatives	X	-	-	-	X	X	-	-	-	X
2.1 Trading derivatives	X	-	-	-	X	X	-	-	-	X
2.2 Linked to fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total (B)	X	-	1,199	8	X	X	-	1,355	9	X
Total (A+B)	X	-	1,199	8	X	X	-	1,355	9	X
Total Level 1, Level 2 and Level 3				1,207					1,364	

The change in fair value level 2 in item B.1 Financial derivatives results from the change in the market interest rate in the 2025 financial year.

C – Notes to the statement of financial position

C.15 – 30. Financial liabilities designated at fair value

C.15.1 Financial liabilities designated at fair value: breakdown by product

(€ million)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 31.12.2025					AMOUNTS AS AT 31.12.2024				
	NOMINAL VALUE	FAIR VALUE			FAIR VALUE	NOMINAL VALUE	FAIR VALUE			FAIR VALUE
		LEVEL 1	LEVEL 2	LEVEL 3			LEVEL 1	LEVEL 2	LEVEL 3	
1. Deposits from banks	-	-	-	-	-	1	-	-	1	1
1.1 Structured	-	-	-	-	X	-	-	-	-	X
1.2 Other	-	-	-	-	X	1	-	-	1	X
of which:										
- loan commitments given	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
2. Deposits from customers	-	-	-	-	-	-	-	-	-	-
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- loan commitments given	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
3. Debt securities	10	-	10	-	11	10	-	10	-	10
3.1 Structured	10	-	10	-	X	10	-	10	-	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	10	-	10	-	11	11	-	10	1	11
Total Level 1, Level 2 and Level 3				10					11	

The cumulative change in the fair value of financial liabilities designated at fair value through profit or loss attributable to the changes in the credit risk is €0.4 million (previous year: €0.4 million).

C.16 – 40. Hedging derivatives (liabilities and equity)

C.16.1 Hedging derivatives: breakdown by type of hedging and by levels

(€ million)

	AMOUNTS AS AT 31.12.2025				AMOUNTS AS AT 31.12.2024			
	NOTIONAL AMOUNT	FAIR VALUE			NOTIONAL AMOUNT	FAIR VALUE		
		LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3
A. Financial derivatives	56,794	-	2,029	0	52,881	-	2,546	3
1) Fair value	56,728	-	2,029	0	52,415	-	2,542	3
2) Cash flows	66	-	-	-	465	-	4	-
3) Net investment in foreign subsidiaries	-	-	-	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-	-	-	-
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	56,794	-	2,029	0	52,881	-	2,546	3
TOTAL Level 1, Level 2 and Level 3			2,029				2,549	

The change in fair value level 2 in item A.1. Fair value hedge results from the decline in interest rates in the financial year 2025.

C – Notes to the statement of financial position

C.17 – 50. Value adjustments of hedged financial liabilities (liabilities and equity)

C.17.1 Changes to hedged financial liabilities

CHANGES TO HEDGED LIABILITIES/GROUP COMPONENTS	AMOUNTS AS AT	
	31.12.2025	31.12.2024
1. Positive changes to financial liabilities	65	155
2. Negative changes to financial liabilities	(939)	(997)
Total	(874)	(842)

The change in hedged financial liabilities is due to the development of the market interest rate curves in 2025.

C.18 – 60. Tax liabilities

C.18.1 Tax obligations

	AMOUNTS AS AT	
	31.12.2025	31.12.2024
Deferred tax liabilities arising from temporary differences	322	307
Financial assets and liabilities (different from loans and deposits)	134	141
Loans and deposits to/from banks and customers	34	34
Hedging and hedged item revaluation	88	37
Property, plant and equipment and intangible assets different from goodwill	54	80
Goodwill and equity investments	-	-
Assets and liabilities held for sale	0	0
Other assets and Other liabilities	3	5
Other	9	12
Accounting offsetting	(297)	(303)
Total	24	4

No deferred taxes were recognised for temporary differences in connection with investments in domestic subsidiaries in the amount of €1,159 million (previous year: €1,160 million) in accordance with IAS 12.39, as their disposal is not currently planned.

C – Notes to the statement of financial position

C.19 – 80. Other liabilities

C.19.1 Other liabilities: breakdown

(€ million)

ITEMS/VALUES	AMOUNTS AS AT	
	31.12.2025	31.12.2024
Liabilities in respect of financial guarantees issued	0	0
Accrued expenses and deferred income other than those to be capitalised for the financial liabilities concerned	33	35
Payment agreements based on the value of own capital instruments classified as deposits pursuant to IFRS2	(0)	(0)
Other liabilities due to employees	359	395
Other liabilities due to other staff	0	0
Other liabilities due to Directors and Statutory Auditors	0	0
Interest and amounts to be credited to	-	7
- Customers	-	0
- Banks	-	7
Items in transit between branches and not yet allocated to destination accounts	0	0
Available amounts to be paid to others	1	1
Items in processing	176	349
Items deemed definitive but not attributable to other lines	43	108
- Accounts payable - suppliers	6	15
- Other entries	37	92
Tax items different from those included in item 60	0	0
Other entries	50	85
Total	663	979

An amount of €238 million (previous year: €279 million) is included in the item "Other liabilities due to employees" for those employees who have concluded a termination agreement as part of previous strategic plans. The payment will be made until 2034.

The decline in the item "Items in processing" is mainly attributable to the sale of the shares in card complete Service Bank AG and the accruals previously reported in this item in connection with credit card transactions. For further details on the sale of the shares in card complete Service Bank AG, please refer to section A.8.2 – Breakdown of minority interests.

C – Notes to the statement of financial position

C.20 – 100. Provisions for risks and charges

C.20.1a Provisions for risks and charges: breakdown

(€ million)

ITEMS/COMPONENTS	AMOUNTS AS AT	
	31.12.2025	31.12.2024
1. Provisions for credit risk on commitments and financial guarantees given	184	157
2. Provisions for other commitments and other guarantees given	-	-
3. Pensions and other post-retirement benefit obligations	2,649	2,875
4. Other provisions for risks and charges	279	276
4.1 Legal and tax disputes	108	79
4.2 Staff expenses	137	150
4.3 Other	34	48
Total	3,112	3,309

The "Other provisions for risks and charges" item includes amounts of €134 million (previous year: €141 million), excluding discounting, in connection with the updated Strategic Plan of UniCredit.

During the spin-off of the CEE (Central & Eastern Europe) business, UniCredit S.p.A. issued a guarantee for the bank's pension obligations until 31 December 2028.

C.20.1b Provisions for risks and charges - other provisions

(€ million)

	AMOUNTS AS AT	
	31.12.2025	31.12.2024
4.3 Other provisions for risks and charges - other		
Real estate risks/charges	12	9
Restructuring costs	3	5
Allowances payable to agents	-	-
Disputes regarding financial instruments and derivatives	2	3
Costs for liabilities arising from equity investment disposals	-	14
Other	17	18
Total	34	48

C – Notes to the statement of financial position

C.20.2 Provisions for risks and charges: annual changes

(€ million)

CHANGES IN 31.12.2025				
	PROVISIONS FOR OTHER OFF-BALANCE SHEET COMMITMENTS AND OTHER GUARANTEES GIVEN	PENSION AND POST- RETIREMENT BENEFIT OBLIGATIONS	OTHER PROVISIONS FOR RISKS AND CHARGES	TOTAL
A. Opening Balance	-	2,875	276	3,152
B. Increases	(0)	150	83	233
B.1 Current service cost	(0)	8	80	88
B.2 Interest cost	-	94	-	94
B.3 Remeasurements	-	-	3	3
B.4 Other changes	-	49	-	49
of which: business combinations	-	-	-	-
C. Decreases	(0)	377	79	456
C.1 Payments/uses in der reporting period	-	231	21	252
C.2 Remeasurements	-	-	2	2
C.3 Other changes	(0)	146	56	202
of which: business combinations	-	-	-	-
D. Closing balance	-	2,649	279	2,928

The other changes in pensions and similar obligations include experience adjustments as well as adjustments to financial and demographic assumptions, which are recognized in other comprehensive income.

The decrease in pensions and similar obligations is due to actual consumption and the change in the interest rate.

The increases in other provisions for risks and charges include the increase in other provisions for staff expenses in the amount of €39 million and the increase in legal provision in the amount of €35 million including the provision for the loan processing fees.

C.20.3 Provisions for risks and charges: annual changes

(€ million)

CHANGES IN 31.12.2024				
	PROVISIONS FOR OTHER OFF-BALANCE SHEET COMMITMENTS AND OTHER GUARANTEES GIVEN	PENSION AND POST- RETIREMENT BENEFIT OBLIGATIONS	OTHER PROVISIONS FOR RISKS AND CHARGES	TOTAL
A. Opening Balance	-	2,914	272	3,186
B. Increases	0	284	97	382
B.1 Current service cost	0	6	92	97
B.2 Interest cost	-	99	-	99
B.3 Remeasurements	-	-	5	5
B.4 Other changes	-	179	0	179
of which: business combinations	-	0	-	0
C. Decreases	0	323	92	416
C.1 Payments/uses in der reporting period	-	230	6	237
C.2 Remeasurements	-	-	1	1
C.3 Other changes	0	93	85	178
of which: business combinations	-	-	-	-
D. Closing balance	-	2,875	276	3,152

C – Notes to the statement of financial position

C.20.4 Provisions for credit risk on commitments and financial guarantees given

(€ million)

	AMOUNTS AS AT 31.12.2025				
	PROVISIONS FOR CREDIT RISK ON COMMITMENTS AND FINANCIAL GUARANTEES GIVEN				
	STAGE 1	STAGE 2	STAGE 3	POCI ASSETS	TOTAL
Loan commitments given	14	29	56	-	99
Financial guarantees given	3	10	72	-	85
Total	17	39	128	-	184

Details on the development of the provision for loan commitments and financial guarantees issued are presented in E.2.4 "Banking Group - Financial assets, loan commitments, guarantees: changes in value adjustments and provisions".

C.20.5 Provisions for credit risk on commitments and financial guarantees given

(€ million)

	AMOUNTS AS AT 31.12.2024				
	PROVISIONS FOR CREDIT RISK ON COMMITMENTS AND FINANCIAL GUARANTEES GIVEN				
	STAGE 1	STAGE 2	STAGE 3	POCI ASSETS	TOTAL
Loan commitments given	14	29	43	-	86
Financial guarantees given	3	9	58	-	71
Total	17	38	102	-	157

C.20.6 Commitments and financial guarantees given

(€ million)

	AMOUNTS AS AT 31.12.2025					AMOUNTS AS AT 31.12.2024
	NOTIONAL AMOUNTS OF COMMITMENTS AND FINANCIAL GUARANTEES GIVEN					TOTAL
	STAGE 1	STAGE 2	STAGE 3	POCI ASSETS	TOTAL	
1. Loan commitments given	30,652	2,945	307	-	33,905	35,209
a) Central Banks	-	-	-	-	-	-
b) Governments and other Public Sector Entities	3,741	6	0	-	3,747	5,168
c) Banks	88	0	0	-	88	784
d) Other financial companies	4,630	283	0	-	4,913	4,159
e) Non-financial companies	17,817	2,206	297	-	20,320	21,296
f) Households	4,376	450	10	-	4,836	3,802
2. Financial guarantees given	6,495	984	143	-	7,623	7,725
a) Central Banks	0	-	-	-	0	0
b) Governments and other Public Sector Entities	8	2	-	-	9	9
c) Banks	364	1	-	-	365	403
d) Other financial companies	1,402	17	-	-	1,418	1,275
e) Non-financial companies	4,646	938	143	-	5,726	5,951
f) Households	76	28	1	-	104	88

The table contains all loan commitments and financial guarantees that are measured in accordance with the requirements of IFRS 9. As in the previous year, there were no other loan commitments and financial guarantees in the 2024 financial year that are not measured in accordance with IFRS 9.

C – Notes to the statement of financial position

C.21 – Equity

The Company's share capital amounts to €1,681,033,521.40 (one billion six hundred and eighty-one million thirty-three thousand five hundred and twenty-one 40/100 euros). It is divided into 10,115 (ten thousand one hundred and fifteen) registered no-par value shares with voting rights and restricted transferability and 231,218,705 (two hundred and thirty-one million two hundred and eighteen thousand seven hundred and five) registered no-par value shares with voting rights, and each no-par value share participates in the share capital to the same extent.

Deferred taxes recognized on the components of other comprehensive income are as follows:

Deferred taxes for items that will not be reclassified to the income statement in the future amounted to €-33 million (previous year: €18 million) and are allocated to the individual components as follows:

- Equity instruments designated at fair value through other comprehensive income in the amount of €-6 million (previous year: €-2 million)
- Actuarial gains/losses from defined benefit plans in the amount of €-27 million (previous year: €20 million)
- Share of other income and expense items recognized in equity from companies accounted for using the equity method in the amount of €-790 thousand (previous year: €287 thousand)

Deferred taxes for items that may be reclassified to the income statement in the future in the amount of €-29 million (previous year: €30 million) and are allocated to the individual components as follows:

- Cash flow hedges (effective portion) in the amount of €2 million (previous year: €5 million)
- Financial assets (debt instruments) at fair value through other comprehensive income in the amount of €-30 million (previous year: €26 million)
- Share of other income and expense items recognized in equity of companies accounted for using the equity method in the amount of €-421 thousand (previous year: €-1 million).

C.22 – Statement of Cash Flows

The increase in subordinated liabilities from €607 million to €4.2 billion at the balance sheet date resulted from issuances of €1.8 billion and reclassification of juniorized senior non-preferred bonds of €2.3 billion (non-cash transaction). Furthermore, there was a repayment of €-500 million (previous year: foreign currency translation of €1 million).

In December 2021, UniCredit Bank Austria AG issued an additional Tier 1 capital instrument in the amount of €600 million in the form of a Tier 1 issue (AT1 bond). This was fully subscribed by the parent company UniCredit S.p.A. and reported under net liquidity generated from financing activities. In 2025, a coupon payment of €-29 million (as in the previous year) was made for the Additional Tier 1 capital instrument in the form of a Tier 1 issue (AT1 bond), reported under "Distributions on equity instruments".

In September 2025 card complete Service Bank AG was deconsolidated.

The cash flow effect of the disposal is presented within investment activities in the consolidated cash flow statement for the year 2025.

At the date of deconsolidation, the carrying amounts of the disposed assets and liabilities of Card Complete Service Bank AG were as follows:

- Total assets amounted to €565 million, mainly composed of Loans and receivables with customers
- Total liabilities amounted to €524 million, mainly composed of Deposits from banks

The effect of the deconsolidation on the consolidated cash flow statement was as follows:

- Cash consideration received: €23.6 million
- Cash and cash balances of Card Complete Service Bank AG disposed of: €21 million.

D – Segment reporting

D.1 – Reconciliation to segment report

The table on the following pages breaks down the income statement according to controlling aspects and allows **reconciliation to the results and key figures used in segment reporting** (this segment reporting corresponds to the Segment Austria as presented in the segment reporting of the parent company, UniCredit S.p.A.).

D – Segment reporting

Reconciliation of income statement to segment report

(€ million)

	YEAR	
	2025	2024
Net interest	1,456	1,604
Item 30. Net interest margin	1,549	1,705
less: Reclassification net Interest contribution deriving from Trading Book instruments	(0)	(1)
+ Interest on DBO (from Item 190)	(94)	(99)
+ Derivatives instruments - Economic Hedges - Others - Interest component	0	0
+ Other (from Item 60)	-	(0)
Dividends and other income from equity investments	293	284
Item 70. Dividend income and similar revenues	13	13
less: Dividends on equity investments, shares and equity instruments mandatorily at fair value	(0)	(0)
Item 250. Gains (Losses) of equity investments - of which: Profit (Loss) of equity investments valued at equity	281	271
Fees	805	798
Item 60. Net fees and commissions	731	726
less: Settlement of specific accruals referred to previous years' operations	9	5
less: Other	-	0
+ Structuring and mandate fees on issued or placed certificates by the Group and connected derivatives (from Item 80)	4	1
+ Mark-up fees on client hedging activities (from Item 80)	60	65
Trading income	33	1
Item 80. Net gains (losses) on trading	76	43
less: Derivatives instruments - Economic Hedges - Others - Interest component	(0)	(0)
less: Structuring and mandate fees on issued or placed certificates by the Group and connected derivatives	(4)	(1)
less: Release of financial liability exceeding the value of Right-of-Use to be decommissioned (from item 100.c)	(10)	-
less: Mark-up fees on client hedging activities	(60)	(65)
Item 90. Net gains (losses) on hedge accounting	6	(1)
Item 100. Gains (Losses) on disposal and repurchase of: c) financial liabilities	10	(2)
Item 100. Gains (Losses) on disposal and repurchase of: b) financial assets at fair value through other comprehensive income	4	3
Item 110. Net gains (losses) on other financial assets/liabilities at fair value through profit or loss	(12)	2
+ Dividends on equity investments, shares and equity instruments mandatorily at fair value (from Item 70)	0	0
+ Gain/losses on commodities held with a trading intent (from Item 230)	24	22
+ Reclassification net Interest contribution deriving from Trading Book instruments	0	1
Other expenses/income	29	38
Item 230. Other operating expenses/income	44	86
less: Integration costs	61	5
less: Recovery of expenses excluded amounts related to credit card distribution agreements	(2)	(3)
less: Net value adjustments/write-backs on leasehold improvements (on non-separable assets)	7	9
less: Gain (losses) on commodities held with a trading intent	(24)	(22)
less: Other	(29)	0
+ Settlement of specific accruals referred to previous years' operations	(9)	(5)
less: income fees - penalties (reversal)	9	-
+ Net value adjustments/write-backs of tangible in operating lease assets (from Item 210)	(26)	(32)
+ Amounts related to credit card distribution agreements (from item 190)	(2)	-
Adjustment to segmentation logic of UniCredit	0	(0)
Operating Income	2,616	2,725

D – Segment reporting

continued: Reconciliation of income statement to segment report

(€ million)

	YEAR	
	2025	2024
Operating Income	2,616	2,725
HR costs	(575)	(580)
Item 190. Administrative expenses: a) staff costs	(702)	(735)
less: Integration costs	43	65
less: Interest on DBO	94	99
Adjustment to segmentation logic of UniCredit	(10)	(9)
Non-HR-costs	(415)	(406)
Item 190. Administrative expenses: b) other administrative expenses	(530)	(442)
less: Contributions to Resolution Funds (SRF), Deposit Guarantee Schemes (DGS), and Bank Levy	73	22
less: Integration costs	36	11
less: Amounts related to credit card distribution agreements	2	-
+ Tax recovery (from Item 230)	1	3
+ Other (from Item 230)	(3)	(0)
+ Net value adjustments/write-backs on leasehold improvements on non-separable assets (from Item 230)	(7)	(9)
Adjustment to segmentation logic of UniCredit	12	10
Recovery of expenses	0	0
+ Recovery of expenses excluded amounts related to credit card distribution agreements and Tax recovery (from Item 230)	0	0
Amortisations and depreciations	(37)	(44)
Item 210. Net value adjustments/write-backs on property, plant and equipment	(61)	(84)
less: Net value adjustments/write-backs of tangible in operating lease assets	26	32
less: Impairment/write backs of right of use of land and buildings used in the business	0	4
less: Integration costs	-	8
Item 220. Net value adjustments/write-backs on intangible assets	(1)	(3)
Adjustment to segmentation logic of UniCredit	(1)	(0)
Operating costs	(1,027)	(1,030)
GROSS OPERATING PROFIT (LOSS)	1,589	1,695
Loan Loss Provisions (LLPs)	(33)	(41)
Item 100. Gains (Losses) on disposal and repurchase of: a) financial assets at amortised cost	(1)	(2)
Item 130. Net losses/recoveries on credit impairment relating to: a) financial assets at amortised cost	10	(64)
less: Net losses/recoveries on impairment relating to: a) financial assets at amortised cost - debt securities	(0)	1
Item 130. Net losses/recoveries on credit impairment relating to: b) Financial assets at fair value through other comprehensive income	(0)	0
less: Net losses/recoveries on impairment relating to: b) Financial assets at fair value through other comprehensive income - debt securities	0	(0)
Item 140. Gains/Losses from contractual changes with no cancellations	0	(0)
Item 200. Net provisions for risks and charges: a) commitments and financial guarantees given	(41)	24
Adjustment to segmentation logic of UniCredit	(0)	-
NET OPERATING PROFIT (LOSS)	1,556	1,654

D – Segment reporting

continued: Reconciliation of income statement to segment report

(€ million)

	YEAR	
	2025	2024
NET OPERATING PROFIT (LOSS)	1,556	1,654
Other charges and provisions	(111)	(51)
Item 200. Net provisions for risks and charges: b) other net provisions	(44)	(30)
less: Integration costs	15	1
+ Contributions to Resolution Funds (SRF), Deposit Guarantee Schemes (DGS), Bank Levy (from Item 190 b)	(73)	(22)
+ Income fees - penalties (from: other expenses/income in Short P&L)	(9)	-
Integration costs	(145)	(88)
+ Payroll costs - Administrative expenses - of which a) staff costs - integration costs (from Item 190)	(43)	(65)
+ Other administrative expenses - Administrative expenses - of which b) other administrative expenses - integration costs (from Item 190)	(36)	(11)
+ Amortisation, depreciation and impairment losses on intangible and tangible assets - Net value adjustments/write-backs on property, plant and equipment - integration costs (from Item 210)	-	(8)
+ Release of financial liability exceeding the value of Right-of-Use to be decommissioned (from item 100.c)	10	-
+ Other charges and provisions - Net provisions for risks and charges - integration costs (from Item 200)	(15)	(1)
+ Net other expenses/income - Other operating expenses/income - integration costs (from Item 230)	(61)	(5)
Net income from investments	164	73
Item 250. Gains (Losses) of equity investments - of which: write-backs/impairment losses and gains/losses on disposal of associates valued at equity	138	79
Item 260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(10)	(3)
Item 280. Gains (Losses) on disposals on investments	4	1
+ Net losses/recoveries on impairment relating to: of which: a) financial assets at amortised cost - debt securities (from Item 130)	0	(1)
+ Net losses/recoveries on impairment relating to: of which: b) financial assets at fair value through other comprehensive income - debt securities (from Item 130)	(0)	0
+ Sale of Financial Assets (from Item 230)	32	0
+ Impairment/write backs of right of use of land and buildings used in the business (from Item 210)	(0)	(4)
PROFIT (LOSS) BEFORE TAX	1,464	1,588
Income taxes	(200)	(303)
Item 300. Tax expenses (income) of the year from continuing operations	(200)	(303)
Adjustment to segmentation logic of UniCredit	0	-
NET PROFIT (LOSS) FOR THE PERIOD	1,264	1,285
Minorities	(5)	1
Item 340. Minority profit (loss) of the year	(5)	1
GROUP STATED NET PROFIT (LOSS)	1,260	1,286

Previous year's figures as published (not recast) but partially adjusted to the slightly changed structure compared to the previous year's report (with different granularity in some items).

D – Segment reporting

Reconciliation of loans to customers and deposits from customers to segment report

(€ million)

	31.12.2025	31.12.2024
Loans to customers	62,116	60,165
Item 40. Financial assets at amortised cost: b) Loans and advances to customers	66,022	62,279
less: Debt securities	(4,165)	(2,436)
less: Leasing assets IFRS16	(35)	(37)
+ Loans (from Item 20 c)	295	359
Deposits from customers	70,257	60,536
Item 10. Financial liabilities at amortised cost: b) Deposits from customers	70,423	60,812
less: Leasing liabilities IFRS16	(166)	(275)

Previous year's figures as published (not recast) but partially adjusted to the slightly changed structure compared to the previous year's report (with different granularity in some items).

Reconciliation principles followed for the reclassified consolidated income statement

The **main reclassifications**, whose amounts are provided analytically in the tables enclosed with this report, involve:

- the inclusion in the **"Net interest"** of interest rate component of the DBO (Defined Benefit Obligation) and Jubilee deriving from HR costs;
- the inclusion in **"Dividends and other income from equity investments"** of **"Gains (Losses) of equity investments"** (of which: "Profit (Loss) of equity investments valued at equity") and the exclusion of "Dividends on equity investments, shares and equity instruments mandatorily at fair value" which are included in "Trading income";
- the inclusion in the **"Fees"** (i) of the Structuring and mandate fees on certificates, and the connected derivatives, issued or placed by the Group (ii) of Mark-up fees on client hedging activities;
- the inclusion in **"Trading income"** (i) of the net gains (losses) on trading, (ii) of the net gains (losses) on hedge accounting, (iii) of the net gains/losses on other financial assets/liabilities at fair value through profit or loss, (iv) of the gains/losses on disposal or repurchase of financial assets at fair value through other comprehensive income, (v) of gains/losses on disposal and repurchase of financial assets at amortised cost represented by debt securities, (vi) of gains/losses on disposal and repurchase of financial liabilities at amortised cost and (vii) of the interest income and expenses deriving from Trading Book instruments, excluded the economical hedging or funding banking book positions, (viii) of the gain/losses on commodities held with a trading intent from "Other operating expenses/income" and (ix) dividends on equity investments, shares and equity instruments mandatorily at fair value;
- the inclusion in the **"Other expenses/income"** of **"Other operating expenses/income"**, but hereby excluding the following positions:
 - (i) recovery of expenses related to credit card distribution agreements,
 - (ii) of the costs for "Net value adjustments/write-backs on leasehold improvements (on non-separable assets)" classified among "Other administrative expenses",
 - (iii) gain (losses) on commodities held with a trading intent;
 and including of
 - (i) net value adjustments/write-backs of tangible in operating lease assets, and
 - (ii) amounts related to credit card distribution agreements
- presentation of **"Other expenses/income"**, **"HR costs"**, **"Non-HR costs"**, **"Amortisations and depreciations"** and **"Other charges and provisions"** net of any "Integration costs" relating to the reorganisation operations, classified as a separate item;
- in **"Loans loss provisions (LLPs)"**, the inclusion of (i) net losses/recoveries on financial assets at amortised cost and at fair value through other comprehensive income net of debt securities, (ii) of the gains (losses) on disposal and repurchase of financial assets at amortised cost net of debt securities and of performing loans, (iii) of the net provisions for risks and charges related to commitments and financial guarantees given;
- the exclusion from the "Other administrative expenses" of the Contributions to the Resolution Funds (SRF), the Deposit Guarantee Schemes (DGS) and the Bank Levy reclassified in item **"Other charges and provisions"**;

D – Segment reporting

- the exclusion from “Amortisation, depreciation and impairment losses on intangible and tangible assets” of impairment/writebacks related to (i) inventories assets (IAS2) obtained from recovery procedures of NPE and (ii) rights of use of land and buildings used in the business (both classified in item “**Net income from investments**”) and (iii) tangible in operating lease assets (classified in item “**Other expenses/income**”);
- the inclusion in “**Net income from investments**” of (i) net losses/recoveries on financial assets at amortised cost and at fair value through other comprehensive income - debt securities, (ii) gains (losses) on tangible and intangible assets measured at fair value, (iii) gains (losses) of equity investments and on disposal on investments, including impacts from revaluation arising from IFRS5 non-current assets and disposal groups related to equity investment consolidated line by line and at net equity method not presented to item “Profit (Loss) after tax from discontinued operations”.

D – Segment reporting

D.2 – Content of segment reporting

The segment reporting format is based on the internal reporting structure of business segments, which reflects management responsibilities in Bank Austria Group. The business segments are presented as independent units with responsibility for their own results. The definition of business segments is primarily based on the organisational responsibility for customers.

Bank Austria Group shows its segment reporting according to the presentation of the Segment "Austria" by UniCredit Group. Comparative figures for the previous year were recast to reflect the current structure and methodology. These recasts for the year 2024 which are shown in detail in the table of the following chapter D.3, mainly relate to the transfer of the Iberian portfolio to German UniCredit Bank GmbH, impacting Bank Austria Group's overall P&L, loans to customers and deposits from customers, risk-weighted assets (RWA) and full-time equivalents (FTE).

The segment reporting presented here includes a subsidiary of the German UniCredit Bank GmbH, as it is partly attributable to Bank Austria in economic terms, as well as other group activities of UniCredit Group that are allocated to Bank Austria on a pro rata basis.

Bank Austria Group therefore corresponds to the segment "Austria" in the presentation of the results of UniCredit Group. As a result, the segment reporting information of Bank Austria Group is compatible with the information communicated by UniCredit Group to the capital market.

Segment reporting covers the following business segments:

Retail

The Retail Division includes the customer segments Mass Market, Affluent and Microbusiness (professional and business customers with annual turnover of up to €1 million). Furthermore, until September 2025, the subsidiaries operating in the credit card business were the responsibility of this division. Regarding the details of the completed sale of shares in card complete Service Bank AG, please refer to Section A.8.2 – Breakdown of minority interests in the Notes to the consolidated financial statements.

Wealth Management & Private Banking

Wealth Management & Private Banking (WM&PB) includes Bank Austria's private banking activities for all clients with total assets of €1 million or more, and wealth management, which is concentrated in Schoellerbank.

Corporates

Corporates includes the activities of Small Corporates (with annual turnover of €1–50 million), Medium-Size Corporates (€50–1,000 million) and Large Corporates (over €1 billion).

Moreover, also financial institutions including banks, asset managers, institutional customers and insurance companies are being serviced. When viewed by product segment, this division offers its clients Advisory services, Capital Markets & Specialised Lending (classic and structured credit business as well as capital market consulting), Trade Solution & Payment Solutions (payment transactions, trade finance, cash management) and the services of client-related trading and risk management for our clients in the area of Client Risk Management. The product specialists also support the commercial banking activities of the bank's other business segments.

The division also includes the "Real Estate Customers" segment, the "Public Sector" customer segment, the leasing business including subsidiaries as well as FactorBank, Bank Austria Wohnbaubank and Bank Austria Real Invest Group.

Corporate Centre

The Corporate Centre comprises all equity interests that are not assigned to a business segment, in addition to current expenses relating to governance and administrative costs for the entire bank. Funding costs relating to consolidated subsidiaries are also assigned to the Corporate Centre. Also included are inter-segment eliminations and other items.

D – Segment reporting

D.3 – Segment reporting 1–12 2025 / 1–12 2024

(€ million)								
		RETAIL	WEALTH MANAGE- MENT & PRIVATE BANKING	CORPORATES	CORPORATE CENTER	BANK AUSTRIA GROUP (RECAST)	RECASTING DIFFERENCES	BANK AUSTRIA GROUP
Net interest	2025	610	107	696	42	1,456	-	1,456
	2024	668	120	781	14	1,583	21	1,604
Dividends and other income from at-equity participations	2025	7	1	44	241	293	-	293
	2024	5	0	40	239	284	-	284
Fees	2025	338	148	328	(9)	805	-	805
	2024	339	142	317	(7)	791	7	798
Trading income	2025	0	1	13	18	33	-	33
	2024	2	1	6	(8)	1	1	1
Other expenses/income	2025	4	(1)	15	10	29	-	29
	2024	3	(2)	25	13	40	(2)	38
OPERATING INCOME	2025	961	256	1,097	303	2,616	-	2,616
	2024	1,017	261	1,169	251	2,698	26	2,725
OPERATING COSTS	2025	(505)	(119)	(372)	(31)	(1,027)	-	(1,027)
	2024	(522)	(114)	(366)	(29)	(1,031)	2	(1,030)
GROSS OPERATING PROFIT (LOSS)	2025	455	137	725	272	1,589	-	1,589
	2024	495	147	804	222	1,667	28	1,695
Loan loss provisions (LLPs)	2025	88	0	(121)	(1)	(33)	-	(33)
	2024	88	(0)	(127)	(4)	(43)	2	(41)
NET OPERATING PROFIT (LOSS)	2025	544	137	604	272	1,556	-	1,556
	2024	583	147	677	218	1,624	30	1,654
Other charges and provisions	2025	(49)	(5)	(32)	(26)	(111)	-	(111)
	2024	(2)	(15)	(0)	(33)	(50)	(0)	(51)
Integration costs	2025	(0)	-	(0)	(145)	(145)	-	(145)
	2024	(3)	-	(1)	(84)	(88)	-	(88)
Net income from investments	2025	(0)	(0)	33	132	164	-	164
	2024	(0)	0	0	72	73	-	73
PROFIT (LOSS) BEFORE TAX	2025	495	132	605	233	1,464	-	1,464
	2024	578	131	676	174	1,558	30	1,588
Income taxes	2025	(112)	(30)	(129)	71	(200)	-	(200)
	2024	(132)	(30)	(146)	13	(296)	(7)	(303)
NET PROFIT (LOSS) FOR THE PERIOD	2025	383	102	476	304	1,264	-	1,264
	2024	445	101	529	187	1,262	23	1,285
Minorities	2025	(4)	(0)	(1)	(0)	(5)	-	(5)
	2024	2	(0)	(1)	(0)	1	-	1
GROUP STATED NET PROFIT (LOSS)	2025	379	102	475	304	1,260	-	1,260
	2024	447	101	528	187	1,263	23	1,286
Risk-weighted assets (RWA) (avg.)	2025	8,718	782	19,649	10,323	39,473	-	39,473
	2024	8,894	634	17,618	10,483	37,629	603	38,232
Loans to customers (end of period)	2025	17,371	580	43,273	892	62,116	-	62,116
	2024	18,191	628	40,608	250	59,676	826	60,502
Deposits from customers (end of period)	2025	28,342	7,019	25,577	9,318	70,257	-	70,257
	2024	28,059	7,168	24,474	574	60,275	262	60,536
Cost/income ratio in %	2025	52.6	46.6	33.9	n.m.	39.3	n.m.	39.3
	2024	51.4	43.7	31.3	n.m.	38.2	n.m.	37.8

Notes:

- Segment reporting reflecting Segment Austria as presented in the segment reporting of the parent company, UniCredit S.p.A. The structure of the above table was slightly amended compared to previous year's report.
- Comparative figures for the previous year were recast to reflect the current structure and methodology. These recasts mainly relate to the transfer of the Iberian portfolio to the German UniCredit Bank GmbH.
- n.m. = not meaningful

E – Risk report

E.1 – Overall risk management

Organisation of risk management

UniCredit Bank Austria AG identifies, measures, monitors, and manages all risks of Bank Austria. In performing these tasks, Bank Austria works closely with the risk control and risk management units of UniCredit Group in line with the existing Group structure. In this context, Bank Austria supports UniCredit Group's ongoing projects, in particular the further harmonization of Group-wide risk-controlling procedures and processes. Regular risk monitoring and risk management are also performed in close cooperation with a view to ensuring overall risk management across the Group.

The Management Board and the Supervisory Board determine the risk policy and approve the principles of risk management and the establishment of limits for all relevant risks. The risk monitoring procedure follows Group standards. In performing these tasks, the Management Board is supported by specific committees, independent risk management units and units of other divisions. All centrally organized risk management activities of Bank Austria are combined within a management function at Management Board level directed by the Chief Risk Officer (CRO) and are thus separate from the other divisions up to Management Board level. Lending decisions which exceed the limits of the relevant business units' approval authority, and the handling of problem loans, are the responsibility of the operative credit risk divisions (Credit Risk Operations). These units are supplemented in risk management by the Enterprise & Credit Risks and Financial Risk departments. In order to ensure the independence of the Non-Financial Risk and Internal Validation departments, they also report directly to the CRO. The Balance Sheet Management division reports to the Chief Financial Officer (CFO) and is responsible for risk-adequate pricing of loans and funding (as part of the planning process and under contingency funding arrangements), among other things. The department Performance Monitoring & Planning is responsible for the management of capital.

The Bank's internal control system (ICS) is effective at several levels: (1) in the various business areas, (2) at the Risk & Compliance level and (3) at the Internal Audit level. Internal Audit performs regular audits with regard to the adequacy of risk processes and compliance with them. The Management Board and the Supervisory Board are provided with reports on the results of these audits and recommendations. A comprehensive system of rules ranging from Group Policies to operational instructions governs processes at various levels. The most important policies are adopted directly by the Management Board, managed in a separate system, rolled out and monitored with regard to the degree of implementation.

Cross-divisional management / control and reporting

Bank Austria essentially divides the monitoring and controlling processes associated with risk management into the following categories: credit risk (default risk and migration risk), liquidity and funding risk, market risk (interest rate risk, credit spread risk, currency risk and equity risk), structural FX risk, derivatives-linked risk (counterparty risk, CVA risk), operational risk (including legal), reputational risk, business risk, sustainability risk, pension risk, financial investment risk and real estate risk. Bank Austria participates in the UniCredit Group-wide initiatives to take ESG risks into account in the management of financial risks (see also E.14 Climate-related and environmental risks).

A key element of risk control by the Management Board is the annual definition of Bank Austria's Risk Appetite, which is approved by the Supervisory Board and takes place in coordination with UniCredit Group. The Risk Appetite describes the key principles of the Bank's risk orientation, in qualitative terms of a statement and in the form of a quantitative framework of key metrics. The Risk Appetite defines risk categories and the level of risk that Bank Austria is prepared to accept in pursuit of its strategic objectives and business plan and in view of its role within UniCredit Group. In this context the interests of external and internal parties (customers, shareholders, and supervisory authorities in particular) are taken into account. For example, markets and investment banking operations are concentrated outside Bank Austria at Munich-based UniCredit Bank; this is reflected in Bank Austria's focus on commercial banking business and in correspondingly low trading book limits. The key Risk Appetite dimensions are business strategy, capital, and liquidity adequacy. The defined bundle of key indicators comprises Pillar 1 and Pillar 2 indicators, and recovery plan indicators. The Risk Appetite is integrated in the budgeting process in the context of managing the objectives in defining and selecting the desired risk-return profile. A system of targets, thresholds and limits has been defined for the key indicators to ensure regular monitoring, timely escalation, and a link to the recovery plan. In addition to the risk appetite, the Management Board and the Supervisory Board adopt a resolution, once a year, defining Bank Austria's risk strategy, which further operationalizes the risk appetite and complements it with additional limits and targets.

E – Risk report

Regular risk monitoring at top management level is performed through the overall risk report. The overall risk report is regularly additionally presented to the Supervisory Board. It comprises a description of the risk appetite, the risk-taking capacity (RTC), of credit risk, liquidity risk, market risk and operational risk, and the results of stress tests. Specialized risk committees have been established at senior management level for the management of key risks:

- Operational risks and risks to the Company's reputation are managed in the quarterly Non-Financial Risk Committee (NFRC) meeting.
- Credit risk is assessed by the Transactional Credit Committee (TCC).
- The Financial and Credit Risks Committee (FCRC) deals with liquidity, market, derivative, and non-operational credit risk issues. With regard to liquidity, operational aspects of liquidity management, including ongoing monitoring of the market, are discussed and compliance with the liquidity policy is ensured. Market risk topics include short-term business management with regard to the presentation and discussion of the risk/earnings situation of Client Risk Management & Treasury, and decisions are also made on limit adjustments, product approvals, positioning, replication portfolios and in connection with the derivatives business. The latter deals with classic credit risk and counterparty risk issues and aspects of reputational risk in customer business. The FCRC also discusses cross-divisional risk management issues arising between sales units and the overall bank management, it presents the respective risks from an economic capital perspective (Pillar 2), and discusses all material issues related to risk models, in particular the IRB, IFRS 9 and credit portfolio models.

The resolutions and results from this committee are reported directly to the Bank's Management Board.

Risk-taking capacity (ICAAP/ILAAP)

Beyond compliance with regulatory capital rules and liquidity requirements of Pillar 1, Bank Austria controls capital and liquidity adequacy also via the relevant Pillar-2 approaches: Internal Capital Adequacy Assessment Process (ICAAP); Internal Liquidity Adequacy Assessment Process (ILAAP). As part of the Group-wide ILAAP, and in close coordination with UniCredit Group, the Bank reviews the adequacy of the liquidity risk management process, which comprises various components to ensure sufficient liquidity – such as limiting the short-term and the medium-term and long-term liquidity position, stress testing, the funding plan, and key regulatory indicators. Risk measurement is based on Group-internal and regulatory requirements. In the context of ICAAP, Bank Austria applies the UniCredit Group approach to internal capital at the consolidated level (including subsidiaries). This approach includes the following phases:

- Perimeter definition and risk identification
- Risk measurement
- Definition of risk appetite and capital allocation
- Regular monitoring and reporting

The process ensures that Bank Austria's perimeter including all relevant Group units and risk types are fully covered and that risk and available financial resources are consistently taken into account. The risk types are measured using procedures which have been developed within the Group and also take concentration risks into account. The Risk-Taking Capacity (RTC) compares Available Financial Resources (AFR) with aggregate Internal Capital (IC): $RTC = AFR/IC$. It is calculated and reported on a quarterly basis under a going concern approach. This approach requires compliance with all regulatory requirements and the application of the relevant valuation rules and accounting standards. The observation period is one year for all risk categories. The unexpected losses are calculated with a confidence level of 99.9% for all risk types. An annual risk inventory analysis ensures that all materially relevant risk categories are taken into account.

Bank Austria calculates internal capital (also referred to as "economic capital" for individual risk categories) for the following risk categories:

- Credit risk (default and mitigation risk) including possible exposure as a result of the counterparty risk,
- Market risk including CVA for trading and banking books (interest rate risk, credit spread risk, currency risk and equity risk),
- Structural FX risk,
- Pension risk,
- Business risk,
- Real estate risk,
- Operational risk (including legal risks),
- Reputational risk,
- Financial investment risk (for those equity investments which are not covered on the basis of their relevant individual risk categories, minority interests in particular),
- Model risk (as percentage surcharges on the risk types listed above).

E – Risk report

The dominant risk category for Bank Austria is classic credit risk while the other risk categories are much less significant. Both ICAAP and ILAAP of Bank Austria are subject to annual review by Internal Audit.

Referring to climate-related and environmental risks, a scenario-based assessment of the potential materiality with regard to economic capital (ICAAP) is carried out annually. In 2025, the results exceed the relevant materiality thresholds moderately. In close alignment with UniCredit Group, the methodology for determining the internal capital will be extended to cover this risk category, accordingly.

Concentration risk

The VaR models used for internal capital take concentration risk into account, e.g., concentration risk associated with customers/customer groups and countries/sector concentrations in the credit portfolio model or risk factor concentrations in the market and counterparty risk model. At the holding company level, the allocation of limits with regard to individual and sector positions (bulk-risk and industry limits) is based on economic capital. In its lending operations, Bank Austria follows this Group strategy and the related limits for industrial sectors and large exposures. Monitoring and reporting the largest borrowers (individual customers and groups of companies) and the distribution among industries takes place through the overall risk report on a quarterly basis. At Bank Austria level, economic capital is also an important factor in the approval of large transactions. As part of the quarterly ICAAP report, the Credit Risk Economic Capital Detail Report shows credit positions with a large proportion of internal capital and presents capital allocation by various segments (divisions, asset classes, banking subsidiaries, major sub-portfolios, etc.). Granular sensitivity limits and reports complement VaR limits at the portfolio level in the area of market risk. Stress test limits are also used in connection with market risk. Counterparty limits and counterparty-risk simulations including stress considerations are applied to derivatives and repos. Sovereign limits and country limits specify the maximum amounts permitted for cross-border transactions (see section E.8 “Country risk and sovereign risk”).

The macro risk is concentrated in Austria and a few other European countries and also reflects regional areas of focus within the UniCredit Group. If we consider the industry distribution of loans, apart from the private customer business, public sector (incl. federal states) and commercial real estate customers account for the largest volume of loans, as in the previous year.

Limit system

Regular monitoring of key indicators, with appropriate limits and early warning thresholds, and a detailed network of operational limits ensure that the Bank operates within the adopted risk parameters and that management can take timely measures in the event of unfavorable developments. The top level is the risk appetite, with about 30 key indicators being monitored at Bank Austria Group level (also partly at the Bank Austria AG level). The most significant indicators include liquidity and funding indicators (short-term, structural, and stress-based), capital and leverage indicators, risk/return indicators, and indicators focusing on specific risk categories. Violations of risk-appetite thresholds/limits are dealt with according to the defined escalation hierarchy (several levels up to Supervisory Board approval authority). The complete overview of all key figures (“Risk Appetite dashboard”) is reported on a quarterly basis at FCRC meetings and as part of the overall risk report to the Management Board and the Supervisory Board.

Some of the key figures in the dashboard are monitored on a quarterly basis, others monthly. In addition, numerous key figures or sensitivities are presented regularly outside of the dashboard, which allows us to manage them at a granular level. For example, the development of market and liquidity risk positions, including compliance with the respective sensitivity limits, is discussed every month in the FCRC. Depending on the degree of detail in the relevant dimensions (e.g., maturity buckets, currencies), the escalation hierarchy comprises several levels in these areas, too. Many of the market and liquidity limits are based on daily reports. In the event that these limits are exceeded, the handling and any necessary escalation is therefore carried out very promptly and long before the complete dashboard is presented as part of the quarterly reporting of the Management Board and Supervisory Board. Other key indicators are not determined on a daily basis, with the escalation process following the respective frequency of reporting. A central planning variable on the credit risk side is the expected loss (EL) at the sub-portfolio level for existing and new business. Developments in this context are monitored in detail during the year against the defined targets and thresholds; changes in parameters contributing to such developments are analyzed and discussed with the relevant business areas and at FCRC meetings with regard to a potential need for action. Individual lending decisions follow the defined loan approval process, which involves the operative credit risk departments, Bank Austria’s Credit Committee and the relevant committees at the holding company, according to their respective levels of approval authority (see also section “E.2 – Credit risk”).

E – Risk report

Stress tests

Stress tests are a key component of risk analysis and planning at Bank Austria. The Bank performs overall bank stress tests and individual stress tests. The former cover major risk categories at a specific point in time, with detailed results being aggregated against the background of a coherent scenario and presented on an overall basis. The overall bank stress tests performed regularly include capital stress tests (Pillars 1 and 2) created in line with a regulatory and economic perspective and stress analyses under the recovery plan. Stress analyses under the recovery plan combine capital and liquidity aspects, showing developments over time and in the context of possible management reaction. Reverse stress tests attempt to find out what circumstances could cause the bank's failure. The most important regular individual stress tests cover credit risk, market risk, counterparty risk, liquidity risk and climate stress tests.

The most important individual and overall bank stress tests are presented to the management bodies in the FCRC, but also as part of the overall risk report. Stress tests are performed at defined intervals (capital stress tests at least on a half-yearly basis, individual stress tests on a quarterly basis in most cases) and are also a fixed part of the annual budgeting and planning of the risk appetite. Stress tests may also be performed in response to specific issues, e.g., in response to suggestions made by Internal Audit or supervisory authorities. Scenarios are defined centrally and locally over a horizon of several years. The Holding Stress Test Council defines a minimum set of scenarios for Pillar 2 ICAAP stress tests on a half-yearly basis, which need to be calculated and reported locally. Local scenarios are additionally defined where required. Predefined thresholds for specific stress tests require management to consider action plans or contingency plans.

Stress testing is subject to an annual review by Internal Audit.

Reconciliation from the accounting perimeter to the prudential perimeter

The tables presented under “Section 1 – Risks of the accounting consolidation perimeter” of chapter E.2 – Credit Risks provide information on companies included in the accounting perimeter of consolidation.

Tables under “Section 2 – Risks of the prudential consolidation perimeter” of chapter E.2 – Credit Risks meet the consolidation requirements of Bank of Italy's Circular No. 262 and may differ from the other presentations in the risk report. With regard to the inclusion of companies the prudential perimeter of consolidated companies is subject to different legal provisions in comparison to the accounting-related perimeter of consolidated companies.

The regulatory perimeter differs from the accounting-related perimeter of consolidated companies in that, subsidiaries, that are not institutions, financial institutions or undertakings offering ancillary services and must be fully consolidated under the accounting perimeter, must be included in the prudential perimeter by application of the equity method.

The accounting-related perimeter of consolidated companies includes companies that are fully consolidated in accordance with IFRS 10. Further information can be found in the Notes to the Consolidated Financial Statements, Part A – Accounting methods, A.8 – Group of consolidated companies and changes in the group of consolidated companies of Bank Austria Group.

The regulatory perimeter of consolidated companies consists of companies that are subject to full consolidation in accordance with 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), amended by Regulation (EU) 2024/1623 of 31 May 2024.

Investments in companies of the accounting-related perimeter of consolidation which are not fully consolidated for regulatory purposes, are included in the regulatory presentation in item 70. Equity investments. Companies that may be excluded from full consolidation for reasons of immateriality do not result in any difference in the perimeters of consolidation, as the same companies are excluded from both, the accounting-related and the regulatory perimeter of consolidation. These companies are also included in item 70.

E – Risk report

Reconciliation of balance sheet from accounting perimeter to prudential perimeter - Assets

(€ million)

RECONCILIATION ASSETS	AMOUNTS AS AT 31.12.2025		
	ACCOUNTING PERIMETER	PRUDENTIAL PERIMETER	DELTA
10. Cash and cash balances	7,205	7,204	(2)
20. Financial assets at fair value through profit or loss:	1,663	1,663	0
a) financial assets held for trading	1,159	1,159	0
b) financial assets designated at fair value	141	141	-
c) other financial assets mandatorily at fair value	363	363	-
30. Financial assets at fair value through other comprehensive income	17,650	17,650	-
40. Financial assets at amortised cost:	77,265	77,378	114
a) loans and advances to banks	11,243	11,243	0
b) loans and advances to customers	66,022	66,135	114
50. Hedging derivatives	2,332	2,332	-
60. Changes in fair value of portfolio hedged items (+/-)	(1,260)	(1,260)	-
70. Equity investments	3,485	3,514	29
80. Insurance reserves charged to reinsurers	-	-	-
90. Property, plant and equipment	740	549	(191)
100. Intangible assets	3	3	-
of which: goodwill	-	-	-
110. Tax assets:	260	258	(2)
a) current	71	71	-
b) deferred	189	187	(2)
120. Non-current assets and disposal groups classified as held for sale	(0)	-	0
130. Other assets	250	312	62
Total assets	109,593	109,603	10

E – Risk report

Reconciliation of balance sheet from accounting perimeter to prudential perimeter - Liabilities & Shareholders' Equity

(€ million)

RECONCILIATION LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 31.12.2025		
	ACCOUNTING PERIMETER	PRUDENTIAL PERIMETER	DELTA
10. Financial liabilities at amortised cost:	92,255	92,244	(11)
a) deposits from banks	9,458	9,458	-
b) deposits from customers	70,423	70,412	(11)
c) debt securities in issue	12,373	12,373	-
20. Financial liabilities held for trading	1,207	1,207	-
30. Financial liabilities designated at fair value	10	10	-
40. Hedging derivatives	2,029	2,029	-
50. Value adjustment of hedged financial liabilities (+/-)	(874)	(874)	-
60. Tax liabilities:	140	137	(3)
a) current	116	116	(0)
b) deferred	24	22	(3)
70. Liabilities associated with assets classified as held for sale	(0)	-	0
80. Other liabilities	663	693	29
90. Provision for employee severance pay	-	-	-
100. Provisions for risks and charges:	3,112	3,106	(6)
a) commitments and guarantees given	184	184	0
b) post-retirement benefit obligations	2,649	2,649	-
c) other provisions for risks and charges	279	273	(6)
110. Technical reserves	-	-	-
120. Valuation reserves	(1,910)	(1,910)	(0)
130. Redeemable shares	-	-	-
140. Equity instruments	600	600	-
150. Reserves	5,271	5,271	0
160. Share premium	4,137	4,137	-
170. Share capital	1,681	1,681	-
180. Treasury shares (-)	-	-	-
190. Minority shareholders' equity (+/-)	12	12	0
200. Profit (Loss) of the year (+/-)	1,259	1,259	0
Total liabilities and shareholders' equity	109,593	109,603	10

E – Risk report

The following table shows the comparison values for the previous business year.

Reconciliation of balance sheet from accounting perimeter to prudential perimeter - Assets

RECONCILIATION ASSETS	AMOUNTS AS AT 31.12.2024		
	ACCOUNTING PERIMETER	PRUDENTIAL PERIMETER	DELTA
10. Cash and cash balances	5,602	5,599	(3)
20. Financial assets at fair value through profit or loss:	1,901	1,901	0
a) financial assets held for trading	1,354	1,355	0
b) financial assets designated at fair value	115	115	-
c) other financial assets mandatorily at fair value	431	431	-
30. Financial assets at fair value through other comprehensive income	17,220	17,220	-
40. Financial assets at amortised cost:	74,251	74,401	150
a) loans and advances to banks	11,972	11,972	-
b) loans and advances to customers	62,279	62,429	150
50. Hedging derivatives	2,274	2,274	-
60. Changes in fair value of portfolio hedged items (+/-)	(846)	(846)	-
70. Equity investments	3,138	3,159	22
80. Insurance reserves charged to reinsurers	-	-	-
90. Property, plant and equipment	739	456	(283)
100. Intangible assets	7	7	-
of which: goodwill	-	-	-
110. Tax assets:	332	331	(1)
a) current	14	13	(0)
b) deferred	318	317	(0)
120. Non-current assets and disposal groups classified as held for sale	338	338	0
130. Other assets	300	461	162
Total assets	105,253	105,301	48

(€ million)

E – Risk report

Reconciliation of balance sheet from accounting perimeter to prudential perimeter - Liabilities & Shareholders' Equity

(€ million)

RECONCILIATION LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 31.12.2024		
	ACCOUNTING PERIMETER	PRUDENTIAL PERIMETER	DELTA
10. Financial liabilities at amortised cost:	87,015	86,995	(20)
a) deposits from banks	13,672	13,672	-
b) deposits from customers	60,812	60,792	(20)
c) debt securities in issue	12,532	12,532	-
20. Financial liabilities held for trading	1,364	1,364	-
30. Financial liabilities designated at fair value	11	11	-
40. Hedging derivatives	2,549	2,549	-
50. Value adjustment of hedged financial liabilities (+/-)	(842)	(842)	-
60. Tax liabilities:	77	76	(2)
a) current	73	72	(1)
b) deferred	4	4	(0)
70. Liabilities associated with assets classified as held for sale	(0)	-	0
80. Other liabilities	979	1,055	76
90. Provision for employee severance pay	-	-	-
100. Provisions for risks and charges:	3,309	3,302	(6)
a) commitments and guarantees given	157	157	0
b) post-retirement benefit obligations	2,875	2,875	-
c) other provisions for risks and charges	276	270	(6)
110. Technical reserves	-	-	-
120. Valuation reserves	(2,042)	(2,043)	(1)
130. Redeemable shares	-	-	-
140. Equity instruments	600	600	-
150. Reserves	5,097	5,098	1
160. Share premium	4,136	4,136	-
170. Share capital	1,681	1,681	-
180. Treasury shares (-)	-	-	-
190. Minority shareholders' equity (+/-)	33	33	0
200. Profit (Loss) of the year (+/-)	1,285	1,285	(0)
Total liabilities and shareholders' equity	105,253	105,301	48

E – Risk report

E.2 – Credit risk

Credit risk is defined as the risk of incurring losses as a result of non-fulfilment by the borrower of terms and conditions agreed under the loan agreement. The credit risk is the Bank's most significant risk category which is why the Bank has dedicated itself to this area in particular.

For the purpose of disclosing quantitative information on credit quality, on-balance sheet financial assets include

- bond issues,
- loans,

off-balance sheet exposures include

- guarantees given,
- irrevocable commitments,
- derivatives regardless of the classification category of each transaction,
- revocable commitments to disburse funds.

The term "loan exposure" does not include equity instruments or units in investment funds.

Information on financial and credit derivatives is disclosed under Section E.5 – Financial derivatives.

On the balance sheet, financial assets, i.e., the volumes subject to credit risk with customers, amounted to €80,680 million at the end of 2025 (previous year: €77,251 million), of which €63,284 million (before the deduction of impairment losses of €1,169 million; 2024: €1,338 million) is attributable to loans and receivables with customers according to the reclassified balance sheet for segment reporting purposes (previous year: €61,840 million).

€17,248 million (previous year: €15,225 million) of total volumes subject to credit risk with customers is attributable to risk assets arising from securities exposures.

Bank Austria's credit risk is determined based on the classic commercial customer businesses geared towards the regional Austrian market and the equally significant private customer business.

Of the loans and receivables with customers, approximately two-thirds are attributable to the Corporates segment. The remaining third is attributable to loans and receivables from private customers. Within this Retail segment, it is worth mentioning from a risk perspective that the proportion of CHF loans as risk carriers has been declining steadily for years and is currently around 12% (previous year: 13.5%).

Details on segment reporting can be found in Part D of the notes.

E – Risk report

Credit risk methods and instruments

Very important factors in the credit approval process are a detailed assessment of risk associated with each loan exposure, and the customer's credit rating in particular. The basis for every loan decision is a thorough analysis of the loan commitment. Following the initial loan application, the Bank's loan exposures are reviewed at least once a year. As part of this analysis, as well as the yearly review, ESG risks are also evaluated. In case of Watch classification or if the borrower's creditworthiness deteriorates substantially, shorter review intervals are applied.

Our Bank-internal credit rating check is based on three different rating procedures. In order to estimate the (12-month) loss, the parameters (probability of default – PD; loss given default – LGD; exposure at default – EAD) for the customer/business segments to be assessed on the basis of models specifically developed for these purposes are calculated. The calculations are made in line with the various asset classes pursuant to Article 147 of the CRR, Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions. There are country-specific or region-specific models (e.g., for corporate customers, private and business customers) and Group-wide models (e.g., for sovereigns, banks, multinational corporates). For the current status of the application of the internal ratings-based approach (IRB approach) to credit risk in Bank Austria, please see the next chapter.

In order to estimate the expected credit loss (ECL) under IFRS 9 regulations, the aforementioned parameters are used in their appropriate adapted form (for more information, please see A.5.3.3 – Impairment of financial instruments, sub-item parameters and risk definition).

In the individual valuation of a credit exposure, data from the annual financial statements of the customers who prepare annual financial statements and qualitative corporate factors are taken into account in addition to the customer behavior observed internally at the Bank. Bank Austria uses an automated retail scoring system for assessing, monitoring and managing the large number of loan exposures to private customers, small businesses, independent professionals and small non-profit organizations. Retail scoring consists of application scoring, which is based on proven and recognized mathematical-statistical methods, and behavioral scoring, which takes account, among other things, of account deposits and customer payment behavior and results in customer scoring that is updated monthly. This gives the Bank a tool for lending decisions and early recognition of risk. Automated data processing helps Bank Austria to reduce costs required for credit control while accelerating lending decisions.

The various rating and scoring models provide the basis for efficient risk management of Bank Austria and are embedded in all decision-making processes relating to risk management. They are also a key factor for capital required to be held against risk-weighted assets. Great attention is given to consistency in the presentation for supervisory purposes and the requirements of internal control. Risk-adequate pricing and proactive risk management improve the portfolio's diversification and risk/return ratio on an ongoing basis. In addition, the bank has an extensive early warning process. This is an essential part of the credit monitoring process - especially regarding the correct internal and regulatory classification of customers.

All bank-internal rating procedures are subject to ongoing monitoring. The IRB model is verified regularly. The relevant rating model is verified as to whether it depicts the risks to be measured correctly. The focus of the IRB validation in 2025 was continuously on validating and supporting the model changes and implementations for the EAD and LGD models, the ongoing validation of the IRB models with regard to the model, data, IT and process. Quarterly validation monitoring continues to be carried out on the basis of the latest quarterly developments, which included all tests for the IFRS 9 components PD and TL in addition to the IRB monitoring reports, that have been prepared for some time. All model assumptions are based on long-term statistical averages of historical defaults and losses, taking into account current risk-relevant information. The modelling follows detailed regulatory and Group-wide specifications. FCRC is defined as an expert body within the meaning of Article 189 of the CRR, which deals with all material aspects related to credit risk models (their development, adjustment, control, and validation of model soundness). The Enterprise & Credit Risks department, with the relevant methodology and control units and with independent validation units, acts as a credit risk control unit within the meaning of Article 190 of the CRR.

E – Risk report

Current status of the application of the internal ratings-based approach (IRB approach) for credit risk at Bank Austria

UniCredit Bank Austria AG applies the internal ratings-based approach for a major part of its loan portfolio, whereby, dependent on the regulation, own estimates of loss given default and of conversion factors are used (advanced IRB approach). According to a multi-year plan (model road map) adjustments of the model landscape are done, on one side, refining and further developing local and Group-wide models and, to a lesser extent, the introduction of additional Group-wide models is taking place, and, on the other side, a reverting to a lesser sophisticated approach (Foundation IRB) as well as applications for the use of the permanent partial use are done in alignment with the regulator. Following the guidelines of the EBA, the material model changes to all local PD models were put into production in 2021. The latest recalibration of all local PD models was implemented in November 2024.

The revision and submission of the local EAD model was performed in 3Q23 and after approval by ECB implemented in 1Q25.

The revision of the local LGD model was notified to the ECB as a material model change in June 2025 and is currently in the approval process.

Regarding the Group-wide models, a recalibration of the PD-model for Banks was introduced in 2Q25. In addition, after the approval by ECB, the Group-wide Multinational Corporate Rating (MNC) material model change was put into production in 3Q25.

With the entry into force of Regulation (EU) 2024/1623 of 31 May 2024 (CRRIII), the switch back to the IRB Foundation approach (F-IRB) for all group-wide models applicable to portfolios with low default risk (multinational corporations and banks) took place in 1Q25.

Additionally, to the low default risk portfolio, the following customers are treated under the F-IRB approach starting from 1Q25:

- Real Estate customers with a turnover above €500 million
- Financial Entities belonging to Corporate Asset Class
- Customers in the local segments such Mid Corporate, Small Business and Real Estate which are rating recipients consolidated under Sponsor groups of group-wide multinationals, or RECR customers with a turnover above €500 million

Implementation of the IRB approach has been established as a Group-wide programme. Therefore, UniCredit Group is responsible for overall planning, Group-wide issues and decisions, and specifically for the development of Group-wide models, such as for countries, banks and multinational companies. The local IRB models are modelled locally in accordance with Group-wide specifications.

Group standards have been prepared and adopted by UniCredit Group in cooperation with the major IRB legal entities and are used as an instrument for uniform Group-wide implementation, with a view to complying with local legal requirements — some of which differ from country to country — and safeguarding Group interests. These Group standards will continue to be gradually extended and supplemented. Group standards are integrated into business areas, both in procedural and organizational terms, where local particularities and legal regulations are considered when ensuring Basel compliance.

All Austrian subsidiaries of UniCredit Bank Austria AG use the standardized approach. From a current perspective and for reasons of materiality, there are no plans to switch to one of the IRB approaches.

E – Risk report

Classification of asset quality

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 (see also "A.5.3.3. – Impairment of financial instruments")

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. For details, see "A.5.3.3 Measurement of expected credit losses".

If the criteria for non-performing classification no longer apply because the customer has recovered, the exposure is returned to performing status after a probation period of at least 90 days (12 months for distressed restructuring). Once recovered, the borrower is assigned rating 7-, which remains in place until the next re-rating.

Impairment of financial instruments

Bank Austria's impairment model is described in Part A.5.3.3. of the Annual Report. The three-stage concept with the valuation allowance allocated to each stage is presented there, as is the depreciation model that the bank uses.

E – Risk report

Section 1 – Risks of the accounting consolidation perimeter

In the following tables, the volume of impaired assets according to the IFRS definition corresponds to the volume of non-performing exposures according to EBA standards.

For the purposes of disclosure of quantitative information on credit quality, the term “loan exposure” does not include equity instruments or units in investment funds.

E.2.1 Breakdown of financial assets by portfolio and credit quality (carrying value)

(€ million)

PORTFOLIOS/QUALITY	BAD EXPOSURES	UNLIKELY TO PAY	NON- PERFORMING PAST-DUE EXPOSURES	PERFORMING PAST-DUE EXPOSURES	PERFORMING EXPOSURES	TOTAL
1. Financial assets at amortised cost	154	1,210	19	805	75,076	77,265
2. Financial assets at fair value through other comprehensive income	-	-	-	-	17,442	17,442
3. Financial assets designated at fair value	-	-	-	-	141	141
4. Other financial assets mandatorily at fair value	0	2	0	4	357	363
5. Financial instruments classified as held for sale	-	-	-	-	-	-
Total 31.12.2025	154	1,212	19	809	93,016	95,211
Total 31.12.2024	199	934	112	757	90,176	92,179

E.2.2 Breakdown of financial assets by portfolio and credit quality (gross and net values)

(€ million)

PORTFOLIOS/QUALITY	NON-PERFORMING ASSETS				PERFORMING ASSETS			TOTAL (NET EXPOSURE)
	GROSS EXPOSURE	TOTAL WRITEDOWNS	NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS	GROSS EXPOSURE	TOTAL WRITEDOWNS	NET EXPOSURE	
1. Financial assets at amortised cost	2,070	687	1,384	137	76,366	485	75,881	77,265
2. Financial assets at fair value through other comprehensive income	-	-	-	-	17,443	0	17,442	17,442
3. Financial assets designated at fair value	-	-	-	-	X	X	141	141
4. Other financial assets mandatorily at fair value	2	-	2	-	X	X	361	363
5. Financial instruments classified as held for sale	-	-	-	-	-	-	-	-
Total 31.12.2025	2,072	687	1,386	137	93,809	485	93,825	95,211
Total 31.12.2024	1,980	734	1,246	156	90,997	608	90,933	92,179

E – Risk report

Section 2 – Risks of the prudential consolidation perimeter

E.2.3 Regulatory consolidation - Breakdown of financial assets by past-due buckets (carrying value)

(€ million)

PORTFOLIOS/RISK STAGES	STAGE 1			STAGE 2			STAGE 3			POCI ASSETS		
	FROM 1 TO 30 DAYS	OVER 30 AND UP TO 90 DAYS	OVER 90 DAYS	FROM 1 TO 30 DAYS	OVER 30 AND UP TO 90 DAYS	OVER 90 DAYS	FROM 1 TO 30 DAYS	OVER 30 AND UP TO 90 DAYS	OVER 90 DAYS	FROM 1 TO 30 DAYS	OVER 30 AND UP TO 90 DAYS	OVER 90 DAYS
1. Financial assets at amortised cost	443	21	134	97	57	53	24	12	371	0	-	2
2. Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
3. Financial instruments classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Total 31.12.2025	443	21	134	97	57	53	24	12	371	0	-	2
Total 31.12.2024	381	21	129	104	38	80	52	105	439	0	-	1

Amounts from transactions that have been overdue for more than 90 days and relate to Stages 1 and 2 are not related to the definition of overdue non-performing loans classified as “past due” (below the regulatory materiality threshold).

E – Risk report

E.2.4 Regulatory consolidation - Financial assets, loan commitments and financial guarantees given: changes in overall impairments and provisions 2025

(€ million)

SOURCES/RISK STAGES	OVERALL WRITE-DOWNS											
	FINANCIAL ASSETS CLASSIFIED IN STAGE 1						FINANCIAL ASSETS CLASSIFIED IN STAGE 2					
	CURRENT ACCOUNTS AND DEMAND DEPOSITS WITH BANKS AND CENTRAL BANKS	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL INSTRUMENTS CLASSIFIED AS HELD FOR SALE	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT	CURRENT ACCOUNTS AND DEMAND DEPOSITS WITH BANKS AND CENTRAL BANKS	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL INSTRUMENTS CLASSIFIED AS HELD FOR SALE	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT
Opening balance (gross amount)	0	123	0	0	1	122	0	485	-	-	0	485
Increases in acquired or originated financial assets	-	23	-	-	-	23	-	52	-	-	-	52
Reversals different from write-offs	-	(9)	(0)	-	-	(9)	-	(86)	-	-	-	(86)
Net losses/recoveries on credit impairment	(0)	(42)	(0)	-	8	(50)	(0)	(57)	0	-	0	(57)
Contractual changes without cancellation	-	-	-	-	-	-	-	(0)	-	-	-	(0)
Changes in estimation methodology	-	-	-	-	-	-	-	-	-	-	-	-
Write-off	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	(2)	(0)	0	(1)	(1)	-	(2)	0	(0)	0	(2)
Closing balance (gross amount)	0	93	0	0	9	85	0	392	0	(0)	0	392
Recoveries from financial assets subject to write-off	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs are not recognised directly in profit or loss	-	-	-	-	-	-	-	-	-	-	-	-

E – Risk report

continued: E.2.4 Regulatory consolidation - Financial assets, loan commitments and financial guarantees given: changes in overall impairments and provisions 2025

(€ million)

(€ million)

SOURCES/RISK STAGES	OVERALL WRITE-DOWNS				TOTAL
	TOTAL PROVISIONS ON LOANS COMMITMENTS AND FINANCIAL GUARANTEES GIVEN				
	STAGE 1	STAGE 2	STAGE 3	COMMITMENTS FUNDS AND FINANCIAL GUARANTEES PURCHASED OR ORIGINATED CREDIT-IMPAIRED	
Opening balance (gross amount)	17	38	102	-	1,502
Increases in acquired or originated financial assets	7	10	40	-	171
Reversals different from write-offs	(3)	(8)	(22)	-	(132)
Net losses/recoveries on credit impairment	(4)	(1)	22	-	(14)
Contractual changes without cancellation	-	-	-	-	-
Changes in estimation methodology	-	-	-	-	-
Write-off	-	-	-	-	(175)
Other changes	(0)	(0)	(14)	-	7
Closing balance (gross amount)	17	39	128	-	1,358
Recoveries from financial assets subject to write-off	-	-	-	-	9
Write-offs are not recognised directly in profit or loss	-	-	-	-	(10)

E – Risk report

E.2.4 Regulatory consolidation - Financial assets, loan commitments and financial guarantees given: changes in overall impairments and provisions 2024

(€ million)

SOURCES/RISK STAGES	OVERALL WRITE-DOWNS											
	FINANCIAL ASSETS CLASSIFIED IN STAGE 1						FINANCIAL ASSETS CLASSIFIED IN STAGE 2					
	CURRENT ACCOUNTS AND DEPOSITS WITH BANKS AND CENTRAL BANKS	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL INSTRUMENTS CLASSIFIED AS HELD FOR SALE	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT	CURRENT ACCOUNTS AND DEPOSITS WITH BANKS AND CENTRAL BANKS	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL INSTRUMENTS CLASSIFIED AS HELD FOR SALE	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT
Opening balance (gross amount)	0	105	1	-	2	103	0	561	-	-	0	561
Increases in acquired or originated financial assets	-	29	-	-	-	29	-	50	-	-	-	50
Reversals different from write-offs	-	(10)	(0)	-	-	(10)	-	(76)	-	-	-	(76)
Net losses/recoveries on credit impairment	0	1	(0)	-	(0)	1	0	(46)	-	-	-	(46)
Contractual changes without cancellation	-	-	-	-	-	-	-	-	-	-	-	-
Changes in estimation methodology	-	-	-	-	-	-	-	-	-	-	-	-
Write-off	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	(0)	(1)	-	0	(0)	(0)	-	(4)	-	-	(0)	(4)
Closing balance (gross amount)	0	123	0	0	1	122	0	485	-	-	0	485
Recoveries from financial assets subject to write-off	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs are not recognised directly in profit or loss	-	-	-	-	-	-	-	-	-	-	-	-

E – Risk report

continued: E.2.4 Regulatory consolidation - Financial assets, loan commitments and financial guarantees given: changes in overall impairments and provisions 2024

(€ million)

SOURCES/RISK STAGES	OVERALL WRITE-DOWNS										
	ASSETS BELONGING TO THIRD STAGE						PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS				
	CURRENT ACCOUNTS AND DEMAND DEPOSITS WITH BANKS AND CENTRAL BANKS	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL INSTRUMENTS CLASSIFIED AS HELD FOR SALE	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	OF WHICH: INDIVIDUAL IMPAIRMENT	OF WHICH: COLLECTIVE IMPAIRMENT
Opening balance (gross amount)	4	866	-	-	607	263	2	-	-	2	0
Increases in acquired or originated financial assets	-	96	-	-	87	9	-	-	-	-	-
Reversals different from write-offs	-	(6)	-	-	(0)	(6)	(0)	-	-	-	(0)
Net losses/recoveries on credit impairment	-	1	-	-	(9)	9	(1)	-	-	(1)	(0)
Contractual changes without cancellation	-	(0)	-	-	(0)	(0)	0	-	-	0	0
Changes in estimation methodology	-	-	-	-	-	-	-	-	-	-	-
Write-off	-	(248)	-	-	(112)	(136)	(1)	-	-	(1)	-
Other changes	0	24	-	-	15	9	(0)	-	-	(0)	0
Closing balance (gross amount)	5	732	-	-	588	148	0	-	-	0	0
Recoveries from financial assets subject to write-off	-	8	-	-	1	7	-	-	-	-	-
Write-offs are not recognised directly in profit or loss	-	(27)	-	-	(13)	(13)	-	-	-	-	-

E – Risk report

continued: E.2.4 Regulatory consolidation - Financial assets, loan commitments and financial guarantees given: changes in overall impairments and provisions 2024

(€ million)

(€ million)

SOURCES/RISK STAGES	OVERALL WRITE-DOWNS				TOTAL
	TOTAL PROVISIONS ON LOANS COMMITMENTS AND FINANCIAL GUARANTEES GIVEN				
	STAGE 1	STAGE 2	STAGE 3	COMMITMENTS FUNDS AND FINANCIAL GUARANTEES PURCHASED OR ORIGINATED CREDIT-IMPAIRED	
Opening balance (gross amount)	19	41	99	-	1,698
Increases in acquired or originated financial assets	1	3	11	-	189
Reversals different from write-offs	(4)	(20)	(18)	-	(134)
Net losses/recoveries on credit impairment	2	15	(13)	-	(41)
Contractual changes without cancellation	-	-	-	-	-
Changes in estimation methodology	-	-	-	-	-
Write-off	-	-	-	-	(249)
Other changes	(1)	0	21	-	40
Closing balance (gross amount)	17	38	102	-	1,502
Recoveries from financial assets subject to write-off	-	-	-	-	8
Write-offs are not recognised directly in profit or loss	-	-	-	-	(27)

E – Risk report

E.2.5 Regulatory consolidation - Financial assets, loan commitments and financial guarantees given: transfers between risk stages (gross values and nominal values)

(€ million)

PORTFOLIOS/RISK STAGES	GROSS VALUES/NOMINAL VALUES					
	TRANSFERS BETWEEN STAGE 1 AND STAGE 2		TRANSFERS BETWEEN STAGE 2 AND STAGE 3		TRANSFERS BETWEEN STAGE 1 AND STAGE 3	
	FROM STAGE 1 TO STAGE 2	FROM STAGE 2 TO STAGE 1	FROM STAGE 2 TO STAGE 3	FROM STAGE 3 TO STAGE 2	FROM STAGE 1 TO STAGE 3	FROM STAGE 3 TO STAGE 1
1. Financial assets at amortised cost	1,986	2,720	323	77	316	6
2. Financial assets at fair value through other comprehensive income	76	-	-	-	-	-
3. Financial instruments classified as held for sale	-	-	-	-	-	-
4. Loan commitments and financial guarantees given	945	2,439	16	31	154	2
Total 31.12.2025	3,007	5,159	339	108	470	8
Total 31.12.2024	5,346	6,521	316	127	206	138

The above table shows the movement between stages at 12-month intervals. The class allocation of customers at the beginning and end of the year is compared.

The use of the in-model calibration factor (CF), introduced in 4Q22 to address concerns regarding the representativeness of observed short-term default rates, was fully discontinued at the end of 2025 (see also E.2 – Macroeconomic and Geopolitical environment). Furthermore, the materially changed group-wide PD model for multinational corporates (MNC) was implemented in 2025 (see also E.2 – Current status of the application of the internal ratings-based approach (IRB approach) for credit risk at Bank Austria). Each of these two changes reduced the Stage 2 exposure by approximately €1 billion due to transfers to Stage 1.

E – Risk report

Information on exposures for which concessions were made to debtors due to financial difficulties (“forborne exposures”)

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 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 in accordance with point “A.5.3.3 Impairment of financial instruments”.

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.

See also the information under point “A.5.3.3. – Impairment of financial instruments / Contractual modifications”.

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E.2.7 Regulatory consolidation - On- and off-balance sheet credit exposures with banks: gross and net values

(€ million)

EXPOSURE TYPES/VALUES	AMOUNTS AS AT					31.12.2024					NET EXPOSURE	OVERALL PARTIAL WRITE-OFFS(*)
	GROSS EXPOSURE					OVERALL WRITE-DOWNS AND PROVISIONS						
	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS				
A. On-balance sheet credit exposures												
A.1 On Demand	5,526	5,495	27	5	-	5	0	0	5	-	5,521	-
a) Non-performing	5	X	-	5	-	5	X	-	5	-	-	-
b) Performing	5,521	5,495	27	X	-	0	0	0	X	-	5,521	-
A.2 Other	16,419	16,370	3	37	-	3	0	0	2	-	16,416	-
a) Bad exposures	-	X	-	-	-	-	X	-	-	-	-	-
of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay	37	X	-	37	-	2	X	-	2	-	34	-
of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
c) Non-performing past due	-	X	-	-	-	-	X	-	-	-	-	-
of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
d) Performing past due	9	9	0	X	-	0	0	0	X	-	9	-
of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
e) Other performing exposures	16,373	16,361	2	X	-	1	0	0	X	-	16,372	-
of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
Total (A)	21,945	21,865	29	41	-	8	0	0	7	-	21,937	-
B. Off-balance sheet credit exposures												
a) Non-performing	0	X	-	0	-	-	X	-	-	-	0	-
b) Performing	3,618	436	37	X	-	0	0	0	X	-	3,618	-
Total (B)	3,618	436	37	0	-	0	0	0	-	-	3,618	-
Total (A+B)	25,563	22,300	67	41	-	8	0	0	7	-	25,555	-

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E.2.8 Regulatory consolidation - On- and off-balance sheet credit exposures with customers: gross and net values

(€ million)

EXPOSURE TYPES/VALUES	AMOUNTS AS AT 31.12.2025										OVERALL PARTIAL WRITE-OFFS(*)	
	GROSS EXPOSURE					OVERALL WRITE-DOWNS AND PROVISIONS						
	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	STAGE 1	STAGE 2	STAGE 3	PURCHASED OR ORIGINATED CREDIT-IMPAIRED FINANCIAL ASSETS	NET EXPOSURE			
A. On-balance sheet credit exposures												
a) Bad exposures	417	X	-	417	1	263	X	-	263	0	154	136
of which: forborne exposures	178	X	-	178	-	99	X	-	99	-	79	3
b) Unlikely to pay	1,602	X	-	1,595	5	411	X	-	411	0	1,191	1
of which: forborne exposures	660	X	-	655	5	185	X	-	185	0	475	0
c) Non-performing past due	29	X	-	29	-	10	X	-	10	-	19	-
of which: forborne exposures	1	X	-	1	-	0	X	-	0	-	1	-
d) Performing past due	816	594	218	X	0	15	4	11	X	-	801	-
of which: forborne exposures	10	-	10	X	0	1	-	1	X	-	9	-
e) Other performing exposures	77,815	67,895	9,421	X	1	469	89	380	X	0	77,345	-
of which: forborne exposures	620	0	620	X	0	31	-	31	X	0	589	-
Total (A)	80,680	68,489	9,639	2,041	7	1,168	93	391	683	0	79,512	137
B. Off-balance sheet credit exposures												
Non-performing	450	X	-	450	-	128	X	-	128	-	323	-
Performing	40,977	36,764	3,929	X	-	56	17	39	X	-	40,921	-
Total (B)	41,427	36,764	3,929	450	-	184	17	39	128	-	41,243	-
Total (A+B)	122,107	105,254	13,568	2,491	7	1,352	110	431	811	0	120,755	137

On-balance sheet credit exposures to customers include all balance-sheet assets, irrespective of their classification by portfolio (financial assets held for trading, assets designated at fair value through profit or loss, financial assets mandatorily at fair value, assets at fair value through other comprehensive income, financial assets at amortised cost, and non-current assets held for sale).

The "Stage 1", "Stage 2", "Stage 3" and "acquired or originally impaired financial assets" columns include assets measured at amortised cost, assets measured at fair value through other comprehensive income and non-current assets held for sale; the total gross volume also includes financial assets held for trading, financial assets designated at fair value through profit or loss and other financial assets mandatorily at fair value.

Off-balance-sheet risk exposures to customers include guarantees given and irrevocable commitments, derivatives irrespective of the classification category of the respective transaction and revocable loan commitments.

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E.2.9a Regulatory consolidation - On-balance sheet credit exposures with customers: changes in gross non-performing exposures

(€ million)

SOURCES/CATEGORIES	CHANGES IN 2025		
	BAD EXPOSURES	UNLIKELY TO PAY	NON-PERFORMING PAST DUE
A. Opening balance (gross amount)	591	1,219	132
<i>of which sold non-cancelled exposures</i>	-	-	-
B. Increases	136	899	20
B.1 Transfer from performing loans	69	561	16
B.2 Transfer from acquired or originated impaired financial assets	-	-	-
<i>of which: business combinations</i>	-	-	-
B.3 Transfer from other non-performing exposures	49	109	1
B.4 Contractual changes with no cancellations	-	-	-
B.5 Other increases	18	228	3
<i>of which: business combinations - mergers</i>	-	-	-
C. Decreases	309	515	123
C.1 Transfers to performing loans	0	109	19
C.2 Write-offs	141	45	0
C.3 Collections	124	271	6
C.4 Sale proceeds	3	-	-
C.5 Losses on disposals	1	-	-
C.6 Transfers to other non-performing exposures	25	44	91
C.7 Contractual changes with no cancellations	-	-	-
C.8 Other decreases	14	47	7
<i>of which: business combinations</i>	-	5	0
D. Closing balance (gross amount)	417	1,602	29
<i>of which sold non-cancelled exposures</i>	-	-	-

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E.2.9a Regulatory consolidation - On-balance sheet credit exposures with customers: changes in gross non-performing exposures

(€ million)

SOURCES/CATEGORIES	CHANGES IN 2024		
	BAD EXPOSURES	UNLIKELY TO PAY	NON-PERFORMING PAST DUE
A. Opening balance (gross amount)	491	1,521	241
<i>of which sold non-cancelled exposures</i>	-	-	-
B. Increases	551	477	104
B.1 Transfer from performing loans	168	300	93
B.2 Transfer from acquired or originated impaired financial assets	-	-	-
<i>of which: business combinations</i>	-	-	-
B.3 Transfer from other non-performing exposures	268	110	0
B.4 Contractual changes with no cancellations	-	-	-
B.5 Other increases	115	67	10
<i>of which: business combinations - mergers</i>	-	-	-
C. Decreases	452	779	213
C.1 Transfers to performing loans	1	200	31
C.2 Write-offs	188	87	0
C.3 Collections	204	287	13
C.4 Sale proceeds	5	-	-
C.5 Losses on disposals	2	-	-
C.6 Transfers to other non-performing exposures	32	186	161
C.7 Contractual changes with no cancellations	-	-	-
C.8 Other decreases	20	20	7
<i>of which: business combinations</i>	-	-	-
D. Closing balance (gross amount)	591	1,219	132
<i>of which sold non-cancelled exposures</i>	-	-	-

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E.2.9b Regulatory consolidation - On-balance sheet exposures with customers: changes by credit quality in gross forborne exposures

(€ million)

SOURCES/QUALITY	CHANGES IN 2025		CHANGES IN 2024	
	FORBORNE EXPOSURES: NON- PERFORMING	FORBORNE EXPOSURES: PERFORMING	FORBORNE EXPOSURES: NON- PERFORMING	FORBORNE EXPOSURES: PERFORMING
A. Opening balance (gross amount)	601	830	598	481
<i>of which sold non-cancelled exposures</i>	-	-	-	-
B. Increases	432	385	235	619
B.1 Transfers from performing non-forborne exposures	117	323	90	511
B.2 Transfers from performing forborne exposures	166	X	16	X
B.3 Transfers from non-performing forborne exposures	X	20	X	30
<i>of which: business combinations</i>	X	-	X	-
B.4 Transfer from non-performing non-forborne exposures	141	-	-	-
B.5 Other increases	8	42	130	77
<i>of which: business combinations - mergers</i>	-	-	-	-
C. Reductions	193	584	232	270
C.1 Transfers to performing non-forborne exposures	X	289	X	64
C.2 Transfers to performing forborne exposures	20	X	30	X
C.3 Transfers to non-performing forborne exposures	X	166	X	16
C.4 Write-offs	28	-	50	-
C.5 Collections	106	125	111	172
C.6 Sale proceeds	1	-	1	-
C.7 Losses from disposal	0	-	0	-
C.8 Other reductions	39	4	40	19
<i>of which: business combinations</i>	1	1	-	-
D. Closing balance (gross amount)	840	631	601	830
<i>of which sold non-cancelled exposures</i>	-	-	-	-

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E.2.10 Regulatory consolidation - On-balance sheet non-performing credit exposures with customers: changes in overall write-downs

(€ million)

SOURCES/CATEGORIES	CHANGES IN 2025					
	BAD LOANS		UNLIKELY TO PAY		NON-PERFORMING PAST DUE	
	TOTAL	OF WHICH FORBORN EXPOSURES	TOTAL	OF WHICH FORBORN EXPOSURES	TOTAL	OF WHICH FORBORN EXPOSURES
A. Opening balance (gross amount)	392	96	319	155	19	1
<i>of which sold non-cancelled exposures</i>	-	-	-	-	-	-
B. Increases	143	23	308	120	7	0
B.1 Write-downs of acquired or originated impaired financial assets	-	X	-	X	-	X
<i>of which: business combinations</i>	-	-	-	-	-	-
B.2. Other write-downs	55	6	218	84	5	0
B.3 Losses on disposal	1	0	-	-	-	-
B.4 Transfers from other categories of non-performing exposures	27	16	18	4	0	0
B.5 Contractual changes with no cancellations	-	X	-	X	-	X
B.6 Other increases	59	0	72	33	1	0
<i>of which: business combinations - mergers</i>	-	-	-	-	-	-
C. Reductions	272	20	216	91	16	1
C.1 Write-backs from valuation	11	-	2	-	-	-
C.2. Write-backs from collections	49	7	90	45	4	0
C.3 Gains from disposals	0	-	-	-	-	-
C.4 Write-offs	141	6	45	22	0	0
C.5 Transfers to other categories of non-performing exposures	10	3	25	16	10	0
C.6 Contractual changes with no cancellations	-	X	-	X	-	X
C.7 Other decreases	61	3	54	7	3	0
<i>of which: business combinations</i>	-	-	(4)	(0)	(0)	-
D. Closing balance (gross amount)	263	99	411	185	10	0
<i>of which sold non-cancelled exposures</i>	-	-	-	-	-	-

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E.2.10 Regulatory consolidation - On-balance sheet non-performing credit exposures with customers: changes in overall write-downs

(€ million)

SOURCES/CATEGORIES	CHANGES IN 2024					
	BAD LOANS		UNLIKELY TO PAY		NON-PERFORMING PAST DUE	
	TOTAL	OF WHICH FORBORN EXPOSURES	TOTAL	OF WHICH FORBORN EXPOSURES	TOTAL	OF WHICH FORBORN EXPOSURES
A. Opening balance (gross amount)	369	52	474	242	21	2
<i>of which sold non-cancelled exposures</i>	-	-	-	-	-	-
B. Increases	353	70	263	52	15	0
B.1 Write-downs of acquired or originated impaired financial assets	-	X	-	X	-	X
<i>of which: business combinations</i>	-	-	-	-	-	-
B.2. Other write-downs	253	57	104	25	14	0
B.3 Losses on disposal	2	0	-	-	-	-
B.4 Transfers from other categories of non-performing exposures	60	5	23	1	0	0
B.5 Contractual changes with no cancellations	-	X	-	X	-	X
B.6 Other increases	39	7	136	26	1	0
<i>of which: business combinations - mergers</i>	-	-	-	-	-	-
C. Reductions	331	26	419	139	17	1
C.1 Write-backs from valuation	9	-	26	-	0	-
C.2. Write-backs from collections	76	16	146	39	5	0
C.3 Gains from disposals	-	-	-	-	-	-
C.4 Write-offs	188	9	87	41	0	-
C.5 Transfers to other categories of non-performing exposures	22	1	54	5	7	1
C.6 Contractual changes with no cancellations	-	X	-	X	-	X
C.7 Other decreases	35	0	106	53	5	0
<i>of which: business combinations</i>	-	-	-	-	-	-
D. Closing balance (gross amount)	392	96	319	155	19	1
<i>of which sold non-cancelled exposures</i>	-	-	-	-	-	-

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E.2.11 Regulatory consolidation - Breakdown of financial assets, loan commitments and financial guarantees given by external rating classes (gross amounts)

(€ million)								
EXPOSURES	AMOUNT AS AT 31.12.2025						NO RATING	TOTAL
	EXTERNAL RATING CLASSES							
	CLASS 1	CLASS 2	CLASS 3	CLASS 4	CLASS 5	CLASS 6		
A. Financial assets at amortised cost								
- Stage 1	8,143	5,684	572	1	0	-	52,463	66,863
- Stage 2	-	35	13	-	0	-	9,567	9,616
- Stage 3	-	-	-	-	-	-	2,062	2,062
- POCI Assets	-	-	-	-	-	-	7	7
B. Financial assets at fair value through other comprehensive income								
- Stage 1	14,563	2,228	509	-	-	-	4	17,304
- Stage 2	-	-	76	63	-	-	-	139
- Stage 3	-	-	-	-	-	-	-	-
- POCI Assets	-	-	-	-	-	-	-	-
C. Financial instruments classified as held for sale								
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- POCI Assets	-	-	-	-	-	-	-	-
Total (A+B+C)	22,707	7,947	1,170	64	0	-	64,103	95,991
D. Loan commitments and financial guarantees given								
- Stage 1	278	2,086	2,692	170	22	7	31,911	37,167
- Stage 2	-	41	10	0	83	-	3,794	3,930
- Stage 3	-	-	-	-	-	-	450	450
- POCI Assets	-	-	-	-	-	-	-	-
Total (D)	278	2,128	2,702	171	105	7	36,156	41,547
Total (A+B+C+D)	22,985	10,074	3,872	235	106	7	100,259	137,538

*) Includes non-performing volume and assets without external rating. A large share of Bank Austria customers, due to the size of the companies, does not have an external rating and is rated only internally.

The table considers the ratings of the following rating agencies: S&P and Fitch

Class 1 (AAA/AA-), 2 (A+/A-), 3 (BBB+/BBB-), 4 (BB+/BB-), 5 (B+/B-), 6 (CCC), impaired risk volumes are included in column "without external rating".

99.1% of the externally rated volume had a good credit rating (investment grade, classes 1 to 3).

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E.2.12 Regulatory consolidation - Breakdown of financial assets, loan commitments and financial guarantees given by internal rating classes (gross amounts)

(€ million)

EXPOSURES	AMOUNT AS AT 31.12.2025									TOTAL
	INTERNAL RATING CLASSES								NO RATING	
	1	2	3	4	5	6	7	8		
A. Financial assets at amortised cost										
- Stage 1	22,668	8,886	12,762	6,940	8,958	3,825	319	40	2,465	66,863
- Stage 2	90	194	345	1,412	2,731	2,216	1,067	1,033	528	9,616
- Stage 3	-	-	-	-	-	-	-	-	2,062	2,062
- POCI Assets	-	-	0	-	1	0	0	-	6	7
B. Financial assets at fair value through other comprehensive income										
- Stage 1	10,225	4,339	2,228	509	-	-	-	-	4	17,304
- Stage 2	-	-	-	76	63	-	-	-	-	139
- Stage 3	-	-	-	-	-	-	-	-	-	-
- POCI Assets	-	-	-	-	-	-	-	-	-	-
C. Financial instruments classified as held for sale										
- Stage 1	-	-	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-	-	-
- POCI Assets	-	-	-	-	-	-	-	-	-	-
Total (A+B+C)	32,982	13,419	15,335	8,936	11,753	6,041	1,385	1,073	5,065	95,991
D. Loan commitments and financial guarantees given										
- Stage 1	14,806	6,545	7,378	4,705	2,130	1,141	134	13	315	37,167
- Stage 2	79	157	317	975	762	884	444	284	28	3,930
- Stage 3	-	-	-	-	-	-	-	-	450	450
- POCI Assets	-	-	-	-	-	-	-	-	-	-
Total (D)	14,884	6,702	7,695	5,681	2,892	2,025	578	297	793	41,547
Total (A+B+C+D)	47,867	20,121	23,031	14,617	14,645	8,066	1,963	1,371	5,857	137,538

*) Includes non-performing volume and assets without external rating (risk volumes in the standardized approach).

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E.2.12 Regulatory consolidation - Breakdown of financial assets, loan commitments and financial guarantees given by internal rating classes (gross amounts)

(€ million)

EXPOSURES	AMOUNT AS AT 31.12.2024									NO RATING	TOTAL
	INTERNAL RATING CLASSES										
	1	2	3	4	5	6	7	8			
A. Financial assets at amortised cost											
- Stage 1	15,867	13,501	11,215	6,322	7,675	3,509	281	126	2,808	61,302	
- Stage 2	50	172	1,465	2,871	3,119	2,010	1,175	877	724	12,463	
- Stage 3	-	-	-	-	-	-	-	-	1,967	1,967	
- POCI Assets	-	0	-	-	0	-	-	-	8	8	
B. Financial assets at fair value through other comprehensive income											
- Stage 1	8,606	4,168	3,844	422	-	-	-	-	4	17,045	
- Stage 2	-	-	-	-	-	-	-	-	-	-	
- Stage 3	-	-	-	-	-	-	-	-	-	-	
- POCI Assets	-	-	-	-	-	-	-	-	-	-	
C. Financial instruments classified as held for sale											
- Stage 1	-	203	135	-	-	-	-	-	-	338	
- Stage 2	-	-	-	-	-	-	-	-	-	-	
- Stage 3	-	-	-	-	-	-	-	-	-	-	
- POCI Assets	-	-	-	-	-	-	-	-	-	-	
Total (A+B+C)	24,523	18,044	16,658	9,615	10,794	5,519	1,456	1,003	5,512	93,124	
D. Loan commitments and financial guarantees given											
- Stage 1	12,836	9,795	7,514	3,054	1,913	805	84	24	157	36,181	
- Stage 2	158	196	1,648	1,269	1,776	678	458	189	145	6,517	
- Stage 3	-	-	-	-	-	-	-	-	253	253	
- POCI Assets	-	-	-	-	-	-	-	-	-	-	
Total (D)	12,994	9,990	9,162	4,322	3,689	1,484	541	214	555	42,951	
Total (A+B+C+D)	37,517	28,034	25,820	13,938	14,483	7,002	1,997	1,217	6,067	136,075	

*) Includes both, non-performing volume, and assets without rating (volumes treated under the standardized approach).

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The **internal rating distribution for 2025** follows, unchanged to the previous year, the group-wide UniCredit master scale below and considers the probability of default (PD) ranges shown below. Classes 1 to 3 correspond to the investment grade classes of the external ratings. The external rating classes can be reconciled to internal rating classes via the PD bands. Impaired / Stage 3 exposures are reported under “not rated”.

E.2.13 UniCredit Master Scale 2025

INTERNAL RATING CLASSES	PD MINIMUM	PD MAXIMUM
1	0.00%	0.05%
2	0.05%	0.12%
3	0.12%	0.31%
4	0.31%	0.77%
5	0.77%	1.96%
6	1.96%	4.96%
7	4.96%	12.57%
8	12.57%	100.00%
9	IMPAIRED	

The PD value of the class has to be considered as “greater or equal” than the lower bound of each rating class.

The PD value of the class has to be considered “strictly lower” than the upper bound of each rating class.

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Credit risk mitigation techniques

Bank Austria uses various credit risk mitigation techniques to reduce credit losses in case of debtor default.

With specific reference to credit risk mitigation, guidelines issued by UniCredit and Bank Austria are in force. These guidelines govern and standardize credit risk mitigation processes, in line with Group principles and best practice as well as in accordance with the relevant regulatory requirements – especially strategies and procedures for collateral management. Specifically, these relate to eligibility for recognition as collateral, valuation and monitoring rules and ensure the stable value, legal enforceability, and timely realization of collateral in accordance with local law.

According to the credit policies, collateral or guarantees can be accepted only to support loans and they cannot serve as a substitute for the borrower's ability to meet obligations. Collateral and guarantees are also subject to a specific valuation and analysis with regard to their supporting function to repay the outstanding amount.

The main types of collateral accepted in support of loans granted by Bank Austria include real estate (both residential and commercial), guarantees and tangible financial collateral (including cash deposits, bonds, equities, and investment fund units). Further types of collateral comprise pledged goods, receivables, and insurance contracts as well as other types of funded protection. Bank Austria also makes use of bilateral netting agreements for OTC derivatives (by means of ISDA and CSA agreements), repos and securities lending.

Processes and controls focus on the requirements of legal certainty, hedging and the assessment of the suitability of the collateral or guarantee. In the case of personal guarantees, the ability to pay and the risk profile of the guarantor (or in the case of credit default swaps, of the protection provider) must be assessed.

In the case of collateral, market values are recognized reduced by corresponding haircuts in order to consider any lower revenue, in the case of utilization.

Monitoring processes of credit risk mitigation techniques ensure that general and specific requirements established by credit policies and regulatory rules are met at all times.

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E.2.14 Regulatory consolidation - Secured on-balance and off-balance sheet credit exposures with banks

(€ million)

	AMOUNT AS AT 31.12.2025				
	GROSS EXPOSURE	NET EXPOSURE	COLLATERALS		
			PROPERTY - MORTGAGES	PROPERTY - LEASE LOANS	OTHER COLLATERALS
1. Secured on-balance sheet credit exposures					
1.1 Totally secured	166	166	-	-	50
<i>of which non-performing</i>	-	-	-	-	-
1.2 Partially secured	5,432	5,431	-	-	5,316
<i>of which non-performing</i>	20	20	-	-	-
2. Secured off-balance sheet credit exposures					
2.1 Totally secured	109	109	-	-	10
<i>of which non-performing</i>	-	-	-	-	-
2.2 Partially secured	2	2	-	-	-
<i>of which non-performing</i>	-	-	-	-	-

continued: E.2.14 Regulatory consolidation - Secured on-balance and off-balance sheet credit exposures with banks

(€ million)

AMOUNT AS AT 31.12.2025										(€ million)
GUARANTEES										
CREDIT DERIVATIVES					SIGNATURE LOANS (LOANS GUARANTEES)				TOTAL (1)+(2)	
	OTHER CREDIT DERIVATIVES				GOVERNMENTS AND OTHER PUBLIC SECTOR ENTITIES					
CLN	GOVERNMENT AND CENTRAL BANKS	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES						BANKS
1. Secured on-balance sheet credit exposures										
1.1 Totally secured	-	-	-	-	-	114	-	1	-	166
of which non-performing	-	-	-	-	-	-	-	-	-	-
1.2 Partially secured	-	-	-	-	-	23	-	0	-	5,339
of which non-performing	-	-	-	-	-	19	-	-	-	19
2. Secured off-balance sheet credit exposures										
2.1 Totally secured	-	-	-	-	-	-	99	-	-	109
of which non-performing	-	-	-	-	-	-	-	-	-	-
2.2 Partially secured	-	-	-	-	-	-	-	-	-	-
of which non-performing	-	-	-	-	-	-	-	-	-	-

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E.2.14 Regulatory consolidation - Secured on-balance and off-balance sheet credit exposures with banks

(€ million)

	AMOUNT AS AT 31.12.2024					
	GROSS EXPOSURE	NET EXPOSURE	COLLATERALS			
			PROPERTY - MORTGAGES	PROPERTY - LEASE LOANS	SECURITIES	OTHER COLLATERALS
1. Secured on-balance sheet credit exposures						
1.1 Totally secured	1,789	1,789	-	-	1,651	-
<i>of which non-performing</i>	-	-	-	-	-	-
1.2 Partially secured	4,436	4,435	-	-	4,372	7
<i>of which non-performing</i>	34	33	-	-	-	-
2. Secured off-balance sheet credit exposures						
2.1 Totally secured	106	106	-	-	-	-
<i>of which non-performing</i>	-	-	-	-	-	-
2.2 Partially secured	32	32	-	-	-	7
<i>of which non-performing</i>	-	-	-	-	-	-

continued: E.2.14 Regulatory consolidation - Secured on-balance and off-balance sheet credit exposures with banks

(€ million)

	AMOUNT AS AT 31.12.2024								
	GUARANTEES								
	CREDIT DERIVATIVES					SIGNATURE LOANS (LOANS GUARANTEES)			
	OTHER CREDIT DERIVATIVES								
	CLN	GOVERNMENT AND CENTRAL BANKS	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES	GOVERNMENTS AND OTHER PUBLIC SECTOR ENTITIES	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES
									TOTAL (1)+(2)
1. Secured on-balance sheet credit exposures									
1.1 Totally secured	-	-	-	-	-	138	0	-	1,789
<i>of which non-performing</i>	-	-	-	-	-	-	-	-	-
1.2 Partially secured	-	-	-	-	-	34	0	-	4,414
<i>of which non-performing</i>	-	-	-	-	-	32	-	-	32
2. Secured off-balance sheet credit exposures									
2.1 Totally secured	-	-	-	-	-	-	106	-	106
<i>of which non-performing</i>	-	-	-	-	-	-	-	-	-
2.2 Partially secured	-	-	-	-	-	-	9	-	16
<i>of which non-performing</i>	-	-	-	-	-	-	-	-	-

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E.2.15 Regulatory consolidation - Secured on-balance and off-balance sheet credit exposures with customers

(€ million)

	AMOUNT AS AT 31.12.2025					
	GROSS EXPOSURE	NET EXPOSURE	COLLATERALS			
			PROPERTY - MORTGAGES	PROPERTY - LEASE LOANS	SECURITIES	OTHER COLLATERALS
1. Secured on-balance sheet credit exposures						
1.1 Totally secured	25,516	25,241	20,338	552	147	760
<i>of which non-performing</i>	799	645	457	42	2	22
1.2 Partially secured	21,396	20,755	3,802	66	712	850
<i>of which non-performing</i>	1,019	653	159	2	3	33
2. Secured off-balance sheet credit exposures						
2.1 Totally secured	2,137	2,126	676	-	164	339
<i>of which non-performing</i>	19	16	8	-	1	6
2.2 Partially secured	13,327	13,199	333	-	79	903
<i>of which non-performing</i>	394	292	3	-	0	2

continued: E.2.15 Regulatory consolidation - Secured on-balance and off-balance sheet credit exposures with customers

(€ million)

AMOUNT AS AT 31.12.2025										(€ million)
GUARANTEES										
CREDIT DERIVATIVES					SIGNATURE LOANS (LOAN GUARANTEES)				TOTAL (1)+(2)	
	OTHER CREDIT DERIVATIVES									
CLN	GOVERNMENT AND CENTRAL BANKS	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES	GOVERNMENTS AND OTHER PUBLIC SECTOR ENTITIES	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES		
1. Secured on-balance sheet credit exposures										
1.1 Totally secured	-	-	-	-	994	13	101	2,305	25,210	
of which non-performing	-	-	-	-	117	2	0	1	642	
1.2 Partially secured	-	-	-	-	1,589	100	491	914	8,525	
of which non-performing	-	-	-	-	190	7	0	1	396	
2. Secured off-balance sheet credit exposures										
2.1 Totally secured	-	-	-	-	108	10	-	829	2,126	
of which non-performing	-	-	-	-	0	1	-	-	16	
2.2 Partially secured	-	-	-	-	355	156	-	131	1,957	
of which non-performing	-	-	-	-	2	0	-	-	8	

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E.2.15 Regulatory consolidation - Secured on-balance and off-balance sheet credit exposures with customers

(€ million)

	AMOUNT AS AT 31.12.2024					
	GROSS EXPOSURE	NET EXPOSURE	COLLATERALS			
			PROPERTY - MORTGAGES	PROPERTY - LEASE LOANS	SECURITIES	OTHER COLLATERALS
1. Secured on-balance sheet credit exposures						
1.1 Totally secured	26,167	25,842	20,357	622	243	828
of which non-performing	750	608	349	64	6	31
1.2 Partially secured	20,823	20,251	3,862	107	161	809
of which non-performing	753	490	165	5	6	29
2. Secured off-balance sheet credit exposures						
2.1 Totally secured	3,632	3,610	1,233	-	805	358
of which non-performing	61	45	22	-	1	22
2.2 Partially secured	12,914	12,817	124	-	45	569
of which non-performing	166	92	2	-	0	3

continued: E.2.15 Regulatory consolidation - Secured on-balance and off-balance sheet credit exposures with customers

(€ million)

(€ million)										
AMOUNT AS AT 31.12.2024										
GUARANTEES										
CREDIT DERIVATIVES						SIGNATURE LOANS (LOANS GUARANTEES)				TOTAL (1)+(2)
	OTHER CREDIT DERIVATIVES					GOVERNMENTS AND OTHER PUBLIC SECTOR ENTITIES				
CLN	GOVERNMENT AND CENTRAL BANKS	BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES		BANKS	OTHER PUBLIC ENTITIES	OTHER ENTITIES		
1. Secured on-balance sheet credit exposures										
1.1 Totally secured	-	-	-	-	-	1,222	114	82	2,294	25,762
of which non-performing	-	-	-	-	-	151	4	-	2	607
1.2 Partially secured	-	-	-	-	-	1,550	231	466	1,300	8,487
of which non-performing	-	-	-	-	-	120	1	0	1	327
2. Secured off-balance sheet credit exposures										
2.1 Totally secured	-	-	-	-	-	153	39	-	1,021	3,610
of which non-performing	-	-	-	-	-	0	0	-	-	45
2.2 Partially secured	-	-	-	-	-	580	50	-	125	1,493
of which non-performing	-	-	-	-	-	-	0	-	-	-

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Assessment of potential loss due to the current environment

Macroeconomic and Geopolitical environment

For the entire UniCredit Bank Austria AG portfolio, the macro environment is taken into account by means of regular macro scenario adjustments on the basis of internal projections prepared by UniCredit Research. Since the introduction of IFRS 9, this has been the primary tool for considering **forward-looking information** - "FLI". The macroeconomic factors are translated into changes in the credit risk parameters using the Group's macro dependency model ("Satellite Model") (see also Part A.5.3.3 – Impairment of financial instruments). The macro adjustments were carried out in accordance with the semi-annual process in the 2Q25 and 4Q25 (see also below). In this context, the semi-annual point-in-time calibrations and adjustments of the macro scenarios were carried out in 2025. The cumulative effect of these adjustments resulted in a reduction of total expected credit loss (ECL) impact of €47 million (compared with a reduction of €24 million in 2024). The impact stems mainly from the point-in-time PD calibration and here in particular reflecting decreased retail default rates. In more detail, the cumulative effect of the point-in-time calibration amounted to a €69 million reduction, partly offset by two aspects, the cumulative adjustments of the macroeconomic scenarios, which caused an increase of €8 million, and the annual recalibration of the through-the-cycle PD curves, which increased ECL by €14 million. In addition, a one-off effect came from the recalibration of the Satellite Models in 4Q25, which led to an ECL reduction of €19 million and hence leads to a total impact of €66 million ECL reduction (compared to €13 million reduction in 2024 when no recalibration of the Satellite Models was performed).

Another amendment related to the update of the PIT/ Forward-Looking component relevant for IFRS9 PD, regards the so-called **in-model calibration factor (CF)** which had been used to address concerns of representativeness of observed short term default rates. In 4Q22, a CF was introduced to address post-Covid and geopolitical uncertainties and to bring IFRS 9 PDs closer to pre-pandemic default-rate levels, as observed default rates were unusually low. In 2023, the CF was removed in the majority of portfolios. Euro loans of private individuals were the last segment in which a CF remained, and in YE25 based on the assessment of the asset quality realized up to 4Q25, the prerequisites for the overcoming of the in-model calibration factor materialized. Default rates have shown stable count-based development across all observed years and a slightly declining trend on an EAD-weighted basis, eliminating the need for corrective calibration. In addition to the above-mentioned aspects, the removal of the CF reduces ECL by €72 million and lowers Stage 2 exposure by around €1 billion due to a transfer to Stage 1.

Apart from the above-mentioned calibration updates, **geopolitical threats** continue to be of great importance for understanding the performing portfolio ECL. While the general consideration of forward-looking information - "FLI" - is incorporated into the modeling of ECL by means of macro-dependency models (as stated above), overlays represent an ex-model, complementary measure to the IFRS 9 models that aims to additionally consider the scenario impact of particularly vulnerable sub-segments.

In UniCredit taxonomy, adjustments related to temporary one-off measures, complementary to the IFRS 9 models, aimed at coping with specific exogenous contingent situations are the ones strictly qualifiable as "**overlays**". The other adjustments are generally qualifiable as "**PMAs**" (Post Model Adjustments) being usually more connected to credit risk models anticipation as well as corrections prior to the full technical implementation into models and IT-systems. In contrast to the exogenously triggered overlays the latter are generally more endogenously driven. Overlay methods including the underlying parameters as well as all relevant amendments are submitted to the local FCRC for approval. In line with the temporary nature of overlays, the bank plans medium term to transfer them into the models, unless the necessity changes substantially meanwhile.

The **Geopolitical Overlay** was introduced in 4Q22 in the aftermath of the Russia-Ukraine crises outbreak and the consequent arising geo-political risks, leading to energy supply tension and inflation soaring, with the consequent increase in interest rates due to tightening in monetary policy for both corporate and private individuals. The corresponding methodological approach looked at default rates of these segments and derived stressed default rates from a negative scenario with their related implied new default inflows. The LLP impact is then derived by applying average coverage of the UTP portfolio; this methodological approach has remained unchanged since its initial implementation.

The **Overlay for private customers** with mortgage loans that are not based on fixed interest rate agreements has been fully discontinued as of 4Q25, leading to ECL release of €8 million, as risks underlying the current overlays are fading away due to stabilization of inflation and interest rate risks, and the exposure weighted default rate dynamic shows a stable outlook.

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Given the shift from acute energy shocks to persistent trade tensions, the existing **Geopolitical Corporate Overlay** has been re-assessed in 4Q25 to ensure sector-sensitive, forward-looking ECL coverage.

The evolution of the overlay framework has been envisaging more granular **sector-based quantification** in order to capture the level of sensitiveness of the different industries to trade vulnerabilities, including proactive staging classifications on clients detected through monitoring specifically of the portfolio perimeter affected by overlay. The sector-based quantification approach has been critically re assessed, considering persisting geo-political tensions, intensification of trade tensions and supply chain disruptions – including spillover effects on highly interconnected industries – and the Euro-US Dollar exchange rate movements affecting external demand on top of IFRS9 “Adverse” scenario. In this way, the evolution of default rates (DR) by sector is modeled as the combined result of satellite and sectoral models, thereby capturing both macro-driven and sector-specific dynamics.

The overlay amount estimation approach of the re-assessed Geopolitical Corporate Overlay remains coherent with the previous methodology but now applies a sector-driven quantification approach, resulting in an €66 million increase in ECL for the Geopolitical Corporate overlay as of 4Q25 (compared to a decrease of €12 million at the end of 2024).

The above mentioned additional **proactive staging classification** complements the re-assessed overlay at ECL level by leveraging on the existing monitoring processes. In this context, lower risk watch list cases not already representing a strict Stage 2 backstop - and currently falling into overlay perimeter are proactively classified in Stage 2 (unless already allocated to Stage 2).

At the end of 2025, the Geopolitical Overlay (incl. proactive staging) amounts to €156 million (compared to €98 million at the end of 2024) or 29,6% of the performing portfolio LLPs (compared to 15.0% at the end of 2024).

Other materially relevant methodological adjustments to Stage 1 and 2 impairments

The materially changed group wide PD model for multinational corporates (MNC) clients for RWA and EL purposes (one-year horizon) was implemented in 2025, which (considering IFRS specific features like Point-in-Time calibration & elimination of regulatory margins of conservatism) led to a €58 million decrease in ECL in 2Q25.

In 4Q24, a recalibration of the IRB rating systems for private and small business customers had been implemented, for which a PMA in amount of €21 million was introduced in order to reflect the regular IFRS model calibration maintenance in a consistent way. As of 1Q25, the PMA was transformed into the granular implementation with no additional ECL impact in 2025.

In the previous year, an EAD post-model adjustment in the amount of €51 million was performed. This simulated the implementation of the new IRB-EAD model for RWA and EL purposes. In Q42025, the EAD model was fully transferred to the production environment. This implementation triggered a further reduction of the ECL by €14 million. However, a portion of the aforementioned PMA (€36 million) remains inter alia due to its dependency on the new LGD model, which is expected to be implemented in 2026.

The below table shows an overview of the changes of the main Overlays and Post-Model Adjustments (PMA) of the UniCredit Bank Austria AG portfolio.

E.2.15a Overlay and Post-Model Adjustments

		(€ million)		
		2025	2024	CHANGE
OVERLAY	Geopolitical	156	98	58
PMA	Exposure at Default (EAD)	36	51	(14)
	Probability of Default (PD)	-	21	(21)
	Physical and transition risks (LGD)	5	4	0
STAGE 1&2 - LLP OVERALL		526	653	(127)

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Consideration of baseline, adverse and positive scenarios

Macroeconomic forecasts are considered in the determination of expected credit losses. They were updated as per 4Q25 and are an important input for the forward-looking calibration of core IFRS 9 parameters. For Stage 1 and 2, the scenarios are considered by estimating the impact of specific factors on the ECL (“overlay factor”). The same scenarios are taken into account when calibrating the loss rates for the portfolio-based specific provisioning methods (Stage 3).

The inclusion of forward-looking macroeconomic information is consistent with other macroeconomic forecasting techniques used in UniCredit Group (e.g., taking into account macroeconomic forecasts of expected credit losses within the EBA Stress Test and the ICAAP), using independent UniCredit Research functionalities. This results in the creation of a unified reference point, which is adjusted to meet the respective, sometimes differing, regulatory requirements, using internally developed scenarios. The respective macro scenarios are modelled by the UniCredit Group unit responsible for stress tests with regard to their effect on the credit risk parameters (multifactor model). This leads to adjustments of the parameter on the multi-year horizon of the scenario. For subsequent terms, the parameters of the base scenario are gradually approximated to their original values.

UniCredit Bank Austria AG selected three macro scenarios based on the economic environment in December 2025 to determine the forward-looking information – a baseline scenario, an adverse scenario and a positive scenario. The baseline scenario is considered the most likely and therefore forms a central reference point. The adverse scenario represents a possible development, which is worse than the baseline scenario and the positive scenario a view better than the baseline.

Probabilities of occurrence:

UniCredit Group has determined the following probabilities of occurrence for the 3 scenarios:

- 60% for the baseline scenario,
- 35% for the adverse scenario,
- 5% for the positive scenario.

For the balance sheet date, the different scenarios are included in the ECL calculation with their respective weighting, with the final stage allocation used being that of the baseline scenario.

Weights are proposed by UniCredit Research and approved group-wide. Weights remain unchanged versus 4Q24.

Baseline scenario:

Domestic demand in 2025 withstood the pressures from US tariff policy affecting foreign trade and, after two years of decline, enabled a slight increase in GDP of an estimated 0.3%. The strength of the recovery of the domestic economy in 2026 will depend decisively on the development of domestic demand. Foreign trade is expected to continue to weigh on Austria's economic activity at least in 2026. However, the negative effect should gradually diminish. Economic growth should increase to 1.0% in 2026 and further to 1.5% in 2027.

We assume around 15% average tariff on most US imports from the EU. To keep this level the EU has committed to purchase more energy and military equipment from the US and to boost investments in the US. Tariffs weigh on trade, supply chains, capex and labor markets, yet the US and Europe remain on a slow-growth path in 2025. Announced trade deals reduce uncertainty, supporting hiring and investment. From 2026, expansionary European fiscal policy – especially in Germany and EU defense outlays – lifts growth, accelerating in 2027 to 2028.

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Adverse scenario:

In this adverse scenario, trade tensions re-intensify as US counterparts fail to comply with struck agreements, prompting the Administration to raise duties beyond announcements. A US–China tit-for-tat escalates to prohibitive levels, halting bilateral flows, while retaliation elsewhere remains limited. Tariffs and uncertainty weigh on global trade, supply chains, capex, and labor markets. Concurrently, rising geopolitical strains in the Middle East and Ukraine prevent oil prices from adjusting downward despite weaker activity. Market risk aversion increases, and the USD softens versus the baseline as policy doubts redirect financial flows away from the US. Inflation dynamics diverge: US inflation accelerates initially due to tariff and currency effects, then becomes disinflationary as activity slows, with diverted Chinese goods adding to global disinflationary pressures. In the eurozone, activity contracts before gradually recovering as the tariff shock fades, monetary easing gains traction, and fiscal policy provides support; the US follows a similar, milder trajectory. From mid-horizon, central banks cut policy rates below neutral – the ECB earlier, the Fed looking through the initial inflation impulse – laying the groundwork for a cautious, later recovery.

Positive scenario:

The positive scenario assumes favorable global and domestic developments that lift growth and euro-area activity above baseline projections. Compared with the baseline, cumulative eurozone GDP is around 1.5% higher over 2026 to 2028, driven by a de-escalation of geopolitical tensions, improved trade conditions, and stronger confidence. De-escalation – including a durable Middle East peace and a Russia–Ukraine ceasefire – reduces energy-supply uncertainty and restores sentiment. Lower uncertainty around US tariff policy, alongside improved EU-US cooperation and a gradual normalization of US-China trade relations, supports export recovery and investment flows.

Domestically, expectations lift consumption and capex – especially in capital goods and housing – while resilient labor markets, job creation, and wage gains reinforce household income. Financial optimism strengthens, with higher equity valuations, lower risk premia, and easier financing. Stronger demand produces a mild inflation overshoot versus baseline, prompting limited monetary tightening. Growth is further underpinned by the deployment of a multi-year EU defense investment plan, especially in Germany, modernizing military capabilities, digital infrastructure, and cybersecurity. Germany's infrastructure plan delivers a front-loaded fiscal impulse with a higher multiplier, catalyzing demand and generating spillovers into engineering and construction.

The adjusted macroeconomic factors are translated into changes in credit risk parameters by the macro dependency model ("Satellite Model") of UniCredit Group. The following table contains an extract of the relevant macroeconomic factors.

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E.2.15b Scenarios (Baseline, Adverse and Positive Scenario)

FACTORS	DETAILS	BASELINE SCENARIO				ADVERSE SCENARIO				POSITIVE SCENARIO			
		2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028
Real GDP	Eurozone	1.2	0.9	1.4	1.4	1.2	-0.5	-1.1	0.5	1.2	1.6	1.9	1.7
Annual change (%)	Austria	0.3	1.0	1.5	1.3	0.3	-0.7	-1.4	0.2	0.3	1.7	2.0	1.6
Inflation	Eurozone (HVPI)	2.1	1.8	1.9	2.0	2.1	1.5	1.4	1.8	2.1	2.1	2.2	2.2
Annual index change (%)	Austria (VPI)	3.5	2.4	2.0	2.1	3.5	2.1	1.4	1.8	3.5	2.7	2.3	2.4
Unemployment (%)	Eurozone	6.3	6.5	6.4	6.3	6.3	7.0	8.0	7.9	6.3	6.4	6.2	6.1
	Austria	5.6	5.6	5.3	5.2	5.6	6.3	7.1	7.4	5.6	5.4	5.0	4.9
Financial Indicators	EURIBOR 3m (end of period)	2.03	2.04	2.29	2.27	2.03	1.25	1.03	1.02	2.03	2.04	2.29	2.27
	Brent raw oil price (\$/b)	67.5	62.5	60.0	60.0	67.5	62.5	60.0	60.0	67.5	70.2	69.8	69.8
Disposable Income	Austria	-0.3	-0.1	0.5	0.9	-0.3	-1.1	-1.5	0.3	-0.3	0.4	1.0	1.4
Annual change (%)													
Public Debt	Austria	81.6	83.1	83.7	83.7	81.6	85.6	91.7	93.7	81.6	83.1	83.7	83.7
(% of GDP)													

For comparison, the scenarios of the following table were applied to the business year 2024:

E.2.15b Scenarios (Baseline, Adverse and Positive Scenario)

FACTORS	DETAILS	BASELINE SCENARIO				ADVERSE SCENARIO				POSITIVE SCENARIO			
		2024	2025	2026	2027	2024	2025	2026	2027	2024	2025	2026	2027
Real GDP	Eurozone	0.7	0.9	1.2	1.3	0.7	-0.6	-1.3	0.5	0.7	1.5	2.2	1.8
Annual change (%)	Austria	-0.5	0.9	1.3	1.3	-0.5	-0.9	-1.6	0.3	-0.5	1.3	2.3	1.9
Inflation	Eurozone (HVPI)	2.4	1.9	1.9	2.0	2.4	1.8	1.3	1.7	2.4	2.2	2.1	2.2
Annual index change (%)	Austria (VPI)	3.1	2.2	1.9	2.0	3.1	2.0	1.1	1.7	3.1	2.1	2.1	2.2
Unemployment (%)	Eurozone	6.5	6.6	6.6	6.5	6.5	8.2	8.1	8.1	6.5	6.4	6.1	5.9
	Austria	5.1	5.4	5.2	5.0	5.1	6.3	7.0	6.4	5.1	5.2	4.9	4.7
Financial Indicators	EURIBOR 3m (end of period)	2.81	2.04	2.02	2.02	2.81	1.29	1.04	1.02	2.81	2.04	2.02	2.02
	Brent raw oil price (\$/b)	79.0	80.3	75.0	75.0	79.0	90.1	69.8	72.8	79.0	88.0	84.8	84.8
Disposable Income	Austria	2.8	1.3	0.5	0.7	2.8	0.3	-1.5	0.1	2.8	-0.6	0.8	0.8
Annual change (%)													
Public Debt	Austria	80.1	81.3	82.1	82.9	80.1	84.7	91.3	93.9	80.1	81.3	82.1	82.9
(% of GDP)													

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Sensitivity analysis

As explained above, the consideration of forward-looking information is an important element when calculating impairment losses, with the macro-dependency model of the Group used acting as a multi-factor model and considering the changes in multiple macrofactors as a whole. To be able to interpret sensitivities easily, we calculate the impact of the adverse scenario (at 100% weight) on Stages 1 & 2. The corresponding increase vs the ECL booked at year end is 5.1% (booked amount reflects baseline, adverse and positive scenarios with their respective weight). The comparable increase in 4Q24 was 6.2%.

A separate collateral sensitivity analysis was also performed under the baseline scenario. For this purpose, collateral values net of haircuts were reduced by 20%. As a result, ECL rose by 5.6% compared with the original ECL. This limited impact can be attributed to the significant number of transactions that are either overcollateralized or subject to low or no collateral coverage. Conversely, the analysis showed that an increase in collateral values leads to a 5.0% reduction in ECL. Last year the sensitivity was depicted based on a +/- 10% change and showed with +2.5% / -2.4% a similar magnitude.

Furthermore, a sensitivity factor to 1 point of Austrian GDP drop / increase cumulated over the reference time horizon (2026-28) has been calculated. The difference between ECL estimated under these alternative scenarios (adverse & positive) is shown vis-à-vis the baseline scenario respectively as a relative change of ECL. The result for the 1%-point drop is +1% ECL, while for 1%-point increase it is -1.6% (covering stages 1 to 3).

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Overall picture of the development of expected credit losses

The combination of moderate economic growth, a declining interest rate environment, and persistently high price pressure shaped the economic landscape in the reporting year 2025. The total provisions on loans and advances to customers were reduced to €1,169 million in the 2025 financial year (2024: €1,338 million). The main drivers for the decrease are parameter adjustments and methodological updates in the performing portfolio and the use of provisions in the non-performing portfolio due to completed realizations. This development was partially offset by individual defaults in the non-performing portfolio at year-end and by additional allocations in the performing portfolio due an update of the geopolitical overlay.

For loans and advances to customers, the impairments recognized for stage 1 and 2 amounted to €606 million at the end of 2024 and decreased to €483 million at the end of 2025. Provisions for stage 3 (including purchased or originated Credit Impaired Assets) fell from €732 million at the end of 2024 to €686 million at the end of 2025.

At the end of 2024, the impairment losses for risk volumes of Stage 1 and Stage 2 risk costs stood at €608 million and decreased to €484 million at the end of 2025. At the end of 2025, provisions for Stage 3 risk volumes (including purchased or originated Credit Impaired Assets) amounted to €684 million. At the end of 2024, the same figure was €730 million

Further quantitative details on credit quality can be found in Table E.2.8 Regulatory Consolidation – On- and off-balance sheet credit exposures with customers.

E.2.16 Regulatory consolidation - Distribution by segment of on-balance and off-balance sheet credit exposures with customers

(€ million)										
GOVERNMENTS AND OTHER PUBLIC SECTOR ENTITIES			FINANCIAL COMPANIES		FINANCIAL COMPANIES (OF WHICH INSURANCE COMPANIES)		NON-FINANCIAL COMPANIES		HOUSEHOLDS	
EXPOSURES/COUNTERPARTIES	NET EXPOSURE	OVERALL WRITE- DOWNS	NET EXPOSURE	OVERALL WRITE- DOWNS	NET EXPOSURE	OVERALL WRITE- DOWNS	NET EXPOSURE	OVERALL WRITE- DOWNS	NET EXPOSURE	OVERALL WRITE- DOWNS
A. On-balance sheet credit exposures										
A.1 Bad exposures	-	-	0	0	-	-	94	158	61	105
of which: forbore exposures	-	-	-	-	-	-	66	81	13	19
A.2 Unlikely to pay	158	16	1	13	-	-	825	340	207	42
of which: forbore exposures	-	-	0	5	-	-	430	168	45	12
A.3 Non-performing past-due	-	-	0	0	-	-	3	1	16	8
of which: forbore exposures	-	-	-	-	-	-	0	-	1	0
A.4 Performing exposures	23,932	6	4,660	19	13	-	32,146	247	17,408	212
of which: forbore exposures	-	-	4	0	-	-	456	25	139	6
Total (A)	24,090	23	4,661	32	13	-	33,068	746	17,692	367
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	0	-	0	-	-	-	312	128	10	0
B.2 Performing exposures	3,805	0	6,373	2	150	0	25,824	44	4,919	11
Total (B)	3,805	0	6,373	2	150	0	26,136	172	4,930	11
Total (A + B)										
31.12.2025	27,895	23	11,035	33	163	0	59,204	917	22,622	378
Total (A + B)										
31.12.2024	26,803	25	10,081	40	163	0	59,506	951	22,327	478

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E.2.17 Regulatory consolidation - Distribution of on-balance and off-balance sheet credit exposures with customers by geographic area

(€ million)

EXPOSURES/GEOGRAPHIC AREAS	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS
A. On-balance sheet credit exposures										
A.1 Bad exposures	0	0	154	262	0	1	0	0	-	0
A.2 Unlikely to pay	1	1	1,018	391	2	13	75	5	95	2
A.3 Non-performing past-due	-	0	19	10	0	0	0	0	0	0
A.4 Performing exposures	1,761	1	70,742	476	701	6	787	1	4,156	0
Total (A)	1,762	2	71,934	1,138	703	19	861	6	4,252	2
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	0	1	319	126	-	-	4	1	0	-
B.2 Performing exposures	44	0	39,802	55	293	1	735	0	46	0
Total (B)	44	1	40,121	181	293	1	739	1	46	0
Total (A+B)										
31.12.2025	1,806	4	112,055	1,320	996	20	1,600	6	4,298	2
Total (A+B)										
31.12.2024	2,373	2	110,695	1,456	843	26	1,510	8	3,297	2

E.2.18 Regulatory consolidation - Distribution of on-balance and off-balance sheet credit exposures with banks by geographic area

(€ million)

EXPOSURES/GEOGRAPHIC AREAS	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS	NET EXPOSURE	OVERALL WRITE-DOWNS
A. On-balance sheet credit exposures										
A.1 Bad exposures	-	-	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	20	5	-	-	-	-	-	-
A.3 Non-performing past-due	-	-	-	-	-	-	-	-	-	-
A.4 Performing exposures	84	0	21,838	1	164	0	230	0	617	-
Total (A)	84	0	21,859	6	164	0	230	0	617	-
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	-	-	0	-	-	-	-	-	-	-
B.2 Performing exposures	2,993	0	419	0	7	-	123	0	68	-
Total (B)	2,993	0	419	0	7	-	123	0	68	-
Total (A+B)										
31.12.2025	3,077	0	22,278	6	171	0	353	0	685	-
Total (A+B)										
31.12.2024	3,538	0	20,476	8	135	0	829	0	577	0

A.4. Performing loans include current accounts and demand deposits with central banks and banks.

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Development of credit risk costs

Credit risk costs of €33 million were recognised in 2025 (2024: €41 million). The net write-backs in the performing portfolio were primarily driven by parameter adjustments and methodological updates, partially offset by an update of the geopolitical overlay. The non-performing portfolio recorded net write-downs due to defaults in the fourth quarter of 2025.

Of the risk costs presented in detail in Part D - Segment reporting, a surplus of €57 million (2024: surplus of €7 million) was attributable to Stages 1 and 2, with Retail accounting for a surplus of €71 million (2024: surplus of €75 million), while the Corporate segment recorded costs of €14 million (2024: costs of €69 million). Compared to the net costs in Stage 3 in 2024 (€48 million), costs of €89 million were recognised in 2025. Here too, the Corporate segment was the main contributor with costs of €107 million.

Further details on the segments:

The Retail segment's risk costs showed a surplus of €88 million (2024: surplus of €88 million). Risk costs for the Corporate segment totalled €121 million (2024: €127 million - comparison value amended in line with structure and methodology of segment reporting, see Notes D.).

Non-performing loans

On-balance-sheet financial assets with customers subject to credit risk increased in the 2025 business year from €77,251 million (end of 2024) to €80,680 million (before deduction of risk provisions of €1,168 million; €1,338 million in 2024). The non-performing volume increased from €1,941 million to €2,048 million in the same period, driven by a small number of large individual corporate defaults, despite continued strong collection result.

The on-balance-sheet non-performing risk volume is therefore 2.5% (2.5% at the end of 2024), and the share of non-performing loans in total loans and receivables with customers is 3.2% (3.1% in 2024).

As part of individual measures to reduce Non-Performing Loans (NPL), an ongoing synthetic forward sale of defaulted risk positions from the consumer finance portfolio amounting to €12.0 million was carried out, with an expense in the income statement of €1.2 million.

In the non-performing portfolio, the level of impairment losses equated to around 33.4% of the defaulted volume at the end of 2025 (2024: 37.7%). The decline in the loan loss provision coverage ratio is mainly due to the default and impairment of a corporate customer with a high coverage ratio in the 2024 financial year, whose realization was completed in 2025. The segment Wealth Management & Private Banking recorded the highest coverage at 44.5% (2024: Corporates segment at 38.5%).

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Operative credit risk strategy under a changed macroeconomic environment

The impact of geopolitical events and changes in the macroeconomic environment is reflected within credit processes by applying an active and forward-looking screening of the credit portfolios and early adaptation of credit risk strategies and measures.

The Screening focuses on identifying and containing the direct and indirect effects on credit customers e.g., due to the change in ECB interest rate development, geopolitical effects, and changes in the real estate market.

These topics and effects are reflected within the credit decision process, in case of automatic credit decisions the credit decision engines are calibrated accordingly. Customers operating in identified high-risk industries are analyzed with particular care.

These specific adjustments are complemented by measures generally aimed at preventing and limiting the increase in the non-performing portfolio, furthermore an ongoing evaluation of the sale of non-performing loans and the timely write-off of non-recoverable receivables is conducted. At the same time, there was a continuous development of the general risk culture in the bank, monitoring, and control mechanisms (through the implementation of specific KPIs and optimised management reporting) and risk processes (e.g., lending, regular market-value monitoring of real-estate collateral). In addition, the processes for providing viable forbearance measures and credit restructuring were continuously being improved and standardised.

Realisation of mortgage collateral

Mortgages are the main type of collateral accepted by UniCredit Bank Austria AG for real estate finance. If the mortgage needs to be realised, Bank Austria will first try to sell the property in the market by mutual agreement with the customer and to use the proceeds for loan repayment. Where this is not possible, the property will be sold in accordance with the rules of the Austrian Enforcement Code or the Austrian Bankruptcy Code. As there are orderly market conditions in Austria, mortgaged real estate is normally not acquired by Bank Austria (debt asset swap).

Credit risk stress testing

Credit risk stress tests are an essential component of Pillar 1 and Pillar 2 stress tests (which analyse the impact on regulatory capital and economic capital) and are therefore also presented at meetings of the FCRC.

The main dimensions of stress analysis include the following:

- increase of non-performing loans and associated losses,
- increase of losses in already non-performing loans (LGD change),
- impact on expected loss on performing exposures (IFRS 9),
- impact on Pillar 1 RWAs and shortfall,
- impact on economic capital.

The calculation is based on dependency models developed and continuously updated by the UniCredit Group. The model takes into account both local and regional macroeconomic factors, such as changes in gross national product, interest rate levels, unemployment, inflation and exchange rates. The resulting impact on credit risk parameters is analysed with regard to the respective loan portfolio.

As a minimum, the relevant multi-year ICAAP scenarios are used as stress scenarios (typically, a base scenario and two different stress scenarios for a reference date) complemented by additional scenarios on an ad-hoc basis.

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Balance Sheet Management

The Balance Sheet Management department performs the following tasks relevant to credit risk:

First, preparing and monitoring the risk-adequate pricing of loans. To ensure uniform pricing within the UniCredit Group, the risk-adjusted spread is calculated on the basis of multi-year default probabilities / PDs (depending on the term of the loan), added as a price component and monitored continuously. Such pricing rationale follows the approach defined in the Group Risk Adjusted Pricing Discipline, which was approved as a Policy in UniCredit Bank Austria AG in July 2014.

The unit is also responsible throughout Bank Austria for transactions to reduce credit risk and increase liquidity. The instruments available for these purposes include securitizations, CLNs and CDSs.

Securitization transactions

In securitization transactions, an institution can take the role of originator, sponsor or investor. As of the reporting date 31 December 2025, UniCredit Bank Austria AG acts as originator.

Own Securitizations

Qualitative information

UniCredit Bank Austria AG, together with UniCredit Group, has executed a synthetic securitization program in November 2025 for risk transfer and RWA relief purposes. The transaction, named “A.R.T.S. Belvedere 2025” marks a strategic step in strengthening the Group’s risk and capital management Framework. The €1.945 billion reference portfolio consists of corporate and SME exposures granted to clients of UniCredit Bank Austria AG.

Objective and rationale

The primary goal of the Group, acting as originator, is to free up economic and regulatory capital by reducing credit risk on the underlying portfolio. This approach lowers capital requirements as applicable under current prudential rules, thereby supporting sustainable growth and lending.

Regulatory Context

Under Articles 244 and 245 of the Capital Requirements Regulation (CRR), as amended, securitizations are classified as either traditional or synthetic, depending on the method of credit risk transfer. UniCredit Bank Austria AG has opted for a synthetic securitization, which employs a financial guarantee to hedge a portion of the portfolio’s credit risk.

Key Features of the Transaction

- **Structure:** The underlying loan portfolio remains on the bank’s balance sheet
- **Credit Risk Transfer:** A financial guarantee is purchased, transferring significant credit risk to a third-party investor. Cash collateral provided by the investor is recorded on the balance sheet. The cash collateral amounts to €117 million as of 31 December 2025.
- **Risk Retention:** UniCredit Bank Austria AG retains at least 5% of the risk of each loan
- **Tranching:**
 - Mezzanine Tranche: fully collateralized by cash from the investor
 - Senior and Junior Tranches: fully retained by UniCredit Bank Austria AG

Execution and Governance

The assessment and execution of the transaction were carried out in close cooperation with UniCredit Group and UniCredit Bank GmbH as arranger. The process involved:

- **Economic Feasibility Analysis:** Evaluating the impact on regulatory and economic capital.
- **Technical Feasibility Assessment:** Confirming operational readiness before implementation.

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E.2.19a Synthetic securitization of performing loans

Strategies, processes, and goals	The main purpose of structuring synthetic securitizations is the relief of regulatory capital.
Internal measurement and risk monitoring systems	Each securitized portfolio is monitored on an ongoing basis and disclosed in the form of quarterly reports (Investor Report), providing a breakdown of the status of underlying loans.
Organisational structure and system for reporting to senior management	UCBA Management Board approves each new securitization and is informed about the expected performance. The bank's annual report features information about all originated synthetic securitizations.
Hedging Policies	None
Operating results	The performance of synthetic securitizations is monitored on a semi-annual basis.

E.2.19b Synthetic Securitization - Originator: UniCredit Bank Austria AG

NAME	A.R.T.S. BELVEDERE 2025		
Type of securitization	synthetic		
Originator	UniCredit Bank Austria AG		
Issuer	UniCredit Bank Austria AG		
Servicer	UniCredit Bank Austria AG		
Arranger	UniCredit Bank GmbH		
Target transaction	relief of risk weighted assets, risk transfer		
Type of asset	Large Corporate / SME loans		
Quality of asset	performing		
Closing date	27 November 2025		
Nominal value of disposal portfolio (€ million)	1,945		
Guarantees issued by the Bank			
Guarantees issued by Third Parties	financial guarantee with cash collateral		
Bank lines of credit	-		
Third Parties lines of credit	-		
Other credit enhancement	-		
Other relevant information	-		
Rating Agencies	no rating agencies		
Amount of CDS or other risk transferred (€ million)	-		
Amount and condition of tranching			
ISIN			
Type of security	Senior	Mezzanine	Junior
Class	A	B	C
Rating	-	-	-
Issue date	27 November 2025	27 November 2025	27 November 2025
Legal maturity	7 February 2047	7 February 2047	7 February 2047
Call option	clean up call, regulatory call, time call		
Expected duration (years)			
Rate			
Subordinated level		Sub A	Sub A and B
Reference position (€ million)	1,819	117	10
Reference position at the end of accounting period (€ million)	1,674	107	10
Risk holder	UCBA AG	Investor	UCBA AG

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The volume of the portfolio as of reporting date has been reduced due to amortizations and repayments. The securitization structure foresees a stable junior tranche, while the senior and the protected tranches were reduced proportionally based on the waterfall of the payments foreseen in the financial guarantee agreement.

Quantitative Information

E.2.19c. Regulatory consolidation - Exposure from "in-house" securitization transactions broken down by type of securitized asset and by type of exposure

(€ million)

TYPE OF SECURITIZED ASSETS / EXPOSURE	BALANCE-SHEET EXPOSURE					
	SENIOR		MEZZANINE		JUNIOR	
	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS
A. Totally derecognised						
A.1 - Residential mortgages						
A.2 - Loans to corporates						
A.3 - Loans to SME						
A.4 - Leasing						
B. Partially derecognised						
B.1 - Loans to SME						
C. Not-derecognised						
C.1 - Residential mortgages						
C.2 - Loans to corporates	1,674		107		10	
C.3 - Loans to SME						
C.4 - Leasing						
C.5 - Consumer loans						

Securitizations by third parties

Bank Austria does not hold any positions in third-party securitizations during 2025 (unchanged to 2024).

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E.3 – Liquidity risk

Qualitative information

Liquidity risk is defined as the risk that the bank may find itself unable to fulfil its expected or unexpected payment obligations (by cash or delivery), current and future, without jeopardizing its day-to-day operations or its financial condition.

UniCredit Bank Austria is integrated within UniCredit Group framework and has implemented a comprehensive set of liquidity risk rules, metrics, and methodologies in compliance with national binding laws and regulations.

Liquidity management in UniCredit Bank Austria is an integral part of UniCredit Group liquidity management. In line with the Group-wide distribution of tasks, UniCredit Bank Austria as liquidity reference bank (LRB) ensures the consolidation of liquidity flows and the funding for Austrian subsidiaries. The flow of funds is thereby optimized, and external funding is reduced to the necessary extent. The solid funding is based on a strong customer base, supplemented with capital market activities in the mortgage bond and benchmark format.

The overall liquidity framework (processes, governance and methodologies) is comprehensively detailed and assessed in the annual internal liquidity adequacy assessment process (ILAAP).

Strategies and processes to manage the liquidity risk

The bank's liquidity framework is based upon the Liquidity Risk Mismatch Model which is characterized by the following fundamental principles:

- the short-term liquidity risk management (operational liquidity), which considers the events that will impact upon the banks' liquidity position from one day up to one year. The primary objective is to maintain the bank's capacity to fulfil its ordinary and extraordinary payment obligations while minimizing the relevant costs,
- structural liquidity risk management (structural risk) which considers the events that will impact upon the bank's liquidity position over one year. The primary objective is to maintain an adequate ratio between medium/long term liabilities and medium to long-term assets, with a view to avoid pressures on short-term funding sources (both current and future), while in the meantime optimizing the cost of funding,
- stress testing, which is an excellent tool to reveal potential vulnerabilities in the balance sheet. The bank uses several scenarios ranging from general market crisis to idiosyncratic crisis, and a combination thereof.

The risk measurement and reporting framework is built on a combination of regulatory and internally defined metrics, which create the foundation for the liquidity component of the Risk Appetite Framework. Regulatory standards represent a key pillar of this framework.

For short-term liquidity management, the Liquidity Coverage Ratio (LCR) requires that net liquidity outflows be covered by high-quality liquid assets (HQLA) to a minimum of 100%. However, UniCredit Bank Austria AG adopts a more conservative internal risk appetite, requiring the LCR to exceed 118% in 2025. Additionally, potential liquidity outflows stemming from margin calls on derivatives during market stress are incorporated into the LCR calculation and regularly updated. These outflows driven by adverse market conditions are quantified using the Historical Look-Back Approach (HLBA), based on historical net collateral postings (2025: €871 million, 2024: €920 million). As of December 31, 2025, UniCredit Bank Austria AG reported a regulatory LCR of 146% (2024: 158%).

For medium-term and long-term liquidity management, the Net Stable Funding Ratio (NSFR) requires that structural funding matches structural assets to a minimum of 100%. By optimizing the composition of assets and liabilities, including HQLA holdings such as cash and government bonds, UniCredit Bank Austria AG consistently exceeds this regulatory requirement defined under CRR2. The Net Stable Funding Ratio (NSFR) under CRR2 must be maintained above this threshold at the individual institution level. As of December 31, 2025, the bank achieved an NSFR of 120% (2024: 126%).

In addition to the regulatory framework, UniCredit Bank Austria aligns with Group standards by recognizing liquidity risk as a core component of banking operations. To effectively manage this critical risk, comprehensive monitoring processes are in place to address both short-term and long-term liquidity needs. Within this framework, the Bank analyzes its liquidity position over the coming days, months, and extended periods, evaluating performance against both normal course of business and stress scenarios to ensure resilience under varying market conditions.

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For the purpose of short-term liquidity management, volume limit values have been implemented in UniCredit Bank Austria AG for maturities up to nine months, which limit all treasury transactions and the securities portfolio of the respective bank. Liquidity fluctuations resulting from customers' investment decisions and market volatility in terms of margin calls on derivatives have also been taken into account via a specific daily liquidity buffer. Volume limits are also established for open maturities in various currencies to keep down the risk of a need for follow-up funding in the event that foreign currency markets dry up.

For the medium- and long-term perspective, structural liquidity ratios (SLR) for different time horizons are in place, for the >1-year segment, the SLR of UniCredit Bank Austria AG was 101% (2024: 105%) and for the > 3-year segment 112% (2024: 122%). The overall decrease in these structural metrics with respect to the end of 2024 was mainly driven by the revision of the behavioral model on non-maturing deposits, partially offset after the go-live of a new behavioral roll-over model on fixed maturity deposits.

In addition, absolute limits are defined for material currencies – in the case of UniCredit Bank Austria AG, these are US dollars while other currencies are combined in a group; cross-currency refinancing is therefore only possible within the limits stated.

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

In the bank 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 when the funding contracts expire.

UniCredit Bank Austria AG performs liquidity stress tests for Bank Austria and for relevant subsidiary banks on a regular basis, using a standardized Group-wide instrument and standardized Group-wide scenarios. These scenarios describe the effects of market-driven or name-driven crisis signals on liquidity inflows and outflows, with assumptions also being made about the behavior of non-banks.

A simulated name and market crisis (relevant only at UCBA Group level) with assumptions regarding the prolongation behavior of customer deposits and loans, increased drawing of credit lines, additional funding obligations from the derivatives business (stressed margin calls on derivatives due to volatility on the market) and rating downgrades currently results in a "survival period" of 227 working days (i.e., ca. 10.3 months) from a liquidity perspective. The "survival period", which used to be longer than 1 year at the end of 2024, has decreased mainly due to harsher stress assumptions on deposits after the go-live of a new methodological approach. Nevertheless, it remains comfortably above the prescribed minimum of this "time-to-wall" period, which is defined as one month.

The overall liquidity reserve has slightly increased from 31.12.2024 to 31.12.2025. The partial reallocation among the cash reserve/central bank balances, level 1 assets, and level 2 assets is mainly due to an increase in repurchasing agreements using assets with a level 1 classification.

E.3.1 Composition of Liquidity Reserve

			(€ million)
COMPOSITION OF LIQUIDITY RESERVE ¹⁾	31.12.2025	31.12.2024	
Cash and balances with central banks	7,498	5,318	
Level 1 assets	12,455	16,165	
Level 2 assets	2,624	938	
Other assets eligible as collateral for central bank borrowings	2,780	2,732	
Liquidity reserve	25,357	25,153	

¹⁾ The liquidity reserve contains only freely available assets; the minimum reserve obligation is not included; amounts are shown at fair value.

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General information, processes, IT, and management model

The governance and control of liquidity risk is mainly performed through the setting and monitoring of operating restrictions, managerial and regulatory, aimed at preventing potential vulnerabilities in the bank's ability to meet its cash flow obligations that are embedded in risk metrics limits or warning/trigger levels. In case of limit breach or warning level activation, risk management function investigates the rationale of the events, triggering the proper escalation and reporting them to the relevant committees.

All methods, procedures, management model, responsibilities and reporting lines are embedded in a set of internal policies and internal handbooks at group level and cascaded down at the Austrian Perimeter. The Contingency Liquidity Management in the event of a liquidity crisis is described in a specific Contingency Liquidity Policy.

Quantitative Information

The following tables comprise the companies included in the regulatory group of consolidated companies. For more details on the prudential consolidation perimeter, see E.2. - Credit risks.

E.3.2.a Time breakdown by contractual residual maturity of financial assets and liabilities

ITEMS/MATURITY	AMOUNT AS AT 31.12.2025									
	ON DEMAND	1 TO 7 DAYS	7 TO 15 DAYS	15 DAYS TO ONE MONTH	1 TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	INDEFINITE MATURITY
A. On-balance sheet assets	13,866	558	396	2,318	3,981	3,146	4,735	35,184	40,005	1,674
A.1 Government securities	-	1	8	21	483	514	237	5,109	11,055	-
A.2 Other debt securities	-	51	52	12	162	259	595	5,347	1,534	-
A.3 Units in investment funds	0	-	-	-	-	-	-	-	-	-
A.4 Loans	13,866	506	337	2,285	3,336	2,373	3,903	24,729	27,416	1,674
- Banks	7,161	119	83	846	1,383	1,184	356	3,809	288	1,294
- Customers	6,705	387	254	1,439	1,953	1,189	3,547	20,920	27,129	381
B. On-balance sheet liabilities	50,690	8,253	1,603	4,229	2,769	2,785	5,003	14,528	3,058	10
B.1. Deposits and current accounts	50,681	8,049	1,573	3,711	2,687	2,695	2,140	6,715	1,399	1
- Banks	1,820	1,926	49	844	185	260	379	2,652	1,185	1
- Customers	48,862	6,122	1,524	2,868	2,502	2,434	1,761	4,063	213	-
B.2 Debt securities	-	16	30	515	78	84	2,850	7,745	1,589	-
B.3 Other liabilities	8	188	-	2	4	7	13	68	70	10
C. Off-balance sheet transactions										
C.1 Financial derivatives with capital swap										
- Long positions	-	2	218	6	300	185	3,265	4,943	716	-
- Short positions	-	2	218	6	300	185	3,265	4,943	716	-
C.2 Financial derivatives without capital swap										
- Long positions	2,045	24	5	47	145	200	174	232	87	-
- Short positions	2,045	24	5	47	145	200	174	232	87	-
C.3 Deposits and loans to be received										
- Long positions	-	4,358	-	-	3,117	2,428	-	-	167	-
- Short positions	-	-	398	1,111	4,567	3,798	29	-	167	-
C.4 Commitments to disburse funds										
- Long positions	77	116	-	0	56	68	567	6,924	1,805	593
- Short positions	10,137	69	-	-	-	-	-	-	-	-
C.5 Financial guarantees given	0	-	-	-	-	5	2	13	1	5
C.6 Financial guarantees received	755	-	-	1	13	2	10	19	11	25
C.7 Credit derivatives with capital swap										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without capital swap										
- Long positions	0	-	-	-	-	-	-	-	-	-
- Short positions	0	-	-	-	-	-	-	-	-	-

In the table above, the maturity analysis is based on undiscounted contractual cash flow in accordance with IFRS 7.39 (only one year cash flows for interest considered).

As of year-end 2025, the item "Loans to Banks" also includes the cash reserve.

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Below tables show a split of carrying values by contractual residual maturities:

E.3.2.b Time breakdown by contractual residual maturity - banks and customers (carrying values)

(€ million)

ITEMS/MATURITY	AMOUNT AS AT 31.12.2025									
	ON DEMAND	1 TO 7 DAYS	7 TO 15 DAYS	15 DAYS TO ONE MONTH	1 TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	INDEFINITE MATURITY
A. Loans and advances	14,002	378	963	1,727	2,017	2,082	3,746	18,498	35,364	-
- to banks	8,425	119	368	711	1,224	1,186	1,694	2,445	340	-
- to customers	5,577	259	595	1,016	793	896	2,052	16,053	35,024	-
B. Deposits	50,906	7,804	2,547	2,800	2,351	2,643	1,862	6,171	2,425	-
- from banks	1,825	1,932	883	2	77	252	54	2,026	2,219	-
- from customers	49,081	5,872	1,664	2,798	2,274	2,391	1,808	4,145	206	-

E.3.2.a Time breakdown by contractual residual maturity of financial assets and liabilities

(€ million)

ITEMS/MATURITY	AMOUNT AS AT 31.12.2024									
	ON DEMAND	1 TO 7 DAYS	7 TO 15 DAYS	15 DAYS TO ONE MONTH	1 TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	INDEFINITE MATURITY
A. On-balance sheet assets	6,378	155	1,772	1,484	3,593	5,152	5,822	22,275	45,169	194
A.1 Government securities	-	-	-	90	477	930	709	3,152	9,137	-
A.2 Other debt securities	-	-	-	46	231	319	51	4,515	1,575	-
A.3 Units in investment funds	-	-	-	-	-	-	-	-	-	0
A.4 Loans	6,378	155	1,772	1,348	2,885	3,903	5,062	14,608	34,457	194
- Banks	668	2	696	816	1,376	2,975	2,849	634	391	-
- Customers	5,709	153	1,076	532	1,508	928	2,213	13,974	34,066	194
B. On-balance sheet liabilities	51,787	1,648	2,383	2,747	4,905	2,018	1,756	14,827	4,903	11
B.1. Deposits and current accounts	51,472	1,641	2,383	2,747	4,247	1,849	1,496	5,640	2,619	-
- Banks	4,322	942	1,060	1,353	1,648	70	127	1,716	2,369	-
- Customers	47,150	699	1,324	1,394	2,599	1,779	1,369	3,925	251	-
B.2 Debt securities	-	8	-	-	658	169	258	9,173	2,276	-
B.3 Other liabilities	316	0	-	-	0	0	3	13	8	11
C. Off-balance sheet transactions										
C.1 Financial derivatives with capital swap										
- Long positions	2	-	237	20	262	145	134	205	650	-
- Short positions	2	-	237	20	262	145	134	205	650	-
C.2 Financial derivatives without capital swap										
- Long positions	10	-	13	8	347	407	541	2,900	6,244	-
- Short positions	10	-	13	8	347	407	541	2,900	6,244	-
C.3 Deposits and loans to be received										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.4 Commitments to disburse funds										
- Long positions	19,766	2	41	68	277	386	1,877	10,099	1,889	-
- Short positions	19,766	2	41	68	277	386	1,877	10,099	1,889	-
C.5 Financial guarantees given	21	0	0	5	10	39	54	62	126	-
C.6 Financial guarantees received	4,531	1,430	4	564	953	196	418	1,878	4,449	-
C.7 Credit derivatives with capital swap										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without capital swap										
- Long positions	-	-	-	-	-	-	-	10	-	-
- Short positions	-	-	-	-	-	-	-	10	-	-

Funding

The business model of Bank Austria as a Commercial Bank is based on a well-diversified refinancing basis. The funding pillars are a strong customer base and an extensive product mix (call, fixed term, and savings deposits), supplemented by the placement of own issues in the medium-term and long-term maturity segment to fulfil the relevant funding needs under the various regulatory requirements, including buffers (e.g., Liquidity Coverage Ratio, Net Stable Funding Ratio). Given the very solid liquidity position throughout 2025, the bank neither tapped the market with a benchmark covered bond issuances nor accessed refinancing operations offered by the central bank.

E – Risk report

E.4 – Market risk

Market risk management at Bank Austria encompasses all activities in connection with our Markets and Corporate Treasury Sales operations and management of the balance sheet structure. Risk positions are aggregated at least daily, analysed by the independent risk management unit, and compared with the risk limits set by the Management Board and the committees, such as the Financial and Credit Risk Committee ("FCRC") designated by the Management Board. At Bank Austria, market risk management includes ongoing reporting of the risk position, limit utilisation of all positions associated with market risk. The existing positions in Bank Austria are largely attributable to the banking book; trading book activities were primarily driven by XVA hedges. In addition to the regulatorily-relevant dimensions of trading book and banking book, internal management focuses on accounting categories and makes a distinction between P&L (profit and loss) and OCI (other comprehensive income).

Bank Austria uses uniform Group-wide risk management procedures for all market risk positions. These procedures provide aggregate data and make available the major risk parameters for the various risk takers once a day. Value-at-Risk (VaR) is calculated daily with a 99% quantile based on 250 P&L strips (i.e., P&L of the last 250 business days) and is scaled to a ten-day horizon to calculate the regulatory RWAs. Besides Value at Risk (VaR), other factors of equal importance are stress-oriented sensitivity and position limits. Additional elements of the limit system are the loss-warning level (applied to accumulated results for a specific period), the stressed VaR (SVaR) limit (determined for the trading book with a separate observation period), incremental risk charge (IRC)⁵ limits, the stress test warning limit (limiting losses when a pre-defined stress event is applied) and granular market risk limits (GML)⁶. There is a separate GML framework for XVA hedging activities.

Bank Austria uses a standard measurement procedure which is also applied in UniCredit Group. The model, approved by supervisory authorities, is used for internal risk management and for determining regulatory capital requirements for market risk. Bank Austria is embedded in the market risk governance framework of UniCredit Group and leverages on the Group-wide risk management platform UGRM. The Group-wide Front-to-Back Office platform "Murex" and UGRM form an integrated risk system.

It is applied by Financial Risk within Bank Austria and is being further developed in cooperation with UniCredit Group. Further development includes reviewing the model as part of back-testing procedures, integrating new products, implementing requirements specified by the Management Board and the FCRC, and executing the Model Maintenance Report on a quarterly basis.

Risk Governance

A new product process (NPP) has been established for the introduction of new products in the Financial Risk department whereby risk managers play a decisive role in approving products. The risk model covers all major risk categories: interest rate risk and equity risk (both general and specific), credit spread risk, currency risk and commodity position risk. The IMOD⁷ is subject to an annual review by Group Internal Validation (GIV) and internal audit. The risk report presented at the FCRC meetings, which are held every month, covers (stress) sensitivities in addition to VaR, and utilisation levels in the areas of IRC and SVaR (both for the regulatory trading books). Regular and specific stress tests complement the information provided to FCRC and the Management Board.

⁵ IRC (Incremental Risk Change) depicts the migration and default risks for a specified period and confidence interval (1 year, 99.9%). The scope includes CDS and bond positions in the trading book

⁶ e.g. BPV or CPV limits, which describe the sensitivity to changes in interest rates or credit spreads

⁷ Internal Model for Market Risk in accordance with Regulation (EU) No 575/2013 (CRR)

E – Risk report

Stress Tests

Bank Austria executes a comprehensive stress test programme for market risk. The results are reviewed and reported in the FCRC at least quarterly or on an ad-hoc basis given unfavourable market developments. Macro scenarios show the potential adverse impacts of global developments with specific effects on the respective risk categories, while stress sensitivities of individual risk factors or groups of risk factors show the potential adverse impacts on partial market segments. Stress scenarios are based on assumptions of extreme movements in individual market risk parameters. The Bank analyses the effect of such fluctuations and a liquidity disruption in specific products and risk factors on the Bank's results. The assumed fluctuations are dependent on currency, region, liquidity, and credit rating, and are set in the Open Market Risk Forum (OMRF) with the relevant experts from other bank areas (such as UniCredit research, trade, and market risk). Bank Austria takes part in the UniCredit Group-wide Open Market Risk Forum (OMRF), which is the platform for CRO units to discuss stress test results and agree on further common Group-wide scenario definitions. The "ICAAP scenarios" are updated at least once per year and used for stress test analyses, monitoring stress test limits and the regulatory stress report in the entire UniCredit Group. In 2025, the "ICAAP scenarios" underwent two revisions, and they involved updates to underlying assumptions and adjustments to the scenario set. The first in June 2025, when the Geopolitical & Trade Shocks scenario was replaced by the Severe Recession & Low Rates scenario. The most recent update occurred in December 2025 and introduced the scenario parameters that were applied to the year-end 2025 stress test results.

Additionally, stress testing is performed on three climate scenarios (Delayed Transition, Climate Distress and Baseline) provided by Oxford Economics.

Recession

The scenario assumes a sharp escalation of U.S.- China trade tensions from 2026, disrupting global trade and pushing Western economies into recession while geopolitical tensions keep energy prices elevated.

In the eurozone, activity starts contracting in 2026 (-0.5%) and the recession deepens in 2027 (-1.1%). This is followed by a slow recovery in 2028 (+0.5%) as the tariff shock gradually fades, rate cuts feed through and fiscal policy provides support.

As of 31 December 2025, the stress test results under Recession scenario were the followings:

- FVTPL: €2.1 million (€-1.4 million year-end 2024),
- FVOCI: €-81.2 million (€-117.5 million year-end 2024).

Severe Recession and Low Rates

The scenario assumes a breakdown in U.S. trade negotiations, triggering widespread retaliatory tariffs and a collapse in global trade flows, including a complete halt in U.S.-China trade. Severe uncertainty drives a deep global recession, with energy prices spiking initially due to geopolitical tensions and then falling sharply as demand contracts.

Inflation rises temporarily due to tariffs but turns strongly disinflationary as activity weakens, prompting aggressive monetary easing. Eurozone GDP contracts by 1.1% in 2026 and 3.1% in 2027 before stabilizing in 2028.

As of 31 December 2025, the stress test results under Severe Recession & Low rates scenario were the followings:

- FVTPL: €3.0 million (€-11.2 million year-end 2024, Geopolitical & Trade Shocks),
- FVOCI: €-52.9 million (€-160.1 million year-end 2024, Geopolitical & Trade Shocks).

E – Risk report

Fair value measurement

The principles established in IFRS 13 to determine fair value have been implemented. In this context the presentation of results also reflects CVAs/DVAs (Credit/Debit Valuation Adjustments) and FundVA (Funding Valuation Adjustment) for OTC derivatives. Reporting covers the components reflected in IFRS-based profit and the marking to market of all investment positions regardless of their recognition in the IFRS-based financial statements ("total return"). The daily results are available to Bank Austria's trading and risk management units broken down by portfolio, income statement item and currency.

Prudent valuation

The regulatory approach to prudent valuation in the trading book is implemented primarily by Market Risk and further developed on an ongoing basis through cooperation within UniCredit Group. A Group-wide Independent Price Verification (IPV) process ensures the independence and reliability of valuation and risk measurement. The front-end system "MUREX" is supplied with the "golden copy" market data of UniCredit Group for daily valuation purposes. The Group-wide "golden copy" is drawn up by competence centres which are structured by asset class and independent of trading operations. Moreover, UniCredit Bank Austria AG takes part in meetings of the asset-class committees, which address and resolve valuation and market-data issues. The regulatory principle of prudence is met by determining all relevant Additional Valuation Adjustments (AVA).

Market risk

The VaR key figures from the regulatory trading book at the end of 2025 decreased compared with the previous year (VaR of €0.9 million in comparison with €1.7 million at the end of 2024 mainly due to XVA hedging business), SVaR key figures from the regulatory trading book at the end of 2025 decreased compared with the previous year (SVaR to €1.9 million in comparison with €4.1 million at the end of 2024 mainly due to XVA hedging business) and reflect XVA hedge activities driven by the underlying customer business.

Credit spread risk, FX, and interest rate risk account for most of the total risk in the trading and banking books of Bank Austria. Other risk categories (e.g., share price risk) are less significant by comparison.

E – Risk report

As of 31 December 2025, the entire interest rate position for Bank Austria's trading book and banking book for major currencies was composed as follows:

E.4.1 Basis point values (BPVs) of Bank Austria, 2025 ¹⁾

(in €) Granular Market Limits Warning Level

		31.12.2025					ANNUAL AVERAGE 2025, MINIMUM/MAXIMUM			ABSOLUTE AVERAGE ²⁾
		0 TO 3 MONTHS	3 MONTHS TO 1 YEAR	1 YEAR TO 3 YEARS	3 TO 10 YEARS	OVER 10 YEARS	TOTAL	MAXIMUM	MINIMUM	
Europe	EUR	(369,226)	(175,070)	(534,275)	(2,039,105)	(145,784)	(3,263,461)	(1,407,678)	(3,263,461)	2,371,357
	CHF	(8,428)	(2,532)	9,997	(62,611)	(30,439)	(94,012)	(94,012)	(209,203)	151,532
	GBP	1,310	480	(823)	(3,246)	2,314	34	1,232	(19,847)	5,877
EU countries	BGN	(0)	-	-	-	-	(0)	(0)	(9)	4
	HUF	(6)	(1)	(0)	(0)	-	(7)	42	(13)	12
	PLN	65	(0)	0	0	-	65	638	65	295
	RON	(97)	(1)	(0)	(0)	-	(98)	(4)	(128)	67
	CZK	(16)	325	628	1,439	-	2,376	3,499	817	2,292
Central and Eastern Europe, incl. Türkiye	RUB	0	-	-	-	-	0	0	(1)	0
	TRY	(0)	-	-	-	-	(0)	0	(1)	0
Overseas – developed	USD	(585)	12,757	(1,748)	71,322	(2,889)	78,857	211,493	71,461	103,709
	JPY	(279)	(627)	292	3,432	(23)	2,795	2,795	(3,230)	2,094
	CAD	4	80	(0)	(0)	-	84	115	(1,368)	349
Other countries	CNH	(23)	0	-	-	-	(23)	14	(30)	10
	BPV < 500	682	457	(3)	(2)	-	1,134	2,712	(16)	1,111
TOTAL		(376,598)	(164,133)	(525,932)	(2,028,772)	(176,821)	(3,272,256)	(1,462,801)	(3,272,256)	2,422,157

1) Basis-point value indicates the sensitivity in relation to interest rate movements to the extent of +1 basis point.

2) Average of the monthly absolute values.

E.4.1 Basis point values (BPVs) of Bank Austria, 2024 ¹⁾

(in €) Granular Market Limits Warning Level

		31.12.2024					ANNUAL AVERAGE 2024, MINIMUM/MAXIMUM			ABSOLUTE AVERAGE ²⁾
		0 TO 3 MONTHS	3 MONTHS TO 1 YEAR	1 YEAR TO 3 YEARS	3 TO 10 YEARS	OVER 10 YEARS	TOTAL	MAXIMUM	MINIMUM	
Europe	EUR	(171,135)	(255,204)	(167,644)	(1,034,606)	(861,618)	(2,490,207)	(1,220,004)	(2,863,696)	2,421,245
	CHF	(12,841)	(437)	36,047	(189,390)	(58,823)	(225,443)	(147,005)	(241,878)	189,053
	GBP	(13)	(2,509)	4,637	(5,145)	(13,481)	(16,512)	(13,791)	(18,375)	16,152
EU countries	BGN	(3)	-	-	-	-	(3)	(2)	(14)	7
	HUF	83	(0)	(0)	(0)	-	83	83	(54)	22
	PLN	46	526	(0)	(0)	-	573	723	25	206
	RON	(72)	22	(0)	(0)	-	(50)	(40)	(127)	82
	CZK	(41)	(324)	255	1,337	-	1,227	1,538	(147)	794
Central and Eastern Europe, incl. Türkiye	RUB	0	-	-	-	-	0	1	(0)	0
	TRY	(1)	-	-	-	-	(1)	1	(9)	1
Overseas – developed	USD	(39,362)	1,178	36,019	175,908	24,548	198,291	198,291	124,478	154,655
	JPY	(432)	(548)	392	(126)	(231)	(945)	(945)	(6,211)	4,068
	CAD	118	312	(1,990)	(45)	-	(1,605)	(1,605)	(4,408)	3,017
Other countries	CNH	(4)	(0)	-	-	-	(4)	1	(62)	18
	BPV < 500	935	2	(4)	(0)	-	932	1,960	123	825
TOTAL		(222,724)	(256,983)	(92,286)	(1,052,068)	(909,605)	(2,533,666)	(1,291,153)	(2,895,030)	2,477,174

1) Basis-point value indicates the sensitivity in relation to interest rate movements to the extent of +1 basis point.

2) Average of the monthly absolute values.

Main drivers of the increase of the total BPVs are new hedging of Non-Maturing Deposit (NMD) and Free Funds investments.

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By analogy to the detailed presentation of **basis point positions in the interest rate sector**, daily reporting presents details of credit spread by sector and maturity band.

E.4.2 Credit spread basis-point values (CPVs) of Bank Austria in 2025 ¹⁾

		(in €)				
CPVs	SECTOR	31.12.2025	MAXIMUM	MINIMUM	AVERAGE	31.12.2024
Main sectors	ABSs	(2,071)	(2,071)	(2,621)	(2,369)	(2,682)
	Financial sector	(1,222,299)	(1,222,299)	(1,386,238)	(1,322,505)	(1,384,582)
Corporates	Consumer cyclical	(6,301)	(6,301)	(7,142)	(6,718)	(7,224)
	Energy	-	-	(3,196)	(506)	(4,507)
	Other sectors	(13,768)	(13,768)	(16,347)	(15,181)	(16,771)
Government	Europe	(8,124,279)	(7,721,951)	(8,489,328)	(8,111,635)	(7,463,422)
	Other ²⁾	(3,371,933)	(3,120,570)	(3,511,169)	(3,376,501)	(3,036,348)
TOTAL		(12,740,651)	(12,258,064)	(13,164,878)	(12,835,414)	(11,915,535)

¹⁾ Credit spread basis-point value refers to the sensitivity in relation to the movements of the credit spread to the extent of +1 basis point

²⁾ Supranationals (including those of European origin) are included in the category "Other"

Bank Austria's credit spread position in 2025 increased from €-11.9 million to €-12.7 million as measured by the total basis point value. The increase in the exposure is mainly driven by higher exposure in Government bonds (€+2.5 billion in notional), in particular Republic of Austria, French Republic and European Union bonds. The financials and corporates exposures are low by comparison.

Backtesting

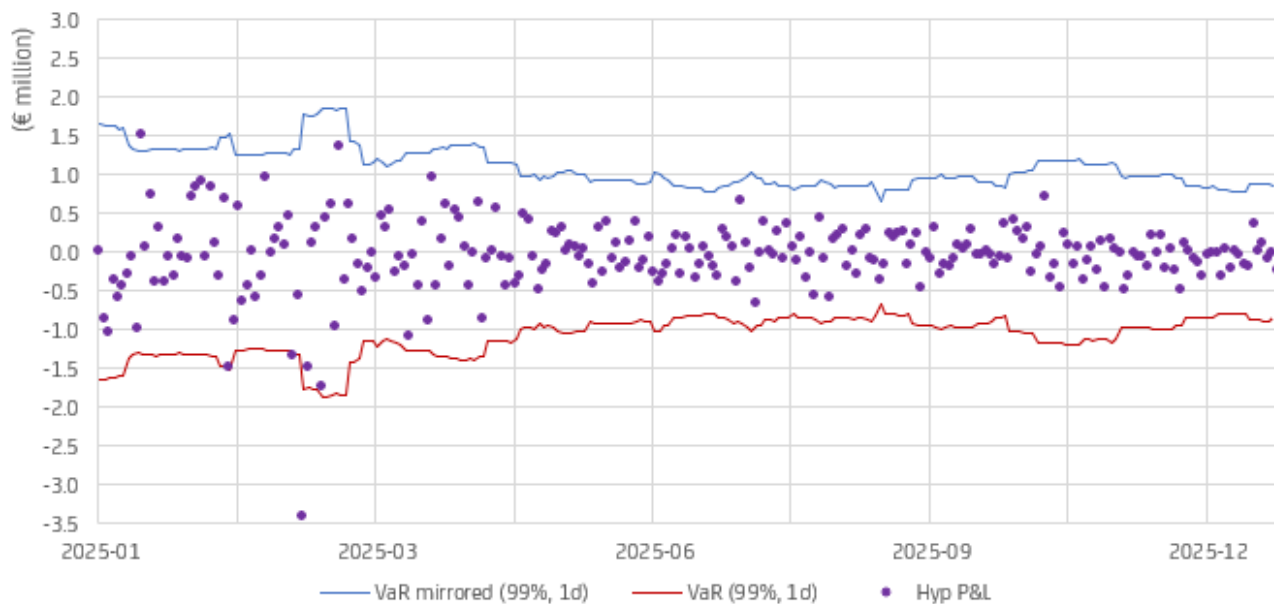
Bank Austria performs a daily backtesting of both the hypothetical and actual (i.e., economic P/L excluding fees, commissions, and net interest income) changes in the portfolio's value in accordance with Article 366 of the CRR. As of 31 December 2025, the number of backtesting excesses (negative change in value larger than model result) for Bank Austria in hypothetical was equal to 3 and in actual P/L dimensions was equal to 2, accordingly the add-on factor for the VaR multiplier for the number of excesses is equal to 0.

The chart below shows the hypothetical P/L backtesting time series for Bank Austria's regulatory trading book; the hypothetical P/L is based on hypothetical changes in the portfolio value assuming unchanged positions.

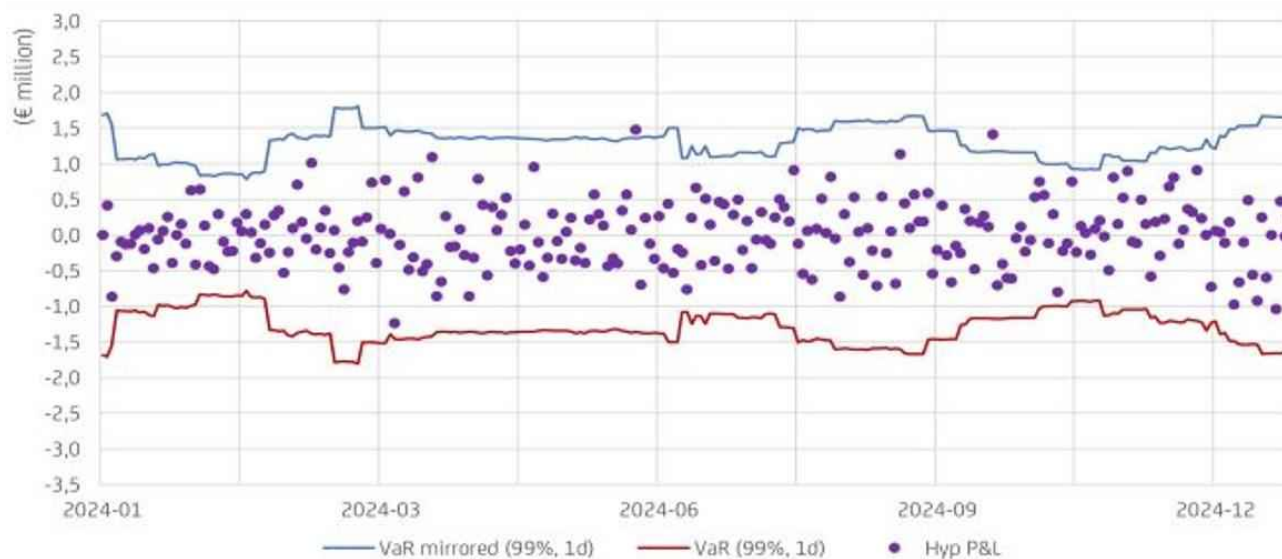
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Backtesting time series for the regulatory trading book of Bank Austria 2025

E.4.3a Chart (reporting year)



E.4.3b Chart (previous year)



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Capital requirements for market risk

The parameters used for calculating capital requirements are a 10-day holding period, a confidence level of 99% and a multiplier of 3 (base is 3 and the current add-on is 0) in respect of the Value-at-Risk figures, which is used in determining the capital requirement for market risk. In comparison to end of 2024, the multiplier of 3 remained unchanged – section Backtesting.

As of 31 December 2025, the following capital requirements resulted for Bank Austria in connection with Value at Risk (VaR), stressed VaR (SVaR) and incremental risk charge (IRC):

- VaR: €9.8 million (€12.6 million year-end 2024),
- SVaR: €19.7 million (€28.9 million year-end 2024),
- IRC: €0 million (€0 million year-end 2024).

In accordance with the Capital Requirements Regulation, the Bank calculates own funds requirements to cover Credit Valuation Adjustment (CVA) risk arising from derivative exposures. For the majority of clients, under the current regulation CVA risk is calculated using the CVA Standardized Approach (SA-CVA), a sensitivity-based variance-covariance method using CVA delta and vega sensitivities and regulatory-prescribed risk weights for all netting sets for which the Internal Model Method (IMM) is applied for counterparty credit risk. Non-IMM exposures are covered using the CVA Basic Approach (BA-CVA), a simple aggregation method based on EADs, Effective Maturities, and regulatory-prescribed risk weights.

As of 31 December 2025, the following capital requirements for Credit Valuation Adjustment (CVA) risk resulted for Bank Austria Group:

- BA-CVA: €0.6 million,
- SA-CVA: €0.4 million.

The capital requirements for Credit Valuation Adjustment (CVA) risk are not directly comparable to prior years (2024: €0.8 million) due to a revision of the regulation that became effective on 1 January 2025 under Regulation (EU) 2024/1623 (CRR III). Previously, CVA risk was calculated using a Value-at-Risk (VaR) approach (99%, 10-day horizon) based on a constructed CVA loss distribution limited to credit spread changes. This approach incorporated stressed and non-stressed scenarios and an average calculation over a 60-business-day period, in contrast to the single point-in-time calculations required under the new framework. More broadly, particularly the sensitivity-based SA-CVA approach under the new framework represents a fundamental methodological change in determining own funds requirements for CVA compared to the former VaR-based approach. In line with CRR Article 382, securities financing transactions (SFTs) that are not measured at fair value are no longer included within the scope of CVA capital requirements.

A comparative calculation of the capital requirement using the SA-CVA and BA-CVA methods as of 31 December 2024 would have resulted in the following values:

- BA-CVA: €0.1 million,
- SA-CVA: €0.2 million.

Interest rate risk and credit spread risk in Banking Book

An integrated Interest Rate Risk in the Banking Book (IRRBB) management framework is established following UniCredit Group standards aiming to facilitate an effective decision-making process and governance. The Financial and Credit Risk Committee (FCRC) is responsible for defining the operational strategy for managing the interest rate risk of the Banking Book, including the strategy for managing the capital and the structural gap between assets and liabilities not sensitive to the interest rate. The management of the interest rate risk of the Banking Book is aimed at reducing adverse impacts on the long-term interest margins, due to the volatility of interest rates, to achieve a flow of profits and a return on capital consistent with the strategic plan. The strategy does not envisage any directional or discretionary positioning aimed at generating additional profits, unless approved by the competent bodies and monitored separately. The Treasury function manages the interest rate risk deriving from commercial transactions while maintaining the exposure within the limits set by the Risk Committee. The strategic transactions in the Banking Book are managed by the Asset and Liability Management.

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Limits and alert thresholds are defined for in terms of sensitivity to the economic value or interest margin. The set of metrics is defined according to the Group IRRBB standards and level of complexity of the Bank's business model.

On a regular basis, at least quarterly, the relevant IRR exposure, complemented by the analysis of the compliance to the limits, must be reported to the FCRC.

The interest rate risk management strategy is established considering also the main impacts deriving from the behavioral aspects of customers, which can impact on the value of interest margins and the economic value of the banking book, such as the example of early repayments of disbursed loans ("prepayment") as well as the maturity and repricing profile of non-maturity deposits.

The client behaviour is described based on empirical evidence from observed time series and statistical models derived from it. In particular this is done by applying regression models that predict prepayment probabilities of loans. In Q1/2025, a revised model for non-maturing deposits was implemented. It incorporates a forward-looking component which links expected stable/core volume levels and future rates evolution. The pass-through rate for non-maturing deposits is derived by modelling the global client rate across all deposit types. The implementation is in-line with relevant regulatory requirements, such as the requirement to consider the effect of deposit migrations and the 5-year cap on the weighted-average lifetime of the non-maturing deposit portfolio described in EBA regulations on the management of IRRBB.

Asset and Liability Management department is responsible for defining the hedging strategy on non-maturity deposits aiming to optimize the NII over time within IRRBB RAF framework; a prudential stance is kept in determining the volume and duration of the hedging strategy to limit over-hedging risk.

The assumptions and parameters of the behavioral models are the same for the internal measurement framework as well as for the generation of the regulatory exposures.

The measurement of Interest Rate Risk in the Banking Book covers both, the economic value and the earnings perspective, in particular:

- the analysis of the sensitivity of the Economic Value to changes in interest rates: it includes the economic value sensitivity of the interest rate sensitive balance sheet items including derivatives for different time buckets and a 1bp rate shock, as well as the impact on the economic value deriving from large changes in market rates, according to the scenarios of the "Supervisory Outlier Test" required by the Commission Delegated Regulation (EU) 2024/856,
- the sensitivity analysis of interest margins to changes in interest rates ("NII sensitivity") under the assumptions and considerations of a constant balance sheet during the time period and different shocks of the interest rate curves as required by the EBA guidelines as well as additional scenarios to consider basis risk and other non-parallel shocks.

Both perspectives are part of the Risk Appetite framework of UCBA AG where for both the earnings perspective the Net Interest Income (NII) and the economic value change (EV) is monitored in relation to Tier1-capital.

As of 31 December 2025, the **economic value sensitivity to interest rates changes** for the worst result of six "Supervisory Outlier Test", as envisioned by Commission Delegated Regulation (EU) 2024/856, was the Parallel up scenario and equal to €-747 million (2024: €-622 million), which translates in relation to Tier 1 capital to -9.79% (2024: -8.76%).

The table below contains the **interest rate risk exposure metrics in the banking book** as of 31 December 2025 and 31 December 2024:

E.4.4 Interest rate risks on positions in the banking book

SUPERVISORY SHOCK SCENARIOS	CHANGES OF THE ECONOMIC VALUE OF EQUITY	
	31.12.2025	31.12.2024
Parallel up	(747)	(622)
Parallel down	366	219
Steeper	142	45
Flattener	(128)	(127)
Short rates up	(329)	(282)
Short rates down	250	91

The changes in the sensitivity of the Economic Value in 2025 are mainly due to new hedging of NMD, Free Funds' investments and updates of the customer behaviour models (increase of non-maturity deposits volume).

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As of 31 December 2025, the net interest income sensitivity ("NII Sensitivity") for the worst of Supervisory Outlier Tests (parallel up and parallel down scenarios) was equal to €-222 million (2024: €-196 million, including the impact of variable-interest reverse repurchase agreements) in the Parallel Down scenario which translates -2.91% (2024: -2.76%) of Tier1-capital below the regulatory threshold.

The changes in the sensitivity of the net interest income between 31 December 2025 and 31 December 2024 are driven by change of product structure by saving deposits, repricing patterns by floating loans business, and new hedging of NMD and Free Funds investments.

Credit Spread Risk in the Banking Book (CSRBB) covers the maximum acceptable percentage of Capital (T1) that the bank can lose due to credit spread shocks impacting credit spread sensitive assets in the Banking Book. Starting from 2025 CSRBB is monitored only at UCBA AG level.

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E.5.2 Hedging derivatives: positive and negative gross fair value - breakdown by product

(€ million)

TYPE OF DERIVATIVES	AMOUNT AS AT 31.12.2025				AMOUNT AS AT 31.12.2024				AMOUNT AS AT 31.12.2025	AMOUNT AS AT 31.12.2024
	POSITIVE AND NEGATIVE FAIR VALUE				POSITIVE AND NEGATIVE FAIR VALUE					
	OVER THE COUNTER			ORGANISED MARKETS	OVER THE COUNTER			ORGANISED MARKETS		
	CENTRAL COUNTERPARTIES	WITHOUT CENTRAL COUNTERPARTIES			CENTRAL COUNTERPARTIES	WITHOUT CENTRAL COUNTERPARTIES				
		WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT			WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT			
CHANGES IN VALUE USED TO CALCULATE HEDGE INEFFECTIVENESS										
1. Positive fair value										
a) Options	-	-	-	-	-	-	-	-	-	1
b) Interest rate swap	24	2,284	-	-	35	2,125	-	-	199	(568)
c) Cross currency swap	-	34	-	-	-	111	-	-	(3)	22
d) Equity swap	-	-	-	-	-	-	-	-	-	-
e) Forward	-	14	-	-	-	37	-	-	(2)	2
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	24	2,332	-	-	35	2,274	-	-	194	(543)
2. Negative fair value										
a) Options	-	146	-	-	-	94	-	-	5	6
b) Interest rate swap	65	1,857	-	-	104	2,391	-	-	530	444
c) Cross currency swap	-	19	-	-	-	53	-	-	(2)	(7)
d) Equity swap	-	-	-	-	-	-	-	-	-	-
e) Forward	-	6	0	-	-	11	-	-	(2)	(4)
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	65	2,029	0	-	104	2,549	-	-	531	439

In the table above the 2025 fair value changes used to calculate hedge ineffectiveness have been disclosed. Since July 1, 2025, Bank Austria applies hedge accounting by adopting the provisions of Chapter 6 of IFRS 9. The comparative figures for the previous year differ from the published figures.

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E.5.3 OTC hedging derivatives: notional amounts, positive and negative gross fair value by counterparty

(€ million)

UNDERLYING ACTIVITIES	AMOUNTS AS AT 31.12.2025			
	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL COMPANIES	OTHER ENTITIES
Contracts not included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
2) Equity instruments and stock indexes				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
3) Gold and currencies				
- Notional amount	X	1	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	0	-	-
4) Commodities				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
5) Other				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
Contracts included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	14,047	81,973	-	317
- Positive fair value	24	2,318	-	0
- Negative fair value	65	2,014	-	9
2) Equity instruments and stock indexes				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-
3) Gold and currencies				
- Notional amount	-	6,735	-	-
- Positive fair value	-	14	-	-
- Negative fair value	-	6	-	-
4) Commodities				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-
5) Other				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-

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E.5.3 OTC hedging derivatives: notional amounts, positive and negative gross fair value by counterparty

(€ million)

UNDERLYING ACTIVITIES	AMOUNTS AS AT 31.12.2024			
	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL COMPANIES	OTHER ENTITIES
Contracts not included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
2) Equity instruments and stock indexes				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
3) Gold and currencies				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
4) Commodities				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
5) Other				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
Contracts included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	10,264	80,110	-	510
- Positive fair value	35	2,235	-	1
- Negative fair value	104	2,520	-	18
2) Equity instruments and stock indexes				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-
3) Gold and currencies				
- Notional amount	-	3,553	-	-
- Positive fair value	-	37	-	-
- Negative fair value	-	11	-	-
4) Commodities				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-
5) Other				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-

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E.5.4 OTC hedging derivatives - residual life: notional amounts

(€ million)

UNDERLYING/RESIDUAL MATURITY	OVER 1 YEAR UP TO			TOTAL
	UP TO 1 YEAR	5 YEARS	OVER 5 YEARS	
A.1 Financial derivative contracts on debt securities and interest rates	14,732	39,779	41,826	96,337
A.2 Financial derivative contracts on equity securities and stock indexes	-	-	-	-
A.3 Financial derivative contracts on exchange rates and gold	6,029	707	-	6,736
A.4 Financial derivative contracts on other values	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31.12.2025	20,761	40,487	41,826	103,073
Total 31.12.2024	20,086	35,217	39,133	94,436

The following presentation of the hedging methods applied was modified in 2025 compared to 2024 due to IFRS 9 requirements.

E.5.5.a Fair Value Hedges

(€ million)

AMOUNT AS AT 31.12.2025							(e million)
		MICRO-HEDGE: BOOK VALUE	MACRO-HEDGES - NET FAIR VALUE: ASSET/LIABILITY BOOK VALUE (BEFORE OFF- SETTING)	SPECIFIC HEDGES			MACRO-HEDGE: BOOK VALUE
				ACCUMULATED FAIR VALUE CHANGES OF HEDGED INSTRUMENT	HEDGE INTERRUPTION: RESIDUAL ACCUMULATED CHANGES OF FAIR VALUE	CHANGES IN THE VALUE USED TO VERIFY HEDGE INEFFECTIVENESS	
A. Assets							
1. Financial assets at fair value through other comprehensive income - hedging of:		10,471	-	-	-	-	-
1.1 Debt securities and interest rates		10,471	-	-	-	-	X
1.2 Equity securities and stock indexes		-	-	-	-	-	X
1.3 Gold and currencies		-	-	-	-	-	X
1.4 Loans and advances		-	-	-	-	-	X
1.5 Other		-	-	-	-	-	X
2. Financial assets at amortised cost - hedging of:		6,263	-	-	-	-	35,143
2.1 Debt securities and interest rates		6,263	-	-	-	-	X
2.2 Equity securities and stock indexes		-	-	-	-	-	X
2.3 Gold and currencies		-	-	-	-	-	X
2.4 Loans and advances		-	-	-	-	-	X
2.5 Other		-	-	-	-	-	X
Total	31.12.2025	16,734	-	-	-	-	35,143
Total	31.12.2024	-	-	-	-	-	-
B. Liabilities							
1. Financial liabilities at amortised cost - hedging of:		6,382	-	-	-	-	36,805
1.1 Debt securities and interest rates		6,382	-	-	-	-	X
1.2 Gold and currencies		-	-	-	-	-	X
1.3 Other		-	-	-	-	-	X
Total	31.12.2025	6,382	-	-	-	-	36,805
Total	31.12.2024	-	-	-	-	-	-

Currently, UniCredit Bank Austria AG does not have any financial instruments designated in a specific-hedge relationship. Since July 1, 2025, Bank Austria applies hedge accounting by adopting the provisions of Chapter 6 of IFRS 9

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E.5.5.b Cash flow and net investment hedge

(€ million)

CATEGORY OF TRANSACTIONS		CHANGE IN VALUE USED TO ASSESS HEDGE INEFFECTIVENESS	HEDGING RESERVE	TERMINATION OF HEDGING: RESIDUAL CUMULATIVE VALUE OF THE HEDGING RESERVES
A. Cash flow hedge				
1. Assets		0	11	11
1.1 Debt securities and interest rates		0	11	11
1.2 Equity securities and stock indexes		-	-	-
1.3 Gold and currencies		-	-	-
1.4 Loans and advances		-	-	-
1.5 Other		-	-	-
2. Liabilities		-	-	-
2.1 Debt securities and interest rates		-	-	-
2.2 Gold and currencies		-	-	-
2.3 Other		-	-	-
Total	31.12.2025	0	11	11
Total	31.12.2024	14	4	4
B. Hedges of foreign investments		-	-	-
Total	31.12.2025	0	11	11
Total	31.12.2024	14	4	4

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E.5.5 Micro hedging and macro hedging: breakdown by hedged item and risk type

(€ million)

	AMOUNT AS AT 31.12.2024	
	MICRO HEDGE: CARRYING AMOUNT	MACRO HEDGE: CARRYING AMOUNT
A) Fair value hedge		
1. Assets		
1.1 Financial assets measured at fair value through other comprehensive income	10,061	-
1.1.1 Interest rate	10,061	X
1.1.2 Equity	-	X
1.1.3 Foreign exchange and gold	-	X
1.1.4 Credit	-	X
1.1.5 Other	-	X
1.2 Financial assets measured at amortised cost	2,201	-
1.2.1 Interest rate	2,201	X
1.2.2 Equity	-	X
1.2.3 Foreign exchange and gold	-	X
1.2.4 Credit	-	X
1.2.5 Other	-	X
2. Liabilities		
2.1 Financial liabilities measured at amortised costs	7,110	-
2.1.1 Interest rate	7,110	X
2.1.2 Equity	-	X
2.1.3 Foreign exchange and gold	-	X
2.1.4 Credit	-	X
2.1.5 Other	-	X
B) Cash flow hedge		
1. Assets	43	X
1.1 Interest rate	43	X
1.2 Equity	-	X
1.3 Foreign exchange and gold	-	X
1.4 Credit	-	X
1.5 Other	-	X
2. Liabilities	-	X
2.1 Interest rate	-	X
2.2 Equity	-	X
2.3 Foreign exchange and gold	-	X
2.4 Credit	-	X
2.5 Other	-	X
C) Hedge of net investments in foreign operations	-	X
D) Portfolio - Assets	X	(846)
E) Portfolio - Liabilities	X	(842)

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E.5.5.c Reconciliation of equity components

CASH FLOW HEDGE RESERVE						NET INVESTMENT HEDGE RESERVE				
PORTFOLIOS	DEBT SECURITIES AND INTEREST RATE INDEXES	EQUITY INSTRUMENTS AND STOCK INDEXES	GOLD AND CURRENCIES	CREDITS	OTHERS	DEBT SECURITIES AND INTEREST RATE INDEXES	EQUITY INSTRUMENTS AND STOCK INDEXES	GOLD AND CURRENCIES	CREDITS	OTHERS
Opening balance	(4)	-	-	-	-	-	-	-	-	-
Fair value change	-	-	-	-	-	-	-	-	-	-
Reversal to profit and loss	(7)	-	-	-	-	-	-	-	-	-
of which: future, non expected transactions	-	-	-	-	-	X	X	X	X	X
Other changes	(0)	-	-	-	-	-	-	-	-	-
of which: transfer of initial book value of hedged instruments	-	-	-	-	-	-	-	-	-	-
Closing balance	(11)	-	-	-	-	-	-	-	-	-

In the financial year 2025, the Cost-of-Hedging concept in accordance with Chapter 6 of IFRS 9 was introduced. The Cost-of-Hedging reserve amounted to €0.1 million in 2025 (previous year: € – million).

A detailed description of the use of derivatives as hedging transactions in the case of micro fair value hedges, cash flow hedges and fair value hedges can be found in Part A.5.3.4 – section Hedge accounting and sections B.5 and C.17.

E.5.6 Trading financial derivatives: end-of-period notional amounts

(€ million)								
UNDERLYING ACTIVITIES/TYPE OF DERIVATIVES	AMOUNTS AS AT 31.12.2025				AMOUNTS AS AT 31.12.2024			
	OVER THE COUNTER			ORGANISED MARKETS	OVER THE COUNTER			ORGANISED MARKETS
	CENTRAL COUNTERPARTIES	WITHOUT CENTRAL COUNTERPARTIES			CENTRAL COUNTERPARTIES	WITHOUT CENTRAL COUNTERPARTIES		
		WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT			WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	
1. Debt securities and interest rate indexes	221	50,390	4,083	-	769	52,028	3,763	-
a) Options	-	6,732	750	-	-	6,701	614	-
b) Swap	221	43,659	3,333	-	769	45,327	3,149	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity instruments and stock indexes	-	1,246	784	-	-	259	227	-
a) Options	-	1,246	784	-	-	259	227	-
b) Swap	-	-	-	-	-	-	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Gold and currencies	-	9,730	155	-	-	11,115	331	-
a) Options	-	1,307	36	-	-	1,102	220	-
b) Swap	-	-	-	-	-	-	-	-
c) Forward	-	8,423	119	-	-	10,013	111	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	-	1,629	14	-	-	1,454	1	-
5. Other	-	69	70	-	-	48	49	-
Total	221	63,066	5,105	-	769	64,903	4,370	-

Regular way contracts (spot transactions) with nominal values of around € 60 million are not included in the list.

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E.5.7 Trading financial derivatives: positive and negative gross fair value - breakdown by product

(€ million)

TYPE OF DERIVATIVES	AMOUNTS AS AT 31.12.2025				ORGANISED MARKETS	AMOUNTS AS AT 31.12.2024			
	OVER THE COUNTER			CENTRAL COUNTERPARTIES		OVER THE COUNTER			ORGANISED MARKETS
	CENTRAL COUNTERPARTIES	WITHOUT CENTRAL COUNTERPARTIES				CENTRAL COUNTERPARTIES	WITHOUT CENTRAL COUNTERPARTIES		
		WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT				WITH NETTING AGREEMENT	WITHOUT NETTING AGREEMENT	
1. Positive fair value									
a) Options	-	159	28	-	-	70	9		
b) Interest rate swap	8	745	61	-	27	887	45		
c) Cross currency swap	-	74	0	-	-	155	-		
d) Equity swap	-	-	-	-	-	-	-		
e) Forward	-	90	1	-	-	189	1		
f) Futures	-	-	-	-	-	-	-		
g) Other	-	-	-	-	-	-	-		
Total	8	1,068	90	-	27	1,300	54		
2. Negative fair value									
a) Options	-	56	87	-	-	41	37		
b) Interest rate swap	8	880	50	-	27	902	45		
c) Cross currency swap	-	46	-	-	-	150	-		
d) Equity swap	-	-	-	-	-	-	-		
e) Forward	-	88	2	-	-	186	2		
f) Futures	-	-	-	-	-	-	-		
g) Other	-	-	-	-	-	-	-		
Total	8	1,069	139	-	27	1,280	84		

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E.5.8 OTC trading financial derivatives: notional amounts, positive and negative gross fair value by counterparty

(€ million)

UNDERLYING ACTIVITIES	AMOUNTS AS AT 31.12.2025			
	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL COMPANIES	OTHER ENTITIES
Contracts not included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	X	608	423	3,052
- Positive fair value	X	53	0	7
- Negative fair value	X	6	1	43
2) Equity instruments and stock indexes				
- Notional amount	X	772	12	-
- Positive fair value	X	26	-	-
- Negative fair value	X	82	-	-
3) Gold and currencies				
- Notional amount	X	0	-	154
- Positive fair value	X	-	-	1
- Negative fair value	X	-	-	2
4) Commodities				
- Notional amount	X	-	-	14
- Positive fair value	X	-	-	1
- Negative fair value	X	-	-	0
5) Other				
- Notional amount	X	70	-	0
- Positive fair value	X	-	-	-
- Negative fair value	X	4	-	-
Contracts included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	221	32,335	1,832	16,223
- Positive fair value	8	610	12	116
- Negative fair value	8	346	134	364
2) Equity instruments and stock indexes				
- Notional amount	-	797	449	-
- Positive fair value	-	82	45	-
- Negative fair value	-	26	-	-
3) Gold and currencies				
- Notional amount	-	4,976	297	4,457
- Positive fair value	-	60	0	27
- Negative fair value	-	29	1	55
4) Commodities				
- Notional amount	-	821	22	786
- Positive fair value	-	40	4	69
- Negative fair value	-	75	-	39
5) Other				
- Notional amount	-	69	-	-
- Positive fair value	-	4	-	-
- Negative fair value	-	-	-	-

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E.5.8 OTC trading financial derivatives: notional amounts, positive and negative gross fair value by counterparty

(€ million)

UNDERLYING ACTIVITIES	AMOUNTS AS AT 31.12.2024			
	CENTRAL COUNTERPARTIES	BANKS	OTHER FINANCIAL COMPANIES	OTHER ENTITIES
Contracts not included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	X	434	1,017	2,311
- Positive fair value	X	25	4	16
- Negative fair value	X	1	3	42
2) Equity instruments and stock indexes				
- Notional amount	X	214	12	-
- Positive fair value	X	3	-	-
- Negative fair value	X	34	-	-
3) Gold and currencies				
- Notional amount	X	0	1	330
- Positive fair value	X	0	-	6
- Negative fair value	X	-	0	2
4) Commodities				
- Notional amount	X	-	-	1
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	0
5) Other				
- Notional amount	X	48	-	0
- Positive fair value	X	-	-	-
- Negative fair value	X	3	-	-
Contracts included in netting agreement				
1) Debt securities and interest rate indexes				
- Notional amount	769	30,205	1,249	20,574
- Positive fair value	27	716	19	255
- Negative fair value	27	452	22	525
2) Equity instruments and stock indexes				
- Notional amount	-	243	16	-
- Positive fair value	-	34	-	-
- Negative fair value	-	3	-	-
3) Gold and currencies				
- Notional amount	-	5,723	555	4,836
- Positive fair value	-	50	18	135
- Negative fair value	-	159	2	45
4) Commodities				
- Notional amount	-	728	19	708
- Positive fair value	-	42	-	29
- Negative fair value	-	30	3	38
5) Other				
- Notional amount	-	48	-	-
- Positive fair value	-	3	-	-
- Negative fair value	-	-	-	-

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E.5.9 OTC financial derivatives - residual life: notional amounts

(€ million)

UNDERLYING/RESIDUAL MATURITY	OVER 1 YEAR UP TO			TOTAL
	UP TO 1 YEAR	5 YEARS	OVER 5 YEARS	
A.1 Financial derivative contracts on debt securities and interest rates	6,597	25,406	22,692	54,694
A.2 Financial derivative contracts on equity securities and stock indexes	11	312	1,707	2,030
A.3 Financial derivative contracts on exchange rates and gold	8,241	1,642	2	9,885
A.4 Financial derivative contracts on other values	974	652	17	1,643
A.5 Other financial derivatives	0	96	43	139
Total 31.12.2025	15,823	28,107	24,462	68,392
Total 31.12.2024	19,277	26,543	24,223	70,043

E.5.10 Trading credit derivatives: end of period notional amounts

(€ million)

CATEGORY OF TRANSACTIONS	TRADING DERIVATIVES	
	WITH A SINGLE UNDERLYING	WITH MORE THAN ONE UNDERLYING (BASKET)
1. Protection buyer's contracts		
a) Credit default products	-	-
b) Credit spread products	-	-
c) Total rate of return swap	-	-
d) Other	-	-
Total 31.12.2025	-	-
Total 31.12.2024	-	-
2. Protection seller's contracts		
a) Credit default products	10	-
b) Credit spread products	-	-
c) Total rate of return swap	-	-
d) Other	-	-
Total 31.12.2025	10	-
Total 31.12.2024	10	-

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E.5.11 OTC trading credit derivatives: notional amounts, positive and negative gross fair value by counterparty

(€ million)

	AMOUNTS AS AT 31.12.2025			
	CENTRAL COUNTERPARTIES	BANKS	FINANCIAL COMPANIES	OTHER ENTITIES
Contracts not included in netting agreement				
1) Protection buyer's contracts				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
2) Protection seller's contracts				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
Contracts included in netting agreement				
1) Protection buyer's contracts				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-
2) Protection seller's contracts				
- Notional amount	-	10	-	-
- Positive fair value	-	0	-	-
- Negative fair value	-	-	-	-

E.5.11 OTC trading credit derivatives: notional amounts, positive and negative gross fair value by counterparty

(€ million)

	AMOUNTS AS AT 31.12.2024			
	CENTRAL COUNTERPARTIES	BANKS	FINANCIAL COMPANIES	OTHER ENTITIES
Contracts not included in netting agreement				
1) Protection buyer's contracts				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
2) Protection seller's contracts				
- Notional amount	X	-	-	-
- Positive fair value	X	-	-	-
- Negative fair value	X	-	-	-
Contracts included in netting agreement				
1) Protection buyer's contracts				
- Notional amount	-	-	-	-
- Positive fair value	-	-	-	-
- Negative fair value	-	-	-	-
2) Protection seller's contracts				
- Notional amount	-	10	-	-
- Positive fair value	-	0	-	-
- Negative fair value	-	-	-	-

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E.5.12 OTC trading credit derivatives - residual life: notional amounts

(€ million)

UNDERLYING/RESIDUAL MATURITY		OVER 1 YEAR UP TO			TOTAL
		UP TO 1 YEAR	5 YEARS	OVER 5 YEARS	
1. Protection buyer's contracts		-	10	-	10
2. Protection seller's contracts		-	-	-	-
Total	31.12.2025	-	10	-	10
Total	31.12.2024	-	10	-	10

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E.6 – Currency risk

The following table shows assets and liabilities for the most important currencies of the current business year:

E.6.1 Assets and liabilities in foreign currency 2025

(€ million)						
ITEMS	31.12.2025					
	USD	CHF	GBP	CZK	JPY	OTHER
A. Financial assets	4,128	3,884	432	316	85	198
A.1 Debt securities	1,004	107	41	302	55	-
A.2 Equity securities	-	-	-	-	-	-
A.3 Loans to banks	1,411	1,565	17	8	7	88
A.4 Loans to customers	1,713	2,212	374	6	24	110
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	-	-	-	-	-	0
C. Financial liabilities	4,110	95	95	62	28	233
C.1 Deposits from banks	2,215	10	13	1	7	46
C.2 Deposits from customers	1,857	85	82	61	21	186
C.3 Debt securities in issue	38	-	-	-	-	-
C.4 Other financial liabilities	0	-	-	-	-	0
D. Other liabilities	-	-	-	-	-	-

The following table shows assets and liabilities for the most important currencies of the previous business year:

E.6.1 Assets and liabilities in foreign currency 2024

(€ million)						
ITEMS	31.12.2024					
	USD	CHF	GBP	PLN	CZK	OTHER
A. Financial assets	4,628	4,713	348	164	343	407
A.1 Debt securities	1,647	106	43	-	325	212
A.2 Equity securities	-	-	-	-	-	-
A.3 Loans to banks	1,268	1,995	9	145	2	61
A.4 Loans to customers	1,713	2,612	296	19	16	134
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	-	-	-	-	-	0
C. Financial liabilities	3,883	94	120	293	34	307
C.1 Deposits from banks	1,565	13	27	5	3	49
C.2 Deposits from customers	2,275	81	93	288	31	257
C.3 Debt securities in issue	42	-	-	-	-	-
C.4 Other financial liabilities	1	0	0	-	-	0
D. Other liabilities	-	-	-	-	-	-

E – Risk report

CHF risk

As in previous years, the reduction in CHF loans continued in 2025. Loans and receivables with customers in terms of the net volume (after impairments) reduced by €0.4 billion from €2.6 billion to €2.2 billion. Approximately 5.1% thereof was classified as non-performing. The majority of the loans and receivables come from the Retail segment, to which 91% of the CHF volume is allocated.

Other currency risks

Customer loans in other currencies (net volume, excluding CHF) amounted to €2.2 billion as of 31 December 2025 (2024: €2.2 billion), a large part of which were loans in USD (primarily to customers in the Corporate segment).

E – Risk report

E.7 – Counterparty risk

Trading in derivatives at Bank Austria is primarily related to the hedging of positions entered into vis-à-vis customers.

Contracts are valued at current prices using recognised and tested models. Market values show the contract values as at the balance sheet date, positive current market values and estimated future market values indicate the potential default risk arising from the relevant activity.

For the purposes of portfolio management and risk limitation in connection with derivatives, securities lending transactions and repurchase agreements, UniCredit Bank Austria AG uses an internal counterparty risk model (IMM). The model is based on a Monte Carlo path simulation for risk management in derivatives and securities financing business with banks and customers to estimate the potential future exposure at portfolio level for each counterparty.

The UniCredit Group-wide counterparty risk model applies an expected shortfall of 87.5% (equals a 95% quantile) and 3,000 scenarios with 52 grid points for the purpose of internal risk control. Furthermore, the model is based on a standardised margin period of risk and on the use of default conditional metrics.

The calculations are based on market volatility, correlations between specific risk factors, future cash flows and stress considerations. Netting agreements and collateral agreements are also taken into account for simulation purposes.

The simulation calculations are performed for all major types of transactions, e.g., forward foreign exchange transactions, commodity futures transactions, interest rate instruments, securities lending transactions and repurchase agreements, equity-related, commodity-related or inflation-related instruments and credit derivatives. Other products (some of them exotic) are taken into account with an add-on factor approach (depending on volatility and maturity).

In addition to determining the potential future exposure for internal risk control purposes, the path simulation also enables the Bank to calculate the average exposure and the modified average exposure (exposure at default) pursuant to CRR, as well as the effective maturity of the exposure and the “stressed EPE” (Expected Positive Exposure) for each counterparty. This makes it possible to include counterparty risk in a CRR-compliant internal model to calculate capital requirements. The regulatory exposure at default is calculated at netting-set level. A netting set is a group of transactions between the Bank and a customer which is subject to a legally enforceable bilateral netting agreement.

UniCredit Bank Austria AG has implemented the general requirements in the area of counterparty credit risk resulting from the publications of the Basel Committee and the Capital Requirements Regulation (CRR). The regulatory requirements include the calculation of normal counterparty exposure and of stressed counterparty exposure (comparable with the stressed VaR in market risk), the capital backing for market risk in respect of credit valuation adjustments (CVA market risk) and stricter standards for collateral management.

The requirements regarding the mandatory exchange of securities in bilateral margining agreements with financial counterparts for margin variation were implemented in line with regulations.

The requirements to be met with regard to stress testing and backtesting in respect of counterparty credit risk have also been implemented at UniCredit Bank Austria AG. Backtesting is performed at regular intervals – at the level of individual counterparties and at overall bank level – to review the model quality on a regular basis.

Basel 4 has only limited impact on the Internal Model Method for counterparty credit risk, as the core IMM framework under CRR remains unchanged and recent regulatory updates focus primarily on targeted technical refinements rather than a fundamental reform of the model based CRR approach.

The counterparty risk model is constantly being improved. Since 2019, the basis for generating the scenarios for internal risk management has been changed over from historical fluctuations to market-implicit volatilities. The significant model change resulting from this regarding the calculation of the capital requirements has been applied for with the ECB and has also been used for regulatory purposes since the end of Q1 2021.

In June 2021, the implementation of the new legal requirements of CRR 2 for the new standard approach for counterparty credit risk (SA-CCR) was implemented in the Bank's internal risk systems. In the SA-CCR, transactions that are not recorded in the internal counterparty risk model using Monte Carlo simulation (e.g., stock exchange derivatives or securities transactions) are shown for calculating the equity capital requirements for regulatory purposes.

E – Risk report

The internal IT systems are used for calculating counterparty risk arising from derivatives business, securities lending transactions and repurchase agreements, and for determining risk arising from other risk types. This ensures that exposures resulting from derivatives business as well as money-market risk, issuer risk and settlement risk are calculated centrally using the internal IT systems (FRE – Full Revaluation Engine, AGE – Aggregation Engine).

In 2022, the settlement risk calculation method was revised and technically implemented as part of a Group-wide project. The main methodological changes represent a more precise distinction between “principal and replacement cost risk”, as well as the distinction between “irrevocable risk and uncertain risk”.

In addition, mitigating effects such as the consideration of FX payment netting and “delivery versus payment”-settlement are also taken into account to reduce risk.

Moreover, country risk is calculated and reported separately for external and internal country risk.

Line utilisation for trading business is available in real time in the central treasury system MLC (“Murex Limit Controller”). The MLC treasury system is the central limit system used by UniCredit Bank Austria AG. In addition to current line utilisation – at customer level – resulting from derivatives and securities financing transactions, the system shows utilisation levels for money-market, issuer, and settlement risk.

UniCredit Bank Austria AG additionally limits the credit risk arising from its derivatives business through strict use of master agreements, through collateral agreements and break clauses. These collateral agreements were changed to eligible benchmarks (e.g., from EONIA to ESTR) in 2021 in accordance with regulatory requirements. Despite the very good average creditworthiness of our business partners, management is paying increased attention to default risk.

Since 2021, UniCredit Bank Austria AG has continued to expand its online trading platform (UCTrader/ExCEED) which was introduced in 2020 and enables our customers to conclude derivatives transactions in real time. As part of these initiatives, the relevant risk checks were implemented, ensuring, for example, an online real-time review and compliance with pre-settlement and settlement risk limits.

Moreover, in accordance with the European Market Infrastructure Regulation (EMIR), the central clearing obligation for OTC derivatives was implemented at UniCredit Bank Austria AG. UniCredit Bank Austria AG is a clearing member of the “London Clearing House” (LCH Clearnet) clearing institution and since 2020 has also been a clearing member of the “LCH SA” clearing institution in Paris. Furthermore, UniCredit Bank Austria AG clears repurchase agreements at EUREX Clearing AG, the central counterparty. Separate reporting on counterparty credit risk is in place with a view to informing UniCredit Bank Austria AG’s FCRC of current exposure trends, stress testing, collateral management and wrong way risk while also providing additional information relevant to risk management. Energy and commodity-related customers and risks are also taken into account.

In 2024, the ‘MUREX Treasury’ front office system at Bank Austria AG was also technically upgraded to the latest software version as part of a UniCredit Group project. In addition to a technically modernised trading platform, this initiative thus also formed the basis for the Group so that further entities can be migrated to the latest MUREX system in the future.

At the end of the year, UniCredit Bank Austria AG had total exposure of €3,187 million (previous year: €4,349 million) from the use of the counterparty credit risk calculation method of the Group-wide risk systems for the exposures from derivative transactions, repurchase agreements and securities lending transactions.

E – Risk report

The total exposure at the end of 2025 can also be split into the following **sectors and by rating classes**:

E.7.1a Exposure by sector

(€ million)

SECTOR	31.12.2025	31.12.2024
Industry and trade	417	888
Financial services sector	1,886	1,979
Real estate	214	311
Energy and Commodity	139	294
Public sector	7	29
Central Clearing Counterparts (CCP)	523	847
TOTAL	3,187	4,349

E.7.1b Exposure by rating class

(€ million)

RATING CLASS	31.12.2025	31.12.2024
1	1,603	854
2	790	2,481
3	334	341
4	169	325
5	135	179
6	119	123
7	16	33
8	12	8
9	9	5
TOTAL	3,187	4,349

E – Risk report

E.8 – Country risk and sovereign risk

Risk associated with cross-border transactions with all customer groups is reflected in country risk (“transfer and convertibility risk”; country risk includes, for example, loans to foreign corporate customers or banks). Risk associated with the state itself (e.g., the purchase of government bonds) is reflected in sovereign risk, irrespective of whether such risk is cross-border or local risk. Both risks are assessed via a UniCredit Group-wide credit process. Country limits and sovereign limits are assessed by the responsible risk management team, approved by the relevant body having approval authority, and assigned to UniCredit subsidiaries according to business needs. In general, cross-border business is not limited for countries which are presumed less risky, e.g., the US, Japan, core EU countries; for all other countries, cross-border business is limited via the assigned country limit. Sovereign risk is in each case limited via counter party limits. The overall bond exposure is monitored via nominal credit risk limits and market risk limits. Impairment losses are recognised, if necessary, according to international financial reporting standards.

Breakdown of sovereign debt securities by country and portfolio

(€ million)

COUNTRY/PORTFOLIO	31.12.2025			31.12.2024		
	NOMINAL VALUE	BOOK VALUE	FAIR VALUE	NOMINAL VALUE	BOOK VALUE	FAIR VALUE
Austria	3,668	3,470	3,444	2,899	2,736	2,707
Held for trading (Net exposures)	-	-	-	-	-	-
Mandatorily at fair value	60	55	55	60	60	60
Fair value through other comprehensive income	2,704	2,492	2,492	2,772	2,600	2,600
Financial assets at amortised cost	905	923	897	67	76	47
Designated at fair value through profit or loss	-	-	-	-	-	-
Spain	2,533	2,446	2,441	3,118	3,039	3,022
Held for trading (Net exposures)	-	-	-	-	-	-
Mandatorily at fair value	-	-	-	-	-	-
Fair value through other comprehensive income	2,273	2,188	2,188	2,508	2,424	2,424
Financial assets at amortised cost	260	258	253	610	615	598
Designated at fair value through profit or loss	-	-	-	-	-	-
France	2,050	1,940	1,904	1,379	1,307	1,267
Held for trading (Net exposures)	-	-	-	-	-	-
Mandatorily at fair value	-	-	-	-	-	-
Fair value through other comprehensive income	1,618	1,507	1,507	1,205	1,129	1,129
Financial assets at amortised cost	431	433	397	174	177	138
Designated at fair value through profit or loss	-	-	-	-	-	-

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COUNTRY/PORTFOLIO	31.12.2025			31.12.2024		
	NOMINAL VALUE	BOOK VALUE	FAIR VALUE	NOMINAL VALUE	BOOK VALUE	FAIR VALUE
Italy	1,585	1,596	1,597	1,610	1,615	1,607
Held for trading (Net exposures)	-	-	-	-	-	-
Mandatorily at fair value	-	-	-	-	-	-
Fair value through other comprehensive income	1,165	1,175	1,175	1,190	1,192	1,192
Financial assets at amortised cost	420	420	422	420	423	415
Designated at fair value through profit or loss	-	-	-	-	-	-
Slovakia	520	514	514	425	415	415
Held for trading (Net exposures)	-	-	-	-	-	-
Mandatorily at fair value	-	-	-	-	-	-
Fair value through other comprehensive income	520	514	514	425	415	415
Financial assets at amortised cost	-	-	-	-	-	-
Designated at fair value through profit or loss	-	-	-	-	-	-
Poland	441	452	452	373	377	377
Held for trading (Net exposures)	-	-	-	-	-	-
Mandatorily at fair value	-	-	-	-	-	-
Fair value through other comprehensive income	381	390	390	373	377	377
Financial assets at amortised cost	60	62	62	-	-	-
Designated at fair value through profit or loss	-	-	-	-	-	-

E – Risk report

COUNTRY/PORTFOLIO	31.12.2025			31.12.2024		
	NOMINAL VALUE	BOOK VALUE	FAIR VALUE	NOMINAL VALUE	BOOK VALUE	FAIR VALUE
Belgium	398	395	396	268	271	271
Held for trading (Net exposures)	-	-	-	-	-	-
Mandatorily at fair value	-	-	-	-	-	-
Fair value through other comprehensive income	275	273	273	268	271	271
Financial assets at amortised cost	123	122	123	-	-	-
Designated at fair value through profit or loss	-	-	-	-	-	-
Germany	370	360	360	345	355	337
Held for trading (Net exposures)	-	-	-	-	-	-
Mandatorily at fair value	-	-	-	-	-	-
Fair value through other comprehensive income	39	39	39	39	39	39
Financial assets at amortised cost	331	322	321	306	317	298
Designated at fair value through profit or loss	-	-	-	-	-	-
Czech Republic	362	353	353	351	349	349
Held for trading (Net exposures)	-	-	-	-	-	-
Mandatorily at fair value	-	-	-	-	-	-
Fair value through other comprehensive income	340	332	332	351	349	349
Financial assets at amortised cost	22	21	21	-	-	-
Designated at fair value through profit or loss	-	-	-	-	-	-
Other Countries	5,071	4,931	4,906	4,227	4,030	3,990
Held for trading (Net exposures)	-	-	-	104	0	0
Mandatorily at fair value	-	-	-	-	-	-
Fair value through other comprehensive income	3,609	3,515	3,515	3,528	3,474	3,474
Financial assets at amortised cost	1,274	1,275	1,250	438	450	410
Designated at fair value through profit or loss	188	141	141	156	106	106
TOTAL	16,998	16,457	16,368	14,994	14,494	14,343

The most significant items within category “Other Countries” are Portugal (with a notional amount of €260 million, 2024: €205 million) and Ireland (€192 million, 2024: €192 million). Furthermore, “Other Countries” includes debt securities issued by International Organizations in a notional of €3,895 million (2024: €2,867 million).

E – Risk report

E.8.2 Breakdown of sovereign debt securities by portfolio

(€ million)

31.12.2025						
	HELD FOR TRADING (NET EXPOSURES)	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL ASSETS AT AMORTIZED COST	FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	TOTAL
Book value of sovereign portfolio	-	55	12,425	3,836	141	16,457
Total portfolio of debt securities	-	68	17,442	6,037	141	23,689
% Portfolio	100.0%	81.5%	71.2%	63.5%	100.0%	69.5%
31.12.2024						
	HELD FOR TRADING (NET EXPOSURES)	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	FINANCIAL ASSETS AT AMORTIZED COST	FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	TOTAL
Book value of sovereign portfolio	0	60	12,270	2,059	106	14,494
Total portfolio of debt securities	0	72	17,045	3,999	115	21,232
% Portfolio	100.0%	82.9%	72.0%	51.5%	91.6%	68.3%

The volumes vis-à-vis government entities comprise bonds issued by central banks, sovereigns and other public-sector entities including international organisations, and loans to the public borrowers aforementioned.

The following table shows the **10 largest sovereign loans by country** (ranking based on the amounts of the current reporting year):

E.8.3 Breakdown of sovereign loans by country

(€ million)

COUNTRY	31.12.2025	31.12.2024
Austria	6,391	5,318
Germany	331	351
Indonesia	184	171
Trinidad and Tobago	103	122
Mongolia	91	88
Sri Lanka	66	74
Ghana	58	65
Laos	54	63
Vietnam	46	52
Angola	31	42
Others	278	285
TOTAL SOVEREIGN LOANS	7,633	6,630

E – Risk report

E.9 – Operational risk

Operational risk (OpRisk) is defined as the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events (including legal risks – see also “E.13 – Legal risk”). Examples include compensation paid to customers for incorrect or inadequate product-related advice, IT system failures, damage to property, processing errors, or fraud. These risks are subject to accurate and consolidated measurement and management through a comprehensive framework of controls, monitoring, and awareness initiatives.

Loss data continues to be collected, and processes optimized in close coordination across departments and units, including business areas, Internal Audit, Compliance, Legal Affairs, Digital & Information, and the insurance sector. UniCredit Bank Austria AG has implemented numerous measures to manage and reduce operational risk, such as data security and confidentiality safeguards, access authorization systems, the two-signatures principle, monitoring and control processes, and staff training programs. Awareness of operational risks remains a priority, supported by initiatives such as “tone from the top” communications from the Management Board, targeted training for managers, and mandatory online courses for all employees.

UniCredit Bank Austria AG maintains a decentralized operational risk management framework through OpRisk representatives (Decentralized OpRisk & RepRisk Managers – DORRM) in all relevant divisions, complemented by central operational risk management within the Non-Financial Risks function. The central OpRisk & RepRisk function reports directly to the Chief Risk Officer. Similar structures exist in all relevant subsidiaries of the UniCredit Bank Austria Group (UCBA).

While the main task of central risk management is to define the methods used and to perform risk measurement and analysis, decentralized risk management is responsible for taking measures to reduce, prevent, or take out insurance against risks. The central OpRisk Management is responsible for monitoring the adequacy of risk handling measures as part of the “2nd level controls”.

Activities in 2025 focused on:

- Integrating Non-Financial Risk (NFR) strategies and monitoring via key risk indicators (KRI) in the Permanent Work Group (cross-divisional OpRisk forum),
- Implementing risk-minimizing measures for identified strategic topics and reporting to the Permanent Work Group and Non-Financial Risk Committee,
- Monitoring OpRisk exposures using indicators aligned with the risk appetite framework,
- Performing 2nd level controls for OpRisk assessments related to outsourcing and third-party contracts,
- Ongoing revision of the KRI monitoring framework to enhance risk measurement,
- Raising awareness through targeted training and mandatory online courses,
- Reconciling OpRisk-relevant accounts and books to ensure complete data collection,
- Conducting focal point analyses on specific OpRisk topics, including those triggered by external incidents,
- Executing Risk & Control Self-Assessments (RCSA) for key processes, including ICT risk assessments,
- Strengthening a uniform approach across subsidiaries,
- Performing ICT project risk assessments for all relevant ICT-projects,
- ICT 2nd level controls, including monitoring ICT security KPIs for UCBA and subsidiaries.

A network of independent functions and teams supports risk management and reporting, ensuring the Management Board has sufficient information to manage risks effectively. Operational risk topics are addressed in the Non-Financial Risk Committee, which integrates OpRisk into the Bank's processes, reports on developments, approves relevant documents, and escalates unresolved issues. The entire Management Board of UCBA is represented on the Committee.

E – Risk report

Since 2025, UniCredit Bank Austria AG has applied the **Standardized Measurement Approach (SMA)** for calculating capital requirements for operational risk, in line with CRR3 and Basel 4. This approach replaces the former Advanced Measurement Approach (AMA) and is based on financial statement elements (profit and loss components). The SMA ensures a more standardized and transparent calculation of operational risk capital across the banking sector.

Austrian subsidiaries

Until 2024, Schoellerbank AG and UniCredit Leasing Austria GmbH applied the Advanced Measurement Approach (AMA) for operational risk capital calculation. Starting from 1 January 2025, in line with the implementation of CRR3 and Basel 4 requirements, the AMA approach has been fully phased out. Both subsidiaries now apply the Standardized Measurement Approach (SMA). This change ensures consistency with the new regulatory framework and simplifies the calculation process across the Group.

Implementation of disclosure requirements pursuant to the Capital Requirements Regulation (CRR)

Within UniCredit Group, comprehensive disclosure (under the Pillar 3 disclosure requirements pursuant to the CRR) is carried out by the parent company UniCredit on its website, based on the consolidated financial position in its function as EU parent bank.

Bank Austria is a large subsidiary pursuant to Article 13 of the CRR and therefore has to disclose the more limited information required on this level, including information on capital and capital requirements, credit risk, remuneration, liquidity, etc.

The disclosure by Bank Austria is available on its website (www.bankaustria.at/en/about-us-investor-relations) according to Basel 2 and 3 (CRR).

The date of application of CRR3 (published on 19 June 2024) is 1 January 2025. CRR3 represents a shift towards a simplified, standardized approach to operational risk that reduces complexity and ensures a more consistent regulatory framework across institutions. The use of AMA has been discontinued, and CRR3 introduces a revised Business Indicator (BI), which is a key factor in determining the capital requirement. BI reflects a bank's total gross income from its business activities, adjusted to better capture operational risk exposure.

E.10 – Reputational risk

Bank Austria and the UniCredit Group define reputational risk as the current or future risk of a decline in profits resulting from a negative perception of the Bank's image by customers, counterparties, shareholders, investors, employees, or regulators.

Since 2012, the CRO team has been responsible for managing and monitoring strategic reputational risk agendas. In 2018, the Op&RepRisk office—now the Non-Financial Risks function—was assigned directly to the CRO as a staff unit. Together with other departments such as Identity & Communications, Compliance, Legal, Customer Experience & Complaints Management, and others, the central risk unit plays a key role in safeguarding the reputation of UniCredit Bank Austria AG.

Reputational risk-related topics are reported quarterly to the Non-Financial Risk Committee, including:

- Business decisions reviewed by the Reputational Risk / Credit Committee,
- Reports on RepRisk assessments conducted as part of the new product process and subsequent product approvals,
- Updates on new RepRisk policies,
- Relevant external and internal reporting about UniCredit Bank Austria AG,
- RepRisk status of subsidiaries,
- Other issues affecting the Bank's reputation.

E – Risk report

Activities in 2025 focused on:

- Supporting subsidiaries and ensuring alignment with Group standards,
- Expanding governance structures and implementing updated RepRisk policies,
- Providing guidance to business areas and delivering targeted training programs,
- Strengthening integration of reputational risk considerations into strategic decision-making.

RepRisk guidelines remain in place to regulate engagement with specific industrial sectors, such as coal, oil, and gas. These guidelines emphasize environmental aspects and support customers in transitioning toward greater sustainability.

Another key focus was raising awareness of Reputational Risk Management through training initiatives at UniCredit Bank Austria AG and its subsidiaries, reinforcing the importance of proactive risk identification and mitigation.

E – Risk report

E.11 – Business risk

Business risk is defined as unexpected adverse changes in business volume and/or margins which cannot be attributed to other types of risk. Adverse impacts of such changes on profitability result mainly from a significant deterioration in market conditions, changes in the competitive position or customer behavior, and from changes in the legal environment.

Business risk measurement thus measures the influence of external factors on a decline in profits and the effect on the market value.

As part of general income and cost management, operational management of business risk is the responsibility of the individual business units.

E.12 – Financial investment risk and real estate risk

In dealing with risks arising from the Bank's shareholdings and equity interests, Bank Austria takes into account potential market price fluctuations in its equity holdings in listed and unlisted companies.

Not included are equity interests in consolidated subsidiaries of Bank Austria because risks associated with such companies are determined and recorded under the various other risk types. The portfolio includes various strategic investments; real estate holding companies are taken into account in real estate risk.

Financial investment risk and real estate risk are covered by a value-at-risk approach under the ICAAP.

E – Risk report

E.13 – Legal risk

The method for recognition of provisions is described under “A.6.7.2 - Other provisions for risks and charges and contingent liabilities”.

A) Madoff

Background

UniCredit Bank Austria AG and some of its affiliates and indirect subsidiaries have been sued or investigated as a result of the Ponzi scheme operated by Bernard L. Madoff (“Madoff”) through his company Bernard L. Madoff Investment Securities LLC (“BLMIS”), which was uncovered in December 2008.

Civil law procedures in Austria

Investors in the Primeo and Herald Madoff Feeder Funds have filed numerous civil suits, eight of which are still open, with a claimed amount of €4.8 million plus interest. The claims asserted in these proceedings are that the UniCredit Bank Austria AG committed certain breaches of duty in its capacity as prospectus controller. The Austrian Supreme Court issued 28 legally binding rulings with regard to the prospectus liability claims asserted in the proceedings. Regarding the proceedings concerning the Primeo Feeder funds, eighteen final decisions of the Austrian Supreme Court were taken in favor of UniCredit Bank Austria AG. In two proceedings, the Supreme Court rejected UniCredit Bank Austria AG’s extraordinary appeal and therefore made the decision of the Court of Appeal, which had been issued in favor of the plaintiffs, final. With regard to the Herald Feeder Fund, the Austrian Supreme Court has ruled on the prospectus liability claims five times, twice in favor of UniCredit Bank Austria AG and three times in favor of the plaintiffs. In a prospectus liability case where investments were made in Primeo and Herald, the Supreme Court ruled in favor of UniCredit Bank Austria AG; in two further prospectus liability cases where investments were made in Primeo and Herald, the Supreme Court rejected the plaintiffs’ extraordinary appeals, thereby ruling the decisions of the Court of Appeal to be legally binding in favor of UniCredit Bank Austria AG. In 2025, there were no new developments.

The impact of these decisions on the remaining procedures cannot be predicted with certainty; future decisions could be detrimental to UniCredit Bank Austria AG.

Concerning the Austrian civil proceedings pending against UniCredit Bank Austria AG in connection with Madoff’s fraud, UniCredit Bank Austria AG has established provisions for risks and charges to the extent that it considers appropriate for the current risks.

Proceedings in the United States

Actions by the SIPA trustee

In December 2010, the insolvency administrator (the “SIPA Trustee”) brought an action for the liquidation of BLMIS as well as other actions against dozens of defendants, including HSBC, UniCredit S.p.A., UniCredit Bank Austria AG and certain affiliates, to a United States Federal Court (the “HSBC Proceedings”).

In the HSBC Proceedings, the SIPA Trustee filed civil claims and avoidance claims (also known as “clawback claims”) worth several billion US dollars. The civil claims were dismissed in 2011, and no further appeals are pending against this decision. In 2015, the SIPA Trustee dropped the avoidance claims against UniCredit S.p.A and the Alternative Investments Division of Pioneer (“PAI”) in the HSBC proceedings, waiving the claims, as well as the avoidance claims against UniCredit Bank Austria AG, without waiving the claims; this was done following claim adjustments that did not concern UniCredit S.p.A., PAI or UniCredit Bank Austria AG and were considered by the SIPA trustee to satisfy the relevant claims. A judgement was issued by the Bankruptcy Court on 22 November 2016 which ordered the avoidance claims against BA Worldwide Fund Management Ltd (“BAWFM”) to be rejected. On 9 March 2017, the SIPA Trustee commented on the rejection of the avoidance claims against BAWFM in writing. On 16 March 2017, the SIPA Trustee appealed against the dismissal of the claims. In February 2019, the Court of Appeal annulled the decision of the Bankruptcy Court of 22 November 2016 and ruled that the SIPA trustee could recover the transfers of funds by BLMIS to BAWFM and other similar parties before their insolvency. BAWFM and other defendants requested a new hearing before the Court of Appeals by an “en banc” committee (then by all judges). The Court of Appeal rejected that request in April 2019. At the request of the defendant, the Court of Appeals shall leave the proceedings suspended so that the proceedings are not continued during the review process at the Supreme Court. BAWFM and the other defendants submitted a review on 30 August 2019. On 1 June 2020, the Supreme Court rejected this revision. The case was then referred back to the Bankruptcy Court for further proceedings. On December 27, 2023, the Trustee filed a second amended complaint in the HSBC Proceedings, which does not name Bank Austria or BAWFM as defendants.

E – Risk report

There is no significant potential claim for damages and therefore no pronounced risk profile for the UniCredit Group. Certain current or former related persons named as defendants in the HSBC Proceedings may be granted rights to indemnification by UniCredit S.p.A. and its affiliates.

No new developments occurred in these proceedings during the year 2025.

Possible ramifications

In addition to the aforementioned proceedings and investigations against UniCredit Bank Austria AG, its affiliates and some of their employees and former employees in connection with the Madoff case, additional actions may be brought in connection with this case in the future in the United States, Austria or other countries. Such possible future actions could be brought against UniCredit Bank Austria AG, its affiliates and their employees and former employees. The pending proceedings and possible future actions may have a negative impact on UniCredit Bank Austria AG.

UniCredit Bank Austria AG and its affiliates intend to use all available means to defend themselves against the claims and allegations in connection with the Madoff case. Apart from the aforementioned issues, it is currently not possible to reliably estimate the time horizon and the outcomes of the various actions or to determine the level of responsibility – should responsibility be proven.

B) Alpine Holding GmbH

Alpine Holding GmbH issued one bond in 2010, one in 2011 and one in 2012. In 2010 and 2011, UniCredit Bank Austria AG acted as joint lead manager together with another bank. In June/July 2013, Alpine Holding GmbH and Alpine Bau GmbH became insolvent and bankruptcy proceedings followed. Numerous bondholders then wrote to the banks involved in the bond issues to assert claims. At least as far as UniCredit Bank Austria AG is concerned, the bondholders largely based their claims on the prospectus liability of the joint lead managers and, in fewer cases, also on flawed investment advice provided by the banks that sold the bonds to their customers. Investors have filed civil proceedings with a total claims volume of €18.3 million, including subpoenas for three class actions by the Federal Chamber of Labor, in which UniCredit Bank Austria AG is named as a defendant in addition to other banks. The significant cause of action is the prospectus liability.

In July 2025, the Austrian Supreme Court confirmed the legal position of UniCredit Bank Austria AG and the other issuing banks that the prospectuses were correct and complete and fully rejected the bondholders' claims based on prospectus liability. Based on that landmark decision favorable for UniCredit Bank Austria AG and on the subsequent settlements, the total claims volume reduced from €18.3 million to some €10.3 million, the largest portion thereof based on the prospectus liability.

In addition to the pending court claims, further actions against UniCredit Bank Austria AG have been threatened in connection with Alpine bankruptcy, which could be brought in the future. Pending or future actions may negatively affect UniCredit Bank Austria AG.

UniCredit Bank Austria AG intends to use all available means to defend itself against these claims. With regard to the pending civil proceedings, UniCredit Bank Austria AG has made provisions for risks and charges. No new provisions for risks and charges were made in the last years. At present, despite the favorable development it is not possible to estimate the timing and outcome of the various remaining court proceedings or to assess UniCredit Bank Austria AG's level of responsibility, if any.

C) Class action suit regarding various fees

The Austrian Federal Chamber of Labor has filed a class action lawsuit under the Consumer Protection Act against UniCredit Bank Austria AG, in which it asserts the inadmissibility or contractual invalidity of fees for consumer loans due to violations of good morals or statutory provisions, due to gross disadvantage to the customer, as well as due to non-transparent wording ("class action"). The fees in question are loan processing fees and six other fees: default interest, dunning charges, account maintenance fees, costs for deletion receipts, fees for additional confirmations and for special services.

If the fees are found to be inadmissible, they may no longer be agreed upon or charged in business transactions with consumers in the future. There is a risk that fees that were invalidly agreed upon may have to be refunded. However, in certain individual cases, UniCredit Bank Austria AG may have individual defenses available.

E – Risk report

In first instance, the lawsuit was dismissed with regard to the loan processing fee and the account maintenance but was upheld with respect to the five other fees. In second instance, the court followed a decision of the Supreme Court regarding a similar class action against another Austrian bank and decided that the loan processing fee is also inadmissible if it grossly exceeds the bank's costs.

The class action is currently pending before the Supreme Court with the currently assessed risk of an unfavorable decision being more likely than not.

Another class action asking for an injunction regarding loan processing fees was filed in June 2025 by the VSV (Verbraucherschutzverein; "Consumer Protection Association"), a private consumer protection organization and Qualified Entity per the Statute on Qualified Entities. The proceedings are pending at an early stage in first instance. The risk from these proceedings is currently being assessed. It is generally considered to be similar to that of the aforementioned class action by the Federal Chamber of Labor.

In addition to the lawsuits mentioned above, there are also proceedings by individual consumers against UniCredit Bank Austria AG with similar subject matter ("individual proceedings"). As of 31 December 2025, the total amount in dispute for those proceedings amounts to €1.1 million (2024: € 0.3 million).

To date, the case law both in lower instances, as well as by the Supreme Court, is inconsistent. It is therefore not possible to estimate the timing and the outcome of the pending individual proceedings reliably.

A provision with regard to the loan processing fees and other fees challenged was set up in June 2025 and reassessed in December 2025.

E – Risk report

E.14 – Climate-related and environmental risks

UniCredit has developed a long-term sustainability strategy for environmental, social & governance (ESG) risks and takes ESG factors into account in its risk framework. UniCredit Bank Austria follows this framework. The aim is to achieve three goals:

- Fulfilment of regulatory requirements for the business strategy and risk management processes
- Management of climate and environmental risks
- Identifying financing potential for customers on their way to a sustainable, low-carbon economy

The risk framework aims at ensuring that we identify the threat of negative effects of climate change and provide our Bank with the best possible protection against this.

Possible consequences of the climate change can be:

- Possibly higher defaults on loans and/or losses from the revaluation of customer exposures or assets that may be affected by physical⁸ and/or transitory⁹ climate risks
- Damage to reputation and claims for damages if it is not possible to respond accordingly to climate risks
- Disruptions to our business processes affecting employees, buildings, and/or processes at locations that are exposed to physical climate risks, for example, due to extreme weather events and/or longer-term rises in global temperatures.

Acknowledging the growing importance of C&E topics, UCG is progressively and continuously developing its internal modelling capabilities with the aim to properly manage new risks that may arise from climate change. As part of this further development, starting from 2024, physical and transition risks have been taken into account in the ECL calculation under IFRS 9, supported by an external provider. Both internal and external data sources were used for the methods described below.

The LGD for physical risks is estimated for real estate collateral by first identifying the geographical location and the characteristics of each asset (e.g., property type such as a single-family house). Subsequently, the hazard level under various climate scenarios and time horizons is analyzed to determine the expected damage function under different scenarios, and the resulting potential loss is calculated from the expected reduction in the property's value over time.

The LGD adjustment for transition risks is based on data from Energy Performance Certificates (EPC), which are collected as part of real estate valuations. To quantify the risk depending on the climate scenario, forecasts of the house price index and anticipated future retrofitting costs are used to adjust the expected market value of the property for transition risks.

The PD adjustment for physical risks is determined by linking climate scenario data and hazard projections with company-specific financial and geoinformation to forecast potential impacts of physical risks on the repayment capacity.

The PD for transition risks follows a comparable methodology, focusing on a long-term perspective. Macroeconomic industry sector forecasts, energy price forecasts, greenhouse gas emissions data, and financial reports are considered to forecast the company's financial development and the impact on its probability of default.

In the ECL calculation process, the LGD and PD for physical risks and transition risks are taken into consideration.

Transition risks in the bank's internal credit process

The regulatory requirements (ECB, EBA, FMA) and the UniCredit Group's commitment to sustainable development require that climate risks are taken into account in the credit process in an appropriate way. This is associated with an analysis of the influence of environmental risks on the counterparty risk of our borrowers, the results of which must be considered in the credit decision.

⁸A distinction is made here between acute physical risks (hot and dry periods, floods, storms, hailstorms, forest fires, avalanches) and chronic physical risks (long-term changes in climatic and environmental conditions such as precipitation frequency/quantities, weather uncertainty, rises in sea level, changes in ocean and airflows, over-acidification, and accumulation of waste in oceans, rising average temperatures with regional extremes).

⁹Transitory risks are the risks associated with the transition to a low-carbon economy (e.g. introduction of new or stricter CO₂ emission guidelines, enforcement of new technologies or business models, changes in market sentiment or societal preferences).

E – Risk report

The underlying method comprises

- the assessment of the customer's exposure to transition risks (e.g., greenhouse gas (GHG) emissions, water and energy consumption, waste management)
- the assessment of the customer's vulnerability to transition risks (e.g. level of maturity of the environmental management, greenhouse gas reduction targets, sustainability investments) and
- assessing the economic impact on our corporate customers (e.g., lost investments, decline in market share, increased investment costs, supply chain impacts).

The transition risk scope of application includes all corporate clients (including Real Estate) for which GTCC¹⁰/GCC¹¹ or TCC¹² is responsible (local Bank Austria credit committee), with the exception of financial institutions, banks, central governments, the public sector and non-performing loans. Since 1 April 2025 all corporate customers are ESG-scored without any exposure threshold. The C&E questionnaire must not be older than 12 months when the application is submitted. In the case of multiple applications during the year, the sales unit must check the validity of the questionnaire in relation to the information and responses of the customer. The entire process of determining climate and environmental risks and the determination of the transition score is the primary responsibility of sales and results in the loan application/loan approval. Based on the reputation risk classification combined with the C&E score, a climate risk score is derived.

The final Transition Risk Score (low, medium, high, and very high) specifies the proposed ESG strategy (full support, support with regard to transition financing and limited support) for the customer, which in turn determines which type of investment financing for new business or prolongations of expiring credit lines of the customer is permitted from a sustainability perspective.

If, based on the transition risk score and possibly taking physical risk into account (see physical risks in the bank's internal process below), the proposed ESG strategy for the customer is "Transition Support" or "Limited Support" and if the sales department has information that allows a justified change to the strategy, an extension of the ESG strategy can be requested from the responsible risk manager as part of the loan application in the course of a documented detailed analysis (a so-called deep dive assessment).

Net Zero (NZ) perimeter

Based on recommendations from the Net Zero Banking Guidelines the UniCredit Group has defined decarbonization targets for specific sectors (Oil & Gas, Power generation, Automotive, Steel, Commercial Real Estate (CRE)). Top priority was given to those sectors that are particularly greenhouse gas-intensive and simultaneously most relevant to UniCredit's portfolio. For these sectors, a baseline was estimated, and targets were set based on the emissions profile of the loan portfolio.

Once the targets for a sector have been defined and published, and financing is approved following a Reputational Risk assessment, the impact of the financing on the Bank Austria baseline, compliance with the targets, and application of the Net Zero strategies must be reviewed during the loan application process (new business and renewals). Relevant clients can be identified in the ESG Cockpit by their designated Net Zero Cluster (exception: Net Zero Commercial Real Estate clients do not have Net Zero Clusters).

For clients within the NZ perimeter, both the NZ cluster (leader, aligning, laggard) and the corresponding NZ strategy (financing allowed, hold or reduction) must be specified in the loan application. Since for CRE the applicable NZ strategy relates to the asset and not the client, there are no NZ clusters for CRE NZ clients, and the process differs from that for other sectors.

GHG reduction targets in the RAF on BA-Group level were set for the industry sectors Oil & Gas, Power generation, Automotive and CRE.

Physical risks in the bank's internal processes

UniCredit Bank Austria on a quarterly basis conducts an analysis of the potential damage to the collateral in the mortgage portfolio due to acute climate-related events. A corresponding assessment of the real estate collateral shows how physical risks may affect their market value.

The calculation of physical risks (flood, hail, tornado, storm) is based on the method of an external provider and considers data on the real estate collateral in our credit portfolio.

The above-mentioned physical risk measurement is included in the Risk Appetite Framework (RAF) in order to strengthen the integration of climate and environmental factors into the risk management framework and to improve portfolio monitoring.

¹⁰ GTCC: Group Transactional Credit Committee

¹¹ GCC: Group Credit Committee

¹² TCC: Transactional Credit Committee

E – Risk report

To complete the customer's sustainability profile, also the physical risk assessment from an external data provider is taken into account.

For companies, physical risk is assessed by analyzing the risk that physical extreme weather events (e.g. floods, droughts, storms, avalanches, mudslides) can damage company assets (headquarters, plants, warehouses, etc.) by limiting their operations and/or having a negative impact on production.

Other focal points in connection with climate risks:

- In order to consider Nature Risks in the bank's credit process, from 19th January 2026 onwards, additional questions will be introduced into the already existing C&E (Climate & Environment) Questionnaire. Four Nature risk indicators then cover the topics Biodiversity, Pollution, Water consumption and Waste management.
- For 2026 it is planned to shift the Net Zero RAF KPI for the automotive sector from the RAF Dashboard into the Risk strategies.

E – Risk report

E.15 – Information on the squeeze-out pursuant to the Austrian Federal Act on the Squeeze-out of Minority Shareholders (*Gesellschafterausschlussgesetz*) of the holders of bearer shares in UniCredit Bank Austria AG

The company's Annual General Meeting on 3 May 2007 adopted a resolution concerning the planned squeeze-out. The legal actions for rescission and declaration of nullity brought against various resolutions adopted at the Annual General Meeting on 3 May 2007 were terminated in spring 2008. The squeeze-out was entered in the Register of Firms on 21 May 2008. After that date, former minority-shareholders initiated proceedings for a review of the cash compensation offered by UniCredit. The defendant party in these proceedings is not UniCredit Bank Austria AG, but rather, UniCredit S.p.A. In these proceedings, the Vienna Commercial Court handed down its first-instance decision in April 2025, determining that the appropriate cash compensation which should have been paid to the minority shareholders excluded from the squeeze-out should be set at €154 per share. The court's decision is not enforceable and has been appealed by UniCredit S.p.A.

E.16 – Report on key features of the internal control and risk management systems in relation to the financial reporting process

The Management Board is responsible for establishing and designing internal control and risk management systems which meet the company's requirements in relation to the financial reporting process. The audit committee oversees the efficacy of the internal control and risk management system in addition to the accounting process as a whole; it may, if required, issue recommendations and suggestions to ensure the reliability of the accounting process.

The objective of the internal control system is to assist management in assuring internal controls in relation to financial reporting which are effective and are improved on an ongoing basis. The system is geared to complying with rules and regulations and creating conditions which are conducive to performing specific controls in key accounting processes.

Following the integration of the Bank Austria Group in UniCredit Group, the Italian Savings Law, Section 262 (detailed descriptions of processes, risk, and control for minimizing risk in preparing financial statements) in particular, must be complied with in addition to the existing internal control system.

Internal Audit performs independent and regular reviews of compliance with legal provisions and internal rules also in the financial reporting area. The Head of Internal Audit reports directly to the Management Board and provides the Chairman of the Supervisory Board and the Audit Committee with quarterly reports.

Control environment

UniCredit S.p.A., the parent company of UniCredit Bank Austria AG, works to maintain effective communication and convey the corporate values "integrity", "ownership", and "caring".

The implementation of the internal control system in relation to the financial reporting process is also set out in the internal rules and regulations.

All accounting entries are made within the guidelines established in the Accounting Policy, and release follows defined instruction and control criteria. Appropriate processes have been implemented and are reviewed by Internal Audit on an ongoing basis.

E – Risk report

Risk assessment

In connection with the “262 Saving Law”, the responsible persons identified risks in relation to the financial reporting process and described them in detail using the method defined by UniCredit S.p.A. These risks are monitored on an ongoing basis and checked for up-to-dateness at least on a half-yearly basis. The focus is on those risks which are typically considered to be material.

To meet the “262 Saving Law” requirements, controls pursuant to the methodology used by UniCredit S.p.A. are required to be performed at least on a half-yearly basis (for full-year and half-year reporting). Such control evidence must be kept on file for 10 years by the person having process responsibility. Any controls that do not meet the relevant criteria are identified under this method and reported to management together with a proposal for a solution.

Controls

All controls are applied in the current business process to ensure that potential errors or deviations in financial and sustainability reporting are prevented or detected and corrected. Coordination measures range from a management review of results for the various periods to specific reconciliation of accounts and the analysis of continuous accounting processes.

The levels of hierarchy are designed in such a way that an activity and the monitoring of that activity is not performed by the same person (four-eyes principle). In the course of the preparation of financial reports, the general ledger accounts are reconciled with business and front-end systems.

IT security controls are a cornerstone of the internal control system. Defined IT controls are documented under the “262 Saving Law” and are audited by external auditors in accordance with “International Standards for Assurance Engagements (ISAE) No. 3402”.

Information and communication

Management regularly updates rules and regulations for financial and sustainability reporting and communicates them to all employees concerned.

Moreover, regular discussions on financial and sustainability reporting and on the rules and regulations applicable in this context take place in various bodies and are repeatedly communicated to UniCredit Bank Austria AG. Concerned employees receive regular training in new methods of international financial and sustainability reporting in order to counteract risks of unintended misreporting at an early stage.

To perform monitoring and control functions with a view to proper financial accounting and reporting, extensive financial information is made available at key levels of the Bank. The Supervisory Board and Management Board shall receive relevant information, and middle management shall also be provided with detailed reports.

Monitoring

As part of the implementation of the internal control system pursuant to the “262 Savings Law”, instruments were introduced to monitor the effectiveness of controls. In connection with the compulsory, half-yearly certification process for the preparation of the management report, the relevant responsible persons are required to carry out tests to check the up-to-datedness of descriptions and the effectiveness of controls. It must be ascertained whether the controls work according to their design and whether the persons who perform controls have the competence/authority and qualifications required to perform the controls effectively.

All relevant responsible persons shall confirm, by means of certification, that their processes are adequately documented, risks have been identified, and controls have been evaluated with a view to deriving measures to minimise risk.

The Management Board of UniCredit Bank Austria AG receives the certifications of UniCredit Bank Austria AG and of the subsidiaries defined by UniCredit S.p.A. within the group of consolidated companies, in the form of a consolidated management report on a half-yearly basis, and provides UniCredit S.p.A. and the public with confirmation of the reliability and effectiveness of the internal control system pursuant to the “262 Savings Law” in the context of the financial statements for the first six months and the annual financial and sustainability statements.

F – Additional disclosures

F.1 – Management Board and Supervisory Board

In the reporting year, the following persons were active in the Management Board of UniCredit Bank Austria AG:

<u>Chairperson/Chief Executive Officer:</u>	Ivan VLAHO
<u>Members of the Management Board</u>	Daniela BARCO
	Hélène BUFFIN
	Dieter HENGL
	Emilio MANCA
	Marion MORALES ALBIÑANA-ROSNER
	Svetlana PANČENKO
	Wolfgang SCHILK

In December 2025, the Supervisory Board appointed Mr. Albert ANGERSBACH as a new member of the Management Board with responsibility for risk management, effective 1 April 2026, following Mr. SCHILK's resignation per 31 March 2026.

In the reporting year, the following persons were members of the Supervisory Board of UniCredit Bank Austria AG:

<u>Chairperson:</u>	Gianfranco BISAGNI
<u>Deputy Chairperson:</u>	Aurelio MACCARIO
<u>Members:</u>	Livia ALIBERTI AMIDANI
	Richard BURTON
	Herbert PICHLER
	Eveline STEINBERGER
	Doris TOMANEK
<u>Delegated by the Employees' Council:</u>	Adolf LEHNER , Chairperson of the Central Employees' Council (until 1 June 2025)
	Christoph BURES , Chairperson of the Central Employees' Council (from 2 June 2025), Chairperson of the Employees' Council, Vienna Region and Central Representative for Disabled Employees
	Tamara HAAS , Member of the Employees' Council, Vienna Region (from 2 June 2025)
	Judith MARO , Chairperson of the Employees' Council, Carinthia
	Roman ZELLER , Deputy Chairperson of the Employees' Council, Vienna Region, Member of the Central Employees' Council

As of 31 December 2025, there were the following interlocking relationships with UniCredit S.p.A.:

Three members of the Supervisory Board of UniCredit Bank Austria AG (Gianfranco BISAGNI, Richard BURTON, Aurelio MACCARIO) were members of the Group Executive Committee of UniCredit S.p.A.

F – Additional disclosures

F.2 – Related party disclosures

F.2.1 – Related party disclosures – Balance sheet and profit & loss items

The following tables set out the assets, liabilities, guarantees and commitments, for each group of related parties, pursuant to IAS24 for the current and the previous year.

F.2.1a Related party disclosures as at 31 December 2025

(€ million)

	PARENT COMPANY	UNCONSO- LIDATED SUBSIDIARIES	ASSOCIATES	JOINT VENTURES	KEY MANAGEMENT OF ENTITY OR ITS PARENT	OTHER RELATED PARTIES	TOTAL
Loans and advances	1	418	549	13	2	1	984
Other financial assets	2,945	184	60	-	-	0	3,190
Other assets	0	1	0	-	-	5	6
TOTAL ASSETS	2,946	603	609	13	2	6	4,179
Deposits	900	233	6,199	0	2	24	7,358
Other financial liabilities	5,944	229	-	-	0	4	6,177
Other liabilities	21	6	-	-	-	-	28
Issued equity instruments	600	-	-	-	-	-	600
TOTAL LIABILITIES	7,465	468	6,199	0	2	28	14,163
Guarantees issued by the group	38	53	1,285	-	-	2	1,378
Guarantees received by the group	39	49	8	-	-	-	95

Note: Other financial assets include debt securities and hedging derivatives

F – Additional disclosures

F.2.1b Related party disclosures as at 31 December 2024

(€ million)

	PARENT COMPANY	UNCONSO- LIDATED SUBSIDIARIES	ASSOCIATES	JOINT VENTURES	KEY MANAGEMENT OF ENTITY OR ITS PARENT	OTHER RELATED PARTIES	TOTAL
Loans and advances	521	601	462	14	3	0	1,600
Other financial assets	2,929	217	60	-	-	-	3,205
Other assets	0	9	0	-	-	5	14
TOTAL ASSETS	3,450	826	522	14	3	5	4,820
Deposits	252	328	5,752	1	3	78	6,415
Other financial liabilities	6,162	339	-	-	-	4	6,505
Other liabilities	18	8	0	-	-	20	46
Issued equity instruments	600	-	-	-	-	-	600
TOTAL LIABILITIES	7,033	676	5,753	1	3	102	13,567
Guarantees issued by the group	50	61	1,009	-	-	27	1,147
Guarantees received by the group	50	135	23	-	-	224	431

Note: Other financial assets include debt securities and hedging derivatives

The decrease of €520 million in the “Loans” position vis-à-vis the parent company is essentially attributable to the reduced repo volume, while the decrease of €183 million towards the non-consolidated affiliated companies is due to the lower loan portfolio. The increase of €648 million in the “Deposits” position with the parent company is mainly the result of the conclusion of new business. The decrease of €110 million in the “Other financial liabilities” position with unconsolidated companies is primarily attributable to the reduced volume of derivatives held for trading.

In addition to the figures in the table above, in 2025 there are €115 million corporate income tax liabilities recognized which arose following the creation of the new corporate income tax group in Austria with the leadership of UniCredit S.p.A PE Vienna. Consequently, all legal entities comprising the new corporate income tax group recognize their corporate income tax liabilities towards UniCredit S.p.A. PE Vienna (Parent Company).

More information regarding the corporate income tax group can be found in Part A.6.5 of the Notes.

F – Additional disclosures

The following tables show the profit and loss items for each group of related parties, pursuant to IAS24 for the current and the previous year.

F.2.1c Related-party transactions: profit and loss items

(€ million)

31.12.2025							
	PARENT COMPANY	UNCONSOLIDATED SUBSIDIARIES	ASSOCIATED COMPANIES	JOINT VENTURES	KEY MANAGEMENT OF ENTITY OR ITS PARENT	OTHER RELATED PARTIES	TOTAL
10. Interest income and similar revenues	358	35	11	1	0	0	405
20. Interest expense and similar charges	(539)	(22)	(115)	(0)	(0)	(3)	(680)
30. Net interest margin	(181)	13	(104)	0	0	(3)	(275)
40. Fees and commission income	3	33	1	0	0	0	38
50. Fees and commission expenses	(4)	(9)	(8)	-	-	(0)	(21)
60. Net fees and commissions	(1)	24	(6)	0	0	0	17
70. Dividend income and similar revenues	-	0	71	-	-	1	73
80. Impairment result from non-performing financial instruments	-	0	-	-	-	-	0

F.2.1d Related-party transactions: profit and loss items

(€ million)

31.12.2024							
	PARENT COMPANY	UNCONSOLIDATED SUBSIDIARIES	ASSOCIATED COMPANIES	JOINT VENTURES	KEY MANAGEMENT OF ENTITY OR ITS PARENT	OTHER RELATED PARTIES	TOTAL
10. Interest income and similar revenues	1,120	53	12	1	0	117	1,303
20. Interest expense and similar charges	(1,030)	(46)	(165)	(0)	(0)	(5)	(1,246)
30. Net interest margin	90	6	(152)	1	(0)	112	57
40. Fees and commission income	1	28	1	0	0	12	41
50. Fees and commission expenses	(1)	(10)	(0)	-	(0)	(12)	(23)
60. Net fees and commissions	(0)	17	1	0	0	(0)	18
70. Dividend income and similar revenues	-	11	60	0	-	2	73
80. Impairment result from non-performing financial instruments	-	(5)	-	-	-	-	(5)

The decrease in the item “10. Interest income and similar revenues” of €762 million and in the item “20. Interest expenses and similar charges” of €491 million vis-à-vis the parent company is mainly by interest rate drop and by decline in the volume of derivatives not held for trading.”

For additional information on gains and losses from equity investments in associates, please refer to Part B (Details on the income statement), B.16 – 250. Gains (losses) on equity investments.

F – Additional disclosures

Bank Austria Group received the following **subsidies from public sector entities**:

UniCredit Bank Austria AG, Austria:

The City of Vienna serves as deficiency guarantor for the following balance sheet items (according to UGB) under a guarantee totaling €3,213 million (previous year: €3,423 million):

F.2.1e - Items in the statement of financial position

	(€ million)	
	31.12.2025	31.12.2024
Deposits from banks	34	47
Deposits from customers	246	259
Debt securities in issue	586	593
<i>of which: subordinated</i>	586	593
Other liabilities	-	1
Provisions for post-retirement benefit obligations	2,347	2,523
TOTAL	3,213	3,423

In addition, the City of Vienna guarantees for contingent liabilities and credit risks for an amount of €8 million (previous year: €9 million).

F – Additional disclosures

F.2.2 – Information on members of the Management Board, the Supervisory Board and the Employees' Council of UniCredit Bank Austria AG

F.2.2.1 – Emoluments of members of the Management Board and the Supervisory Board

(€ million)

	YEAR 2025			YEAR 2024		
	MANAGEMENT BOARD	SUPERVISORY BOARD	TOTAL	MANAGEMENT BOARD	SUPERVISORY BOARD	TOTAL
a) Short-term employee benefits	2.4	0.3	2.7	2.9	0.3	3.2
b) Post-retirement benefits	0.4	-	0.4	0.4	-	0.4
<i>of which: under defined benefit plans</i>	-	-	-	-	-	-
<i>of which: under defined contribution plans</i>	0.4	-	0.4	0.4	-	0.4
c) Other long-term benefits	0.3	-	0.3	0.3	-	0.3
d) Termination benefits	-	-	-	-	-	-
e) Share-based payments	4.4	-	4.4	2.3	-	2.3
TOTAL	7.4	0.3	7.7	5.9	0.3	6.2

The emoluments paid by UniCredit Bank Austria AG to the members of the Management Board in the 2025 financial year (excluding payments into pension funds) amounted to €2,383,431.43 (comparable emoluments in the previous year were €2,907 thousand). Of this amount, €1,928,644.96 was fixed remuneration (2024: €2,059 thousand) and €454,786.47 was variable remuneration (2024: €848 thousand).

In addition to the data presented in above table, variable remuneration of €3,950,000.00 (subject to a penalty) was deferred for 2025 (2024: €2,322 thousand (subject to a penalty)), which can only be paid out in subsequent years in accordance with the same statutory compensation provisions. With regard to share-based payments, please refer to section F.3.

Furthermore, several members of the Executive Board receive their emoluments from companies outside the Bank Austria group of consolidated companies. These emoluments, which were granted to Management Board members for activities at UniCredit Bank Austria AG in the 2025 financial year, amounted to €2,986,277.85 (2024: €3,830 thousand) and will be allocated to UniCredit Bank Austria AG (including employer's contributions: 2025: 4,287,064.25; 2024: €2,094 thousand).

Former members of the Management Board and their surviving dependents were paid €9,030,670.00 (excluding payments into pension funds) (2024: €9,252 thousand). Emoluments paid to this group of persons for activities in subsidiaries amounted to €29,000.00 (2024: €52 thousand).

Emoluments of members of the Supervisory Board active in the 2025 financial year amounted to €295,000.00 (2024: €299 thousand) for UniCredit Bank Austria AG.

F.2.2.2 – Loans to members of the Management Board and of the Supervisory Board

Loans to members of the Management Board amounted to €57,265.00 (2024: €775 thousand). Repayments during the financial year totaled €718,973.00 (2024: €8 thousand).

Loans to members of the Supervisory Board amounted to €1,772,396.00 (2024: €1,818 thousand). Repayments during the business year totaled €23,777.00 (2024: €26 thousand).

Loans to the Supervisory Board include those made to members of the Employees' Council who are members of the Supervisory Board. The maturities of the loans range from five to thirty years. The rate of interest payable on these loans is the rate charged to employees of UniCredit Bank Austria AG.

F – Additional disclosures

F.2.3 – Other information on related party relationships

Pursuant to IAS 24, Bank Austria's related parties include:

- companies belonging to UniCredit Group and companies controlled by UniCredit but not consolidated;
- associates and joint ventures, as well as their subsidiaries;
- UniCredit's "key management personnel";
- close family members of key management personnel and companies controlled (or jointly controlled) by key management personnel or their close family members;
- Beneficiaries from the Group employee post-employment benefit plans.

In order to ensure full compliance with the legal and regulatory provisions for related party disclosures currently in effect, UniCredit has introduced procedures to determine transactions with related parties. These procedures ensure that the relevant information is provided in order to ensure compliance with the obligations of the members of UniCredit's Board of Directors as a stock-market listed company and parent company of the Group.

Transactions carried out within the Group and/or generally with Austrian and foreign related parties are executed as a rule on an arm's length basis, on the same terms and conditions as those applied to transactions entered into with independent third parties. The same principle applies to services rendered.

Information on the share capital and exercise of special rights

As at 31 December 2025, the subscribed capital of UniCredit Bank Austria AG amounted to €1,681,033,521.40 (unchanged compared to the previous year), all of which was represented by registered ordinary shares.

As at 31 December 2025, UniCredit S.p.A. held a direct interest of 99.996% in UniCredit Bank Austria AG (unchanged compared to the previous year).

The registered shares with restricted transferability which are held by "AVZ Privatstiftung zur Verwaltung von Anteilsrechten (AVZ Stiftung)", a private foundation under Austrian law, and by "Betriebsratsfonds des Betriebsrats der Angestellten der UniCredit Bank Austria AG Region Wien (Betriebsratsfonds)", the Employees' Council Fund of the Employees' Council of Employees of UniCredit Bank Austria AG in the Vienna region, have a long tradition and carry special rights based on historical developments: for specific resolutions to be adopted at a general meeting of shareholders, the holders of registered shares with restricted transferability have to be present when the resolutions are adopted. The relevant resolutions are specified in Article 20 (13) and (14) of UniCredit Bank Austria AG's Articles of Association.

Restated Bank of the Regions Agreement (ReBoRA)

The "Restated Bank of the Regions Agreement" is a syndicate agreement concluded between UniCredit S.p.A., the AVZ Stiftung and Betriebsratsfonds. In the ReBORA, the AVZ Stiftung and Betriebsratsfonds have given an undertaking to UniCredit to the effect that if they want to sell UniCredit Bank Austria AG shares, they will first offer such shares held by them to UniCredit. If UniCredit does not accept the offer, the relevant contracting party could sell the UniCredit Bank Austria AG shares to a third party. In this case UniCredit has a right of preemption.

Under this agreement concluded in 2006, the AVZ Stiftung had the right, until 31 March 2016, to nominate two members of the Supervisory Board of UniCredit Bank Austria AG. Thereafter it can nominate one member of the Supervisory Board for the duration of the guarantee issued by "AVZ Stiftung" and the Municipality of Vienna.

Transfer of CEE business

In connection with the transfer of CEE (Central & Eastern Europe) business in 2016, UniCredit S.p.A. has given certain undertakings in favour of UniCredit Bank Austria AG with regard to the future business activities and capital structure of UniCredit Bank Austria AG. With the exception of the pension commitments of UniCredit S.p.A. in favor of UniCredit Bank Austria AG, the obligations ended at the end of June 2024.

There are no compensation agreements between UniCredit Bank Austria AG and members of its Management Board and Supervisory Board or its employees in the case of a public takeover offer.

F – Additional disclosures

Under Section 92 (9) of the Austrian Banking Act, “AVZ Privatstiftung zur Verwaltung von Anteilsrechten” (“AVZ Stiftung”, a private foundation under Austrian law) serves as deficiency guarantor for all liabilities of UniCredit Bank Austria AG in the event of the company’s insolvency.

After the change in the legal form of *Anteilsverwaltung-Zentralsparkasse* into a private foundation (“AVZ Stiftung”) in 2001, the Municipality of Vienna serves as deficiency guarantor for all outstanding liabilities, and obligations to pay future benefits, of UniCredit Bank Austria AG (then *Bank Austria Aktiengesellschaft*) which were entered into prior to and including 31 December 2001.

As part of the spin-off of CEE Business, UniCredit S.p.A. provided a guarantee for the banks pension obligations until 31 December 2028.

F – Additional disclosures

F.3 – Share-based payments

F.3.1. – Description of payment agreements based on own equity instruments

F.3.1.1. Outstanding instruments

For the purposes of this disclosure, the following terms are used throughout the text:

- **UC-Shares** for UniCredit S.p.A. ordinary shares, and
- **Phantom-Shares** – used for the variable remuneration of Local Material Risk Takers (LMRTs) at UniCredit Bank Austria; an instrument that is always paid out in cash but whose calculation is linked to the share price of the UC-Shares and to which the same mechanisms as for the UC-Shares apply (e.g., retention period, minimum deferral period of 5 years, etc.), as defined within UniCredit Bank Austria Remuneration Policy and the Group Incentive System Austria.

The Management Board and selected executives of UniCredit Bank Austria AG participate in performance share-based remuneration incentives of the UniCredit Group which relate to the receipt of shares of the parent company UniCredit S.p.A.

The economic value of the remuneration incentive is determined by UniCredit S.p.A., uniformly for the entire Group and is communicated to the Group companies. In UniCredit Bank Austria AG, the total amount recognized in the profit and loss account for the reporting year was €4,823,251.86 (2024: €3,232 thousand).

In 2025, no new share options were issued to members of the Executive Board, management or other employees; no share options were exercised by members of the Executive Board. The term of options from the past has already expired.

Description of share-based remuneration

The Group's medium and long-term incentive Plans of UniCredit Bank Austria AG, based on the Group Framework but adapted to Austrian local regulations for identified staff, include:

- **Equity-Settled Share Based Payments (Short-Term-Incentive (STI) and Long-Term-Incentive (LTI))**, which provide for the granting and delivery of UC-Shares
- **Cash-Settled Share Based Payments (Phantom-Shares)**, which provide for the delivery of monetary settlement linked to the economic value of UC-Shares

The first category, **Equity-Settled SBP**, includes the following grants of:

- **Group Incentive System (Bonus Pool)** that offer to eligible executives of UniCredit Bank Austria Group and identified employees, determined in accordance with regulatory rules, a bonus structure composed by upfront (following the moment of performance evaluation) and deferred payments in cash and in UniCredit ordinary shares, to be paid over a period of ranging from 1 to 6 years. This payment structure will guarantee the alignment to shareholder interest and will be subjected to corporate malus conditions (which applies in case specific profitability, capital and liquidity thresholds are not met at both Group and country/division level), individual malus and claw back conditions (as legally enforceable) according to the plan rules (both non-market vesting conditions);
- **Long Term Incentive 2020-2023** that provides for the allocation of incentives based on ordinary UC-Shares, subject to the achievement of specific performance conditions to the Strategic Plan Team 23. The Plan is structured over a four-year performance period, consistent with UniCredit S.p.A.'s Strategic Plan, and provides for the granting of the award in 2024. The award is subject to a 5-year deferral period, after the performance period, and to the respect during the retention period of the minimum conditions of profitability, capital requirements and liquidity as well as positive assessment of Risk Appetite Framework. According to Banca d'Italia and EBA requirements and to further strengthen the governance framework, the Plan includes rules of compliance breaches management, as well as their related impact on remuneration components, through the application of malus and claw-back clauses.
- **Employee Share Ownership Plan (U-Share)** that offers to eligible Group employees the possibility to buy UC-Shares ordinary shares with the following advantages: a discount equal to 20% of the Investment, net of the necessary rounding adjustments, which will be paid through the purchase, on behalf of the Participant, of "Discount Shares" and "Matching Shares" (or, for both, rights to receive them), to be understood as assigned free of charge, subject to the Restrictions Period. The granting of free ordinary shares is subordinated to vesting conditions stated in the Plan Rules.

F – Additional disclosures

The second category, Phantom-Shares, includes the following grant of:

- **Group Incentive System (Bonus Pool)** that offer to eligible executives of UniCredit Bank Austria Group and identified employees a bonus structure composed by upfront (determined on the basis of the performance evaluation) and deferred payments in cash and Phantom-Shares (i.e., payments linked to the share-value of UniCredit), to be paid over a period of time ranging from 1 to 7 years. This payment structure will guarantee the alignment to shareholder interest and will be subjected to corporate malus conditions (which applies in case specific profitability, capital and liquidity thresholds are not met at both Group and country/division level), individual malus and claw back conditions (as legally enforceable) according to the plan rules (both non-market vesting conditions). The variable remuneration model for the CEO of UniCredit Bank Austria AG is aligned with the Sustainable Performance Program, which combines short-term objectives with additional long-term conditions that are consistent with the Strategic Plan and aimed at ensuring sustainable performance delivery over time. At the time of the award the maximum potential is taken into account based on the preceding one-year short term performance and approved. After three years, the additional long-term conditions are reassessed, which may confirm or reduce the variable remuneration originally granted to the CEO.

It is also noted that, according to Banca d'Italia Circular 285 (as of 17 December 2013 and subsequent updates concerning "Remuneration and incentive policies and practices"), the equity-settled share-based payments, represented by deferred payments in UniCredit ordinary shares not subject to vesting conditions, are used for the settlement of the so-called golden parachute (e.g. severance) for the relevant employees. The severance payments, represented by monetary amounts or other benefits granted to Identified Staff, constitute the so-called "golden parachute," to which the more restrictive supervisory provisions of the Banca d'Italia apply, insofar as this is compatible with the locally applicable legal and regulatory framework as well as local practices. The golden parachute provisions applicable at UniCredit Bank Austria are defined in the current UniCredit Bank Austria Termination Payments Policy.

F.3.1.2. – Measurement model

F.3.1.2.1 Group Incentive System (Bonus Pool)

The number of shares to be allocated (both UC-Shares and Phantom-Shares) was determined in 2025—both for the upfront and the deferred share components—taking into account the arithmetic average of the official market price of the UC-Shares during the month preceding the meeting of the Board of Directors of UniCredit S.p.A. that approves the 2024 results.

The price used to calculate the cash payout related to the Phantom Shares will be determined as the average price of UC-Shares of the month preceding the month of the UniCredit Group's capital increase in the respective year in which the end of the holding period is reached.

Group Incentive System "Bonus Pool 2024" –UC-Shares and Phantom Share

The plan is divided into tranches, of which at least five installments may consist of share-based or phantom share payments spread over a period defined according to plan rules.

In addition, the Board of UniCredit S.p.A, in line with the "Remuneration policy" submitted to the to the Assembly General Meeting for Group in April 2024, which anticipated the intention to take remedial action, the Board has decided to assign to all GMRTs receiving variable remuneration in shares, including the CEO and the Executives with Strategic Responsibilities, which were identified as Group Material Risk Takers (GMRTs) as part of the Bonus Pool 2024, a one-off share-award. The UniCredit Bank Austria Management Board and the Remuneration Committee have approved the granting of this one-off share allocation for Austria as well.

This allocation serves to mitigate the unintended consequences on the transition year following the shift in previously indicated share pricing methodology, which consisted in determining the price from an ex-ante dividend adjusted methodology to an ex-post methodology without any adjustment for missed dividends.

F – Additional disclosures

The one-off award, limited to 2024 as transition year, is fully paid in shares as variable remuneration funded within 2024 bonus pool, complying with the limits of the regulatory variable-to-fixed cap, with deferrals subject to the ordinary malus and claw-back provisions foreseen by regulatory requirements.

	SHARES GRANTED - GROUP INCENTIVE SYSTEM – BONUS POOL 2024							
	INSTALLMENT 2026	INSTALLMENT 2027	INSTALLMENT 2028	INSTALLMENT 2029	INSTALLMENT 2030	INSTALLMENT 2031	INSTALLMENT 2032	INSTALLMENT 2033
Date of bonus opportunity economic value granting	07.03.2024	07.03.2024	07.03.2024	07.03.2024	07.03.2024	07.03.2024	07.03.2024	07.03.2024
Date of board resolution (to determine number of shares)	10-Feb-2025	10-Feb-2025	10-Feb-2025	10-Feb-2025	10-Feb-2025	10-Feb-2025	10-Feb-2025	10-Feb-2025
Vesting period start date	01-Jan-2024	01-Jan-2024	01-Jan-2024	01-Jan-2024	01-Jan-2024	01-Jan-2024	01-Jan-2024	01-Jan-2024
Vesting period end date	31-Dec-2024	31-Dec-2025	31-Dec-2026	31-Dec-2027	31-Dec-2028	31-Dec-2029	31-Dec-2030	31-Dec-2031
UniCredit share market price (€)	43,595	43,595	43,595	43,595	43,595	43,595	43,595	43,595
Economic value of vesting conditions (€)	(2,863)	(6,013)	(9,432)	(13,031)	(16,554)	(19,998)	(23,363)	(26,651)
UC Shares' fair value per unit at the grant date (€)	40,732	37,582	34,163	30,564	27,041	23,597	20,232	16,944

	PHANTOM SHARES GRANTED - GROUP INCENTIVE SYSTEM – BONUS POOL 2024					
	INSTALLMENT 2025	INSTALLMENT 2026	INSTALLMENT 2027	INSTALLMENT 2028	INSTALLMENT 2029	INSTALLMENT 2030
Date of bonus opportunity economic value granting	07.03.2024	07.03.2024	07.03.2024	07.03.2024	07.03.2024	07.03.2024
Date of board resolution (to determine number of shares)	10-Feb-2025	10-Feb-2025	10-Feb-2025	10-Feb-2025	10-Feb-2025	10-Feb-2025
Vesting period start date	01-Jan-2024	01-Jan-2024	01-Jan-2024	01-Jan-2024	01-Jan-2024	01-Jan-2024
Vesting period end date	31-Dec-2024	31-Dec-2025	31-Dec-2026	31-Dec-2027	31-Dec-2028	31-Dec-2029
UniCredit share market price at grant date [€]	43,595	43,595	43,595	43,595	43,595	43,595
UniCredit share market price at reporting date [€]	64,825	64,825	64,825	64,825	64,825	64,825
Economic value of vesting conditions (€)	-	(3,206)	(6,679)	(10,324)	(13,875)	(17,328)
UC Shares' fair value per unit at the grant date (€)	64,825	61,619	58,146	54,501	50,950	47,497

Moreover, considering the change in methodology for determining the share price mentioned above, which foresees, in addition to the shift from an ex-ante to an ex-post approach, the elimination of adjustments for missed dividends, starting from the 2024 incentive system, all Group Material Risk Takers (GMRTs) beneficiaries of variable remuneration in shares, including the Chief Executive Officer and Executives with strategic responsibilities, will be granted a 'dividend equivalent', that is a share allocation calculated on the basis of dividends not received on the shares during the retention period.

	SHARES GRANTED - GROUP INCENTIVE SYSTEM - DIVIDEND EQUIVALENT – BONUS POOL 2024	
	INSTALLMENT 2026	INSTALLMENT 2026
Date of bonus opportunity economic value granting	07.03.2024	07.03.2024
Date of board resolution (to determine number of shares)	27.03.2025	21.10.2025
Vesting period start date	01-Jan-2024	01-Jan-2024
Vesting period end date	31-Dec-2024	31-Dec-2024
UniCredit share market price (€)	52,901	63,635
Economic value of vesting conditions (€)	(2,880)	(1,425)
UC Shares' fair value per unit at the grant date (€)	50,021	62,210

Note: The dividend equivalent plan envisages the first installment to be paid in 2026. In accordance with the plan's regulations, the unit price of the shares to be granted to beneficiaries is determined based on the average market price of the share during the 30 days preceding the dividend approval date. During 2025, the following dividends were approved: (i) the 2024 final dividend, resolved by the Annual General Meeting (AGM) on March 27, 2025, and (ii) the 2025 interim dividend, approved by the Board of Directors on October 21, 2025. Consequently, two different reference prices were applied for the determination of the number of shares and the accounting fair value used for IAS/IFRS cost calculation, corresponding to the respective dividend approval dates.

F – Additional disclosures

Group Incentive System “Bonus Pool 2025” – UC-Shares and Phantom Share

The new Group Incentive System 2025 is based on a bonus pool approach, aligned with regulatory requirements and market practices, which defines:

- the connection among profitability, risk and reward by linking directly the bonus pool with company results, cost of capital and risk profiles relevant for the Group as stated in the Group Risk Appetite Framework;
- the definition of the bonus pool based on Group performance, with following cascading to Divisions according to risk-adjusted performance indicators and distributed to employees according to individual performance;
- bonuses allocated to Group Material Risk Takers, identified on a basis of regulatory provisions, embedded in Directive 2013/36/EU (CRD V) and in Commission Delegated Regulation (EU) 923/2021 and to other specific roles identified according to local regulations;
- payment structure has been defined in accordance with regulatory provisions qualified by Directive 2013/36/EU (CRD IV) and further updates and will be distributed in a period of maximum seven years by using a mix of shares, phantom shares and cash.

All profit and loss and net equity/liabilities effects related to the plan will be booked during the vesting period.

The plan is divided into clusters, each of which can have three or six installments of share-based or phantom share payments spread over a period defined according to plan rules.

F.3.1.2.2 Long-Term Incentive Plan 2020-2023

The economic value of UC-Shares is measured considering the share market price at the grant date less the present value of the future dividends during the vesting period.

The plan is divided into clusters, based on the beneficiary position, each of which can have from one to five installments of share-based payments spread over a period defined according to plan rules

F.3.1.2.3 Employee Share Ownership Plan (U-Share 2025)

In execution of the U-Share Plan for 2025, 2,632 discount shares (or rights to receive them) were granted in July 2025 to the participants within the UniCredit Bank Austria AG, in consideration of services provided during the plan's vesting period. The unit fair value was measured at the end of the Enrolment Period based on the purchase price of the shares acquired on the market.

With reference to the Matching Shares a monetary amount has been determined as of today. This amount will be converted into a number of shares upon completion of the vesting period, subject to verification of compliance with the conditions set forth in the Plan Rules.

The following table shows the measurement and parameters used in relation to Discount Shares (or rights to receive them) connected to the U-Share plan approved in 2025.

Measurement Discount Share ESOP (U-Share) - 2025

	DISCOUNT SHARES
Date of free shares delivery to Group employees	24-Jul-2025
Vesting period start-date	24-Jul-2025
Vesting period end-date	24-Jan-2027
Discount shares' fair value per unit [€]	58.04

All profit and loss and net equity effects referred to Discount Shares will be recognized during the vesting period.

The said above ordinary UniCredit shares related to the U-Share Plan are not considered in the table of annual changes as they were acquired on the market.

F – Additional disclosures

F 3.2. – Further information

Effects on the profit and loss account

All share-based remuneration granted after 7 November 2002 and whose vesting period ends after 1 January 2005 fall within the scope of application of IFRS 2.

F.3.2 Presentation of share-based remuneration in the consolidated financial statements

	(€ thousand)	
	YEAR 2025	YEAR 2024
Revenues (costs)	(5,313)	(3,544)
connected to equity-settled plans	(5,313)	(3,540)
connected to cash-settled plans	-	(4)
Debts for cash-settled plans	-	-

F – Additional disclosures

F.4 – Employees

In 2025 and 2024, the Bank Austria Group employed the following average numbers of staff (full-time equivalents):

F.4.1 Employees ¹⁾

	YEAR 2025	YEAR 2024
Salaried staff	4,234	4,518
Other employees	-	-
TOTAL	4,234	4,518
<i>of which: in Austria</i>	<i>3,820</i>	<i>4,096</i>
<i>of which: abroad</i>	<i>414</i>	<i>422</i>

1) Average full-time equivalents of staff employed in the Bank Austria Group, excluding employees on unpaid sabbatical or maternity/paternity leave.

The employees abroad relate to the permanent establishments taken over from UniCredit Services in Poland and Romania in July 2022.

F.5 – Auditors' fees

(pursuant to section 245a (1) in combination with section 238 (1) 18 of the Austrian Business Code)

The table below shows the expenses for the auditors of the consolidated financial statements for the 2025 financial year:

F.5.1 Auditors' fees

	YEAR 2025	YEAR 2024
(€ thousand)		
Fees for the audit of the financial statements and the consolidated financial statements	4,872	4,421
KPMG	2,989	3,000
Austrian Savings Bank Auditing Association	1,883	1,421
Audit-related services	808	1,938
KPMG	758	1,478
Austrian Savings Bank Auditing Association	50	460
Tax consulting services	-	-
KPMG	-	-
Austrian Savings Bank Auditing Association	-	-
Other services	902	933
Austrian Savings Bank Auditing Association	902	933
TOTAL	6,583	7,292

Note: Amounts are net of VAT.

F – Additional disclosures

F.6 –Geographical distribution

Disclosures pursuant to Section 64 (18) of the Austrian Banking Act (“country-by-country reporting”)

Section 64 (18) of the Austrian Banking Act requires disclosure of specific information on a country-by-country basis.

Information on the country in which each of our subsidiaries in the Group has its registered office is given in section A.8.

In addition, the following information is required to be given on a consolidated basis, broken down by country:

F.6.1 Geographical distribution

COUNTRY	NET INTEREST INCOME (€ MILLION)	OPERATING INCOME (€ MILLION)	TOTAL PROFIT OR LOSS BEFORE TAX FROM CONTINUING OPERATIONS (€ MILLION)	TAX EXPENSE (INCOME) RELATED TO PROFIT OR LOSS FROM CONTINUING OPERATIONS (€ MILLION)	EMPLOYEES (FTE)
Austria	1,549	2,375	1,463	(200)	3,898
TOTAL	1,549	2,375	1,463	(200)	3,898

There are no significant permanent establishments abroad as defined by the CRR. In July 2022, the permanent establishments previously held by UniCredit Services in Poland and Romania, which mainly perform back-office activities for the bank's business units, were transferred to UniCredit Bank Austria AG.

F – Additional disclosures

F.7 – Effects of netting agreements on the statement of financial position

F.7.1 Financial assets subject to accounting offsetting or under master netting agreements and similar agreements

(€ million)

		RELATED AMOUNTS NOT SUBJECT TO ACCOUNTING OFFSETTING					NET AMOUNT 31.12.2025 (F=C-D-E)	NET AMOUNT 31.12.2024
		GROSS AMOUNTS OF FINANCIAL ASSETS (A)	FINANCIAL LIABILITIES OFFSET IN BALANCE SHEET (B)	NET BALANCE SHEET VALUES OF FINANCIAL ASSETS (C=A-B)	FINANCIAL INSTRUMENTS (D)	CASH COLLATERAL RECEIVED (E)		
INSTRUMENT TYPE		(A)	(B)	(C=A-B)	(D)	(E)	(F=C-D-E)	
1. Derivatives		3,433	32	3,401	2,579	666	155	227
2. Reverse repos		5,948	-	5,948	-	-	5,948	6,052
3. Securities lending		-	-	-	-	-	-	-
4. Others		301	-	301	-	-	301	21
Total	31.12.2025	9,682	32	9,650	2,579	666	6,404	X
Total	31.12.2024	9,779	146	9,633	3,187	147	X	6,299

F.7.2 Financial liabilities subject to accounting offsetting or under master netting agreements and similar agreements

(€ million)

		RELATED AMOUNTS NOT SUBJECT TO ACCOUNTING OFFSETTING					NET AMOUNT 31.12.2025 (F=C-D-E)	NET AMOUNT 31.12.2024
		GROSS AMOUNTS OF FINANCIAL LIABILITIES (A)	FINANCIAL ASSETS OFFSET IN BALANCE SHEET (B)	NET BALANCE SHEET VALUES OF FINANCIAL LIABILITIES (C=A-B)	FINANCIAL INSTRUMENTS (D)	CASH COLLATERAL RECEIVED (E)		
INSTRUMENT TYPE		(A)	(B)	(C=A-B)	(D)	(E)	(F=C-D-E)	
1. Derivatives		3,171	73	3,098	2,579	59	459	421
2. Reverse repos		8,837	-	8,837	-	-	8,837	5,687
3. Securities lending		-	-	-	-	-	-	-
4. Others		943	2	941	-	-	941	116
Total	31.12.2025	12,952	75	12,876	2,579	59	10,238	X
Total	31.12.2024	9,765	146	9,619	3,187	208	X	6,224

The above tables show the potential netting of derivatives (recognized financial assets and liabilities) which are subject to an enforceable ISDA Master Netting Agreement and Cash Settlement Agreement, which cannot be offset in the statement of financial position and for which the entity currently has the right, legally enforceable, to offset the recognized amounts in case of insolvency or termination. The values actually netted in the balance sheet are also stated.

F – Additional disclosures

F.8 – Assets pledged as security

F.8.1 Assets used to guarantee own liabilities and commitments

PORTFOLIOS	AMOUNTS AS AT	
	31.12.2025	31.12.2024
1. Financial assets at fair value through profit or loss	288	283
2. Financial assets at fair value through other comprehensive income	7,101	4,354
3. Financial assets at amortised cost	25,490	24,518
4. Property, plant and equipment	-	-
<i>of which: inventories of property, plant and equipment</i>	-	-

Assets include loans and receivables as well as securities which are collateral for the bank's own liabilities and are not derecognised. The bank's own liabilities for which such collateral was provided primarily include cover pools of public-sector covered bonds and mortgage bonds, for funded UniCredit Bank Austria bonds and other collateral arrangements. The contractual terms for these transactions are in line with normal market conditions.

F.9 – Transfer of financial assets

The Group transfers financial assets primarily through sale and repurchase agreements or repo transactions (sell and buybacks of securities).

F – Additional disclosures

F.9.1 Transferred, but not derecognised financial assets (fair value) and corresponding financial liabilities

(€ million)

					(€ million)		
FINANCIAL ASSETS SOLD AND FULLY RECOGNISED					ASSOCIATED FINANCIAL LIABILITIES		
	BOOK VALUE	OF WHICH: SUBJECT TO SECURITISATION TRANSACTION	OF WHICH: SUBJECT TO SALE AGREEMENT WITH REPURCHASE OBLIGATION	OF WHICH NON- PERFORMING	BOOK VALUE	OF WHICH: SUBJECT TO SECURITISATION TRANSACTION	OF WHICH: SUBJECT TO SALE AGREEMENT WITH REPURCHASE OBLIGATION
A. Financial assets held for trading	-	-	-	X	-	-	-
1. Debt securities	-	-	-	X	-	-	-
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	X	-	-	-
4. Derivative instruments	-	-	-	X	-	-	-
B. Other financial assets mandatorily at fair value	-	-	-	-	-	-	-
1. Debt securities	-	-	-	-	-	-	-
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated at fair value	44	-	44	-	45	-	45
1. Debt securities	44	-	44	-	45	-	45
2. Loans	-	-	-	-	-	-	-
D. Financial assets at fair value through other comprehensive income	6,576	-	6,576	-	6,541	-	6,541
1. Debt securities	6,576	-	6,576	-	6,541	-	6,541
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets at amortised cost	2,113	-	2,113	-	2,089	-	2,089
1. Debt securities	2,113	-	2,113	-	2,089	-	2,089
2. Loans	-	-	-	-	-	-	-
Total 31.12.2025	8,733	-	8,733	-	8,675	-	8,675
Total 31.12.2024	4,981	-	4,981	-	4,915	-	4,915

F – Additional disclosures

F.10 – Subordinated assets/liabilities

F.10.1 Subordinated assets and liabilities

	31.12.2025	31.12.2024
Financial assets held for trading	-	-
Financial assets designated at fair value	-	-
Financial assets mandatorily at fair value	13	12
Financial assets at fair value through other comprehensive income	-	-
Financial assets at amortised cost with banks	229	230
Financial assets at amortised cost with customers	-	-
Non-current assets and disposal groups classified as held for sale	-	-
Subordinated assets	242	242
Deposits from banks	-	-
Deposits from customers	26	33
Debt securities in issue	4,203	574
Liabilities included in disposal groups classified as held for sale	-	-
Subordinated liabilities	4,229	607

The subordinated liabilities include Tier 2 capital and Senior Non-Preferred bonds too. As of 31 December 2025 the supplementary capital consists of 1 bond (previous year: 11 bonds) and 1 time deposit (previous year: 1 time deposit). To replace the 11 subordinated issues held in accordance with CRR II, Article 494b (2), which have been derecognized from supplementary capital at the end of grandfathering period as of June 28th, 2025, a new Tier 2 bond in the amount of €570.000.000 fully subscribed by UniCredit S.p.A. has been issued on May 26th, 2025. The supplementary capital bond matures on November 26th, 2035. The subordinated term deposit in the form of a promissory note loan is denominated in USD and matures on December 15, 2046. The supplementary capital bond and three Senior Non-Preferred exceed 10 per cent of the total subordinated liabilities of €4,229 million i.e. that exceed €423 million. The nominal amount of supplementary capital bond is €570 million and has an interest rate of 4.23%. The nominal amounts of three Senior Non-Preferred bonds are €1,000 million, €1,000 million and € 800 million, they have an interest rate of 4.31%, 3.38% and 3.81%. In the reporting period, expenses for subordinated liabilities totaled €183 million (previous year: €27 million). In the previous year, the Senior Non-Preferred bonds amounting to €3,308 million were not reported as subordinated liabilities. The expenses for senior non-preferred bonds amount to €189 million in 2024.

F.11 – Trust assets

F.11.1 Trust assets and trust liabilities

	31.12.2025	31.12.2024
Loans and receivables with banks	-	-
Loans and receivables with customers	56	66
Equity securities and other variable-yield securities	-	-
Debt securities	-	-
Other assets	-	-
TRUST ASSETS	56	66
Deposits from banks	30	35
Deposits from customers	26	31
Debt securities in issue	-	-
Other liabilities	-	-
TRUST LIABILITIES	56	66

F – Additional disclosures

F.12 – Return on assets

F.12.1 Disclosure pursuant to Section 64 (1) 19 of the Austrian Banking Act

	YEAR 2025	YEAR 2024
Net profit (in € million)	1,259	1,285
Total assets (in € million)	109,593	105,253
Return on assets	1.15%	1.22%

F – Additional disclosures

F.13 – Consolidated capital resources and regulatory capital requirements

F.13.1 – Capital management

Bank Austria, as part of UniCredit Group, places a high priority on capital management and capital allocation. The Bank's capital management strategy is characterised by a strong commitment to maintaining a sound capital base; the strategy is based on a risk-oriented and earnings-oriented allocation of capital to achieve the highest possible shareholder value.

At present, Bank Austria's internal capital is set at a level that will cover adverse events with a probability of 99.90% (confidence interval).

At the same time regulatory capital ratio targets (Common Equity Tier 1 and capital adequacy ratio) are set so as to be consistent with regulatory expectations and the Risk Appetite Framework defined by the bank.

Capital management activities form a major part of the Group's planning and budgeting process as well as within ICAAP processes. Bank Austria regularly monitors capital evolution and regulatory trends at national and Group level.

Capital management activities comprise:

- Planning and budgeting processes:
 - proposals as to risk propensity, development and capitalisation objectives
 - analysis of RWA development and changes in the regulatory framework
 - proposals for the financial plan and an appropriate dividend policy (MDA)
- Monitoring processes
 - analysis and monitoring of limits for Pillar 1 and Pillar 2
 - analysis and monitoring of the capital ratios of the Bank Austria Group
- Stress tests
 - regular stress tests on regulatory and internal capital adequacy are carried out twice a year
 - the results of the stress tests are used to determine the risk appetite and capitalisation targets

Capital is managed dynamically which means that Bank Austria prepares the financial plan, monitors capital ratios for regulatory purposes on an ongoing basis and anticipates the appropriate steps required to achieve the goals set.

F.13.2 – Capital requirements

The capital requirements pursuant to the CRR (Capital Requirements Regulation) comprise requirements resulting from credit risk (including securitization), all types of risk in the trading book, commodities risk and foreign-exchange risk outside the trading book, operational risk and the CVA risk.

F.13.3 – Regulatory developments – finalization of Basel 3/CRD VI, CRR III

With the EU Banking Package, additional, important components of the finalization of Basel 3 framework were implemented at the European level through changes to the CRR ("CRR III") and CRD ("CRD VI"), among other things. 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. The EU Banking Package 2024 was published on 19 June 2024 in the Official Journal of the European Union. CRR III being applicable starting with 1 January 2025. The transposition of CRD VI into Austrian law has not yet been completed.

CRR demands strict 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%.

F – Additional disclosures

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 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 2025 was set at 0.50% and the surcharge for systemically important banks is 1.75%, both have to be applied cumulatively since June 2021, in accordance with CRD V.

Starting July 2025 the sectoral systemic risk buffer of 1% has been set for certain commercial real estate exposures. From July 2026, the sectoral systemic risk buffer is expected to be increased to 2%, and from July 2027 to 3.5%.

Regarding BRRD II, it was implemented in Austria into national law by the amendment to the "Banken-Sanierungs- und Abwicklungsgesetz" (BaSAG) published on May 28, 2021. The MREL regulation based on the "Total Liabilities and Own Funds" (TLOF) has been removed 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 January 1, 2022.

F.13.4 – Development of equity at Bank Austria Group

In 2025, the total capital ratio increased from 23.2% to 24.5% compared to the previous year. Regulatory capital increased by €557 million year-on-year to €8,367 million and risk-weighted assets increased by €501 million to €34,094 million.

On December 22nd, UniCredit Bank Austria entered into a hedge agreement (which was not designated as hedging instrument under IFRS 9 but is classified as held for trading) with a private investor in relation to its equity stake in one of its associates. The transaction has a positive impact on the regulatory CET1 capital of the bank.

As of 31 December 2025, the put option has been classified in the banking book portfolio held for trading, which was classified as level 3 financial instrument. It was concluded that the transaction price could not be considered the best evidence of fair value.

The fair value of the option was determined using the standard Black-Scholes option pricing model, including appropriate fair value adjustments for derivatives. The model required an assumption regarding the volatility of the underlying instrument and considering that this volatility was not directly observable on the market, a proxy has been used deriving from an observable market index and adjusted to reflect transaction-specific characteristics, in particular the limited liquidity and concentration of the underlying. Early close-out rights granted to both parties under the option contract were considered immaterial for the valuation because either economically unlikely to occur or primarily driven by business considerations rather than risk factor dynamics.

The Day-One Profit/Loss will be amortized in the P&L item "80. Net gains (losses) on trading" for the duration of the contract until 22 December 2031 (immaterial amortization impact in 2025).

In November 2025, UniCredit Bank Austria AG, together with UniCredit Group, has executed a synthetic securitization program for risk transfer and RWA relief purposes having a positive impact on UniCredit Bank Austria RWA of €579 million as of 31 December 2025 (for further details see chapter E.2).

Bank Austria continues to have a sound capital base to meet the capital requirements pursuant to Art. 92 of the CRR in conjunction with Art. 129 et seqq. of CRD (capital requirements, Pillar I).

F – Additional disclosures

F.13.4a Consolidated capital resources

	(€ million)	
	31.12.2025	31.12.2024
Paid-in capital instruments (excl. own instruments of Common Equity Tier 1)	1,681	1,681
Reserves (incl. profit) and minority interests	7,812	7,404
Adjustments to Common Equity Tier 1 ¹⁾	(2,457)	(2,650)
Transitional adjustments to Common Equity Tier 1 ²⁾	-	62
Common Equity Tier 1 (CET1)	7,036	6,497
Additional Tier 1 capital and qualifying Additional Tier 1 instruments issued by subsidiaries	600	602
Additional Tier 1 (AT1)	600	602
Tier 1 capital (T1=CET1+AT1)	7,636	7,099
Tier 2 capital (T2)	731	711
Total regulatory capital (TC=T1+T2)	8,367	7,810

¹⁾ since 3Q22, the netted debit value adjustment has been included in the deduction after taking tax effects into account (23% Income Tax rate)

²⁾ As of 31 December 2024 the transitional adjustments to common equity tier 1 capital to mitigate the effects of the implementation of IFRS 9 on the regulatory own funds (€62 million) have been applied for the last time.

F – Additional disclosures

F.13.4b Total risk exposure amount

	(€ million)	
	31.12.2025	31.12.2024
a) Credit risk pursuant to standardised approach	5,320	5,079
b) Credit risk pursuant to internal ratings-based (IRB) approach ¹⁾	23,448	24,969
c) Other (securitisation and contribution to default fund of a central counterparty [CCP])	280	30
Credit risk	29,048	30,078
Settlement risk	-	-
Position, foreign exchange and commodity risk	369	521
Operational risk	4,664	2,983
Risk positions for credit value adjustments (CVA)	13	11
TOTAL RWAs	34,094	33,593

¹⁾ including RWA add-ons of €1,317m as of 31 December 2025 and €2,290m as of 31 December 2024.

F.13.4c Key performance indicators

	31.12.2025	31.12.2024
Common Equity Tier 1 ratio ¹⁾	20.6%	19.3%
Tier 1 ratio ¹⁾	22.4%	21.1%
Total capital ratio ¹⁾	24.5%	23.2%

¹⁾ based on all risks

The calculation of consolidated regulatory capital and consolidated regulatory capital requirements as at 31 December 2025 is based - in conformity with the CRR - on International Financial Reporting Standards (IFRS).

F.14 – Trading book

In the financial year 2025, UniCredit Bank Austria AG maintained a trading book pursuant to Section 64 (1) no. 15 BWG. The volume of the trading book consists of securities in the amount of €0.001 million (31.12.2024: €0.2 million) and derivatives with a value of €1.2 billion (on the assets side) and €1.2 billion (on the liabilities side). As at the previous year's reporting date, the value of the derivatives totaled €1.4 billion (on the assets side) and €1.4 billion (on the liabilities side).

F.15 – Non-financial performance indicators

As a member of UniCredit Group, Bank Austria does not prepare its own non-financial declaration in accordance with Section 267a of the Austrian Commercial Code (UGB), since it is included in UniCredit S.p.A.'s non-financial report pursuant to Section 267a (7) UGB. This report is available on UniCredit's website (<https://www.unicreditgroup.eu/en.html>).

F.16 – Events after the reporting period

There are no major events after the reporting period.

Consolidated Financial Statements 2025

Vienna, 17 February 2026

The Management Board



Ivan Vlaho
CEO – Chief Executive Officer
(Chairperson)



Daniela Barco
Retail



Hélène Buffin
CFO – Chief Financial Officer



Dieter Hengl
Corporates



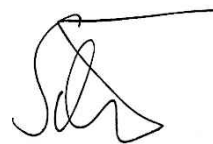
Emilio Manca
COO – Chief Operating Officer



Marion Morales Albiñana-Rosner
Wealth Management & Private Banking



Svetlana Pančenko
People & Culture



Wolfgang Schilk
CRO – Chief Risk Officer

Report of the Auditors

Auditors' Report

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of UniCredit Bank Austria AG, Vienna (the Company), and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of 31 December 2025, the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year then ended, and notes to the consolidated financial statements.

In our opinion, the consolidated financial statements comply with legal requirements and give a true and fair view of the consolidated financial position of the Group as of 31 December 2025, and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as adopted by the EU and the additional requirements under section 245a UGB and under section 59a BWG.

Basis for Opinion

We conducted our audit in accordance with the Regulation (EU) No. 537/2014 and the Austrian Standards on Auditing. Those standards require the application of the ISAs. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our auditors' report. We are independent of the Group in accordance with the Austrian Commercial Code and banking and professional regulations applicable in Austria and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements of UniCredit Bank Austria AG (also referred to as "the Bank") as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

• Recoverability of loans to customers at amortized cost

Risk for the consolidated financial statements

Loans to customers at amortized cost are disclosed net of allowances for expected credit losses, with a total amount of EUR 61.9 bn. The loan loss allowances amount to EUR 1.2 bn.

In the Notes to the consolidated financial statements, the management describes the approach for determining loan loss allowances in section „A.5.3.3 – Impairment of financial instruments“.

As part of its credit monitoring activities, the Bank determines whether there are objective indications of default and, subsequently, whether impairment losses need to be recognized for defaulted loans. This also includes an assessment of whether customers are able to meet contractual obligations in full.

For defaults of individually significant loans and advances to customers, the expected credit loss ("ECL Stage 3") is calculated at the borrower level. Expected cash flows are recognized on the basis of probability-weighted scenarios in order to determine the loan loss allowance.

Report of the Auditors

For non-performing loans to customers that are not individually significant, the expected credit losses are determined collectively, based on a statistical valuation model. The need for impairment is determined automatically, dependent on the customer segment, the rating, the amount of the loan receivable, the collateral available and the duration of the default.

A portfolio allowance is recognized for the expected credit loss of performing loans to customers, using the 12-month ECL (Stage 1). In the event of a significant increase in credit risk, the ECL is calculated based on the total duration (Stage 2). Estimates and assumptions, among others, are required in determining the expected credit loss for these levels. These estimates and assumptions include default probabilities, historical data as well as loss rates that consider present and future-oriented information.

To reflect the current macroeconomic and geopolitical risks ECL model appropriately, it was complemented by a management overlay. This accounts for associated expected credit defaults that cannot be modeled. The risk to the financial statements results from the fact that the determination of the amount of loan loss allowances and the setting of the management overlay involve significant judgements and estimation uncertainties.

Our Audit Response

In auditing the recoverability of loans to customers, we performed the following significant audit procedures:

- We have analyzed the existing documentation relating to the processes for credit monitoring and provisioning of loans to customers. We then assessed whether the procedures described therein are appropriate for identifying defaults and adequately determining the amount of impairment losses for loans to customers.
- We identified relevant key controls in the processes and assessed their design and implementation. We also tested the effectiveness of these controls on a sample basis.
- For a sample of loans to customers, we examined whether there were objective indicators of default and whether these were appropriately assessed by the bank. The sample selection was both random and risk-oriented, with particular consideration of negative rating changes during the comparison period and industries with an increased risk of default.
- For defaults of individually significant loans to customers, the Bank's assumptions regarding the amount of future returns were tested on a sample basis for reasonableness, consistency and the appropriateness of the resulting loan loss allowances.
- For performing as well as individually non-significant non-performing loans to customers, with the assistance of specialists, we analyzed the bank's applied method and its compliance with the requirements of IFRS 9. Furthermore, in considering the Bank's internal validations, we tested selected models, their mathematical functions as well as the parameters used therein in test cases, to determine whether they are suitable for calculating impairment losses at an appropriate level and examined the appropriateness of the resulting loan loss allowances. We verified the mathematical accuracy by recalculating the loan loss allowances on a sample basis.
- With the involvement of specialists, we assessed the impact of the current volatile economic situation on customer default probabilities. We also reviewed the selection and measurement of forward-looking estimates and scenarios for appropriateness and verified their inclusion in the parameter calculation. Furthermore, we assessed the determination and rational of the underlying assumptions for the management overlays with regard to their appropriateness.

Other Information

Management is responsible for the other information. The other information comprises the information in the annual report and in the annual financial report supplemented with company information but does not include the consolidated financial statements, the consolidated management report and our auditors' report thereon. The annual report and the annual financial report supplemented with company information is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information as soon as it is available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Report of the Auditors

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements and for them to give a true and fair view of the assets, financial position and the financial performance in accordance with IFRS Accounting Standards as adopted by the EU, the additional requirements under section 245a UGB and section 59a BWG. Management is also responsible for internal controls that are determined as necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the EU regulation and the Austrian Standards on Auditing, which require the application of the ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Regulation (EU) No. 537/2014 and in accordance with Austrian Standards on Auditing, which require the application of the ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that give a true and fair view.
- We plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the units or business areas within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Report of the Auditors

- We also communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Statutory and Other Legal Requirements

Report on the Audit of the Consolidated Management Report

Pursuant to Austrian Commercial Code, the consolidated management report is to be audited as to whether it is consistent with the consolidated financial statements and whether it has been prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the consolidated management report in accordance with the Austrian Commercial Code.

We conducted our audit in accordance with laws and regulations applicable with respect to the consolidated management report.

Opinion

In our opinion, the consolidated management report is prepared in accordance with the applicable legal requirements, contains appropriate disclosures pursuant to section 243a UGB, and it is consistent with the consolidated financial statements.

Statement

Based on the findings during the audit of the consolidated financial statements and due to the thus obtained understanding concerning the Group and its circumstances no material misstatements in the consolidated management report came to our attention.

Additional Information in Accordance with Article 10 of the EU Regulation

According to section 24 of the Austrian Savings Banks Act (SpG) and the Auditing Rules for Savings Banks (Anlage zu § 24 SpG), Sparkassen-Prüfungsverband (auditing board) acts as statutory auditor of Austrian savings banks and therefore also of UniCredit Bank Austria AG, Vienna.

Under section 23 para 3 SpG in conjunction with sections 60 and 61 BWG, the audit requirement also includes the consolidated financial statements.

By resolution of the annual general shareholders' meeting on 10 April 2024, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, was appointed as additional auditor for the financial year ending on 31 December 2025. In accordance with the above, the Supervisory Board engaged KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, as additional auditor on 30 April 2024.

On 26 March 2025, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna was appointed as additional auditor for the financial year ending on 31 December 2026. On 30 April 2025, it was engaged by the Supervisory Board as additional auditor.

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, has been the additional auditor since the financial year ending 31 December 2022.

We confirm that the audit opinion in the section "Report on the Consolidated Financial Statements" is consistent with the additional report to the Audit Committee referred to in article 11 of the EU regulation.

Report of the Auditors

We declare that no prohibited non-audit services (article 5 para 1 of the EU regulation) were provided by us and that we remained independent in conducting the audit.

Engagement Partner

The engagement partner responsible for the audit is Gerhard Margetich on behalf of Sparkassen-Prüfungsverband (auditing board) and Bernhard Mechtler on behalf of KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna.

Consolidated Financial Statements 2025
UniCredit Bank Austria AG, Vienna

Vienna, 17 February 2026

Sparkassen-Prüfungsverband
Auditing Board

Gerhard Margetich
Certified Public Accountant

Stephan Lugitsch
Certified Public Accountant

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna

Bernhard Mechtler
Certified Public Accountant

This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the consolidated financial statements together with our auditors' opinion is only allowed if the consolidated financial statements and the consolidated management report are identical with the audited version. This audit opinion is only applicable to the German and complete consolidated financial statements with the consolidated management report. Section 281 para 2 UGB applies to alternated versions.

Report of the Supervisory Board

2025 Report of the Supervisory Board

In the year under review, the Supervisory Board fulfilled all duties required by law, the Articles of Association, and the Rules of Procedure. It advised the Management Board and monitored its activities throughout the year. To ensure efficiency, the Supervisory Board was supported by four Committees.

In 2025, the Supervisory Board held four meetings and passed eight resolutions by circular vote. Resolutions were adopted after thorough analysis and discussion, and the Board was involved in all decisions of fundamental importance. Continuous exchange took place between the Chairmen of the Supervisory Board and the Management Board on key developments.

Focus of the Supervisory Board's activities

The Management Board provided regular, timely, and comprehensive updates on business policy, financial development, earnings, risk, liquidity, and capital management. A key focus was on measures related to the stand-alone and consolidated financial statements for 2024, including audit reports and proposals for the election of auditors and group auditors for the 2026 financial year. The annex to the audit report pursuant to § 63 (5) and (7) of the Austrian Banking Act was reviewed.

The Supervisory Board addressed Internal Audit reports and the issuance of procurations at regular intervals. It also discussed strategic projects, including the branches in Poland and Romania and the purchase of the headquarters building. The Board reviewed the Risk Strategy 2025, the Capital Adequacy Statement, the structure of the loan portfolio, principles of risk policy, and large exposures under Section 28b of the Austrian Banking Act.

Updates were provided on Alpha initiatives and ESG-related activities. Legal updates covered court proceedings regarding credit processing fees. Compliance training included Anti-Money Laundering and financial sanctions. Governance matters such as Management Board mandate extensions and amendments to the Fit & Proper Policy were addressed.

The Supervisory Board received information on the utilization of the advance approval under Section 28 for 2024 and approved the advance approval for 2026 under Section 28 of the Austrian Banking Act. The Supervisory Board approved the funding plafond for 2026.

Committee activities were regularly reported to the Supervisory Board. Fit & Proper training for members included topics such as Basel IV, AML, DORA, and sustainability.

Focus of the Committees' activities

The **Credit/Risk Committee** passed sixtyseven resolutions by circular vote during the reporting period and held four meetings. Within its authority, the Committee approved loan applications and discussed financial risks, non-financial risks, and strategic and ESG-related risks. It reviewed moratoria, processes, and loan provisions and received comprehensive reports on market, liquidity, operational, and reputational risks, as well as ICAAP.

The Committee approved the Risk Strategy 2025 and the Capital Adequacy Statement and examined the portfolio of ECB leveraged transactions and its monitoring. In addition, it reviewed regulatory capital, funding and liquidity management, and compliance with MREL requirements. The Committee addressed findings from supervisory authorities, considered loans to political organizations, and monitored large exposures pursuant to Section 28b of the Austrian Banking Act. Its work also included involvement in the Group Recovery Plan 2025.

The **Audit Committee** held four meetings attended by representatives of the auditors. It worked intensively on the 2024 financial statements and audit reports and reviewed audit planning and the focus areas for the 2025 annual audit.

The Committee received periodic updates from the Compliance function and reviewed the Compliance Plan 2025. It examined annual reports from Securities Compliance and Anti-Financial Crime and received regular updates from Internal Audit and Regulatory Affairs.

The Audit Plan 2025 was approved, and the Committee reviewed governance monitoring and complaints management reports. It monitored accounting processes in accordance with Savings Law 262 and reviewed risk management reports. The Committee also addressed SREP FTE reports. Finally, it recommended the appointment of auditors for the 2026 financial year and approved engagement letters for quarterly reviews and non-audit services.

Report of the Supervisory Board

The **Strategic and Nomination Committee** met once during the reporting period and passed three resolutions by circular vote. Its work focused on amendments to the Fit & Proper Policy and the extension of the mandate of three Management Board members. The Committee also reviewed the Fit & Proper re-evaluation for 2025, addressed gender balance within the bank, and considered succession planning for the chairpersons of the Supervisory Board and its Committees. In addition, the Committee oversaw the selection process for senior management and approved updates to the Fit & Proper Policy.

The **Remuneration Committee** met once during the reporting period and received the report of the Risk Committee in this meeting. The Committee passed three resolutions via circular vote. It discussed updates to the regulatory framework regarding compensation and reviewed the bonus pool framework for 2024. Further, the Committee addressed severance payments and considered the outlook for activities in 2025. Furthermore, it examined the Group Incentive System for 2025 and approved the Remuneration Policy for 2025.

Staff Changes within the Supervisory Board and the Management

During the reporting year, the mandates of Ms. Marion Morales Albiñana-Rosner and Mr. Dieter Hengl were extended until 31 March 2028, and the mandate of Mr. Emilio Manca was extended until 31 August 2028. Mr. Lehner resigned from his position in the Supervisory Board per 1st June 2025. Ms. Tamara Haas was delegated to the Supervisory Board by the Work's Council per 2nd June 2026.

A detailed organizational chart of the Supervisory Board, its Committees, and the Management Board for 2025 is included in the Annual Report under the section "Management and Supervisory Board of UniCredit Bank Austria AG."

Audit of the stand-alone financial statements and the consolidated financial statements

The accounting records, the 2025 stand-alone financial statements and the management report, were audited by the Auditing Board of the Austrian Savings Bank Auditing Association and by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft. As the audit did not give rise to any objections, and as there was full compliance with the legal requirements, the auditors expressed their unqualified audit opinion.

The Supervisory Board endorsed the audit findings, indicates its acceptance of the unconsolidated financial statements and the management report, and the proposal for the distribution of profits as presented by the Management Board, and it approves the 2025 unconsolidated financial statements of UniCredit Bank Austria AG, which are thereby adopted pursuant to Section 96 (4) of the Austrian Joint Stock Companies Act.

The 2025 consolidated financial statements were audited by the Auditing Board of the Austrian Savings Bank Auditing Association and by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, for consistency with the International Financial Reporting Standards (IFRS), published by the International Accounting Standards Board, as adopted by the European Union; the Group management report was audited for consistency with Austrian legal provisions. The audit did not give rise to any objections and there was full compliance with the legal requirements. In the opinion of the auditors, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025, and of the results of the Group's operations and its cash flows for the financial year beginning on 1 January 2025 and ending on 31 December 2025, in accordance with International Financial Reporting Standards (IFRS Accounting Standards), as adopted by the European Union, as well as pursuant to the additional requirement of Section 245a of the Austrian Business Code (UGB) and the Austrian Banking Act.

The auditors certify that the Group management report is consistent with the consolidated financial statements, and that the legal requirements pursuant to Austrian law were met concerning the exemption from the obligation to prepare also separate consolidated financial statements, and they express their unqualified audit opinion.

The Supervisory Board has endorsed the audit findings.

Thank you

The Supervisory Board would like to thank the Management Board, all employees, and the employee representative body for their valuable contributions, which made the success of the company possible again in the past year.

Vienna, 24 February 2026

The Supervisory Board
Gianfranco Bisagni
Chairman of the Supervisory Board

Statement by Management

We state to the best of our knowledge that the consolidated financial statements prepared in accordance with the applicable financial reporting standards provide a true and fair view of the financial position and performance of the Group, and that in the management report of the Group the business trends including business results and the position of the Group have been presented in such a way as to provide a true and fair view of the financial position and performance of the Group, and that the management report of the Group describes the material risks and uncertainties to which the Group is exposed.

Vienna, 17 February 2026

The Management Board



Ivan Vlaho
CEO – Chief Executive Officer
(Chairperson)



Daniela Barco
Retail



Hélène Buffin
CFO – Chief Financial Officer



Dieter Hengl
Corporates



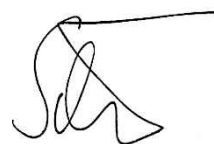
Emilio Manca
COO – Chief Operating Officer



Marion Morales Albiñana-Rosner
Wealth Management & Private Banking



Svetlana Pančenko
People & Culture



Wolfgang Schilk
CRO – Chief Risk Officer

Supervisory Board and Management Board

Information regarding the Management Board of the company

Chairperson of the Management Board

Ivan Vlaho, born 1973

Chief Executive Officer (CEO)

Chairman and Member from 01 May 2024, end of the current term of office: 30 April 2027

Members of the Management Board

Daniela Barco, born 1982

Retail

From 01 November 2021, end of the current term of office: 31 October 2027

Hélène Buffin, born 1969

Chief Financial Officer (CFO)

From 01 March 2024, end of the current term of office: 28 February 2027

Dieter Hengl, born 1964

Corporates

From 10 March 2022, end of the current term of office: 31 March 2028

Emilio Manca, born 1973

Chief Operating Officer (COO)

From 01 September 2022, end of the current term of office: 31 August 2028

Marion Morales Albiñana-Rosner, born 1972

Wealth Management & Private Banking

From 01 April 2022, end of the current term of office: 31 March 2028

Svetlana Pančenko, born 1978

People & Culture

From 01 February 2024, end of the current term of office: 31 January 2027

Wolfgang Schilk, born 1967

Chief Risk Officer (CRO)

From 01 November 2020, end of the current term of office: 31 March 2026

In December 2025, the Supervisory Board appointed Mr. Albert ANGERSBACH as a new member of the Management Board with responsibility for risk management, effective 1 April 2026, following Mr. SCHILK's resignation per 31 March 2026.

Supervisory Board and Management Board

Information regarding the Supervisory Board

The term of office of elected members will end with the Annual General Meeting in 2028. The employees' representatives are delegated to the Supervisory Board without a time limit.

Chairperson

Gianfranco Bisagni, born 1958

Group Chief Operating Officer

UniCredit S.p.A.

(Member and Chairperson since 01 January 2020)

Deputy Chairperson

Aurelio Maccario, born 1972

Head of Group Risk Management

UniCredit S.p.A.

(Member from 08 April 2019 and Deputy Chairperson since 11 July 2022)

Members

Livia Aliberti Amidani, born 1961

(since 11 April 2018)

Richard Burton, born 1968

Head of Client Solutions

UniCredit S.p.A.

(since 20 July 2021)

Herbert Pichler, born 1961

Member of the Management Board

AVZ Privatstiftung zur Verwaltung von Anteilsrechten

(since 12 April 2021)

Eveline Steinberger, born 1972

Managing Director

The Blue Minds Company GmbH

(since 04 May 2015)

Doris Tomanek, born 1956

(since 18 July 2022)

Delegated by the Employees' Council

Adolf Lehner, born 1961

Chairperson of the Central Employees' Council

(from 04 December 2000 until 01 June 2025)

Christoph Bures, born 1979

Chairperson of the Central Employees' Council (since 02 June 2025), Chairperson of the Employees' Council, Vienna Region, and Central Representative for Disabled Employees

(since 19 July 2022)

Tamara Haas, born 1985

Member of the Employees' Council, Vienna Region

(since 02 June 2025)

Supervisory Board and Management Board

Judith Maro, born 1967

Chairperson of the Employees' Council, Carinthia
(since 01 January 2022)

Roman Zeller, born 1988

Deputy Chairperson of the Employees' Council, Vienna Region, Member of the Central Employees' Council
(since 09 April 2021)

Representatives of the Supervisory Authorities

Commissioner

Nadine Wiedermann-Ondrej

Federal Ministry of Finance
(since 01 November 2023)

Deputy Commissioner

Paul Rzepa-Stark

Federal Ministry of Finance
(since 01 November 2023)

Trustee appointed pursuant to the Pfandbrief Act (Pfandbriefgesetz)

Law firm BINDER GRÖSSWANG Rechtsanwälte GmbH (since 01 January 2023)

The Supervisory Board formed the following permanent committees:

Credit-/Risk Committee:

Chairperson:

Eveline Steinberger (Member since 08 May 2015, Chairperson since 16 April 2018)

Deputy Chairperson:

Richard Burton (Member and Deputy Chairperson since 22 July 2021)

Members:

Aurelio Maccario (since 09 April 2019)

Delegated by the Employees' Council:

Christoph Bures (since 19 July 2022)

Roman Zeller (since 01 January 2022)

Audit Committee:

Chairperson:

Aurelio Maccario (Member and Chairperson since 22 July 2021)

Deputy Chairperson:

Doris Tomanek (Member and Deputy Chairperson since 18 July 2022)

Members:

Herbert Pichler (since 04 May 2021)

Delegated by the Employees' Council:

Adolf Lehner (from 02 May 2006 until 01 June 2025)

Tamara Haas (since 02 June 2025)

Roman Zeller (since 09 April 2021)

Supervisory Board and Management Board

Remuneration Committee:

Chairperson:

Livia Aliberti Amidani (Member and Chairperson since 16 April 2018)

Deputy Chairperson:

Aurelio Maccario (Member and Deputy Chairperson since 09 April 2019)

Members:

Gianfranco Bisagni (since 11 July 2022)

Delegated by the Employees' Council:

Adolf Lehner (from 06 November 2011 until 01 June 2025)

Christoph Bures (since 02 June 2025)

Judith Maro (since 01 January 2022)

Strategic & Nomination Committee:

Chairperson:

Livia Aliberti Amidani (Member and Chairperson since 16 April 2018)

Deputy Chairperson:

Richard Burton (Member and Deputy Chairperson since 22 July 2021)

Members:

Gianfranco Bisagni (since 01 January 2020)

Delegated by the Employees' Council:

Adolf Lehner (from 02 May 2006 until 01 June 2025)

Christoph Bures (since 02 June 2025)

Judith Maro (since 01 January 2022)

Concluding Remarks of the Management Board

The Management Board of UniCredit Bank Austria AG has prepared the consolidated financial statements for the financial year beginning on 1 January 2025 and ending on 31 December 2025 in accordance with International Financial Reporting Standards (IFRSs) published by the International Accounting Standards Board as adopted by the European Union. The management report of the Group was prepared in accordance with the Austrian Business Code and is consistent with the consolidated financial statements.

The consolidated financial statements and the management report of the Group contain all required disclosures; in particular, events of special significance which occurred after the end of the financial year, and other major circumstances that are significant for the future development of the Group have been appropriately explained.

Vienna, 17 February 2026



Ivan Vlaho
CEO – Chief Executive Officer
(Chairperson)



Daniela Barco
Retail



Hélène Buffin
CFO – Chief Financial Officer



Dieter Hengl
Corporates



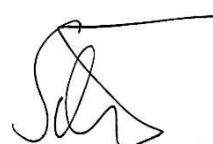
Emilio Manca
COO – Chief Operating Officer



Marion Morales Albiñana-Rosner
Wealth Management & Private Banking



Svetlana Pančenko
People & Culture



Wolfgang Schilk
CRO – Chief Risk Officer

Office Network

Office Network Austria

Head Office

1020 Vienna, Rothschildplatz 1
Tel.: +43 (0) 5 05 05-0
Fax: +43 (0) 5 05 05-56155
Internet: www.bankaustria.at
E-Mail: info@unicreditgroup.at

Branches

Amstetten, Baden, Bludenz, Bregenz, Bruck/Mur, Dornbirn, Eisenstadt, Feldkirch, Gänserndorf, Gmünd, Graz (4), Groß-Enzersdorf, Hall/Tirol, Hallein, Hollabrunn, Horn, Imst, Innsbruck, Judenburg, Kitzbühel, Klagenfurt, Klosterneuburg, Krems, Leibnitz, Leoben, Lienz, Linz (2), Mödling, Neunkirchen, Neusiedl/See, Oberpullendorf, Oberwart, Perchtoldsdorf, Purkersdorf, Salzburg (2), Schladming, Schwechat, Spittal/Drau, St. Pölten, Stegersbach, Steyr, Stockerau, Traun, Tulln, Villach (2), Vöcklabruck, Weiz, Wels, Vienna (46), Wiener Neustadt, Wolfsberg, Wörgl, Zell/See.

Retail Banking - Regional Offices

Vienna City Center/Vienna South-East
1110 Vienna, Simmeringer Hauptstraße 98
Tel.: 05 05 05-62300

Vienna West
1150 Vienna, Märzstraße 45
Tel.: 05 05 05-51055

Vienna North
1210 Vienna, Am Spitz 11
Tel.: 05 05 05-50600

Lower Austria, Upper Austria & Burgenland
3100 St. Pölten, Rathausplatz 2
Tel.: 05 05 05-36190

Styria & Carinthia
8010 Graz, Herrengasse 15
Tel.: 05 05 05-93500

Salzburg, Tyrol & Vorarlberg
6020 Innsbruck, Maria-Theresien-Straße 36
Tel.: 05 05 05-67100

Contact Centers
1020 Vienna, Rothschildplatz 1
Tel.: 05 05 05-44560

Office Network

Private Banking – Locations

Bregenz, Graz, Innsbruck, Klagenfurt, Linz, Mödling, Salzburg, St. Pölten, Wiener Neustadt, Vienna (4)

Private Banking – Regional Offices

Private Banking Vienna 1

1010 Wien, Stephansplatz 2

Tel.: 05 05 05-46161

Private Banking Vienna 2

1020 Wien, Am Tabor 46

Tel.: 05 05 05-46200

Private Banking Federal States

3100 St. Pölten, Rathausplatz 3

Tel.: 05 05 05-55066

Small & Medium Corporates - Regional Offices

Small & Medium Corporates Vienna

1020 Vienna, Rothschildplatz 1

Tel.: 05 05 05-56022

Small & Medium Corporates Austria East

3100 St. Pölten, Rathausplatz 2

Tel.: 05 05 05-58005

2340 Mödling, Enzersdorfer Straße 4

Tel.: 05 05 05-28501

Small & Medium Corporates Austria West

6020 Innsbruck,

Maria-Theresien-Straße 36

Tel.: 05 05 05-95182

6900 Bregenz, Kornmarktplatz 2

Tel.: 05 05 05-65125

Small & Medium Corporates Austria South

8010 Graz, Herrengasse 15

Tel.: 05 05 05-63436

9020 Klagenfurt, Karfreitstraße 13

Tel.: 05 05 05-64401

Small & Medium Corporates Austria North

5020 Salzburg, Rainerstraße 2

Tel.: 05 05 05-96161

4020 Linz, Hauptplatz 27

Tel.: 05 05 05-67501

Corporates Direct

1020 Wien, Rothschildplatz 1

Tel.: 05 05 05-47400

Office Network

Selected subsidiaries and equity interests of UniCredit Bank Austria AG in Austria

Schoellerbank Aktiengesellschaft

1010 Vienna, Renngasse 3

Tel.: +43 (0)1 534 71-0

www.schoellerbank.at

Bank Austria Real Invest Immobilien-Management GmbH

1020 Vienna, Rothschildplatz 1

Tel.: +43 (0)1 331 71-0

www.realinvest.at

Bank Austria Wohnbaubank AG

1020 Vienna, Rothschildplatz 1

Tel.: +43 (0) 5 05 05-40304

www.bankaustria.at/wohnbaubank.jsp

UniCredit Leasing (Austria) GmbH

1020 Vienna, Rothschildplatz 1

Tel.: + 43 (0) 5 05 88-0

www.unicreditleasing.at

FactorBank Aktiengesellschaft

1020 Vienna, Rothschildplatz 1

Tel.: +43 (0)1 506 78-0

www.factorbank.com

Österreichische Hotel- und Tourismusbank Gesellschaft m.b.H.

1010 Vienna, Parkring 12a

Tel.: +43 (0)1 515 30-0

www.oeht.at

Glossary of alternative performance measures

Glossary of alternative performance measures

The following list contains definitions of key financial indicators (alternative performance measures, APMs) used in addition to the applicable financial reporting framework as well as other terms used in this report.

Commercial Total Financial Assets (Comm. TFA): sum of total commercial financial assets held by customers, i.e. sum of deposits from customers (including deposits with building societies and balances with severance funds) + assets under management (AuM, i.e. fund and asset management products) + assets under advisory (AuA) + deposits with life insurances + assets under custody (AuC, i.e. direct investments on the capital market/safe-custody business) - of the (sub-) segments Retail, Wealth Management & Private Banking and SME.
Not included: Large Corporates, Leasing and central functions (Corporate Center)

Cost/income ratio: operating costs divided by operating income.

Cost of risk: net write-downs of loans and provisions for guarantees and commitments measured against loans and receivables with customers (average for the period), usually expressed in basis points (1bp = 1/100% = 0.01%). If the cost of risk is calculated for a period of less than a full year, net write-downs of loans and provisions for guarantees and commitments are annualized.

Coverage ratio: specific write-downs of loans on non-performing exposures, measured as a percentage of total gross non-performing exposures at the reference date.

Credit Value Adjustments (CVA): adjustment to the valuation of a portfolio of transactions reflecting the counterparties' credit risk, which is the risk that the counterparty to a transaction involving financial instruments might default prior to completing all agreed cash-flow exchanges.

Effective tax rate: income tax in the consolidated income statement measured against profit before tax.

ESG (E, S & G): Environment, Social & Governance

FTE (full-time equivalent): number of full-time employees, with part-time employees being counted on the weighted basis of effective working hours.

Funding Value Adjustments (FuVA) cover the funding cost / benefit stemming from hedging the market risk of OTC derivatives.

Loan/deposit ratio: The loan/deposit ratio is a liquidity ratio and is expressed as the division of customer loans (numerator) and customer deposits (denominator). It shows the risk content of a bank's refinancing by indicating the extent to which a bank can cover its lending volume to customers with deposits from customers.

Net operating profit: operating profit less net write-downs of loans and provisions for guarantees and commitments.

Non-performing exposures (NPE)/Non-performing loans (NPL) include (1) "bad loans", i.e. credit exposures, formally considered uncollectible, to insolvent borrowers, even if insolvency has not been judicially ascertained; (2) "unlikely to pay", i.e. 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 the credit obligation (principal and / or interest); (3) "past due": on-balance sheet exposures other than those classified among "bad loans" or "unlikely to pay", which at the reference date have amounts that are more than 90 days past due or over limits.

NPE ratio/NPL ratio: non-performing exposures (non-performing loans) as a percentage of loans to customers before deduction of loan loss provisions (NPE ratio in gross terms) and after deduction of loan loss provisions (loans to customers as reflected in the IFRS statement of financial position; NPE ratio in net terms) at the reference date.

Period averages: quarterly averages based on figures at reference dates are calculated as the mean value of the figure at the end of the preceding quarter and the figure at the end of the reporting period. The calculation of averages for longer reporting periods (half year or full year) is based on the averages for the quarters included in the reporting period.

Glossary of alternative performance measures

ROAC (return on allocated capital): net profit measured against allocated capital (allocated capital being calculated based on risk-weighted assets and the CET1 target ratio as defined by UniCredit for the different parts of the group: 13% of Risk-Weighted Assets (2025 and 2024). If the return on allocated capital is calculated for a period of less than a full year, net profit is annualized.

Systemic charges: bank levies and other systemic charges, including contributions to bank resolution funds and deposit guarantee schemes established on the basis of European or local regulations.

Total Financial Assets (TFA): see Commercial Total Financial Assets

XVA: collective term for valuation adjustments on derivative contracts. The most important of these are CVA (Credit Value Adjustment), DVA (Debit Value Adjustment) and FuVA (Funding Value Adjustment).

Investor Relations

Investor Relations, Ratings, Imprint, Notes

UniCredit Bank Austria AG / Investor Relations

Rothschildplatz 1, 1020 Vienna, Austria	
Phone: +43 (0)5 05 05-54999	Fax: +43 (0)5 05 05-8954999
Email: investor.relations@unicreditgroup.at	Internet: https://ir-en.bankaustria.at
Günther Stromenger (until 31 March 2026), phone: +43 (0)5 05 05-57232	
Andreas Petzl, phone: +43 (0)5 05 05-54999	
Renate Rehak, phone: +43 (0)5 05 05-42213	

Ratings

	LONG-TERM / DEPOSITS	LONG-TERM / SENIOR UNSECURED	SHORT-TERM	COUNTERPARTY RISK RATING
Moody's ¹⁾	A1	A2	P-1	Aa3 / P-1
Standard & Poor's ¹⁾	A-	A-	A-2	A / A-1

Public-sector covered bonds and mortgage bonds of Bank Austria are rated Aaa by Moody's.

¹⁾ Securities issued before 31 December 2001 and therefore benefiting from the deficiency guarantee by the City of Vienna ("grandfathered debt" – exclusively subordinated debt), are rated Aa3 by Moody's and BBB by Standard & Poor's.

Information and disclosure pursuant to Sections 24 and 25 of the Austrian Media Act (Mediengesetz):

Publisher and media owner:

UniCredit Bank Austria AG
Rothschildplatz 1, A-1020 Vienna
Phone: + 43 (0)5 05 05-0
Internet: www.bankaustria.at
e-Mail: info@unicreditgroup.at
BIC: BKAUATWW
Austrian bank routing code: 12000
Company register: FN 150714p
LEI: D1HEB8VEU6D9M8ZUXG17
Data Processing Register Number: 0030066
VAT Number: ATU 51507409

This Annual Financial Report was produced by UniCredit Bank Austria AG, Rothschildplatz 1, 1020 Vienna (publisher and media owner).

Editor:

Financial & Regulatory Disclosure

Business objective:

Credit institution pursuant to Section 1 (1) of the Austrian Banking Act (Bankwesengesetz)

Persons (Management Board) authorised to represent the media owner:

Ivan Vlaho (Chairperson), Daniela Barco, Hélène Buffin, Dieter Hengl, Emilio Manca, Marion Morales Albiñana-Rosner, Svetlana Pančenko, Wolfgang Schilk.

Supervisory Board of media owner:

Gianfranco Bisagni (Chairperson of the Supervisory Board), Aurelio Maccario (Deputy Chairperson), Livia Aliberti Amidani, Christoph Bures, Richard Burton, Tamara Haas, Judith Maro, Herbert Pichler, Eveline Steinberger, Doris Tomanek, Roman Zeller.

Interests held in the media owner pursuant to Section 25 of the Austrian Media Act:

UniCredit S.p.A. holds 99.996 % of the shares in the media owner (information on the shareholder structure of UniCredit S.p.A. is available at <https://www.unicreditgroup.eu/en/governance/shareholders/shareholders-structure.html>).

"Betriebsratsfonds des Betriebsrats der Angestellten der UniCredit Bank Austria AG, Region Wien" (the Employees' Council Fund of the Employees' Council of employees of UniCredit Bank Austria AG in the Vienna area) and "AVZ Privatstiftung zur Verwaltung von Anteilsrechten" (a private foundation under Austrian law; founder: Anteilsverwaltung-Zentralsparkasse; beneficiary: WWTF – Wiener Wissenschafts-, Forschungs- und Technologiefonds) have a combined interest of 0.004 % in the media owner.

Notes:

This report contains forward-looking statements relating to the future performance of Bank Austria. These statements reflect estimates which we have made on the basis of all information available to us at present. Should the assumptions underlying forward-looking statements prove incorrect or should risks – such as those mentioned in this report – materialise to an extent not anticipated, actual results may vary from those expected at present. Market share data are based on the most recent information available at the editorial close of this report.

"Bank Austria" as used in this report refers to the group of consolidated companies. "UniCredit Bank Austria AG" as used in this report refers to the parent company.

In adding up rounded figures and calculating the percentage rates of changes, slight differences may result compared with totals and rates arrived at by adding up component figures which have not been rounded off.

Disclaimer:

This edition of our Annual Financial Report is prepared for the convenience of our English-speaking readers. It is based on the German original, which is the authentic version and takes precedence in all legal respects.

» » www.bankaustria.at