



Remuneration Policy of UniCredit International Bank (Luxembourg) S.A.

Regulation type: GP - Global Policy

Area: Group People & Culture

Applicability	Perimeter	Exception
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Proponent Functions (Rule Owner) Approved by	Group Reward	
Approving Functions Approved by	Group People & Culture	
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Covered risks (according to Group Risk Taxonomy)	<i>Compliance Risk, Conduct Risk, Reputational Risk</i>	
Covered external regulation requirements	<p><i>Bank of Italy – Circular 285 of December 17, 2013, 37th update of November 24, 2021</i></p> <p><i>EBA – Guidelines on sound remuneration policies</i></p> <p><i>EU – Capital requirements directive (CRD V) – 2019/878/EU</i></p> <p><i>UE – Shareholders Rights Directive II – 2017/828/EU</i></p> <p><i>CONSOB – Issuers' Regulation n. 11971 updated with resolution n. 21623</i></p>	

Process Tree¹

Support:MG: Human & Infrastructure Resources Management

¹ See current Process Tree in:

- MEGA/Hopex <https://ucgroup.hopexcloud.com/Hopex/default.aspx#start>
- in the process portals https://usqatpw6hfr.sd01.unicreditgroup.eu/#default/home_ (UniCredit Bank GMBH) / <https://8570-bpm.internal.unicreditgroup.eu/> (UniCredit Bank Austria AG)

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1. POLICY REQUIREMENT AND PURPOSE

This document (hereinafter also “Group Remuneration Policy” or “Policy”) defines the principles and rules that have to be applied to ensure the setting, monitoring and controlling of the compensation systems and practices adopted by Legal Entities of the Group.

In particular, this Policy describes the Group mission and values in Group compensation approach, the pillars of compensation, the corporate and organizational governance structures and processes, as well as the compliance requirements; it supports the use of benchmarking for market practices; it indicates the compensation approaches that have to contribute to the sustainability of the Group; it details the total compensation elements, as well as sets the pay-mix guidelines; it provides the guidelines for the definition of the Group incentive systems, for the assignment of benefits and for the application of compliance drivers.

Local Feature

This document in connection with the local features (hereinafter also “Remuneration Policy of UniCredit International Bank (Luxembourg) S.A.”, “UCI Remuneration Policy” or “UCI Policy”) defines the principles and rules that have to be applied to ensure setting, monitoring and controlling of the compensation systems and practices adopted by UniCredit International bank (Luxembourg) S.A. (hereinafter “UCI”), in line with the framework and practices of the Parent Company Unicredit S.p.A. and according to the principle of proportionality. The specific features of UCI, where present, are explained in the various paragraphs of the Policy downstream (headed with “local feature”) of the Parent Company practice, which however remains the reference framework.

2. APPLICABILITY AND SCOPE

The Policy meets the requirements of the Circular n. 285 of 17th December 2013, First Part, Title IV, Chapter 2, Section 1 and 2 on compensation and incentive systems policies and practices issued by Bank of Italy which states that the Parent Company, in the exercise of its direction and coordination power, produces the remuneration policy document of the entire Banking Group, ensuring its overall consistency. The Parent Company also ensures that the remuneration practices in the Group Companies comply with the principles and rules contained in this Chapter and, in the case of Foreign Companies, that they are not in conflict with the national law of the Country in which they are established.

This document also meets the requirements of Directive 2019/878/EU (CRD V) with respect to remuneration requirements. In accordance with CRD V, institutions have to apply the remuneration requirements at group, parent and subsidiary levels, including within subsidiaries that are not themselves subject to the CRD V, unless they are themselves subject to specific remuneration requirements on an individual basis under other Union acts or would be subject to such requirements if they were established in the Union. However, under Article 109(5) of CRD V, the remuneration provisions may still apply to individual staff members of certain subsidiaries. As a general principle, and taking into account applicable specific remuneration requirements, remuneration policies of different group entities within the scope of prudential consolidation should be consistent with the group’s remuneration policy set by the consolidating institution. The remuneration policy needs to comply with CRD V provisions, EBA guidelines on sound remuneration policies of 2nd July 2021, and additional requirements set out in national company, labour and other relevant laws.

The principles of the Group Remuneration Policy are valid across the entire organization and shall be reflected in the remuneration practices applying to employee categories across businesses, including staff belonging to external distribution networks, considering their remuneration peculiarities.

Local feature

The document also meets the requirements of Articles 38-5 and 38-6 of the Luxembourg law of 5 April 1993 on the financial sector, as amended (the Luxembourg Banking Law) as well as the local regulatory requirements applicable and notably the CSSF Circular 10/437² and CSSF circular 22/797³. The UCI Remuneration Policy is consistent with and promotes sound and effective management of UCI and does not encourage risk-taking exceeding the level of tolerated risk of UCI.

The UCI Remuneration Policy is in line with the business strategy, objectives, values and long-term interests of UCI and includes measures to avoid conflict of interest.

2 CSSF circular 10/437 regarding guidelines concerning the remuneration policies in the financial sector, as amended

3 CSSF circular 22/797 regarding the application of the Guidelines of the European Banking Authority on sound remuneration policies under Directive 2013/36/EU (EBA/GL/2021/04).

3. MINIMUM GOVERNANCE REQUIREMENTS

3.1. Overview and principles

The set of values of UniCredit is based on integrity, ownership and caring as sustainable conditions to transform profit into value for stakeholders. A simple guiding purpose to empower communities to progress ensures we live these values every day.

By upholding the standards of sustainable behaviors and values which drive the Group's purpose, the compensation strategy represents a key enabler to enhance and protect its reputation and to create long-term value for all Group stakeholders. Specifically, the remuneration policy contributes to the business strategy, long-term interests and sustainability of UniCredit.

Now more than ever, sustainability forms a central part of everything UniCredit does and is fully integrated into the business and decision-making process: leading by example in UniCredit's business, helping clients through a just and sustainable transition, contributing to a better society. It is a key lever for the future business strategies and a critical component of the bank's success.

Through appropriate compensation mechanisms, UniCredit aims to create a best-in-class inclusive work environment, fostering and unlocking individual potential to attract, retain and motivate a highly qualified global workforce capable of creating a competitive advantage for the Group. Individuals are rewarded based on merit and performance in terms of sustainable results, behaviors and adherence to Group values.

UniCredit believes in inclusion as a strategic business driver and is committed to creating an inclusive, positive, and barrier-free environment for its diverse workforce, where everyone has the opportunity to perform and grow. Employees are expected to contribute to creating and maintaining a work environment that is respectful, safe and inclusive, and where any difference, whether it is gender identity, age, race, ethnicity, sexual orientation, ability, background, religious or ethical values system and political beliefs or any other category protected by law in the local jurisdiction, is embraced and promoted.

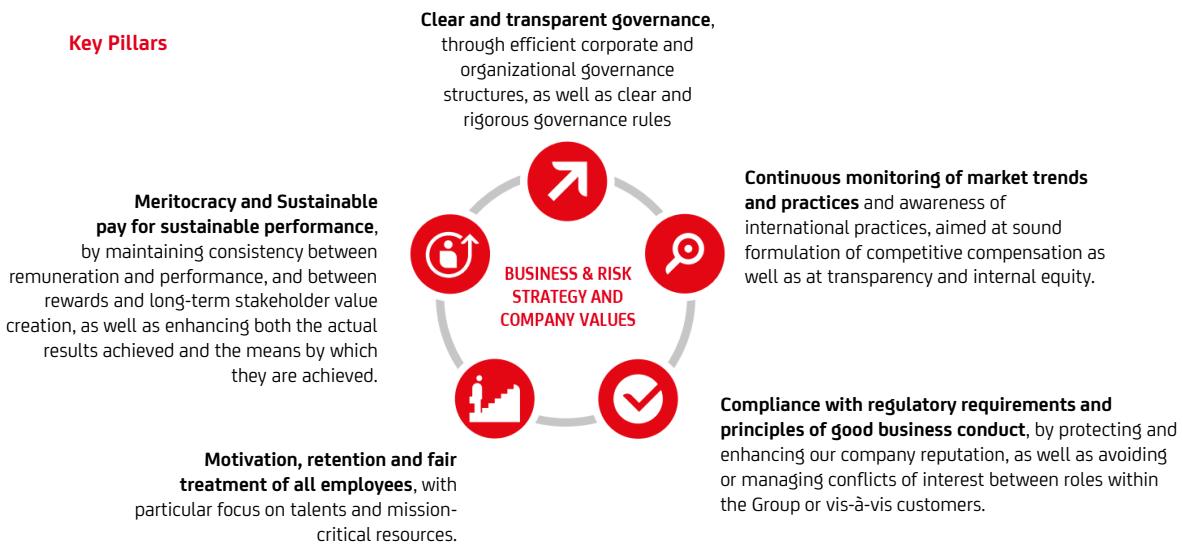
Relying on the governance model of UniCredit, the Group Remuneration Policy sets the framework for a coherent and consistent design, implementation and monitoring of compensation practices across the entire Group.

Within this common policy framework, guidelines are defined to implement compensation programs and plans that reinforce sound risk management policies and the long-term strategy and generally pursue long-term value creation and sustainability of the company. In doing so, the Group effectively meets the specific and evolving needs of the different businesses, market contexts and employee populations while ensuring that business and people strategies are always appropriately aligned with the remuneration approach, including external networks and agents, where applicable, as foreseen by regulation.

To ensure the competitiveness and effectiveness of remuneration as well as transparency and internal equity, the principles of sustainable conduct and performance define the key pillars of the Group Remuneration Policy.

The principles of the Group Remuneration Policy are valid across the entire organization and shall be reflected in the remuneration practices applying to employee categories across businesses, including, among others, members of the corporate bodies charged with strategic supervision and control functions, external collaborators and staff belonging to external distribution networks, considering their remuneration specifics.

Unless expressly specified otherwise, the information contained in this section refers to the approval date of the document.



3.1.1 Remuneration Policy alignment to sustainability strategy

At UniCredit value creation means more than just generating financial value. It also means ensuring sustainability is at the heart of all that the Group does.

In this context, UniCredit is committed to playing its part in Net Zero transition striving to reduce direct and indirect environmental impacts while supporting Europe's green transition. In this context, in October 2021 UniCredit joined the Net Zero Banking Alliance (NZBA), targeting Net Zero on own emissions by 2030 and on financed emissions for relevant most carbon intensive sectors by 2050.

In line with the Net Zero Banking Alliance timeline, UniCredit has outlined its ambition for seven of the most carbon intensive sectors, including an industry leading phase out policy for coal, thus continuing to embed ESG in its financing activities and continuing to implement our Net Zero Transition plan, advancing on Net Zero targets achievement.

Our ESG priorities and commitments, as described in the specific ESG focus of this policy and reflected in the setting of zero emissions targets, are, among other things, our way of leading by example, continuing to support our clients towards a fair and just transition. Please also refer to the disclosure available on the corporate website for further details on the Sustainability Strategy in UniCredit.

The Remuneration Policy contributes to the UniCredit strategy, the pursuit of long-term interests and sustainability over time. UniCredit has a remuneration structure in place that is based on risk-adjusted/related performance and does not encourage excessive risk-taking, including with respect to sustainability risks.

Further, one of the pillars of the Group Remuneration Policy addresses sustainable pay for sustainable performance, by maintaining consistency between remuneration and performance, and between rewards and long-term stakeholder value creation, as well as enhancing both the actual results achieved and how they are achieved.

Several processes and initiatives support the link between the remuneration policy and sustainability.

The Group Incentive System is supported by the annual performance management process assuring coherence, consistency, and clarity of performance objectives and behavioral expectations aligned with business strategy. The setting of annual objectives (known as Goal Setting) is the initial phase of this process and is supported by a structured framework that includes a catalogue of performance indicators (the "KPI Bluebook"), annually reviewed by relevant Group key functions (e.g. People & Culture, Finance, Risk Management, Group Strategy & ESG), and guidelines. The framework is in line with regulatory provisions and Group standards as verified by Compliance. In particular, among other things, this is characterized by:

- the use of risk-adjusted/related goals (e.g. at least one KPI in the goal scorecards);

- the link with ESG and Diversity, Equity & Inclusion (“DE&I”) strategies (e.g. at least one ESG KPI for all Group Material Risk Takers with a particular focus on DE&I KPIs for staff reporting to Group Executive Committee and their direct reporting line);
- the use of sustainability goals for value creation over time (e.g. about half of the goals shall be related to sustainability). For selected individuals (see chapter 5.1.4) ESG goals are included as additional long term conditions;
- the use of goals related to business, corporate values, conduct and compliance/risk culture, with a focus on:
 - adherence to and spreading of Group culture, values and purpose;
 - setting the proper tone from the Top and tone from the Middle on Compliance culture and Risk mindfulness.

Details

For further details, please refer to the paragraphs 5.1 2025 Group Incentive System and 5.2 Performance Management Framework.

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Diversity, Equity and Inclusion (DE&I)

At UniCredit, we are committed to building a Culture that puts our Values of Integrity, Ownership and Caring at the heart of our decision-making and in everything we do for all our stakeholders. Our Culture and these Values embody what we stand for, determine how we act, and shape the decisions that we make every day, guiding all our actions and behaviours.

Our primary focus is to unlock the full potential of our people fostering a positive and inclusive work environment. This approach ensures sustainable growth, new business opportunities, and a cohesive work environment focused on productivity, personal and professional well-being, and the continuous engagement of our people.

Diversity, Equity & Inclusion (DE&I) principles are a business imperative. Our DE&I strategy goes beyond gender, encompassing broader diversity strands, and is fully integrated into our ESG framework and business agenda across all 13 countries where we operate. To further promote a culture of inclusion based on equal opportunities and non-discrimination, UniCredit has a dedicated DE&I Global Policy in place that sets clear guidelines and principles for employees as well as third parties. The Policy applies to every key moment of the employee journey, from recruiting and onboarding, to learning and development, performance management and compensation, ensuring bias-free, merit and competency-based decisions as well as pay equality, regardless of diversity traits.

Our Code of Conduct highlights the principles of inclusion encompassing the criteria of objectivity, competence, professionalism, and equal opportunities both in people-related processes laying down the procedures by which any instances of discrimination, mobbing or bullying are dealt with, and in external relations with counterparties.

Within the framework provided by the Group Remuneration Policy, UniCredit is committed to an equal pay principle, ensuring fair treatment in terms of remuneration based on the role covered, the scope of responsibilities, performance outcomes and the overall quality of the contribution to business results, regardless of gender identity, age, race, ethnicity, sexual orientation, ability, and cultural background. UniCredit adopts gender-neutral Remuneration and Incentive policies that contribute to pursuing true equality among staff. They ensure that equal work is matched by equal pay, giving people the same access to opportunities, regardless of their diversity strands.

By signing the CEO Champion Commitment “Towards the Zero Gender Gap”, the Group is affirming its corporate commitment with concrete objectives and a framework to move towards greater gender equality, diversity and inclusion in our Bank.

We are actively building a diverse organisation, reflecting our unwavering belief in the transformative power of diversity. UniCredit is committed to promote gender parity across all organizational levels, ensuring balanced gender distribution in talent pools, hiring and recruiting, appointments and promotions, with a wider ethnic representation as well as guaranteeing a diverse and sustainable Succession Pipeline.

>>> Further testifying to our extensive collective efforts to fostering a more diverse and sustainable workplace, UniCredit is the first pan-European bank to win a **Global EDGE Certification for gender equity and inclusion**, involving more than 80% of our population in the countries where the bank is present.

The Group has long underscored the importance of gender pay equality and several initiatives have been implemented across the Group to address pay differences, including guidelines for our compensation process, allocation of salary budgets as well as specific ambitions related to DE&I (i.e. promote gender parity across all organizational levels, in talent pools, hiring and recruiting, ensure equal pay for equal work, increase cultural and ethnic diversity in our staff) assigned to senior leaders within the annual goal setting process.

To additionally raise the attention to gender equality, diversity and inclusion within the organization at all levels and to pursue gender neutrality in remuneration policies, the following measures have been adopted:

- Management is accountable for the gender-neutral application of the remuneration systems. The Material Risk Takers individual scorecards include specific DE&I KPIs – as standalone goal or as part of a broader Sustainability goal, among non-financial measures – as one of the elements for their performance evaluation. This has also been cascaded to other Senior roles, to generate sustainable results, including DE&I ambitions, such as: ensure equal pay for equal work, promote gender parity across all organizational levels, increase cultural and ethnic representation in our staff, boost work life quality, well-being and flexible working for our staff;
- from 2022, c. € 50 mn have been invested, leading to a substantial closing of the Gender Pay Gap on comparable roles, which now is at the immaterial level of 1.0% (*non-demographic GPG*), confirming the commitment taken and further boosting a respectful and inclusive culture, based on equal treatment and equal pay;
- A solid Group Culture and DE&I Governance is in place, leveraging on different Networks across the Group to create synergies, share best practice and promote cross fertilization in our business;
- Specific DE&I Guidelines are available to all colleagues, on inclusive language, inclusive recruitment, gender transition, including a leaflet with concrete suggestions on how to tackle unconscious bias in the workplace to continue to foster and build a culture of inclusion;
- A dedicated Group holistic well-being framework addresses mental, physical, social, career, and financial well-being. It aims to break stigma, raise awareness, foster open conversations, and provide employees with meaningful support in the moments that matter the most;
- UniCredit is accountable for DE&I progress versus stated ambitions, through a monitoring process that tracks relevant DE&I metrics and KPIs. UniCredit also makes available, both internally and externally, relevant data, commitments and initiatives, in the Consolidated Non-Financial Statement.

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ESG – Environmental, Social & Governance

In line with our ambition to be the bank for Europe's future, Environmental, Social and Governance (ESG) considerations are a core part of our culture and mindset.

Sustainability is a key lever for our future business strategies and a critical component of our success. Indeed, we have set ESG targets as part of our strategy, as the Group continues to make progress on its Net Zero commitments and embed ESG in all areas of the business while strengthening corporate culture under the common purpose of empowering our communities to progress.

Our remuneration policy has, therefore, been developed to support UniCredit's sustainability strategy. A core set of our ESG targets, subject evolving corporate strategy and regulation, are embedded in the CEO performance scorecard to foster the alignment of management with the Group's current and future ESG and DE&I priorities.

The current strategy foresees:

- **ESG business penetration:** support our clients in their sustainability journey offering ESG related products and services to ensure a fair share of ESG business over total (lending new production, sustainable bonds, stock of AuM²), starting from 2025 ESG targets³ and successive updates as per ESG strategy;
- **DE&I priorities:** progress towards gender parity at all levels in line with best market practices; ensure equal pay for equal work, maintaining the achieved immaterial level (around 1%) in non-demographic Gender Pay Gap; expand DE&I efforts and foster corporate Culture and Well-being through dedicated initiatives;
- **“Net Zero” commitments:** progress vs. Net Zero 2030 targets disclosed to the market, related to *Oil & Gas, Power Generation, Automotive, and Commercial Real Estate* on which yearly Tier 1 RAF targets are defined and monitored.

These ESG commitments, also subject to the evolution of ESG regulation, have been included in the “Sustainability” section of the CEO and Top Management scorecards, as long-term additional performance conditions, consistently with their outlook.

The entire section on “Sustainability” will have a weight of 20% in the CEO and Top Management long-term scorecard within the 2025 Group Incentive System rules.

To align the Group's management structure and reinforce managerial commitment to our ESG strategy, such objectives will be cascaded to the CEO's reporting line and below, coherently with the respective areas of responsibility.

Local feature

Locally, UCI follows the Group processes and aligns on Group initiatives in order to support the link between the Remuneration Policy and the sustainability strategy.

² Subject to current regulations on ESG Investment Products

³ Defined according to ESG strategy. Current ESG strategy foresees: Percentage of ESG lending new production (including Environmental, Social and Sustainability linked lending) on overall medium/long term lending new production: group 2025-27 target set at 15% (yearly % to be achieved); percentage of Sustainable bonds (for corporates and financial institutions, excluding Sovereign, Supranational and Agency Long Term Credit) on all bonds (For corporates and financial institutions, excluding Sovereign, Supranational and Agency Long Term Credit): group 2025-27 target set at 15% (yearly % to be achieved); percentage of ESG assets under management stock (subject to current regulations on ESG Investment Products) on Total of assets under management stock: group 2025-27 target set at 50% (yearly % to be achieved).

3.1.2 Employee working conditions, an integral part of the remuneration policy

Our people are our greatest asset, and we are committed to building a workplace of equal opportunities and a positive, safe, and collaborative environment, where everyone is empowered to succeed whilst nurturing each individual's well-being. Our Group well-being approach developed embracing physical, mental, social, financial and career well-being, further strengthens and enriches our DE&I commitment and ambitions, providing support to all employees in the moments that matter most and honouring all our diversities throughout the entire employee lifecycle. In addition, our enhanced well-being framework reaffirms our promise to be the engine of social progress also for our people, reigniting human connections and a caring mindset.

Social dialogue creates a balance between workers' needs and business needs through continuous cooperation and mutual listening. In every country where our Bank is present, we tailor our welfare offerings to meet local needs. We care for the well-being of our people, their families, and communities, with a commitment to addressing their specific and concrete needs. This includes a continuous focus on improving our workplace conditions, facilitating personal growth, and promoting well-being. Additionally, we continue to endorse and adopt remote and flexible working solutions wherever feasible and adapted to different populations.

To complement local regulatory provisions, UniCredit offers a wide range of tools for an increasingly caring and inclusive work environment; several tailor-made initiatives to meet critical well-being and family needs are in place in most countries across the Group:

- Solutions such as **flexible work hours and remote working**, offering paid leave respecting cultural changes and giving equal treatment to all family models, including childcare and caregiving. Permissions are given for important life events, such as the birth of a relative, celebrating a marriage, buying a house, and pursuing an educational opportunity. Additionally, a Group-wide minimum standard for parental leave across all our markets is set, ensuring that mothers are offered at least 16 weeks of paid leave and fathers are provided with at least 4 weeks on a voluntary basis.
- Vast selection of **well-being initiatives**, on topics ranging from nutrition, fitness, and relationship-building to cognitive-emotional issues such as resilience and personal awareness, in addition to our health benefits and psychological support services
- Specific attention is dedicated to **disability management** to address requirements of colleagues who live with disabilities, promoting their independence, harnessing their skills, and designing ways to foster integration and inclusion.
- Diversified actions to enhance **work-life quality** and a greater productivity, including: extension of home-schooling/work IT infrastructure and furniture partnerships; mobility solutions; online resources on sport, entertainment for elderly members of the family, children with disabilities, etc.;

Through our well-being framework, we strive to be an employer of choice with a widespread culture of diversity and inclusion, and actively contribute to attracting, engaging and retaining talented people, by promoting cross-country initiatives to ensure an equal treatment for all employees.

The Welfare offer is an integral part of total reward for UniCredit colleagues and an important pillar of the People & Culture Strategy.

>>> As a recognition of the effectiveness of its People Strategy, UniCredit has been officially certified as a **Top Employer in Europe** in 2025 for the ninth year running for its employee offering in terms of Work Environment, Talent Acquisition, Learning, Well-being and Diversity & Inclusion and more.

For further details, please refer to the disclosure available on the institutional website for company well-being information in addition to learning and development plans and initiatives promoting diversity, equity & inclusion.

FOCUS

Employees' working conditions

The compensation decisions for GMRTs are not in a vacuum. This is alongside the steps we are taking to create a safe, inclusive, and fair workplace amid global macroeconomic uncertainty.

Our primary focus is to unlock the full potential of our people fostering a positive and inclusive work environment.

We have launched several initiatives to support employees to:

- to face inflation: c. €70 million has been spent in 2024 to review salaries of the wider population, plus recurring collective contract renewals, leading to c. 5% increase year-on-year. For 2025 we expect a further average growth of fixed payments of c. 4%, and of c. 3% in the Italian region;
- from 2022, c. €50 million has been invested, leading to a substantial closing of the Gender Pay Gap on comparable roles, which is now at the immaterial level of 1.0% (*non-demographic GPG*), confirming the commitment taken and further boosting a respectful and inclusive culture, based on equal treatment and equal pay;
- to reward adequately our people's performance: bonus per-capita growth year-on-year for the non-executive population of between 2% and 23% depending on countries, business activity and relative performance;
- more than €300 million of variable remuneration increase since 2020, with c. 80% going to the non-executive population. From 2021 the average bonus per-capita increased by 27%, of which 32% has been in respect of non-executive roles (i.e. non-Group Material Risk Takers).

While financial success is just one piece of the puzzle, it is this which will enable us to fulfil our other, more fundamental role as the engine of social progress. It will let us support the communities we serve, offering assistance both financial and otherwise, as we have done recently with several Initiatives, and empower our Foundation to do more philanthropic work. The longer the sustained success and subsequent financial performance is, the greater the social impact the bank can achieve.

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Welfare in Italy

The Welfare offer in Italy was reorganized to provide colleagues with concrete and comprehensive answers to their needs with innovative solutions that meet the principles of the "*Welfare Reconnect*" strategy:

- reconnected: puts people at the centre
- simple: speaks the language of all our colleagues
- flexible: evolves with people's needs and regulatory changes
- inclusive: responds to people's diverse needs (from families to singles)
- social: supports caregivers and colleagues with disabilities.

The Welfare offer is responding to 3 key needs of our people: increase purchasing power, work-life balance and education, while raising awareness on invisible disabilities and welfare culture.

In 2024, Welfare underwent a significant shift in focus towards personal Caring, providing colleagues with the support and resources they need to prioritize their own health and well-being. From the free check-up campaign to the "*Spazio per te*" counselling and psychological support service, which helps employees cope with difficult times, to the platform to promote healthy lifestyles, primarily nutrition and sporting activity, such as company gyms, online classes and discounts of up to 60% on thousands of gyms in the region and nutritional consultations, the company has introduced a number of initiatives to support the wellbeing of its employees. This has resulted in a paradigm shift in our approach to health, offering alongside the supplementary health policy a comprehensive awareness programme focused on behaviors aimed at preventing and reducing risks.

A significant investment was made in family caring with the expansion of initiatives for colleagues providing care for family members or other loved ones. For the parental target group, we have developed study-work orientation paths, an awareness-raising programme entitled "*Being happier parents together*", the UniCredit Campus dedicated to colleagues' children during school holidays and company nurseries; for the target group of caregivers of parents or elderly family members with disabilities or who are not self-sufficient, we have proposed an education path together with an orientation map to the available services "*Let's not leave Caregivers alone*".

The path undertaken at the beginning of 2024 led to an outstanding result: approximately 90% of colleagues (in comparison to 76% in 2022) opted to receive their productivity bonus and annual bonus (or part of it) in their Welfare Account, the flexible benefit plan that is a tangible sign of our commitment to Caring, increasing engagement, which gives access to social services and initiatives to support UniCredit employees and their families' lives in some key areas such as education, family care and assistance, health, leisure, supplementary pension and more.

The main instruments used to enhance and promote our welfare offer are information and orientation campaigns for colleagues through dissemination meetings in the territories and the Welfare website, visited by more than 30 thousand people a month. Webinars were also delivered to explain the advantages of The Welfare Choice and the “Welfare Committee” represent a collaborative effort between the Company and Trade Unions to develop innovative contents aligned with the real needs of colleagues through active participation and a commitment to continuous improvement.

At the beginning of 2025, UniCredit SPA and its legal entities have expanded training and professional development opportunities for its employees, focusing their investments on the “skills of the future”, particularly in the Digital, Welfare and ESG areas, by joining, after a specific trade union agreement, *the Fondo Nuove Competenze per le Innovazioni* – (i.e. new skills for innovations fund), promoted by the Ministry of Labour and Social Policies.

More than 800 colleagues will therefore be able to benefit from new dedicated courses for a total of 150 hours of training, designed by UniCredit University together with partners of excellence and ensure the sustainable growth of the Bank and its people. In this scope, more than 100 colleagues will participate in the Welfare path and will be trained to promote the corporate welfare offer in the territories, collect the needs of colleagues and represent the new role of “Welfare Advisor”.

Finally, the provision of a productivity bonus (VAP) with a maximum value of up to € 2,500, for colleagues participating in the Welfare Account, is up 14% y/y, is an incentive to promote wellbeing and self-care, with the introduction of a new health and prevention offer (“Salute e Prevenzione”) that includes check-ups for family members, clinical services, physiotherapy and obstetrics, psychological counselling, etc. - all combined with the innovative digital primary care service, with the aim of supporting prevention and knowledge of healthy lifestyles.

3.1.3 Shareholders vote and main changes introduced with the 2025 Group Remuneration Policy

The vote on the remuneration items during the shareholders' Annual General Meeting (AGM) held on April 12, 2024 was positive on the 2024 Group Remuneration Policy and Report (c.88% vote FOR on both section I and section II) and 2024 Group Incentive System (c.98% vote FOR).

UniCredit is committed to maintaining the best remuneration practices, pursuing a philosophy of transparency, clear communication and active listening to shareholders' feedback, to address any residual concerns and design best-in-class remuneration practices inspired by pay for performance and fully aligned with stakeholders' interests as well as to best international market practice.

UniCredit has a long-standing engagement process with institutional investors and proxy advisors which aims to share and constructively exchange views on Policy changes. We have established clear communication, aimed at explaining and discussing the changes to the Group's Remuneration Policy Report. Over the years, this dialogue has enabled us to receive valuable feedback on the compensation approach as well as allowing us to verify the alignment with international best practices and investors' expectations.

During the last quarter of 2024, UniCredit proactively anticipated its Engagement Campaign with institutional investors (contacting approx. 30% of outstanding capital) and proxy advisors, scheduling a number of meetings to illustrate the key challenges identified for the upcoming remuneration season and obtain initial feedback on the remuneration framework evolution as part of the internal decision-making.

The engagement plan has continued with a second wave of meetings with Proxy Advisors and Institutional Investors in February and March 2025, during which we aim to meet with around 1/3 of the share capital to present the highlights of 2025 Remuneration Policy and Report as approved by UniCredit's Board of Directors, to explain the key changes and the related rationale and facilitate the assessment of the remuneration policy ahead of the Annual Shareholders' Meeting.

Furthermore, following last year's feedback received by shareholders and proxy advisors, we are taking specific and concrete actions in our 2025 Remuneration Policy which underscore UniCredit's commitment to listen and respond with action. Below are a few examples, particularly relevant for the current year.

- On KPIs, targets and pay-curve:

>>> We have updated the scorecards and target setting methodology in line with our updated strategy providing, through an even more challenging target setting and “incentive pay-curve” the possibility to reward performance above and beyond targets, despite the material macroeconomic headwinds to be faced in 2025. This is a testimony of our confidence in further unlock the potential of this Bank in the next chapter of its strategic evolution.

- On the pay quantum, structure and benchmarking:

>>> We want to reiterate our belief that the executive pay must be assessed by how it reflects the performance of the company, in absolute and relative terms vs. Peers.

Therefore, we have updated our Peer Group through a structured assessment performed by the RemCo independent advisor, to ensure that it reflects the size and the complexity of the UniCredit business following this period of exceptional growth and shareholder value creation. Additionally, we have further enhanced the analysis of relative benchmarking on pay-for-performance positioning, to demonstrate the leading position that UniCredit has reached in the market, being the criterion to fairly compare - in relative and real terms, not only in absolute and nominal ones - the appropriateness of the CEO’s and the executive team’s remuneration packages.

Another point we want to emphasize is that, aside for the theoretical maximum total pay, the structure of the compensation package, especially the proportion of performance-based variable remuneration vs. fixed, the weight of long-term incentive vs. short-term and the proportion of share-based payment vs. cash, are the most important drivers to assess the effectiveness of the pay-for-performance strategy.

In line with the indications of national and international regulators, the annual review of policy and remuneration systems envisage a few updates including in particular:

- update of entry conditions, performance conditions, targets and payout curve for short-term and long-term scorecard of CEO and Executives with strategic responsibilities, in line with the Strategic Plan;
- full variable remuneration paid-out in shares for CEO, GEC members and Group CAE also confirmed for 2025 to ensure continued strengthening of investors’ alignment. The share conversion price methodology is also confirmed (average market price of the month preceding the Board approving the 2025 results), as the granting of dividends on vested shares under retention to the beneficiaries, in the form of shares;
- update of the role and activities of the Corporate Bodies and Committees, in line with last year change in our Governance model (i.e. transition to the one-tier system);
- refreshed “Peer Group” of companies for compensation benchmarking, defined by the Remuneration Committee with the support of an external independent advisor;
- update in the definition of the Executives with Strategic Responsibilities (ESRs) perimeter, which now includes the GEC members - excluding the Head of Group Legal and the members of the CEO Office (i.e., the heads of Group Strategy & Optimization and Group Stakeholder Engagement) - and the Chief Audit Executive;
- In compliance with regulatory provisions (EBA guidelines and Circolare 285 Bank of Italy), the benefits provided by the Bank’s policy for specific categories of personnel, as well as the fixed payments and social security mandatory under national law (e.g. in Italy: TFR accruals and INPS contribution paid by the company on fixed remuneration), are classified as “fixed remuneration” for the purpose of calculating the variable to fixed cap.

Our commitment is to continue to monitor market trends and practices, throughout the year with the support of our advisors, in order to continue to further define our remuneration policies and systems and to provide information that responds as clearly and transparently as possible to the needs of all our stakeholders and, in any case, always in line with national and international regulatory requirements.

3.2. Governance

The UniCredit compensation governance model aims at ensuring clarity and reliability of remuneration decision-making processes by controlling Group-wide remuneration practices and ensuring that decisions are made in an independent, informed and timely manner at appropriate levels, avoiding conflicts of interest and guaranteeing appropriate disclosure in full respect of the general principles defined by the regulators.

3.2.1 Corporate Bodies and Committees

As of 12 April 2024, UniCredit adopts, in lieu of the traditional model, the one-tier system of administration and control, which is characterized by the presence of a Board of Directors, which performs the strategic supervision and management functions, and an Audit Committee – established within the Board – which performs control functions, both appointed by the Shareholders' Meeting. In addition to the Audit Committee, further Board committees are established to support the Board, vested with research, advisory and proposal-making powers and specialized, *inter alia*, in risks, remuneration and transactions with related and associated parties.

UniCredit considers that this model is suitable to ensure the efficiency of management and the effectiveness of controls and thus to guarantee the sound and prudent management of a global banking group such as UniCredit Group.

3.2.1.1 Role of the Remuneration Committee

In order to better assess the topics under its remit, also in line with the provisions of the Italian Corporate Governance Code for companies listed in Italy (the “Italian Corporate Governance Code”), the Board of Directors has established the Remuneration Committee, vested with research, advisory and proposal-making powers.

In particular, the Remuneration Committee is entrusted with the role of providing opinions and support to the Board of Directors regarding the Group remuneration strategy. The Remuneration Committee relies on the support of internal corporate functions, in particular Group People & Culture, Group Risk Management and Group Compliance, respectively for the topics under their scope. In particular, the Group Risk Officer (or his/her delegate) is invited to attend Committee meetings, where appropriate, to ensure that incentive schemes are updated so as to take into account all of the risks that the Bank has taken on and relevant risk policies, pursuant to methodologies in compliance with those adopted by the Bank in managing risk for regulatory and internal purposes.

Moreover, the Committee avails itself of the support of an external advisor, to ensure that the incentives included in the remuneration and incentive systems are consistent with the Bank's risk, capital and liquidity management (e.g. regarding the remuneration policy for corporate officers) as well as being constantly updated in light of the market evolution, remuneration dynamics and regulatory developments.

According to the provisions of the Board and Board Committees Regulation, the Remuneration Committee consists of three non-executive Directors.

At the date of approval of this document, all members of the Committee comply with the independence requirements provided under the Italian Legislative Decree no. 58/1998 and the Italian Civil Code, the Decree issued by the Ministry of Economics and Finance no. 169/2020, as well as the Italian Corporate Governance Code (with a quota equal to 100% of its members). The Committee's tasks are coordinated by the Chair, chosen among its independent members, who exercises all necessary powers for the proper functioning of the Committee.

The Committee's members have the necessary knowledge, skills and experience to perform the roles, duties and tasks assigned to them and ensure that any further corporate offices they hold in other companies or entities (including non-Italian ones) are compatible with their availability and commitment to serve as a member of the Committee. Some members have specific knowledge and experience in finance or remuneration policies.

The Committee appoints – on proposal of the Chair – a Secretary who may or may not be a member of the Committee itself. The Secretary supports the Chair of the Committee in the preparation of the meetings and drafting of the minutes of the discussions and decisions taken by the Committee. Moreover, the Head of Group People & Culture (or his/her delegate) attends the Committee meetings where required to submit proposals to the Committee on remuneration and related matters and, when necessary, based on the topic discussed, the members of senior management team (e.g. the Head of Group Risk Management, the Chief Finance Officer or the Chief Audit Executive) may be invited as well.

The Committee members regarding whom the Committee is called upon to express its opinion on their remuneration as a result of their specific assignments shall not attend meetings at which the proposal for such remuneration is discussed and/or determined.

The Chair of the Remuneration Committee reports to the Board of Directors on the activities carried out during the Committee meetings at the first available Board meeting, as well as whenever requested to do so by the Board of Directors or by applicable laws and regulations, with the support of specific documentation.

The “standard” topics discussed during the year⁴ are:

1st quarter:

- Bonus pool distribution for the prior year, including - if relevant - approval of any capital increase related to past incentive plans;
- Performance evaluation, bonus payout and execution of previous years plans for CEO and other Executives with Strategic Responsibilities⁵;
- Annual Group Incentive System, including Long-term component;
- Annual Goal Setting for the CEO and other Executives with Strategic Responsibilities;
- Compensation review for the CEO and other Executives with Strategic Responsibilities;
- Group Remuneration Policy and Report;
- Report on prior year Group Material Risk Takers bonus payouts;
- Report on prior year severance payments.

2nd quarter:

- Group Material Risk Takers – assessment methodology and outcomes;

3rd / 4th quarter:

- Gender Neutral Remuneration;
- Local Adaptations to Group Remuneration Policy;
- Report on prior year Bonus Payout and Group Salary reviews;
- Emerging trends in Market Compensation Practices and Peer Group review;
- Competitive assessment of compensation package for the CEO and other Executives with Strategic Responsibilities;
- Preliminary discussion on Bonus pool distribution;
- Share-buy back and/or capital increase to serve incentive plans

⁴Please consider the timeline and topics as indicative as they may vary from year to year. In addition, no extraordinary topics are shown.

⁵The Executives with Strategic Responsibilities are those who have the power and responsibility, directly or indirectly, for planning, directing and controlling the activities of the Company, including the directors (executive or otherwise) of the company itself. For further details on the roles of the Executives with Strategic Responsibilities please refer to paragraph 2.5.

FOCUS

Within the scope of its responsibilities, the Remuneration Committee:

- a. submits to the Board proposals on the remuneration of the Board of Directors, and on the remuneration and the performance goals associated with the variable portion of the remuneration for the CEO and, upon proposal from the CEO, of the General Manager and Deputy General Managers (when appointed), Heads of the corporate control functions (excluding the Head of Internal Audit, whose proposals are formulated by the Audit Committee) and/or the Executives with Strategic Responsibilities and other personnel whose remuneration and incentive systems are decided upon by the Board;
- b. monitors and oversees the criteria for remunerating the most significant employees, as identified pursuant to the relevant Bank of Italy provisions, as well as on the outcomes of the application of such criteria.

Furthermore, the Committee issues opinions to the Board on:

- Group remuneration policy as well as the remuneration and incentive systems for the CEO, General Manager and Deputy General Managers (when appointed), Heads of the corporate control functions, Executives with Strategic Responsibilities and other Group Material Risk Takers as identified according to applicable regulation;
- Group incentive schemes based on financial instruments;
- the remuneration policy for corporate officers (members of the Board of Directors, Board of Statutory Auditors and Supervisory Board) in Group companies.

Additionally, the Committee:

- a. supervises the process for identifying Material Risk Takers on an on-going basis;
- b. directly oversees the correct application of the rules regarding the remuneration of the Heads of corporate control functions, working closely and liaising with the Audit and Risk Committees, as necessary;
- c. works and liaise with the other Board Committees, particularly the Risks Committee, to verify that the incentives included in compensation and incentive schemes are consistent with the Risk Appetite Framework (RAF), ensuring the involvement of the corporate functions responsible for drafting and monitoring remuneration and incentive policies and practices;
- d. provides appropriate feedback on its activities to the Board of Directors, the Audit Committee and the Shareholders' Meeting;
- e. where necessary drawing on information received from the relevant corporate functions, expresses its opinion on the achievement of the performance targets associated with incentive schemes, and on the other conditions laid down for bonus payments.

Local feature

At local level there is no Remuneration Committee in place; the Articles of Association of the Bank UCI as well and the Rules of Procedure of the Supervisory Board provide that the Supervisory Board has the responsibility to, among others, pass resolutions on the structure of remuneration for the Management Board and regular monitoring of the structure, determining the total remuneration of individual Management Board members and approve the new People & Culture compensation strategies.

3.2.1.2 Role of the Shareholders' Meeting

The Shareholders' Meeting, besides establishing the remuneration of members of the bodies it has appointed, approves, among others:

- the remuneration and incentive policies for the members of the supervisory, management and control bodies as well as for the rest of employees;
- the remuneration report disclosing relevant Group compensation-related information and methodologies (advisory vote);
- equity-based compensation schemes;
- the capital increase and/or share buy-back relating equity-based compensation schemes.

- the criteria to determine the compensation to be granted in the event of early termination of employment or early retirement from office including the limits set for said compensation in terms of the number of years of fixed remuneration as well as the maximum amount deriving from their application.

Furthermore, the Shareholders' Meeting can exercise, on the occasion of the remuneration policies' approval, the faculty to determine a ratio of variable to fixed remuneration for employees higher than 1:1, but in any case, not exceeding the ratio of 2:1 being understood that the proposal shall be recognized as validly approved with the appropriate shareholder representation and voting majority. For additional information, please refer to paragraph 4.7 "Ratio between variable and fixed compensation".

3.2.1.3 Role of the Board of Directors

The Board of Directors has exclusive competency on the following matters:

- remunerating UniCredit Directors holding specific roles – after having examined the proposal submitted by the Remuneration Committee and consulted the Audit Committee – with a special focus on remuneration of the CEO and approval of Group financial instrument-based incentive schemes;
- determining – after having examined the proposal submitted by the competent Board Committees – the overall remuneration and performance goals associated with the variable portion, for the Heads of corporate control functions, pursuant to criteria and parameters unrelated to Bank performance;
- establishing the remuneration of the Manager in charge of drafting the company financial reports;
- approving Group incentive schemes based on financial instruments;
- approving the process for identifying material risk takers and related outcomes, on an on-going basis.

Furthermore, the Board of Directors, also on the basis of the details provided by the Remuneration Committee, resolves on:

- drawing up remuneration and incentives policies for submission to the Shareholders' Meeting, checking their correct implementation and undertaking a review at least annually; moreover, ensuring its adequate documentation and accessibility within the corporate structure;
- defining remuneration and incentive systems for the CEO, General Manager, Deputy General Managers (when appointed), Heads of corporate control functions, Executives with strategic responsibilities and other Group Material Risk Takers, ensuring that these systems are consistent with the Bank's overall choices in terms of risk-taking, strategies, long-term targets, corporate governance structure and internal controls; defining remuneration policies for corporate officers (members of the Boards of Directors, Boards of Statutory Auditors and Supervisory Boards) in Group companies.

Local feature

UCI Bodies

Supervisory Board

- The Supervisory Board approves the UCI Remuneration Policy on a yearly basis and sets the variable and fix remuneration for Board Members and Head of Internal Audit .
- Approves also the Incentive System and the GIS rules, MRTs assessment and GMRTs Goal Setting (included the MB ones); Supervisory Board approves the bonus pool assigned to the LE, the entry conditions and the previous year deferrals to be installed.

Management Board

- The Management Board approves the UCI Remuneration Policy on a yearly basis and is responsible for its application (MB is responsible also for the entire UCI population compensation related topics, linked to variable and fixed remuneration).
- During the year, the following topics are locally discussed and performed by Management Board:
- February/March: Allocation and distribution of the bonus pool by the Management Board

- March/April: identification of the Material Risk Takers (first cycle results) by local P&C together with local Risk Management, local Compliance and Group P&C
- June/July: adaption of Group Remuneration Policy to UCI Remuneration Policy, approved by Management Board and Supervisory Board
- December: identification of the Material Risk Takers (second cycle results) by local P&C together with local Risk Management, local Compliance and Group P&C.

3.2.1.4 Role of the Audit Committee

The Audit Committee performs the roles and functions set by applicable laws and regulations. In particular, it is responsible for overseeing compliance with laws, regulations and UniCredit's Articles of Association, as well as the proper management of the Company.

The Audit Committee, among the other tasks, expresses its opinion on:

- the remuneration of UniCredit Directors holding specific roles pursuant to Article 2389, third paragraph of the Italian Civil Code;
- the appointment, dismissal and compensation of the Manager in charge of drafting company financial reports;
- decisions regarding the appointment and dismissal of the Heads of corporate control functions.

3.2.1.5 Role of the Risk Committee

The Risk Committee supports the Board of Directors on risk management related matters, performing all the activities instrumental and necessary for the Board to make a correct and effective determination of the RAF (*Risk Appetite Framework*) and of the risk management policies.

The Risk Committee, amongst other tasks, without prejudice to the competencies of the Remuneration Committee, checks that the incentives underlying the remuneration and incentive system comply with the RAF, particularly taking into account risks, capital and liquidity.

3.2.1.6 Role of the Related-Parties Committee

The committee operates on a consultative and proposition-making basis in support of the Board of Directors. The committee oversees issues concerning transactions with related parties pursuant to Consob Regulation no. 17221/2010, as subsequently amended, and transactions with associated parties pursuant to Bank of Italy Circular no. 285/2013, carrying out the specific role attributed to independent directors by the aforementioned provisions and by the issued internal Global Policy "Transaction with related parties, associate persons and Corporate Officers ex art. 136 CBA".

With regard to remuneration in relation to persons qualifying as related parties, it should be noted that the provisions of Consob Regulation 17221/2010 and Bank of Italy Circular no. 285/2013 do not apply to:

- shareholders' meeting resolutions pursuant to Article 2389, paragraph 1 of the Italian Civil Code, relating to the remuneration of members of the Board of Directors, as well as to the resolutions concerning the remuneration of Directors holding specific roles falling within the overall amount previously determined during the Shareholders' Meeting pursuant to art. 2389, paragraph 3 of the Italian Civil Code;
- shareholders' meeting resolutions pursuant to Article 2402 of the Italian Civil Code, relating to the remuneration due to the members of the Audit Committee;
- remuneration plans based on financial instruments approved by the Shareholders' Meeting pursuant to Article 114-bis of Legislative Decree no. 58 of 1998 and their implementation;
- resolutions, other than those referred to Article. 2389, paragraph 1 of the Italian Civil Code, relating to the remuneration of the Directors holding specific roles and the other key management personnel provided that: i) UniCredit S.p.A. has adopted a remuneration policy approved by the Shareholders' Meeting; ii) the committee on remunerations of UniCredit S.p.A., consisting exclusively of non-executive Directors, the

majority of whom are independent, was involved in the definition of the remuneration policy; iii) the remuneration awarded is identified in accordance with this policy and quantified on the basis of criteria that do not involve discretionary assessments.

With regard to remuneration, the committee is involved, for the profiles of its own competence, in the preliminary investigation concerning:

- transactions that do not benefit from the above-mentioned exemptions and/or other applicable exemptions;
- temporary exceptions to the remuneration policy that the Company intends to implement in the presence of exceptional circumstances (see paragraph 2.2).

For further details, see the Global Policy “Transactions with related parties, associated persons and Corporate Officers ex art. 136 CBA” available on UniCredit Group website at “Governance” section.

3.2.2 Definition of the Group Remuneration Policy

On an annual basis, the Group Remuneration Policy, as proposed by the Remuneration Committee, is defined by the Board of Directors, and then presented to the shareholders' Annual General Meeting for approval, in line with regulatory requirements.

In particular, the Group Remuneration Policy is drawn up by the Group People & Culture function with the involvement of the Group Risk Management and other relevant functions (e.g. Group Finance) and is validated by the Group Compliance function for all compliance-related aspects, before being submitted to the Remuneration Committee. Once approved at the UniCredit Annual General Meeting, the Group Remuneration Policy is formally adopted by competent bodies in the relevant Legal Entities⁶ across the Group in accordance with applicable local legal and regulatory requirements.

In addition, as part of the definition of the Group Remuneration Policy, the Board of Directors, with the support of the Remuneration Committee, also analyzes the remuneration policy ensuring it is gender-neutral, and verifies the gender pay-gap (GPG) and its evolution over time.

The principles of the Group Remuneration Policy are valid across the entire organization and shall be reflected in the remuneration practices applying to employee categories across businesses, including, among others, members of the corporate body charged with strategic supervision and control functions, external collaborators and staff belonging to external distribution networks, considering their remuneration peculiarities.

In compliance with the Group Remuneration Policy and local regulation, Legal Entities, countries, and divisions apply the compensation framework for all employees.

With specific reference to Group Material Risk Takers, the Group People & Culture function establishes guidelines and coordinates a centralized and consistent management of compensation and incentive systems.

Furthermore, the elements of the Policy are fully applied across the entire Material Risk Taker population, with local adaptations based on specific regulations and/or business specifics, consistent with the overall Group approach.

In accordance with regulations and market practice, MRTs are subject to, *inter alia*, specific regulatory caps between variable and fixed remuneration (e.g. 33% for Control Functions in Italy), the payment of variable remuneration

⁶ The Group Remuneration Policy is distributed to consolidated direct and indirect subsidiaries with FTE >0 provided by Group Finance; This document also meets the requirements of Directive 2019/878/EU (CRD V) with respect to remuneration requirements. In accordance with CRD V, institutions have to apply the remuneration requirements at group, parent and subsidiary levels, including within subsidiaries that are not themselves subject to the CRD V, unless they are themselves subject to specific remuneration requirements on an individual basis under other Union acts or would be subject to such requirements if they were established in the Union. However, under Article 109(5) of CRD V, the remuneration provisions may still apply to individual staff members of certain subsidiaries. As a general principle, and taking into account applicable specific remuneration requirements, remuneration policies of different group entities within the scope of prudential consolidation should be consistent with the group's remuneration policy set by the consolidating institution. The remuneration policy needs to comply with CRD V provisions, EBA guidelines on sound remuneration policies of 2nd July 2021, and additional requirements set out in national company, labour and other relevant laws.

deferred over a multi-year period, to be paid through a mix of cash and shares, the application of the rules of the Group Incentive System 2025 and specific criteria for annual performance management.

Whilst remaining fully compliant with the principles of the incentive plans, local adaptations allow the achievement of the same results in case the implementation of the Group plan would have some adverse effects (legal, tax or other) for the Group companies and/or beneficiaries residing in countries where the Group is present.

Implementation of Group incentive plans for Group Material Risk Takers fully complies with Bank of Italy requirements and European guidelines, and at the same time considers:

- local needs to adopt alternative solutions as necessary according to local regulators;
- audit outcomes, in each jurisdiction, on the implementation of the incentive systems;
- further needs to introduce corrective measures to address local specificities, with focus on the reconciliation of local differences and home/host regulatory roles.

The main adjustments regarding the implementation of the Group Policy usually concern the use of financial instruments other than the UniCredit shares, the thresholds and deferral schemes, local performance indicators rather than the Group ones, the ratio between variable and fixed remuneration, malus and claw-back procedure, considering an alignment to the regulatory provisions and local specific rules.

As provided for by Legislative Decree 49/2019, which transposed the Shareholders Rights Directive II into the legal system by amending the TUF, in force since June 2019, UniCredit may, in exceptional circumstances, temporarily derogate from the remuneration policy.

Exceptional circumstances shall cover situations that can be traced back to the general cases provided for by art. 123 ter of TUF, namely in which the derogation from the remuneration policy is necessary to serve the long-term interests and sustainability of the company as a whole or to assure its viability.

In the event of such exceptional circumstances, the Board of Directors, as proposed by the Remuneration Committee and subject to reasoned favorable opinion by the Related-Parties Committee (issued in accordance with the Global Policy on transactions with related parties, associated persons and corporate officers pursuant to art. 136 TUB, irrespective of whether there is an exemption under the Global Policy in this case), may resolve on specific temporary derogations, without prejudice to compliance with legal and regulatory constraints, limited to the contents of the Remuneration Policy related to: (i) the reference to variable remuneration structure and pay-mix for CEO, General Manager (if any) and other Executives with Strategic Responsibilities, (ii) the reference to peer group, (iii) the economic parameters of the Group Incentive System and the Group Long-Term Incentive Plan.

UniCredit provides information on any derogation to the remuneration policy applied in exceptional circumstances within Section II Remuneration Report, in the following year.

Local Feature

The Group Remuneration Policy, once approved by the Shareholders' Meeting of UniCredit S.p.A., is distributed to legal entities in scope, including UCI. Local P&C, in alignment with Compliance, Risk Management and Legal, proposes the relevant customizations and, after obtaining the positive NBO from the holding company, the policy is submitted to UCI MB and SB for approval.

3.2.3 Role of the Corporate Control Functions

Local feature

On top of Internal Audit role (that consists in a regular audit performed on Remuneration Policy and Practices application based on the Remuneration Policy respect), the Control Functions are involved at local level to ensure and supervise the correct transposition of implementations and remuneration practices at UCI level through local representatives or through the direct involvement of the Division / Holding Competence.

In particular local Risk Management

- reviews the Remuneration Policy before it gives its consent for the approval process to the Management Board and the Supervisory Board,

- validates the Remuneration Policy for all risk management related aspects,
- checks that the incentives underlying the remuneration and the incentive system comply with the Risk Appetite Framework of UCI,
- is involved in the assessment process for the definition of the local Material Risk Takers population by controlling the adequacy of the performed analysis,
- together with local P&C controls on a yearly basis before the payout of the variable remuneration that the combined buffer requirement is met.

In particular local Compliance Department

- reviews the Remuneration Policy in relation to compliance to relevant laws and regulations for which Compliance department has responsibility, provides other compliance advice on Remuneration Policy for all compliance related aspects,
- provides upon request of Human Resources all information necessary for application of Bonus Gates, or other compensation relevant assessments,
- may execute ex-post second level controls on the application and execution of the Remuneration Policy as per annual controls plan, if such controls are provided by the plan.

3.2.3.1 Role of the Compliance Function

The Compliance function:

- assesses, by issuing a preventive opinion on the compliance of the Group Remuneration Policy and Group Incentive System with the regulations, the Articles of Association, the Group Code of Ethics and the Code of Conduct;
- assesses that the identification of the GMRT and the guidelines for the incentive system for the No material risk taker population, are consistent with the criteria established by the remuneration and incentive policies.

Verification of compliance with local regulations is carried out by each Group company for the part of its competence.

3.2.3.2 Role of the Risk Management Function

UniCredit ensures alignment between remuneration and risk through policies that support risk management, rigorous governance processes based on informed decisions taken by corporate bodies and the definition of compensation plans that include the strategic risk appetite defined by the Risk Appetite Framework, the time horizon and individual behaviours.

The Risk Management function is constantly involved in supporting Group People and Culture in the definition of the remuneration policy, incentive system and compensation processes for risk related components and in the identification of risk objectives, for the performance appraisal as well as for the assessment process to define the Group Material Risk Taker population. This involvement creates an explicit link between the Group incentive mechanisms, the Risk Appetite Framework, the validation of performance and pay, so that incentives are aligned to risk taking and management.

3.2.3.3 Role of the Internal Audit Function

As part of the remuneration system governance process, in line with its internal policies and procedures, the Internal Audit function assesses the implementation of remuneration policies and practices, at least annually, performing checks on data and internal procedures. The function evaluates the compensation process, providing recommendations aimed at improving it and bringing to the attention of the relevant functions and bodies any potential weaknesses, for the adoption of appropriate corrective measures.

3.2.4 Material Risk Takers identification process

The Material Risk Taker population (i.e. those categories of staff whose professional activities have a material impact on an institution's risk profile) is annually reviewed, on an ongoing basis, considering the structured and formalized assessment process both at Group and local level, according to the regulatory requirements related to qualitative and quantitative criteria defined by CRD V and Commission Delegated Regulation (EU) 923/2021, March 25, 2021.

This process is internally defined through specific guidelines issued by Group People & Culture function, with the involvement of Group Risk Management and Group Compliance, in order to ensure a common standard approach at Group level.

3.2.4.1 Process

Starting from 2010, UniCredit has regularly conducted a self-evaluation to define the Group Material Risk Takers population to whom, according to internal/external regulations, specific criteria for remuneration and incentive requirements are adopted.

Since 2014, UniCredit Group has a Material Risk Takers identification process following the Commission Delegated Regulation (EU) 604/2014. Since 2019, as foreseen by Bank of Italy Circular 285, Material Risk Takers identification process is an integral part of the Group Remuneration Policy and Report. Starting from 2021, UniCredit adopts the identification process embedded in CRD V and in Commission Delegated Regulation (EU) 923/2021.

The Material Risk Takers identification process is performed annually, on an ongoing basis, at both local and Group level, and it also considers Agents involved in financial activities, Insurance Agents, Financial Advisors, and external collaborators.

This Policy regulates the Material Risk Takers identification process and defines the roles and responsibilities of involved functions. In particular:

- People & Culture leads the identification process defining a consistent approach at Group level through specific guidelines;
- Risk Management, within the overall identification process initiated by People and Culture, leads the identification of the material business units (with material impact on an institution's risk profile) according to risk related regulatory criteria;
- Compliance verifies the consistency of qualitative and quantitative criteria with CRD V, Commission Delegated Regulation (EU) 923/2021, Group Material Risk Takers Internal Guidelines and regulatory provisions.

Group Legal Entities are actively involved in the identification process of Material Risk Takers coordinated by UniCredit S.p.A., sharing with UniCredit S.p.A in its role of Holding Company all necessary information as per received indications.

Specifically, the Group Legal Entities are obliged to identify Material Risk Takers on an individual basis, in compliance with the local or sector-specific regulations and will adopt the same Group criteria applied at local level following operational and interpretative guidelines issued by the Group, which ensure the overall consistency of the identification process Group wide. In any event, each Legal Entity is responsible for compliance with the provisions directly applicable to them.

The People & Culture function within the Holding Company, considering the outcomes of the evaluation performed by the various entities as specified above, consolidates results with the goal of identifying Group Material Risk Takers.

Subsequently, Group People & Culture together with Group Risk Management, after data consolidation and harmonization, presents documentation to the Remuneration Committee for discussion and finally submits for approval to the Board of Directors of UniCredit S.p.A. by the end of June 2025:

- the methodology⁷ and evaluation process for Material Risk Takers both at Group and local level;
- the outcomes of the evaluation process;
- the possible exclusion of "high earners" from Group Material Risk Takers.

⁷ To be also shared with Risk Committee.

At the end of the evaluation process, if UniCredit determines that some individuals identified under quantitative criteria should not be considered as Material Risk Takers, it initiates the process for exclusion, involving, where requested, competent authorities. In particular, UniCredit transmits to the European Central Bank or the Bank of Italy on a timely basis, and in any case within six months of the end of the previous financial year, the request for authorization for personnel with total remuneration amount equal or higher than €750,000 or within the 0.3% of personnel awarded the highest total remuneration in the previous financial year.

The identified personnel within the Material Risk Takers perimeter are informed through individual written notice.

People & Culture, Risk Management and Compliance, according to the responsibilities in their remit, contribute to the process of evaluation throughout the year with the goal to update the list of Material Risk Takers based on specific events occurring during the year (e.g. appointment, hiring, organizational changes and any other relevant event), ensuring the process is performed continuously and that the re-evaluation of the Material Risk Takers perimeter is submitted to the Board of Directors of UniCredit S.p.A, after being discussed in the Remuneration Committee of UniCredit S.p.A.

3.2.4.2 Criteria

CRD V and Commission Delegated Regulation (EU) 923/2021 set the regulatory standards concerning qualitative and quantitative criteria to identify categories of staff whose professional activities have a material impact on an institution's risk profile (so called Material Risk Takers). The identification process is based on the Material Business Unit (MBU) definition that, for consolidation purposes at Group level, is calculated as:

- any Legal Entity/ Division with an allocated Internal Capital equal or greater than 2% of Group/Division Internal Capital;
- organizational units within a Legal Entity with an allocated Internal capital based on proxies equal or greater than 2% at Group level;
- core business lines (high or medium).

Additionally, criteria (here below simplified) are distinguished in:

- **qualitative:**
 - all members of the management body and senior management (i.e. those who exercise executive functions within an institution and who are responsible, and accountable to the management body, for the day-to-day management of the institution);
 - staff members with managerial responsibility over the institution's control functions (Internal Audit, Risk Management, Compliance and other functions as locally defined) or material business units or for specific topics (e.g. accounting policies, finance, human resources);
 - staff members with managerial responsibilities for specific risk categories, including voting members within relevant Committees, credit risk exposures, authority on certain transactions and authority on the introduction of new products;
- **quantitative⁸:**
 - staff members entitled to significant total remuneration equal to or greater than €500,000 and equal to or greater than the average remuneration awarded to the members of the institution's management body and senior management, having a significant impact on the MBU's risk profile (i.e. when Credit, Market or Operational RWA proxy is equal or above the 2% of the institution/Group);
 - staff members awarded in the preceding financial year a total remuneration that is equal to or greater than €750,000;

⁸ For calculation purposes, non-Euro remuneration is converted into Euro using the average yearly relevant FX rate

- staff members within the 0.3% of staff who have been awarded the highest total remuneration in the preceding financial year within an institution with over 1,000 members of staff (for individual identification purposes at Legal Entity level only)⁹;
- **internal:**
 - all staff granted UniCredit shares deriving from Non-Standard Compensation in the year of granting;
 - all Group personnel GEC-1 with managerial responsibility and above;
 - all incumbents with any other additional criteria such as due to managerial decisions, to be supported by rationale.

The Material Risk Taker identification process is performed at Legal Entity level using the above qualitative, quantitative and internal criteria assessed against the institution's individual risk profile and then consolidated at Group level, applying similar criteria that are assessed against the Group risk profile, as foreseen by the regulatory requirements. The preliminary estimation of Group Material Risk Takers in the first quarter of 2025¹⁰ is broadly in line with the 2nd cycle 2024 results.

In line with Commission Delegated Regulation (EU) 923/2021 and Bank of Italy provisions, UniCredit or the Group Legal Entities will evaluate the possibility to initiate, in case of no material impact on Group/ institution risks, the exclusion process, as per the foreseen regulatory timeline.

Local feature

The local identification process

UCI identification process is carried out with its own identification process performed locally according to the local and legal requirements. As part of the broader Group identification framework, UCI follows the guidelines received as per Group process and participates to the broader assessment and calibration performed at Group level during the year.

During the analysis of the identification of the Group and Local Material Risk Takers (LMRT) of the first cycle 2025 with specific reference to UCI not absorbing at least 2% of the Group's internal capital and therefore not being classified as a Material Business Unit, they were applied only the above quantitative criteria in addition to the internal criteria for the purposes of Group Identification only.

The application of the Group's identification guideline has led to the identification of 2 Board Member. For consistency with 2024, the 2 Management Board members have been identified for 2025.

At the same time, consistently with the relevant legislation and according to the principle of proportionality, the analysis relating to the local identification of the most relevant staff of UCI was carried out, taking into consideration the quantitative, qualitative and internal criteria. With regard to the qualitative criteria, the analysis took into consideration, among others, the level of hierarchical reporting with respect to the CEO of UCI and roles belonging to a function in charge of assessing and assuming risk both for belonging to the Risk Committee of UCI and / or UCI Product Committee. Overall, 18 resources were identified at local level both for qualitative and quantitative criteria, 3 have already been identified at Group level, bringing the number of Material Risk Takers to 21.

3.2.5 Compensation to members of the corporate bodies charged with strategic supervision and control functions and Executives with Strategic Responsibilities

The remuneration for members of the administrative and controlling bodies of UniCredit is represented only by a fixed component, determined on the basis of the relevance of the position and the time required for the performance of the responsibilities assigned. This policy applies to non-Executive Directors. The

⁹ Criteria performed also on a Consolidated level (Group Threshold). Threshold is applied to GMRT population assuming GMRT as the most paid population in the Group.

¹⁰ At a constant perimeter and methodology.

compensation paid to non-Executive Directors and the Audit Committee members is not linked to the economic results achieved by UniCredit and such persons do not take part in any incentive plans based on stock options or, generally, based on financial instruments. The remuneration policy for members of the corporate bodies of the Group Legal Entities is based on the same principles, consistent with the local regulatory requirements.

› **Board of Directors**

Policy principles

According to clause 26 of the Bank's Articles of Association, the Directors are entitled, in addition to the reimbursement of expenses incurred in the performance of their duties, to an annual fee that is determined by the Shareholders' Meeting at the time of their appointment and remains unchanged until otherwise resolved by the Shareholders' Meeting.

Pursuant to the Articles of Association, the Shareholders' Meeting also determines, at the time of the appointment of the Audit Committee and for the entire term of office, a specific remuneration for the Directors who compose that Committee.

The above-mentioned clause of the Articles of Association also provides that the way in which the remuneration, as set by the Shareholder's Meeting, is distributed is established by way of a Board resolution.

Moreover, the Board of Directors may also, after hearing the opinion of the controlling body, establish an additional remuneration for the directors holding specific roles, as per Article 2389, third paragraph of the Italian Civil Code.

The allocation of such additional remuneration - to be made in accordance with the remuneration policies approved by the Shareholders' Meeting – can be made in particular for:

- the Chief Executive Officer;
- the Chair of the Board of Directors;
- the Chairs of all Board Committees other than the Audit Committee;
- the members of all Board Committees other than the Audit Committee;
- any Directors who may be assigned specific additional duties.

The Board of Directors can also define a specific compensation for the activities carried out by the Directors within the Supervisory Body established pursuant Law 231 / 2001.

The compensation proposals submitted to the Shareholders Meetings, those to the Board for the apportionment of the remuneration decided by the Shareholders Meeting, as well as those for the possible definition of additional remuneration pursuant article 2389 and/or for the activities carried out in the 231 Supervisory Body are defined, with the support of the Committee specialized in remuneration matters, taking into account:

- The educational / professional / experience requirements that each of the incumbents must meet to perform the role.
- The time commitment requested, measured both in terms of number of meetings to be attended as well as in terms of workdays necessary for the overall coverage of the office, as stated in the qualitative / quantitative profile of the Board and of its Committees.
- The responsibilities that the performance of the role implies for the Director.
- Updated market benchmarking data provided by independent advisors for each specific role:
 - The relevant peer group is primarily represented by the same companies that constitute the reference for the remuneration decisions regarding the CEO and senior management (the so called "EU Peer Group"). In addition to such peers, especially for positions that are specifically Italian, reference can also be made to peer groups representing the main financial companies belonging to the FTSE MIB index and/or the all-industries largest companies belonging to the FTSE MIB.

- The target market positioning is defined in line with the general remuneration policy approach and taking into consideration factors as corporate historical performance, the need to attract talents and/or specific professionals.

The remuneration proposals, besides being compliant with all applicable law and regulatory provisions, are formulated taking into consideration the above elements, and, for non-executive directors, also ensuring appropriate internal balance and, in any case, never exceeding the 90th percentile of the benchmarking reference point.

› CEO and Executives with Strategic Responsibilities

The Board of Directors also identifies the “Executives with Strategic Responsibilities” (ESRs) with its own resolution, for the application of all related corporate and regulatory rules and provisions. During 2024, the Board of Directors approved an organizational review involving the separation of Board support activities from the more strictly legal activities, under Group Legal. In connection with this, the Board reevaluated the role of Group Legal, especially appreciating its aspect of support to the implementation of strategies by the other functions, and thus decided to exclude from the perimeter of the ESRs the Head of Group Legal, who nevertheless remains a member of the Group Executive Committee (GEC). This update in the definition of the ESRs perimeter is in addition to the one that took place in 2021, which aimed to reflect the composition of top management and to optimize the governance framework.

According to the Board's deliberations, the ESRs now include the GEC members - excluding the Head of Group Legal and the members of the CEO Office (i.e., the heads of Group Strategy & Optimization and Group Stakeholder Engagement) - and the Chief Audit Executive. The aggregate of ESRs at the beginning of 2025, therefore, is composed as follows: Group Chief Executive Officer, Head of Italy (a role currently covered ad interim by the CEO), Head of Germany, Head of Central Europe and Eastern Europe, Head of Client Solutions, Chief Financial Officer, Head of Group People & Culture, Group Digital & Information Officer, Group Chief Operating Officer, Group Risk Officer, Group Compliance Officer and Chief Audit Executive.

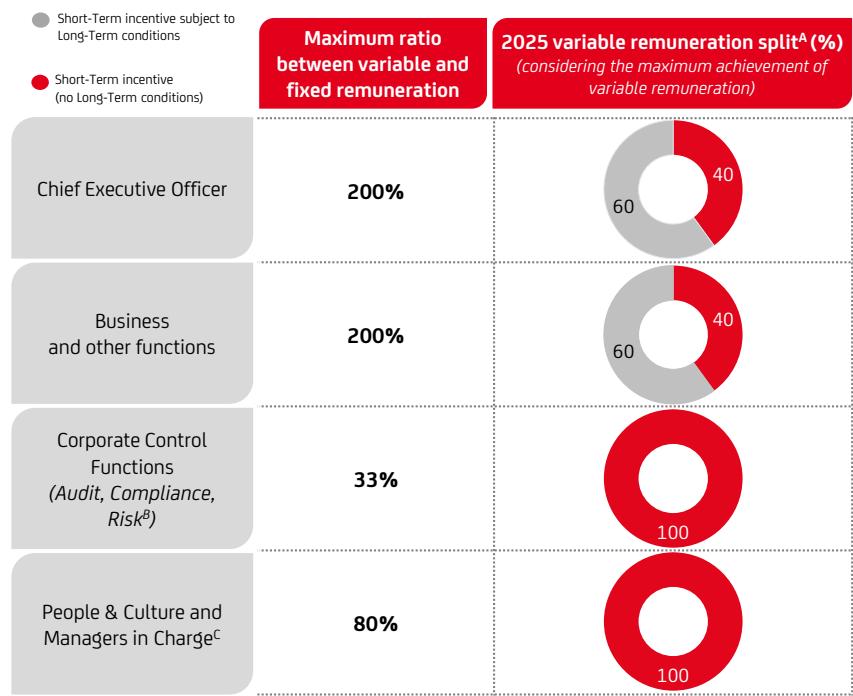
In line with the 2025 Group Remuneration Policy, the CEO and the other Executives with Strategic Responsibilities remuneration framework is based on total compensation set at individual levels on the basis of market data, role, seniority, need to retain or attract best-in-class talent, individual performance and UniCredit's overall performance over time.

For completeness, it should be noted that in the current policy other relevant roles are subject to specificities and limits on remuneration (e.g. on variable to fixed remuneration ratio or absence of Long-Term additional performance conditions, etc.) namely, the Manager in Charge of Drafting the Company's Financial Reports and the Sustainability Reporting Manager - hereinafter, also, the “Manager in Charge of drafting company's sustainability reports”¹¹.

Based on the 2025 incentive system described in this Policy, the 2025 variable remuneration structure for Executives with Strategic Responsibilities would be defined as follows:

2025 Variable remuneration structure for the Executives with Strategic Responsibilities

¹¹ The Legislative Decree No. 125 of 6 September 2024 introduced changes on the certification of the sustainability reporting, providing that this may be rendered - alternatively to the “*Dirigente Preposto*” appointed ex. art. 154-bis TUF - also by a different manager with specific expertise in sustainability reporting. In this context, the BoD by applying the transactional regime, designated the manager signing the attestation regarding the sustainability reporting 2024: the Sustainability Reporting Manager (hereinafter, also, the “*Manager in Charge of drafting company's sustainability reports*”). In view of the nature of the role, the BoD decided to apply to the Sustainability Reporting Manager the same remuneration specificities and limits applicable to the Manager in Charge of drafting the company's financial reports, according to 285 Bankit provisions. (By a way of example the variable to fixed remuneration ratio or absence of LT additional performance conditions, etc.).



Note: Based on the role and in case of new appointments, non-standard compensation could be assigned within the maximum variable to fixed cap.

A. Pre-adjustment post long-term performance conditions;

B. For Risk Management departments not classified as control functions, 100% applies.

C. For People&Culture function and the Managers in Charge of Drafting the Company Financial and Sustainability Reports the fixed remuneration is expected to be predominant in respect to variable remuneration and long-term incentive conditions are not foreseen.

FOCUS

The members of the administrative and control bodies as well as the Executives with Strategic Responsibilities benefit from a specific civil liability insurance policy, the “Directors & Officers Policy”, also known as **D&O Policy**. For the Directors, this benefit is approved by the Shareholders’ Meeting.

The Chairman of the Board of Directors is entitled to life and permanent disability insurance coverage resulting from injury occurring under any circumstances.

The Directors and the Secretary of the Board of Directors benefit from life and permanent disability insurance coverage resulting from injury arising from accidents that occurred while performing the specific duties of the position.

The Executives with Strategic Responsibilities benefit from the company treatment, provided for the Dirigenti population, relating to health care and life and permanent disability cover resulting from both injury and illness, in line with the seniority of the role within the organization. In addition, they benefit from an insurance coverage that provides for the settlement in favour of UniCredit of the residual debt, up to a certain cap, of the first home mortgage under the conditions provided for Group personnel in the event of death.

Any benefits provided on an “ad personam” basis shall be managed in compliance with applicable regulations.

3.3. Compliance and Sustainability Drivers

To support the design of remuneration and incentive systems¹², with particular reference to network roles (also including credit intermediaries) and Corporate Control Functions, the following “compliance and sustainability drivers” have been defined, in line with the applicable regulation¹³.

› Remuneration general principles

- Maintain an adequate balance of fixed and variable compensation elements also with due regard to the role and the nature of the business performed. The fixed portion is maintained sufficiently high in order to allow the variable part to decrease, and in some extreme cases to decrease to zero;
- set an appropriate mix between short and long-term variable compensation, consistent with the strategies, market and business practices of reference and in line with the long-term interests of the Group;
- foresee that the remuneration policy, with specific reference to variable remuneration, should contribute to the business strategy, long-term interests and sustainability of the company and should not be linked entirely or mainly to short-term objectives;
- include in the remuneration policies information on how those policies are consistent with the integration of sustainability risks;
- provide that the Group remuneration policies and practices are gender neutral and support the equal treatment of staff of different genders;
- incorporate control systems on promotion and compensation processes to monitor compliance with relevant Anti Bribery and Corruption policies.

› Incentive Systems

- Build incentive systems based on profitability, financial stability, sustainability and other drivers of sustainable business practice with particular reference to risk, cost of capital and efficiency;
- design flexible incentive systems so to manage payout levels in consideration of overall Group, Country/Division performance results and individual achievements, adopting a meritocratic approach to selective performance-based reward;
- design incentive systems which do not, in any way, induce risk-taking behaviors in excess of the Group’s strategic risk appetite; in particular the incentive systems should be coherent to the Risk Appetite Framework (“RAF”);
- design forward-looking incentive plans which balance internal key value driver achievements with external measures of value creation relative to the market;
- design incentive systems to set minimum performance thresholds below which zero bonus will be paid. In order to maintain the adequate independence levels for Corporate Control Functions, for People & Culture, and the Managers in Charge of Drafting the Company Financial and Sustainability Reports, provide a maximum threshold for the progressive reduction of the bonus pool, which can be phased out to zero only in presence of exceptionally negative situations with an approval process including a governance step by the Board of Directors;
- subject the remuneration to correction mechanisms that allow it to be reduced (even significantly) or zeroed, for example in the case of behaviours, by relevant persons or credit intermediaries, that have caused or contributed to significant damage to customers or a significant breach of the rules contained in Title VI of

¹² Also considering third-party incentives.

¹³ Including Bank of Italy provisions “Transparency of banking and financial transactions and services - Fairness of relations between intermediaries and clients”.

the T.U.¹⁴, the relevant implementing provisions or Codes of Ethics or Conduct for the protection of customers applicable to the intermediary.

› Goals and performance management

- maintain an adequate mix of economic and non-economic (quantitative and qualitative) goals, depending on the role, considering also other performance measures as appropriate, for example risk management, adherence to Group values or other behaviours;
- accompany the qualitative measures by an ex-ante indication of objective parameters to be considered in the evaluation, the descriptions of expected performance and the person in charge for the evaluation;
- relate the non-economic quantitative measures to an area for which the employee perceives a direct link between her/his performance and the trend of the indicator;
- include among the non-economic goals (quantitative and qualitative), where relevant, goals related to customer loyalty and level of satisfaction, risk as well as to compliance (e.g. credit quality, operational risks, application of MiFID principles, products sales quality, respect of the customer, Anti Money Laundering requirements fulfillment);
- set and communicate ex-ante clear and pre-defined parameters as drivers of individual performance;
- avoid incentives with excessively short timeframes (e.g. less than three months);
- promote a customer-centric approach which places customer needs and satisfaction at the forefront and which will not constitute an incentive to sell unsuitable products to clients;
- take into account, even in remuneration systems of the external networks (financial advisors), the principles of fairness in relation with customers, management of legal and reputational risks, protection and loyalty of customers, compliance with the provisions of law, regulatory requirements, and applicable self-regulations;
- create incentives that are appropriate in avoiding potential conflicts of interest with customers and in terms of market manipulation, considering fairness in dealing with customers and the endorsement of appropriate business conduct and usage of privileged information (e.g. benchmark contributors);
- consider performance on the basis of annual achievements and their impact over time;
- include elements which reflect the impact of individual's/business units' return on the overall value of related business groups and organization as a whole;
- avoid bonuses linked to economic results for Corporate Control Functions¹⁵, for Human Resources and Managers in Charge of Drafting the Company Financial and Sustainability Reports and set, for the employees in these functions, individual goals that shall reflect primarily the performance of their own function and that will be independent of the results of monitored areas, in order to avoid conflict of interest;
- recommend the approach for Corporate Control Functions also where possible conflicts may arise due to the function's activities. In particular, this is the case for functions (if any) performing only control activities pursuant to internal/external regulations such as in some structures in Accounting/Tax structures¹⁶;
- ensure independence between front and back office functions in order to guarantee the effectiveness of cross-checks and avoid conflict of interest, with a particular focus on trading activities, as well as ensuring the appropriate independence levels for the functions performing control activities;
- define incentives not only based on financial parameters for personnel providing investment services and activities, but also taking into account the qualitative aspects of the performance, in order to avoid potential conflicts of interest in the relationship with customers¹⁷;

¹⁴ Title VI of the Consolidated Banking Act, Transparency of contractual conditions and relations with clients.

¹⁵ Meaning Internal Audit, Risk Management and Compliance functions, pursuant to Bank of Italy Circular 285 of December 17, 2013, 37th update of November 24, 2021. Where CRO roles cover both Underwriting and Risk Management functions, goals assigned must not represent a source of conflict of interest between Risk Management and Underwriting activities.

¹⁶ Where CFO roles cover also Financial Statements preparation, possible economic measures have to be chosen in a conflict - avoidance perspective.

¹⁷ For example: ESMA requirements, with reference to MiFID remuneration policies and practices; Technical Advice ESMA on MiFID II (Final Report 2014/1569); MiFID II specific articles regarding remuneration/incentives for relevant subjects.

- avoid career progression management systems being used to reintroduce quantitative commercial criteria upon which may depend any career advancement and/or having an impact on the (fixed and/or variable) remuneration by creating conflicts of interests that may encourage beneficiaries to act against customers' interests¹⁸;
- avoid incentives on a single product or financial instrument or specific categories of financial instruments, as well as single banking/insurance product;
- avoid an incentive for the joint selling of the optional contract and the financing as opposed to the sale of the financing alone, where the contract offered in conjunction with the financing is optional;
- promote prudent credit growth and appropriate risk-taking behaviour, and not encourage excessive risk taking; variable remuneration of the staff involved in credit granting:
 - is linked, among others, to the long-term quality of credit exposures;
 - includes, in terms of performance objectives and targets, credit quality metrics and is in line with credit risk appetite;
- define, for Commercial Network Roles, goals that include quality/ riskiness/sustainability drivers of the products sold, in line with client risk profile. Particular attention shall be paid to the provision of non-economic goals for customer facing roles selling products covered by MiFID. For these employees, the incentives must be defined in a way to prioritize customer loyalty and satisfaction and at the same time avoid potential conflicts of interest towards them;
- for the staff responsible for handling complaints, foresee indicators taking into account, among other things, the results achieved in handling complaints and the quality of customer relations;
- indicate clearly within all rewarding system communication and reporting phases that the final evaluation of the employee achievements will also rely, according to local requirements on qualitative criteria such as the adherence to compliance and Code of conduct principles;
- put in writing, document and make available for the scrutiny of independent checks and controls the entire evaluation process;
- define ex-ante the evaluation parameters, for those cases where individual performance evaluation systems are fully or partially focused on a managerial discretionary approach. These parameters should be predetermined, clear and documented to the manager in due time for the evaluation period. Such parameters should reflect all applicable regulation requirements¹⁹ (including the balance between quantitative and qualitative parameters). The results of managerial discretionary evaluation should be formalized for the adequate and predefined monitoring process by the proper functions and an appropriate repository should be created and maintained (e.g. inspections/request from the Authorities);
- do not link goals, for research management and analysts, to any financial transactions or revenues of single business areas, but for example consider linking them to the quality and accuracy of their reports.

› Payout

- Defer performance-based incentive payout, as foreseen by regulatory requirements, to coincide with the risk timeframe of such performance by subjecting the payout of any deferred component until actual sustainable performance has been demonstrated and maintained over the deferral timeframe, so that the variable remuneration takes into account the time trend of the risks assumed by the bank (i.e. malus mechanisms);
- consider claw-back actions as legally enforceable on any performance-based incentive paid out on the basis of a pretext subsequently proven to be erroneous;

¹⁸ ESMA Guidelines on certain aspects of the MiFID II remuneration requirements: "*In light of the broad definition of remuneration provided in the MiFID II Delegated Regulation, firms' remuneration policies and practices should also ensure that the criteria used to assess wage increases and promotions comply with the MiFID II remuneration requirements. For instance, firms' career progression management systems should not be used to reintroduce quantitative commercial criteria upon which may depend relevant persons' career advancement and having an impact on their (fixed and/or variable) remuneration if this may create conflicts of interests that may encourage such relevant persons to act against the interests of their firms' clients.*"

¹⁹ Also in line with the regulation references reported in the previous notes.

- include clauses for zero bonus in circumstances of non-compliant behaviour or qualified disciplinary action, subjecting payout to the absence of any proceeding undertaken by the company for irregular activities or misconduct of the employee with particular reference to risk underwriting, sales processes of banking and financial products and services, internal code of conduct or values breach;
- require employees to undertake not to use personal hedging strategies or remuneration and liability – related insurance to undermine the risk alignment effects embedded in their remuneration arrangements.

FOCUS

Drivers for Commercial Campaigns and for Infra year bonus

Within network roles incentive systems, to which the principles set out in the sections on Compliance and Sustainability Drivers apply, particular attention is paid to “Commercial Campaigns” and “Infra year bonus”, which may be organized subject to the assessment of the Compliance function and after receiving an opinion on the admissibility from the relevant Corporate Body (e.g. Board of Directors) or competent committee (e.g. Product Committee), according to the powers of delegation time to time in force. They represent business actions aimed at providing guidance to the sales network towards the achievement of the period's commercial targets (also intermediate, for instance on a quarterly basis) and with a direct impact on the bonus pool budget referable to the relevant Division/Country/Legal Entity, even in case of initiatives promoted by third companies/parties. The payment of the incentive may therefore only occur subject to verification of the entry conditions provided for by the Remuneration Policy and external regulation.

Among the distinctive features of the commercial campaigns and of the infra year bonus, there is the expectation of the award – in cash or non-monetary reward. Commercial Campaigns and Infra year bonus can also help the function to direct the achievement of certain objectives of the incentive system. The grant of awards must be subordinated to behaviors compliant with the external and internal regulations, as well as the completion of specific access gates, in line with the ones provided by the Group Incentive System and possibly customized according to the specificities of the business to which the initiative is addressed, if any (e.g. KYC, mandatory training, MiFID).

Under no circumstances may the system of remuneration and evaluation of the sales network employees constitute an incentive to sell products unsuitable to the financial needs of the clients. In particular, the following “compliance and sustainability drivers” have been defined (which integrate the above-mentioned ‘compliance and sustainability drivers’):

- set-up of the incentive mechanisms using criteria which are consistent with the best interest of the client, and which are appropriate to avoid potential conflicts of interest with customers, and coherently with relevant regulatory provisions (e.g. MiFID, EBA Guidelines on the sale of banking products and services);
- ensure consistency between the Campaign's objectives with the objectives set when defining the budget and when assigning targets to the sales network;
- involve ex-ante all the functions, third parties other than the proposing business, concerned in the definition, validation and reporting of the commercial objectives;
- avoid Commercial Campaigns on a single financial or banking product/financial instrument;
- include clauses for zero bonus payment in the event of failure to meet the entry conditions to the bonus pool at Group/Division/ Country level or at Legal Entity level;
- include clauses for zero bonus payment in case of relevant non-compliant behaviour or qualified disciplinary action or in case the applicable access gates are not triggered;
- avoid Campaigns which – not being grounded on an objective and customer interests related basis – may directly or indirectly lead to breaching the rules of conduct regarding clients;
- avoid Campaigns lacking a clear indication of the targets and of the maximum level of incentive to be granted for achieving those targets, identifying an appropriate mix of quantitative and qualitative goals consistent with the characteristics of the initiative;
- avoid, in general, Campaigns related to specific commercial targets that provide advantages only for higher hierarchical levels or to the budget of the higher-level territorial structure/Legal Entity.

With respect to remuneration, reference is also made to the provisions contained in the ESMA Guidelines “Guidelines on Certain Aspects of the MiFID II Remuneration Requirements”, which provide operational guidelines on the definition of intermediaries' remuneration policies and practices, also in the context of the rules of conduct provided for by the MiFID II regulations, highlighting, in particular, to the need to steer them according to criteria capable of ensuring the pursuit of the clients' best interests (these guidelines follow the Guidelines on Remuneration Policies and Practices (MiFID) 2013/606²⁰).

The remuneration policies drawn up in accordance with the Transparency²¹ regulation include an indication of the number of relevant persons and credit intermediaries to whom they apply, as well as the role and functions held by them.

The indication of the role and functions of relevant persons is provided by area of activity, without prejudice to the distinction between persons who offer products directly to customers and persons to whom they report hierarchically.

For network positions, the same indication is provided in accordance with the abovementioned ESMA guidelines.

²⁰ Persons who can have a material impact on the service provided and/or corporate behaviour of the firm, including persons who are client-facing front-office staff, sales force staff, and/or other staff indirectly involved in the provision of investment and/or ancillary services whose remuneration may create inappropriate incentives to act against the best interests of their clients. This includes persons who oversee the sales force (such as line managers) who may be incentivized to pressurize sales staff, or financial analysts whose literature may be used by sales staff to induce clients to make investment decisions. Persons involved in complaints handling, claims processing, client retention and in product design and development are other examples of ‘relevant persons’. Relevant persons also include tied agents of the firm.

²¹ Bank of Italy “Transparency of banking and financial transactions and services – Fairness of relations between intermediaries and clients”.

Relevant persons and credit intermediaries to whom the rules on Banking Transparency apply and relevant persons as per ESMA guidelines definition

Role/position covered		Subjects that offer products directly to customers as per Bankit Disposizioni di Trasparenza	Subjects to which the former respond hierarchically as per Bankit Disposizioni di Trasparenza	Relevant Persons as per ESMA definition	Subjects to which the former respond hierarchically as per ESMA definition
<i>Data as of December 31, 2024</i>					
Employees	Deputy Area Manager	616	226	604	214*
	Senior Banker	17	2	17	2
	Branch Manager (including deputy, if any)	2771	716	2131	715
	Commercial Coordinator / Team Leader	1	1	-	-
	Private Banking / Wealth Management relationship manager	665	52	657	51
	Retail affluent relationship manager	2715	1350	2715	1350
	Retail mass market advisor	7199	1683	6539	1675
	Small business relationship manager	973	733	973	733
	Corporate banking relationship manager	1717	115	1626	108
	Product specialist	155	23	63	8
Credit Intermediaries & Financial Advisors	Commercial assistants / staff	1544	159	327	51
	Agent in financial activity	358	7	-	-
	Credit intermediary	1	1	-	-
	Financial Advisor	29	8	29	8

*i.e. Area Managers, also to be consider relevant persons.

Local Feature

Based on the definition of Relevant Person in the Guidelines on Certain Aspects of the MiFID II Remuneration Requirements which make reference to MiFID II (Directive 2014/65/EU) and in the Commission Delegated Regulation (EU) 2017/565, here below the roles that could be inserted under a list referring to UniCredit International Bank (Luxembourg) S.A. :

- Head of Business
- Private Banking / Wealth Management Relationship Managers
- GIS & Insurance Team
- Fund Management Employees

3.4. Compensation Framework

Within the framework provided by the Group Remuneration Policy, UniCredit is committed to ensuring fair treatment in terms of compensation and benefits regardless of gender identity, age, race, ethnicity, sexual orientation, ability, background, religious or ethical values system and political beliefs or any other category protected by law in the local jurisdiction.

The total compensation approach of UniCredit provides for a balanced package of fixed and variable, monetary and non-monetary elements, each designed to impact in a specific manner the motivation and retention of employees.

In line with the applicable regulations, particular attention is paid to avoiding incentive elements in variable compensation which may induce behaviors not aligned with the company's sustainable business results and risk appetite.

The remuneration policy target aims at aligning the remuneration levels of Group Material Risk Takers to the company performance over the medium-long period. It is built on the principle of pay-for-performance and set to attract and retain top-class talents, able to improve UniCredit's competitive position, with individual positioning being defined on the basis of specific performance, potential and people strategy decisions, as well as UniCredit's performance over time.

With particular reference to the Material Risk Taker population, the Board of Directors, on the basis of the proposal made by the Remuneration Committee, establishes the compensation structure for top positions, defining the mix of fixed and variable remuneration.

Moreover, the Board of Directors annually approves the criteria and the features of the incentive plans for Group Material Risk Takers, ensuring the appropriate balance of variable reward opportunities within the pay-mix structure.

Remuneration can be either:

- fixed²² (e.g. salary) or
- variable²³ (e.g. short-term incentives, long-term incentives).

Additionally, according to their peculiarities, further remuneration components can be classified as fixed or variable remuneration as described in this chapter and in line with regulatory framework and more precisely:

- non-standard compensation;
- benefits and payments mandatory under law;
- severance.

Within this section details are provided also with regards to the following topics:

- continuous monitoring of market trends and practices;
- ratio between variable and fixed compensation;
- share ownership guidelines.

²² And/or recurring for Financial Advisors non-employee and Agents in Financial Activities.

²³ And/or non-recurring for Financial Advisors non-employee and Agents in Financial Activities.

3.4.1 Continuous Monitoring of Market Trends and Practices

At Group level, UniCredit analyzes the overall compensation trends of the market through a continuous benchmarking activity in order to make informed decisions and adopt competitive reward structures for effective retention and motivation of the key resources.

With specific reference to the executives of the Group, an independent external advisor supports the Remuneration Committee in the identification of the direct competitors that represent the international group-level peers of UniCredit (peer group) with regards to whom compensation benchmarking analysis is performed on market trends, practices and compensation levels.

At country/division level and as appropriate throughout the organization, benchmarking and trends analysis may be conducted considering relevant peer groups to assure competitive alignment with the market of reference.

The peer group is subject to annual review to assure its market representativeness.

For 2025, the European peer group is updated and includes: Intesa Sanpaolo, Banco Santander, BBVA, Crédit Agricole, BNP Paribas, Deutsche Bank, HSBC, Barclays, NatWest Group and UBS.

2025 PEER GROUP	
» Intesa Sanpaolo	» Deutsche Bank
» Banco Santander	» HSBC
» BBVA	» Barclays
» Crédit Agricole	» NatWest Group
» BNP Paribas	» UBS

The key criteria used for the update are related to size (e.g. market capitalization, total assets), complexity (e.g. business model, geographical spread) and people management (e.g. proximity and competition for talents, pay for performance culture).

3.4.2 Fixed compensation

› Definition and objective

Fixed remuneration is the part of remuneration that is stable and irrevocable, determined and given based on pre-defined and non discretionary criteria, such as the professional experience, responsibility and seniority level of the individual. It does not create an incentive to take risk and it does not depend on performance targets. Fixed remuneration includes, for example, base salary (also if paid-out in shares), Role Based Allowance, certain packages related to expatriate status and other fixed components assigned on the basis of standard rules e.g. benefits provided by company's policies, pension contributions or social security payments mandatory by law.

Base salary is defined on the basis of the specific business pertaining to each individual as well as the skills and competencies that the individual brings to the Group. The weight of the fixed compensation component is sufficient to reward the activity performed even in case the variable part of the remuneration package was not paid due to non-achievement of performance goals, in order to reduce the risk of excessively risk-oriented behaviors, to discourage initiatives focused on short-term results and to allow a flexible bonus approach.

› Features

Specific pay-structure guidelines for the weight of fixed versus variable compensation are defined with respect to each target employee population. With particular reference to the Executives of the Group, the UniCredit Remuneration Committee establishes:

- the criteria and guidelines to perform market benchmarking analysis for each position in terms of compensation levels and pay-mix structure, including the definition of specific peer groups at Group, country/divisional level and the list of preferred external “executive compensation providers”;
- the positioning of compensation, in line with the relevant market’s competitive levels, defining operational guidelines to perform single compensation reviews as necessary.

3.4.2.1 Recurring remuneration

The “recurring” component of the remuneration of Financial Advisors performing off-site offering (OFS) and Agents in Financial Activities (AAF), other than employees, is equivalent to the fixed remuneration and expression of its most stable and ordinary portion. It remunerates, *inter alia*, the normal activities in the management of clients, the placement products /services and more generally, the expenses they incur individually, in the exercise of their duties, including contribution obligations.

3.4.3 Variable compensation

› Definition and objective

Variable compensation includes any payments that depend on performance targets, independently from how it is measured (profitability/ revenues/other goals). It includes, also, discretionary pension benefits and mutually agreed payments between the bank and its personnel in case of early termination of the employment relationship or office (excluding the statutory deferred payments and the indemnity in lieu of notice) and the carried interests, entry bonus, special award, retention bonus, stability pact and non-competition agreement. Additionally, it is any other form of remuneration that does not specifically qualify as fixed remuneration.

Variable compensation aims to remunerate achievements by directly linking pay to performance outcomes in the short, medium and long-term. This is then risk adjusted. To strengthen the alignment of shareholders’ interest and the interests of management and employees, performance measurement reflects the actual results of the Company overall, the business unit of reference and the individual. As such, variable compensation constitutes a mechanism of meritocratic differentiation and selectivity.

› Features

Adequate ranges and managerial flexibility in performance-based payouts are an inherent characteristic of well-managed, accountable and sustainable variable compensation, which may be awarded via mechanisms differing by time horizon and typology of reward.

Incentives remunerate the achievement of performance objectives, both quantitative and qualitative, by providing for a variable bonus payment. An appropriately balanced performance-based compensation element is encouraged for all employee categories, as a key driver of motivation and alignment with organizational goals and is set as a policy requirement for all business roles. The design features, including performance measures and pay mechanisms, avoid an excessive short-term focus by reflecting the principles of the policy, focusing on parameters linked to profitability and sound risk management, in order to guarantee sustainable performance in the medium and long-term. In alignment with the overall mission, the characteristics of incentive systems also reflect the requirements of specialized businesses.

More information on the compliance and sustainability drivers related to the design of remuneration and incentive systems, with particular reference to network roles and Corporate Control Functions, are reported in the dedicated section.

With particular reference to trading roles and activities, organizational governance and processes as well as risk-management practices provide the structure for a compliant and sound approach, whereby levels of risk assumed are defined and monitored centrally by the relevant Group functions. This structure reinforces the consistent remuneration approach which adopts performance measures based on profitability rather than revenues, risk-adjusted rather than non risk-adjusted, relative rather than absolute indicators.

Local feature.

At local level, the Article 38-6 of the Luxembourg Banking Law regulates the Variable Elements of Remuneration: the provisions are in line and consistent with the strategy promoted in the Group Remuneration Policy and applied to this local transposition as well.

3.4.3.1 Short-Term Remuneration

Short-term remuneration aims to attract, motivate and retain strategic resources and to maintain full alignment with the latest national and international regulatory requirements and with best market practices.

Payout is based on a bonus pool approach providing for a comprehensive performance measurement at individual and at Group/ Country/division level. Reward is directly linked to performance, which is evaluated based on results achieved and on the alignment with the leadership model and values of UniCredit. Performance management for Group Material Risk Takers is managed according to central governance ensuring fair and coherent appraisal process across the organization, leveraging on a unique repository at Group level.

For Material Risk Takers, the payout is partially deferred to fit an appropriate risk time horizon. The design features of incentive plans for Material Risk Takers are aligned with shareholder interests and long-term, firm-wide profitability, providing for an appropriate allocation of performance related incentives in cash and in shares, upfront and deferred.

The short-term remuneration for the Group Material Risk Takers population is regulated under the Group Incentive System, as described in the Group Remuneration Policy.

Additionally, local incentive systems (e.g. commercial campaigns, incentive systems for local Material Risk Takers) may exist, following the principles included in this Policy, and described within local regulations.

Each year, detailed information about our compensation governance, key figures and the features of Group incentive systems is fully disclosed in the Group Remuneration Policy.

3.4.3.2 Long-Term Remuneration

Long-term remuneration aims to strengthen the link between variable compensation and Company results and further align the interests of senior management and shareholders.

The long-term remuneration envisages:

- adjustment of part of the short-term remuneration based on the achievement of specific performance conditions and allocation of such remuneration mostly based on shares or other instruments reflecting the trend of the shares;
- multi-year targets consistent with UniCredit strategic targets;
- additional performance conditions to enhance long-term sustainability of results;
- multi-year deferral with the application of Zero factor conditions, which provides for minimum requirements related to profitability, liquidity and capital;
- the application of a holding period of the actual awards in equity after the deferral period;
- awards subject to legally enforceable individual malus and claw-back conditions.

3.4.3.3 Non-recurring remuneration

The “non-recurring” component of the remuneration of Financial Advisors performing off-site offering (OFS) and Agents in Financial Activities (AAF), other than employees, is the part of the remuneration with an incentive purpose, linked for instance to the launch of new products, etc.

It is equivalent to the variable remuneration, and it is expression of the commission²⁴ quota paid as part of the dedicated annual bonus system, useful for addressing commercial activities and the achievement of specific objectives, in line with the company strategy.

Finally, it should be noted that the variable component, (“non-recurring”) is subject to the verification of access conditions at Group, local and individual level (e.g. compulsory training, KYC, etc.), as well as subject to malus and claw-back clauses.

FOCUS

Group common guidelines on the key elements of Executive contracts ensure alignment with regulatory requirements and also with Internal Audit recommendations, in particular regarding contract elements with specific regulatory provisions, such as variable compensation and severance provisions. Group rules, policies or guidelines provided in case of eligibility to variable compensation have to be mentioned in the Executive contracts.

Amounts related to variable pay and any technical details of payments (vehicles used, payment structure and time schedule) are included in separate communication and managed in strict adherence to governance and delegation of authority rules.

FOCUS

Hybrid Contract

In addition to the professional category of non-employee Financial Advisers OFS and Agents in Financial Activity, solely self-employed professionals with an agency contract, a new professional category with a ‘mixed contract’ has been defined in the Italy division..

The mixed contract provides for the establishment of two different contractual relationships for the same resource:

- One as permanent part-time employment;
- One as freelance Financial Advisor, operating under agency contract and with a fee-based remuneration.

With reference to the compensation of the employee with a mixed contract, it is specified that under the part-time employment contract, it is composed by a ‘fixed’ part corresponding to the gross annual remuneration, and a ‘variable’ part corresponding, precisely, to the individual variable remuneration assigned, if any.

Under the agency contract, on the other hand, the ‘fixed’ part of the remuneration is represented by the ‘recurring’ portion, and the ‘variable’ part by the ‘non-recurring’ portion.

3.4.4 Non-standard compensation

Non-standard compensation refers to those compensation elements considered as exceptions (e.g. entry bonus²⁵, special award, retention bonus, Role-Based Allowance, stability pact and non-competition agreement).

Such awards are limited only to specific situations, as appropriate, related to the hiring phase, launch of special projects, achievement of extraordinary results, high risk of leaving for executives of the Group, mission critical roles

²⁴ It should be noted that, in line with the aforementioned Bank of Italy Circular 285, 17 December 2013, and its successive modifications, 'the commission is not an incentive per se'.

²⁵ For the recruitment of new staff and limited to the first year of employment. It cannot be granted more than once to the same person, either by the bank or by another Legal Entity in the Group (Bank of Italy Circular 285 of December 17, 2013, 37th update of November 24, 2021).

and positions covered in specific Corporate Functions. In particular, guaranteed bonus granted in relation to the hiring phase are an atypical form of compensation, which is not common practice for the Group. Its use is strictly limited to those cases where there is a clear need of attracting best talents and critical competencies in the market.

As a general rule, non-standard compensation elements are considered variable remuneration. In specific cases, for example the Role-Based Allowances for Corporate Control Functions, they are fixed remuneration.

Moreover, awards must in any case comply with regulations in force at the time (e.g. cap on the ratio between variable and fixed remuneration, technical features defined by regulation for bonus payout, if applicable) and with UniCredit governance processes, which are periodically monitored and disclosed for regulatory requirements, as well as subject to capital and liquidity entry conditions, malus conditions and claw-back actions, as legally enforceable. Variable non-standard compensation rules are specified either on the dedicated letter of award or referring to the Group Incentive System rules in force.

The "non-standard" compensation instruments described in this paragraph may also be used to support operational continuity expectations, in order to effectively implement the Bank's resolution strategy²⁶; they may therefore be applied for retention or loyalty purposes and applied within the limits provided for by the regulations in force from time to time. Full information on their possible use in the implementation of the resolution plans will be provided in the Group Remuneration Policy and Report for the following year. For the year 2024 no "non-standard" compensation instruments have been used in a resolution context.

FOCUS

Role-Based Allowance

In UniCredit, Role Based Allowances are considered fixed components of the remuneration, in line with regulatory provisions and market practices.

This compensation item aims to:

- ensure competitiveness versus international level in terms of total compensation, avoiding excessive increases in base salary in recognition of the restrictive variable to fixed ratio (e.g. for Corporate Control Functions in Italy);
- allow and facilitate the rotation between business and control functions roles within the Group;
- provide a sign of attention to the professional figures who hold relevant roles for the Group.

RBA in UniCredit is a pre-defined amount (depending on seniority level and criticality of the role) targeted at specific roles, not linked to performance and therefore does not encourage risk-taking.

It cannot be reduced, suspended or cancelled on a discretionary basis as long as the employee is in a specific role (based on seniority level) that is eligible to receive the allowance; it can be re-evaluated regularly.

In 2019, UniCredit introduced Role-Based Allowances (RBA) for Corporate Control Functions in Italy. As a general rule, RBAs for Corporate Control Functions in Italy are individually assigned to the employee at the date of the appointment to a Corporate Control Function role and removed in cases of moves to positions not eligible for an RBA.

Local feature.

For Executives in UCI the RBA will become effective in case they are seconded to a Corporate Control Function in Italy.

²⁶ In accordance with the "Operational Guidance on Operational Continuity in Resolution - OGOCIR" issued by the Single Resolution Board (SBR).

3.4.5 Benefits

› Definition and objective

Benefits include welfare benefits that are supplementary to social security plans, healthcare and work-life balance benefits and are intended to provide substantial guarantees for the well-being of staff and their family members during their active career as well as their retirement.

In addition, special terms and conditions of access to various banking products and other services may be offered to employees in order to support them during different stages of their lives.

From a total compensation perspective, benefits aim to reflect internal equity and overall coherence of the remuneration systems, meeting the needs of different categories as appropriate and relevant.

› Features

In coherence with the governance framework of UniCredit, benefits are assigned by applying general common criteria for each employee category, while types and characteristics of benefits are established on the basis of local regulations and practices.

By way of example, if in line with local laws, regulations and market practices, company cars or equivalent mobility grants, rents or accommodation grants may be assigned to certain categories of employees. Group-wide benefit policies are also in place for staff seconded abroad, defined in line with common market practices for equivalent multinational companies. Benefits that are not awarded on the basis of the above common criteria are considered variable remuneration.

Furthermore, UniCredit affirms the value of share ownership as a valuable tool for enabling the engagement, affiliation and alignment of interests among shareholders, management and the overall employee population. The possibility is therefore considered, from time to time and as appropriate in light of local legal and tax requirements, to offer employees the opportunity to invest and participate in the future achievements of the Group through share-based plans whereby employees can purchase UniCredit shares at favourable conditions.

3.4.6 Severance

Meeting the regulatory requirements included in the Bank of Italy Circular 285, a specific Policy on payments to be agreed in case of early termination of a contract – the Group Termination Payments Policy, the so called Severance Policy – was firstly submitted for approval to the 2015 Annual General Meeting and subsequently amended in 2017, 2019 and 2021 to reflect the evolution in the regulatory framework as well as and in the overall UniCredit remuneration framework.

In general terms, the Severance Policy currently into force envisages that the calculation of any severance payment takes into consideration the long-term performance in terms of shareholder added value, as well as any local legal requirements, collective/ individual contractual provisions, and any individual circumstances, including the reason for termination. In any case, the termination payments, which also consider the duration of the employment, do not exceed the limits foreseen by the laws and collective labour agreements locally applicable in case of lay-off.

The Severance Policy provides that the overall termination payments, inclusive of notice, do not exceed 24 months of total compensation (including the base salary and the average amount of the incentives actually received during the last three years prior to the termination, after the application of malus and claw-back, if any. Further elements – such as the value of fringe benefits possibly granted to the employee – may be included in the computation of the above-mentioned basis if this is required or foreseen by regulations, laws, contracts or common practices locally applicable). It is also foreseen that the amount of the payments additional to notice cannot exceed 18 months of compensation.

Such limit are, as a matter of fact, much more restrictive than the provisions of the Italian national contract that for executives provides for severance payments, inclusive of notice, of up to 41 months of total compensation.

The Severance Policy contains also a predefined formula for the calculation of severance payments that, used for the settlement of a current or potential dispute related to employment termination, allows not to count them towards the cap for the variable remuneration. The formula basically envisages one month of total compensation per year of

service (with a minimum of 5 and a maximum of 18) and a corrective factor that can decrease it up to zero or increase it by maximum 50%. In any case the 24 months cap applies.

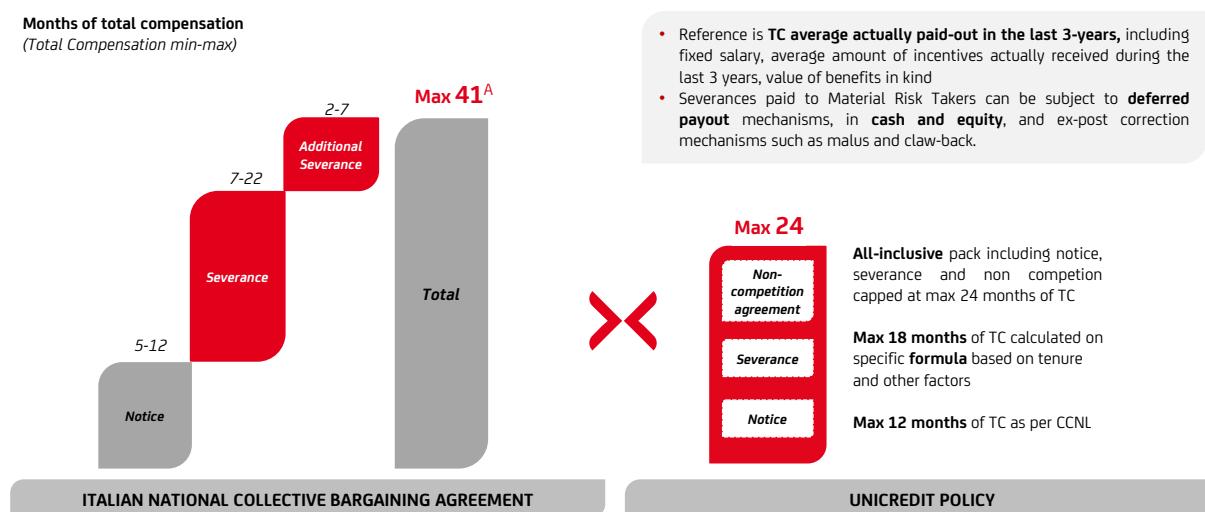
As a rule, discretionary pension benefits are not granted and, in any case, even if they should be provided in the context of local practices and/or, exceptionally, within individual agreements, they would be paid consistently with the specific and applicable laws and regulations.

Individual contracts should not contain clauses envisaging the payment of indemnities, or the right to keep post-retirement benefits, in the event of resignations or dismissal/revocation without just cause or if the employment relationship is terminated following a public purchase offer. In case of early termination of the mandate, the ordinary law provisions would therefore apply.

For all criteria, limits and authorization processes, please refer to the above-mentioned Severance Policy, that is published along with the 2021 Annual General Meeting.

No change to the current Group Termination payment policy is proposed as effect of the remuneration framework update. However, it should be noted that our framework is quite different from the prevailing market practice as we provide all-inclusive limits which also include indemnity in lieu of notice and non-competition agreement, if any. This is not conducive to market comparability, particularly in terms of maximum limits. With this in mind, we cannot exclude a possible change in the future, therefore we will continue to monitor, with the support of our advisors, market trends and practices in order to continue to define remuneration policies that respond as clearly and transparently as possible to the needs of all our stakeholders and, in any case, are always in line with national and international regulatory requirements.

Table – Comparison between Italian National Collective Bargaining Agreement and UniCredit Termination Policy provisions



The severance policy cannot fail to take into account all local labour law context. In this regard, a comparison between the Italian National Collective Bargaining agreement (CCNL) Banking Industry Executives and UniCredit Termination Policy is provided.

Local Feature.

The Management Board of UCI ratified and implemented the Group Severance Policy on 09/11/2021.

Generally, the calculation of any severance payment takes into consideration the long-term performance in terms of shareholder added value, as well as any local legal requirements, collective/individual contractual provisions, and any individual circumstances, including the reason for termination.

According to the Severance Policy provisions confirmed in the review approved in 2021, the severance payments for all employees should be calculated as provided under Art. L124-7 of Lux Labour Code on the basis of seniority/duration of employment within the Bank. Based on this provision, the severance payment could vary between 1 month salary and 12

months salary; these are considered as minimum but the Bank is entitled to grant additional severance payment according to the single individual case. Further elements - such as the value of fringe benefits possibly granted to the employee - may be included in the computation of the above-mentioned basis if this is required or foreseen by regulations, laws, contracts or common practices locally applicable. It is also foreseen that the amount of the payments additional to notice cannot exceed 18 months of compensation. In any case, the termination payments, which consider also the duration of the employment, do not exceed the limits foreseen by the laws and collective labor agreements locally applicable in case of lay-off.

As a rule, discretionary pension benefits are not granted and, in any case, even if they might be provided in the context of local practices and/or, exceptionally, within individual agreements, they would be paid consistently with the specific and applicable laws and regulations.

Individual contracts should not contain clauses envisaging the payment of indemnities, or the right to keep post-retirement benefits, in the event of resignations or dismissal/revocation without just cause or if the employment relationship is terminated following a public purchase offer. In case of early termination of the mandate, the ordinary law provisions would therefore apply.

> Pension Benefits

As a rule, pension benefits are granted within the broader perspective of the benefit policies at country level, with the same contributions rates and rules for all employees or for homogeneous categories thereof. As such, pension benefits calculated on the fixed compensation elements represent fixed remuneration for regulatory purposes.

Conversely, Group Entities are required not to offer discretionary pension benefits (ie pension benefits on ad personam basis) and, in any case, even if they should be provided in the context of local practices and/or, exceptionally, within individual agreements, they must be paid consistently with the specific and applicable laws and regulations.

In Italy, supplementary to public social security plans, the Group offers complementary pension plans: there are defined benefit plans and defined contribution plans. In most cases, benefits are paid out once the retirement requirements are satisfied. In defined benefit plans the benefit's calculation is known in advance, while in defined contribution plans the benefit depends on allocated asset management results. Complementary pension plans of UniCredit Group in Italy are included in the Group pension fund "Fondo Pensione di Gruppo", legally autonomous from the Bank. For further information on Fondo Pensione di Gruppo, please visit the institutional webpage.

Local Feature

In Luxembourg, additionally to the public social security plans, the Group offers complementary pension plans: there are defined benefit plans and defined contribution plans. In most cases, benefits are paid out once the retirement requirements are satisfied.

In defined benefit plans the benefit's calculation is done by taking into account the gap between the statutory pension and the employee's salary, while in defined contribution plans the benefit consists of a deposit of a fixed percentage of the yearly employee's salary in an officially registered additional pension scheme.

3.4.6.1 Members of the Board of Directors, General Managers and other Executives with Strategic Responsibilities

With particular reference to the members of the management bodies, general managers and other key management personnel and the related requirements set out by Consob Issuers Regulation no. 11971, it is specified that:

- the treatments envisaged in the event of termination of office or termination of employment are set out in the "Group Termination Payments Policy" subject, pursuant to Bank of Italy regulations, to specific approval by the Shareholders' Meeting;
- the members of the Board of Directors are bound by directorships, the term of which coincides with the term of office. In the event of early termination, the normal legal provisions shall apply to them. General Managers

and other Executives with Strategic Responsibilities have employment relationships, generally of indefinite duration, as Dirigenti under the “National Collective Labour Agreement for Managers employed by credit, financial and instrumental companies” (the “CCNL”), unless employed abroad, in which cases the corresponding local practices and rules apply;

- the notice period foreseen for the termination of the relationship, if the circumstances foreseen by the law occur, is the one foreseen by the CCNL. In the event that agreements are in place that, at individual or aggregate level, envisage the recognition of conventional seniority and/or measures that differ from the standard ones, the circumstance is reported in the Remuneration Report. In no case the notice period exceeds 12 months;
- all the criteria for determining the amounts agreed between the bank and the staff in view of or on the occasion of the early termination of the employment relationship or for the early termination of the office are defined within the “Group Termination Payments Policy”, which also provides indications of the components to be considered in the calculation of the reference remuneration and the elements to be used, within the framework of a specific formula, to determine the number of months’ pay actually due;
- the amounts paid in relation to the termination of the relationship take into account, in any case, the long-term performance, the creation of value for shareholders, and do not reward failure or abuse. For further details in this regard, please refer to the “Group Termination Payments Policy”;
- the regulations of the short-term and long-term incentive plans determine what effect termination of employment has on them, depending on the circumstances. In general, termination results in the loss of all benefits payable, except in specific circumstances where the individual qualifies as a “good leaver.” In such cases, if the termination occurs during the performance period, the beneficiary will be entitled to a pro rata award, subject to the achievement of the relevant conditions at the end of the period and, in any event, in accordance with the deferred payment schedule and all other terms and conditions set forth in the regulations.

Recognition of good leaver status is generally provided in the following cases:

- termination due to any physical impediment including illness, injury or permanent disability as determined by applicable laws;
- retirement, including by agreement with the Company and/or enrolment in early retirement or redundancy plans;
- the company that employs, or the line of business in which the beneficiary works, ceases to be part of the Group or is transferred to a person or legal entity not belonging to the Group.

The status of “good leaver” may also be acknowledged, taking into account the specific circumstances and the company’s interest, within the scope of specific agreements entered into with the beneficiary upon – or in exceptional cases, before – termination of the relationship.

Any agreements that provide for ex-ante recognition of the status of “good leaver” as an exception to the principles outlined above are disclosed in the Remuneration Report;

The granting or retention of non-monetary benefits beyond a short transitional period immediately following the termination of the relationship, or the conclusion of consultancy contracts for a period following the termination of the relationship, is generally excluded.

Should this occur, the circumstance would be reported in the Remuneration Report and the economic benefit would be included in the provisions of the “Group Termination Payments Policy”.

3.4.7 Ratio between variable and fixed compensation

In compliance with applicable regulations, the adoption of a maximum ratio between variable and fixed remuneration of 2:1 as approved by the Shareholders’ Meeting held on March 31, 2023²⁷, also applies in 2025 for the whole population²⁸, excluding Corporate Control Functions (Audit, Risk Management, Compliance), People & Culture and the

²⁷ First adoption approved by the Shareholders' Meeting held on May 13, 2014.

²⁸ Incl. external credit intermediaries and financial advisors.

Managers in charge of drafting financial and sustainability reports as per Bank of Italy provisions (*Bank of Italy Circular 285*).

Variable to Fixed Remuneration Max Ratio (cap) ^B	
BUSINESS AND OTHER NON CONTROL FUNCTIONS	200%
CONTROL FUNCTIONS^A (Audit, Risk Management, Compliance)	Prevalence of fixed remuneration
RISK MANAGEMENT DEPARTMENTS NOT CLASSIFIED AS CONTROL FUNCTIONS	100%

- A. Including People & Culture and Manager in charge of drafting company's financial report as per Bank of Italy Circolare 285. Extended by similarity of the role also to the Sustainability Reporting Manager.
 B. Group guideline to be locally adopted e.g. 200% applied unless a more stringent regulation applies at country level

This ratio, further leverages to the principle of “pay for performance” at the core of our remuneration strategy, by creating headroom to pay for strong years and providing flexibility to the cost structure.

Other wider assumptions upon which the increase of the maximum ratio between variable and fixed remuneration, type of personnel and limit itself that were based at the time of the initial AGM approval in 2014 have not changed. On the basis of the ECB Recommendation on dividend distribution policies, UniCredit capital ratios satisfy the regulatory capital requirements which allow the Group to be classified within the first category of institutions, with the highest level of capital ratios, and therefore with the lowest limitations on dividend distributions.

In addition, UniCredit has set its variable remuneration²⁹ policy to respect in a forward-looking perspective the most updated regulatory capital recommendations on variable remuneration.

In 2025, a preliminary estimation of Group Material Risk Takers which exceed the 1:1 limit – at target variable level – are ca. 130 staff members. The estimated portion of the 2025 Incentive System that could be awarded to those roles in excess to the 1:1 ratio is ca. 14% of the overall estimated pool (approx. €27 mn of which c. €21 mn in UniCredit shares), equivalent, at the publication date of the document, to approximately less than 0.1% of UniCredit share capital. This amount of capital (i.e. €27 mn) is equivalent to ca. 1 bps of UniCredit Group CET1 ratio.

In light of this information, it is set that the decision to maintain a maximum level of variable remuneration of 2:1 of the fixed remuneration for the whole population, excluding Corporate Control Functions (as approved by the Annual General Meeting on 2014) would not affect the Group maintenance of a sound capital base.

Therefore, the adoption of a ratio of 2:1 between variable and fixed compensation does not have any implications on the bank's capability to continue to respect all prudential rules, in particular capital requirements.

This approach allows UniCredit to maintain a strong link between pay and performance, as well as competitiveness in the market. Our main peers have also taken the same approach in order to limit the effects of an un-even playing field in a market where the cap is not present, to avoid the rigidity of the cost structure derived from a possible increase of fixed costs and to guarantee the alignment with multi-year performance, through deferring a relevant component of the variable compensation.

In compliance with regulatory provisions (EBA guidelines and Circolare 285 Bank of Italy), the benefits provided by the Bank's policy for specific categories of personnel, as well as the fixed payments and social security mandatory under national law (e.g. in Italy: TFR – *Trattamento di Fine Rapporto* accruals and INPS – *Istituto Nazionale di Previdenza Sociale* contribution paid by the company on fixed remuneration), are classified as “fixed remuneration” for the purpose of calculating the variable to fixed cap.

²⁹ ECB letter - Variable remuneration policy of UniCredit S.p.A., as of January 2020.

The Executives with Strategic Responsibilities entitled to a variable to fixed ratio of potentially up to a maximum of 2:1 are:

- Group Chief Executive Officer;
- Head of Italy, Head of Germany, Group Head of Central Europe and Eastern Europe, Head of Client Solutions, Digital & Information Officer, Group Chief Operating Officer, Chief Finance Officer.

For the rest of the staff belonging to the Corporate Control Functions (Audit, Risk Management, Compliance), People and Culture and the Managers in Charge of Drafting the Company Financial and Sustainability Reports for which it is expected that fixed remuneration is the predominant component of total remuneration, a stricter regulatory cap applies. For these Functions is also foreseen that incentive mechanisms are consistent with the assigned tasks, as well as being independent of results from areas under their control. It is also specified that for departments³⁰ belonging to Risk Management and not classified as a control function, a maximum ratio of 1:1 between variable and fixed remuneration is applied.

For the Corporate Control Functions, in particular, the maximum weight of the variable component will take into account the differences between national rules and regulations in application of Directive 2019/878/EU in the various countries in which the Group operates³¹, in order to ensure equal operating conditions in the market and the ability to attract and retain individuals with professional skills and capabilities adequate to meet the needs of the Group.

Consistently with the framework described above, Group Legal Entities set in their remuneration policies the appropriate level of the maximum ratio between variable and fixed compensation according to national law, Group approach/Group Remuneration Policy, taking into account the business activities, the risks and the impact that different categories of staff have on the risk profile.

Where allowed by local law, the Legal Entities manage the request to approve, with a dedicated resolution, a higher maximum level of the ratio between the variable and fixed component of remuneration of up to 200% by the Shareholders' General Meeting, in coherence with the approach defined by the Holding Company in terms of positions, and manage the related notification to the competent regulator, as appropriate.

Local feature

The Annual General Meeting, held on 06.04.2020 adapted locally the ratio of 2:1 between variable and fix remuneration for certain employees in stringent accordance to the Group Remuneration Policy and as described above, the roles for which the ratio of 2:1 applies are: CEO and Head of Business.

For local Control Functions (Compliance, Risk Management and Internal Audit), for People & Culture and for the Manager in Charge of drafting the Company Financial Reports (local CFO) the ratio applied to the variable and fixed remuneration ratio is 0.8:1.

For the rest of the employees this ratio will be kept as 1:1, No modification on the variable to fixed remuneration cap is performed in UCI following the modification of the cap applicability resolved at Holding Company level.

³⁰ In line with regulatory requirements on internal governance, which requires the risk management function to be independent of the business or operational units it controls in order to ensure adequate segregation of duties.

³¹ In particular, for the Material Risk Takers of Corporate Control Functions in Italy, the ratio between the variable and the fixed components of remuneration cannot exceed the limit of one third, as per BankIt provision (Circular 285 of December 17, 2013, 37th update of November 24, 2021).

3.4.8 Share ownership guidelines

Share ownership guidelines set minimum levels for company share ownership by relevant Executives³², aiming to align managerial interests to those of shareholders by assuring appropriate levels of personal investment in UniCredit shares over time.

The ownership of UniCredit shares by Group leaders is a meaningful and visible way to show investors, clients and people the commitment towards UniCredit.

The Board of Directors approved at the end of 2011 the share ownership guidelines applied to the Chief Executive Officer, to General Manager and Deputy General Manager roles, if any.

Starting from 2023, in line with the current organisational structure, the share ownership guidelines are applicable to the members of the Group Executive Committee (GEC) and their first reporting line, the so-called GEC-1, with managerial responsibilities.

As a tangible sign of the total commitment of the management team to UniCredit, the levels set for 2025 are confirmed at 3x annual base salary for the CEO, 1.5x annual base salary for GEC members and 0.5x annual base salary for GEC-1 with managerial responsibilities.

Share Ownership Guidelines



Such levels should be reached, as a rule, within five years from the appointment to the above indicated Executives categories within the scope of the guidelines and should be maintained while the role is held.

The achievement of the share ownership levels should be accomplished through a pro-rata approach over a 5-year period, granting the minimum amount of shares each year, taking into consideration potential vested plans.

The current level of CEO share ownership, excluding deferred shares - not yet vested or still subject to holding period - is 782,858 shares or € 11.7 mn (at an average carrying value of € 14.900) or c.325% of the sum of annual base salary and directorship fixed emoluments, which is above the minimum requirement of 3x.

Involved Executives are also expected to refrain from activating schemes or arrangements that specifically protect the unvested value of equity granted under incentive plans (so called "hedging"). Such clauses are contained in all relevant incentive plan rules and apply to all beneficiaries, since involvement in such schemes undermines the purpose of limiting the risk. Any form of violation of share ownership guidelines as well as any form of hedging transaction shall be considered a breach of the Group's compliance policies with such consequences as provided for under enforceable rules, provisions and procedures.

Local adaptations based on specific regulations and/or business shall be envisaged consistently with the **global approach at Group level**.

³² Considering the application, from 2016, of the new ratio between the variable and the fixed components of remuneration (which cannot exceed the limit of one third for the Material Risk Takers within Italian Control Functions, while fixed remuneration is expected to be the predominant component for the Control Functions of other geographies), share ownership guidelines are not applied to Executives who are part of Corporate Control Functions.

3.5. Group Compensation Systems

The Group Incentive System 2025 has been confirmed as a Sustainable Performance Plan, based on both short-term and long-term performance conditions, to support the Group strategic direction by fostering a strong link between remuneration, risk and sustainable profitability. Through the Incentive System, UniCredit seeks to retain and motivate each beneficiary by providing for incentives which aim to reward contributions to the long-term growth, profitability and financial success of the Group, with a focus on reputation and overall sustainability which contributes to the achievement of business goals over time.

The Incentive System aims at providing an appropriate balance of variable compensation elements, aligning the interests of employees, shareholders and other stakeholders, strengthening the Group's position as a leading European bank and aiming at effective compensation practices in compliance with the regulatory environment.

In addition, the Incentive System aims at aligning top and senior management interests to the long-term value creation for shareholders, to share price and Group performance and to sustaining a sound and prudent approach to risk management, combining annual goals with additional long-term conditions to steer the performance management measurement towards sustainable results over time.

The System also has the characteristics to be considered a "retention" tool to retain key players for the achievement of strategic priorities.

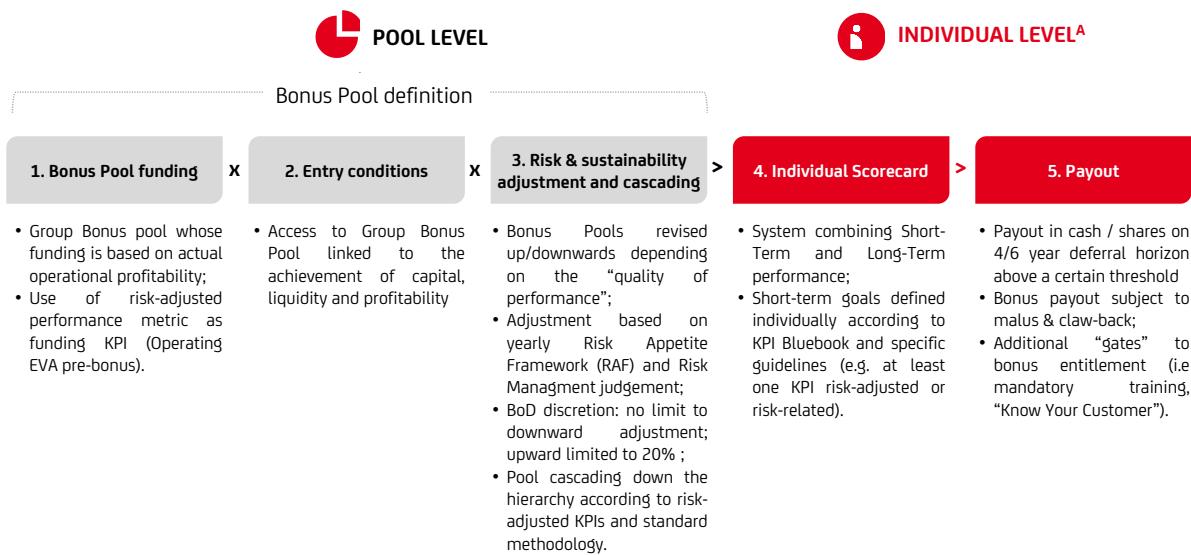
3.5.1 2025 Group Incentive System

In line with the past years, the 2025 Group Incentive System, as approved by UniCredit Board of Directors on February 20, 2025, is based on a bonus pool approach, similar to last years, which is compliant with the most recent national and international regulatory requirements and links bonuses with company results at Group and country/division level, ensuring a strong connection between profitability, risk and reward. In particular, the System provides for:

- the definition of a bonus pool at Group level, with cascading at divisional level consistently with segment reporting disclosure, based on the actual divisional performance adjusted taking into consideration quality and risk indicators as well as cost of capital;
- allocation of a variable incentive defined on the basis of the determined bonus pool, individual performance evaluation, internal benchmarks for specific roles/markets and the maximum ratio between variable and fixed compensation as approved by the Annual General Meeting;
- a malus condition (*Zero Factor* or *Reduced* scenarios) which applies if specific thresholds for profitability, capital and liquidity are not met at Group level and envisages specific scenarios if not met or partially met at country/division level;
- risk adjusted metrics in order to guarantee long-term sustainability, regarding company financial position and to ensure compliance with regulations;
- definition of a balanced structure of upfront (following the moment of performance evaluation) and deferred payments, in cash and/or shares for Group Material Risk Takers;
- deferred payments for selected beneficiaries³³ subject to additional long-term performance conditions;
- delivery of awards in the form of financial instruments which considers the applicable regulatory requirements regarding the application of retention periods.

³³ Members of Group Executive Committee ("GEC") and managers directly reporting to GEC members ("GEC-1"), excluding control functions, People & Culture and Manager in Charge of Drafting the Company Financial Reports.

The 2025 Incentive System is based on the following methodology:



A. Rules for Group Material Risk Takers population principles apply to the rest of the organization as well.

3.5.1.1 Bonus Pool Funding

The bonus pool is set at Group level and then cascaded down for each division following the external reporting structure.

It is initially proposed during the budgeting phase as a percentage of the pre-defined Funding KPI (i.e. Operating EVA pre-bonus³⁴). In such a definition, the following elements are considered: business context and perspectives, previous years amount and forecasts of profitability. The budget is submitted to the approval of UniCredit Board of Directors. Furthermore, the bonus pool size takes into consideration any recommendation issued by European or local regulators on variable remuneration.

The bonus pool cascading is structured on a pre-defined methodology based on a theoretical bonus pool break-down, estimated on the basis of the implicit funding embedded in the divisional P&L budget and the annual divisional performance (operating EVA or similar proxy vs. budget) within the available Group bonus pool.

The bonus pool for external staff (e.g. Financial Advisors) has to be considered as an addition, as it is funded by non-HR costs and self-financed through specific commission-based contractual mechanisms (i.e. ‘non-recurring’ remuneration).

3.5.1.2 Entry Conditions

Specific “Entry Conditions” are set at Group level, measuring annual profitability, capital position and liquidity results. The combined evaluation of the Entry Conditions defines three possible scenarios that allow the confirmation to increase, reduce or cancel the bonus pool.

The malus condition (Zero Factor or Reduced scenarios) will apply if the specific metrics on profitability, capital and liquidity are not achieved (box A and B included in the scheme “Entry Conditions definition”). Specifically, the Zero

³⁴ Operating EVA defined as Net Operating Profit – Cost of Capital. Cost of Capital is the average Allocated Capital multiplied by the Cost of Equity (Ke) plus excess capital adjustment, Additional Tier 1 impacts and Cashes coupons.

Factor³⁵ is applied to the Group Material Risk Taker population, whereas for the non-Group Material Risk Taker population, a significant reduction will be applied. In case capital and liquidity conditions are met and profitability is not (box B included in the scheme "Entry Conditions definition"), a Reduced scenario is envisaged, with 50% bonus payout applied to the Group Material Risk Taker population, whereas for the non-Group Material Risk Taker population, a sizeable reduction will be applied.

Entry conditions in terms of capital and liquidity apply as well to external networks and agents, where applicable, as foreseen by regulation.

Entry Conditions are also verified during the cascading process at local level, where applicable. Legal Entities may consider further local conditions; in particular, Banks introduce local liquidity and capital metrics as further entry conditions.

ENTRY CONDITIONS DEFINITION

ENTRY CONDITIONS DEFINITION

1. Group

- **Operating EVA** (NOP-Cost of Capital⁴) > 0
- **Net Profit**⁸ > 0
- **Own Funds and Leverage ratios^C** ≥ 2025 RAF "limit"^D
- **Liquidity Coverage Ratio^{C,E}** ≥ 2025 RAF "limit" (109%)
- **Net Stable Funding Ratio^{C,F}** ≥ 2025 RAF "limit" (102.3%)

ENTRY CONDITIONS ASSESSMENT

A Zero Factor

- Capital or Liquidity conditions **not met** at Group level

B Reduced

- Capital and Liquidity conditions are **met** at Group level
- and **Profitability is not met** at Group level

C Open

- Capital, Liquidity and Profitability conditions are **met** at Group level

A In case Capital or Liquidity "entry conditions" are not met at Group level, the malus condition is activated, triggering the application of Zero Factor^G on both current year bonus and previous years deferrals. For the other employees, a significant reduction will be applied.

B In case only the Profitability Entry Conditions are not met at Group level, the gate is "partially open" and a reduced bonus pool scenario is activated triggering a reduction of 50% of pool generation for Group material risk takers on both current year bonus and previous years deferrals. For the other employees, a sizeable reduction will be applied.

C In case the Entry Conditions at Group level are met, the gate is "fully open" meaning the Bonus Pool may be fully confirmed or even increased, in case of positive performance on Risk & Sustainability dashboard.

A. Cost of Capital defined as the average Allocated Capital multiplied by the Cost of Equity (Ke) plus the additional Tier1 corrective factor) adjusted for AT1, excess of capital and cash charges.

B. Stated net profit adjusted for impacts from DTAs tax loss carry forward resulting from sustainability test.

C. In case of issues with capital and/or liquidity requirements at Legal Entity (LE) level, a zero factor scenario in the cascading phase is activated, even if the Entry Conditions at Group level are fully satisfied.

D. The Group variable remuneration policy shall be consistent with the maintenance of a sound capital base, ensuring a margin above the overall capital requirements (levels relevant for the calculation of the maximum distributable amount, MDA) and outcomes of SREP, including the so-called Pillar 2 Guidance (P2G). This implies, for Own Funds ratios, thresholds (based on requirements expected as 4Q25) above RAF limits: CET1 ratio Transitional ≥ 11.46%; Tier 1 ratio Transitional ≥ 13.33%; Total Capital ratio Transitional ≥ 15.83%; Leverage Ratio Transitional ≥ 3.8%. Thresholds are calculated as max between RAF limit and MDA+P2G (where applicable).

E. Liquidity Coverage Ratio: it aims to ensure that the bank maintains an adequate level of not restricted "High Quality Liquid Assets" in a sufficient quantity to cover the overall 'Net Cash Outflows', over a period of thirty days, under gravely stressed conditions specified by Supervisors.

F. Net Stable Funding Ratio: it is defined as the ratio between the "available amount of stable funding" and the "required amount of stable funding" that are calculated applying defined weighting factors to on and off-balance sheet items. It measures, under a long-term perspective, the balance in the distribution of assets and liabilities on the time horizon.

G. For Executive & Material Risk Takers population. In any case, the Board of Directors can provide the CEO the possibility to allocate a separate and discretionary pool for retention purposes only, subject to local relevant governance bodies' decision, eventually including positive feedback from ECB, if required (e.g. in a scenario of CET1r < threshold, in a context of a capital contingency plan defined with ECB). For other employees, a significant reduction will be applied.

³⁵ The bonus pool of 2025 will be reduced to zero (for Group Material Risk Takers), while an ex-post correction mechanism is foreseen that determines a reduction of deferrals of previous year systems from 50% to 100% of their value, based on the entity of loss both at Group & local level and Risk Management assessment based on positioning vs. Risk Appetite Framework (next paragraph – Adjustments based on Sustainability and Risk).

Local Feature:

<div style="border: 1px solid #ccc; padding: 5px; background-color: #f9f9f9;"> <p>Local</p> <hr/> <p>Operating EVA (NOP-Cost of CapitalA) > 0</p> <hr/> <p>Net Profit B > 0</p> </div>	<p>2025 Local Entry Conditions (Division Italy)</p> <p>Local Entry condition should be considered by Division together with other requirements request by local regulation. Currently applicable Local entry conditions are the following:</p>
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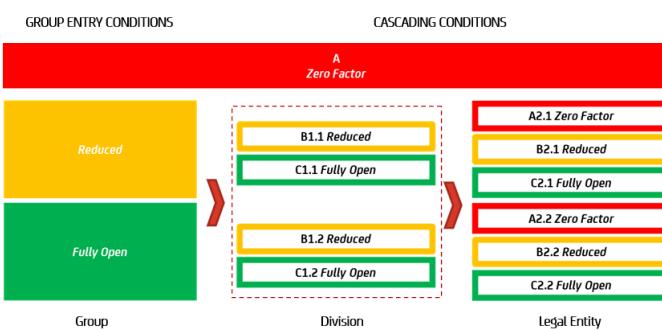
A. Cost of Capital defined as the average Allocated Capital multiplied by the Cost of Equity (Ke) plus the additional Tier1 corrective factor) adjusted for AT1, excess of capital and cash charges.

B. Stated net profit adjusted for impacts from DTAs tax loss carry forward resulting from sustainability test.

The Board of Directors will make the final decision on the achievement of the Entry Conditions.

2025 Local Entry Conditions Scenario

- | | | |
|--|-------------------------|--|
| | A
Zero Factor | <ul style="list-style-type: none"> • Capital or Liquidity conditions not met at local level |
| | B
Reduced | <ul style="list-style-type: none"> • Capital and Liquidity conditions are met at local level |
| | C
Open | <ul style="list-style-type: none"> • Capital, Liquidity and Profitability conditions |



Notwithstanding in case Capital or Liquidity "entry conditions" are not met at UC Group level, the malus condition is activated, triggering the application of Zero Factor on current year bonus automatically at Division level. For the other employees, a significant reduction will be applied.

In the event that the Reduced or Open scenario applies at Group level, the following local scenarios may apply for each of them:

(A) In case Capital or Liquidity "entry conditions" are not met at Division level, the malus condition is activated, triggering the application of Zero Factor¹ on current year bonus for Group Material Risk Takers. For the other employees, a significant reduction will be applied.

(B1) In case of scenario (B) Reduced or (C) Fully Open at Group level and only the Profitability Entry Conditions are not met at Division level, the gate is "partially open and a reduced bonus pool scenario is activated triggering a reduction of 50% of pool generation for Group material risk takers on both current year bonus. For the other employees, a sizeable reduction will be applied.

(C1) In case of scenario (B) Reduced or (C) Fully Open at Group level and the Entry Conditions at Division level are met, the gate is “fully open” meaning the Bonus Pool may be fully confirmed or even increased (up to max 144%), in case of positive performance on Risk & Sustainability dashboard.

Previous years deferrals will be impacted only by Group Entry Conditions as described in Annex 1

1. 2025 Cascading Conditions (Legal Entity) – UniCredit International Bank (Luxembourg) SA

Local	
<i>Profitability condition</i>	Operating EVA (NOP-Cost of Capital ^A) > 0
<i>Profitability condition</i>	Net Profit ^B > 0
<i>Capital condition</i>	Own Funds and Leverage ratios ^C ≥ 2025 RAF “limit” (TCR: 14.5%; Leverage: 4%) ^D
<i>Liquidity condition</i>	Liquidity Coverage Ratio ^{C,E} ≥ 2025 RAF “limit” (115%)
<i>Liquidity condition</i>	Net Stable Funding Ratio ^{C,F} ≥ 2025 RAF “limit” (103%)

A. Cost of Capital defined as the average Allocated Capital multiplied by the Cost of Equity (Ke) plus the additional Tier1 corrective factor) adjusted for AT1, excess of capital and cash charges.

B. Stated net profit adjusted for impacts from DTAs tax loss carry forward resulting from sustainability test.

C. In case of issues with capital and/or liquidity requirements at Legal Entity (LE) level, a zero factor scenario in the cascading phase is activated, even if the Entry Conditions at Group level are fully satisfied.

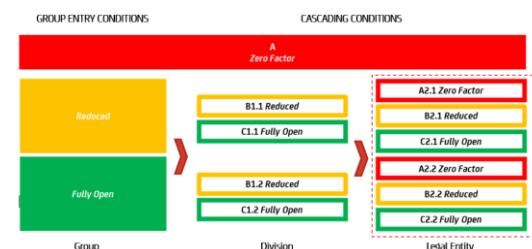
D. The Group variable remuneration policy shall be consistent with the maintenance of a sound capital base, ensuring a margin above the overall capital requirements (levels relevant for the calculation of the maximum distributable amount, MDA) and outcomes of SREP, including the so-called Pillar 2 Guidance (P2G). This implies, for Own Funds ratios, thresholds (based on requirements expected as 4Q25) above RAF limits: CET1 ratio Transitional ≥ 11.46%; Tier 1 ratio Transitional ≥ 13,33%; Total Capital ratio Transitional ≥ 15,83%; Leverage Ratio Transitional ≥ 3,8%. Thresholds are calculated as max between RAF limit and MDA+P2G (where applicable).

E. Liquidity Coverage Ratio: it aims to ensure that the bank maintains an adequate level of not restricted “High Quality Liquid Assets” in a sufficient quantity to cover the overall ‘Net Cash Outflows’, over a period of thirty days, under gravely stressed conditions specified by Supervisors.

F. Net Stable Funding Ratio: it is defined as the ratio between the “available amount of stable funding” and the “required amount of stable funding” that are calculated applying defined weighting factors to on and off-balance sheet items. It measures, under a long-term perspective, the balance in the distribution of assets and liabilities on the time horizon.

- if (a) Net Operating Profit net of cost of capital is greater than 0 and (b) Net Profit is greater than 0 and (c) Capital Ratio Own Funds and Leverage ratios is equal or greater than 2025 RAF “limit” of 14,5% respectively 4% and (d) Liquidity Coverage Ratio is equal or greater than the 2025 RAF “limit” of 115% and (e) Net Stable Funding Ratio is equal or greater than the 2024 RAF limit of 103%, the Entry Conditions at Local level are met.

2025 UniCredit International Bank (Luxembourg) SA Cascading Conditions Scenario



- (A) In case Capital or Liquidity “entry conditions” are not met at Group level, the malus condition is activated, triggering the application of Zero Factor¹ on current year bonus. For the other employees, a significant reduction will be applied.
- (A2) In case of scenario (B1) Reduced or (C1) Fully Open at Division level and Capital or Liquidity “entry conditions” not met at UniCredit International Bank (Luxembourg) SA level, the malus condition is activated, triggering the application of Zero Factor¹ on current year bonus for Material risk takers. For the other employees, a significant reduction will be applied.
- (B2) In case of scenario (B1) Reduced or (C1) Fully Open at Division level and only Profitability Entry Conditions not met at UniCredit International Bank (Luxembourg) SA level, the gate is “partially open” and a reduced bonus pool scenario is activated triggering a possible reduction of at least 50% of pool generation for Group material risk takers on current year bonus¹. For the other employees, a sizeable reduction will be applied.
- (C2) In case of scenario (B1) Reduced or (C1) Fully Open at Division level and Entry Conditions at UniCredit International Bank (Luxembourg) SA level are met, the gate is “fully open” meaning the Bonus Pool may be fully confirmed, in case of positive performance on Risk & Sustainability dashboard.

3.5.1.3 Adjustments based on sustainability and risk

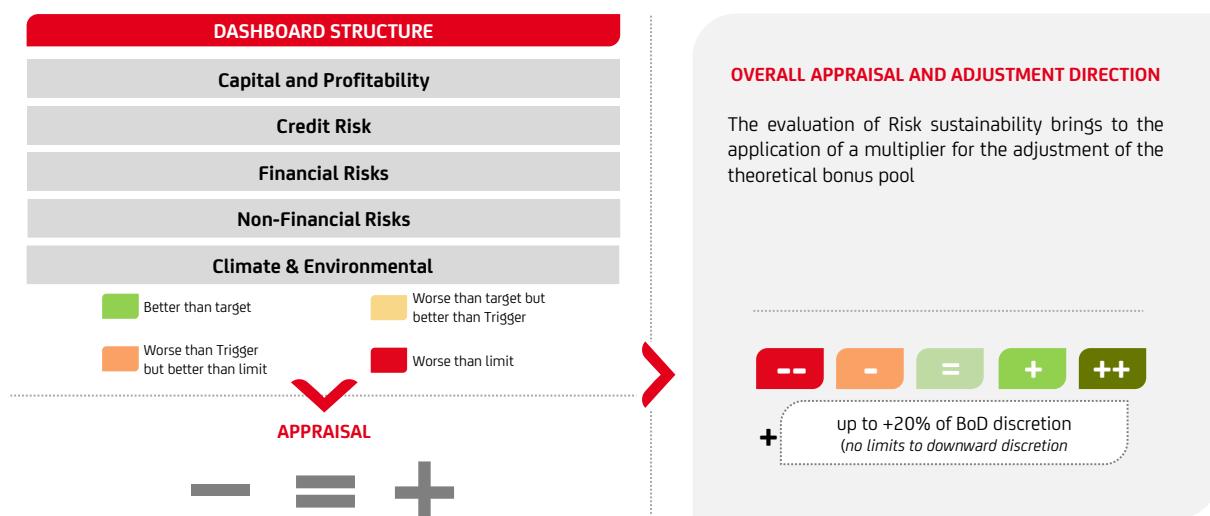
>>> Risk-adjustment based on RAF

In order to ensure consistency with the Group Risk Appetite Framework and the economic sustainability of the Group and Country/Division results over time, the bonus pool may be revised up/downwards, on the basis of the overall “quality of performance”.

The methodology envisages the assessment performed by Group Risk Management based on specific dashboards at Group and Division level. In addition, Group Finance presents to the Remuneration Committee a specific report providing commentary on Group results.

The Risk Adjusted KPIs dashboards include indicators covering all relevant risks, such as credit, market, liquidity, non-financial (operational, compliance), climate and the risk position assumed, the adherence to regulatory requirements and the relationship between risk and profitability. The specific metrics are measured with reference to the respective relevant thresholds (limit, trigger and target), established in line with the Group Risk Appetite Framework. By way of example, the standard structures of the Risk-Adjusted dashboard are shown in the following picture.

Risk-Adjusted Dashboard (illustrative)



The dashboard, used to evaluate the quality of performance from a risk perspective, is monitored on a quarterly basis. Group Risk Management can either confirm or override the outcome and may exercise the right to override taking into consideration events with a qualitative nature or extraordinary events which are out of the ordinary business of the bank (e.g. significant asset disposals in addition to normal distressed asset management activities, mergers and acquisitions or business restructuring, business dismissals, capital increases, sanctions, goodwill impairment).

The Group Risk Management function provides an overall assessment on the dashboard and the evaluation leads to the definition of a “multiplier” in order to define the adjustment of the bonus pool, which could fall in the range of 50%-120%. Negative and neutral “multipliers” (i.e. 50%, 75% and 100%) are directly applied to bonus pool funding. Positive “multipliers” (i.e. 110% and 120%) represent the upper bound of the bonus pool theoretical value and are subject to managerial evaluation, considering the broader context of the company.

>> Board discretion

The application of a further discretionary range up to +20% in the faculty of Board of Directors is foreseen with respect to the theoretical value on the basis of specific criteria (e.g. performance vs. the broader Strategic Plan execution, relative performance vs peers, performance within the broader market context, macro scenario, extraordinary effects and one-off – eg. change of perimeters / deconsolidation - compensation trends in the market, reputational impacts, sanctions, regulatory recommendations), while there is no limit to a downward adjustment of the bonus pool³⁶.

In particular, based on the achievement of Entry Conditions, in the event the Risk Management assessment reports the maximum positive result, and the Board of Directors exercises the maximum discretion, the following scenarios may occur:

- in the event that only the profitability Entry Condition is not met at Group level, the gate is “partially open” and a reduced bonus pool scenario is activated triggering a reduction of 50% of the pool generation for Group Material Risk Takers. For the other employees, a sizeable reduction will be applied;
- if all Entry Conditions are met, the gate is “fully open”, meaning the bonus pool may be fully confirmed or even increased (up to max 144%³⁷).

In any case, as requested by Bank of Italy regulations, the final evaluation of Group sustainable performance parameters and the alignment between risk and remuneration will be assessed by the Remuneration Committee and defined under the governance and accountability of the Board of Directors. The Board of Directors has the right to disregard, when deciding the bonus, extraordinary balance sheet items which do not impact operational performance, regulatory capital and liquidity.

Following potential changes in the laws or regulatory framework³⁸ in force and/or in relation to any extraordinary and/or unpredictable circumstances that may affect the Group, the Company or the market in which it operates

³⁶ Divisions and Legal Entities define mechanisms for bonus pool risk adjustment and Board discretionary adjustment, to be applied in the break-down phase, consistently with the framework defined at Group level and properly documented.

³⁷ Maximum scenario achievable in case of positive Risk Management assessment and using all the Board of Directors’ discretion to approve a bonus pool max +20% of the Theoretical one (100%*120% CRO dashboard + 20% BoD discretion).

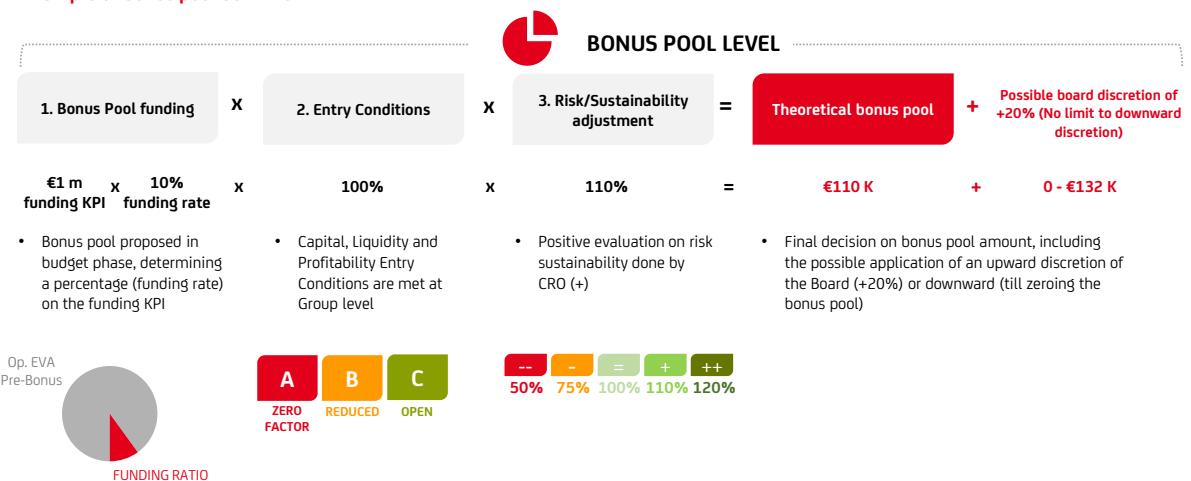
³⁸ Including in the interpretation or application by the competent authorities of such laws and regulatory framework.

(including, but not limited to, M&A or other extraordinary transactions or corporate events³⁹, changes in the macroeconomic scenarios, changes of the strategic plan and/or recasting to the strategic plan perimeters, etc.), the Board of Directors, having heard the opinion of the Remuneration Committee, reserves the right to adopt the necessary corrective measure to the 2025 System, the related rules and underlying KPIs, consistently with the overall structure approved by the Shareholders' Meeting and to that extent this is functional to keeping the essential contents of the 2025 System substantially unchanged as much as possible, preserving its main incentive and loyalty-enhancing purposes.

Moreover, in order to guarantee adequacy, fairness and internal consistency of the incentive system, in its particular provisions and among these as a whole, the mechanisms and instruments illustrated above must be interpreted as a single and inseparable whole, since the specific provisions envisaged herein may therefore be applied by analogy to further, similar and unregulated situations (or differently regulated), whenever the diversity of regulations would result in an objective inconsistency and unfairness of treatment.

Example of bonus pool definition

ILLUSTRATIVE



>>> Bonus Pool cascading

Once approved by the Board of Directors, the overall distributable bonus pool is cascaded down to the Segment/Divisions and to sub-levels in a consistent way ensuring fairness, transparency and within the maximum affordable bonus pool.

To ensure pay for performance and limited/justified subsidization among perimeters, the bonus pool cascading is structured in a pre-defined methodology based on:

- a theoretical bonus pool break-down, estimated on the basis of the Divisional P&L budget, the annual divisional performance (Operating EVA vs. budget⁴⁰) within the available Group Bonus Pool, considering divisional entry conditions on capital, liquidity and profitability, as well as risk indicators (e.g. RAF), consistently with the methodology applied at Group level;
- managerial adjustments, considering cost affordability, per-capita bonus trend and quality of divisional performance (e.g. opEVA components' results, relative performance vs Group YoY and vs. budget, relative performance vs market).

³⁹ Including any transactions affecting the shares (such as a rights issue, share split or consolidation, demerger, reduction or other variation of capital), in which case the Company may adjust the number of promised shares that may be awarded under the System, applying the adjustment factors recommended by the relevant authorities.

⁴⁰ Or equivalent proxy to reflect full consistency with perimeters performance.

3.5.1.4 Individual Allocation

Individual bonus will be allocated managerially, considering the scorecard result, the overall individual performance appraisal, in absolute and relative terms, and the maximum total variable opportunity.

>>> Performance assessment

Individual performance appraisals are based on 2025 goals defined during the goal setting phase. The performance appraisal is based on an overall outcome that reflects the deterministic evaluation of the financial KPIs and the qualitative assessment of non-financial goals including the behaviours adopted to achieve them.

Specifically, financial KPIs are assessed quantitatively (Results vs Target), considering specific ranges and thresholds defined for each KPI. The score of each KPI can range in a 0-120 points rating scale, as follows:

- is zeroed if achievement is below the lower threshold;
- is calculated in linear continuum between the lower and the upper threshold;
- is capped (120pts) if it is higher than upper threshold.

Performance Assessment (illustrative scorecard)

	KPIs	Target	Range	Assessment criteria ²	Scoring
... %	FINANCIAL KPIs assessed quantitatively: Result vs Target, with Range/Thresholds defined for each KPI Score for each KPI is zeroed if achievement is below lower threshold and capped (120pts) if it is higher than upper threshold	KPI 1 Target (a) KPI 2 Target (b) KPI ... Target (c)	+/- x% +/- y% +/- z%	Result $> a^*(1+x\%)$ Result between $a^*(1-x\%)$ and $a^*(1+x\%)$ Result $< a^*(1-x\%)$ Result $> b^*(1+y\%)$ Result between $b^*(1-y\%)$ and $b^*(1+y\%)$ Result $< b^*(1-y\%)$ Result $> c^*(1+z\%)$ Result between $c^*(1-z\%)$ and $c^*(1+z\%)$ Result $< c^*(1-z\%)$	120 pts 80-120 pts ¹ 0 pts 120 pts 80-120 pts ¹ 0 pts 120 pts 80-120 pts ¹ 0 pts
... %	STRATEGIC PRIORITIES & CULTURE	Goal 1 Goal ...	<i>Qualitative assessment of each goal based on underlying KPIs and drivers into a 4-point rating scale</i>	Outstanding Exceeds Meets Mostly meets	120 pts 110 pts 100 pts 0-50 pts
Overall score as weighted average of Financial and Strategic Priorities & Culture goals					(0-120 pts)

¹Linear continuum

²The formulas are illustrative since depending on single KPI functioning, e.g. to be adjusted in case of costs

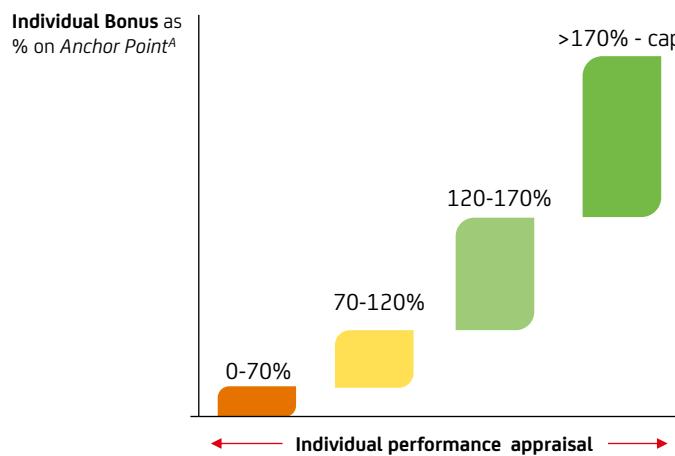
>>> Pay for Performance

Particular attention is dedicated to the level of correlation between proposed bonus and actual performance both at the bonus proposal step and the calibration/consolidation phase.

Pay for performance is the guiding principle, with the overall scorecard achievement - combined with behavioral assessment and the overall performance appraisals – considered as key drivers for bonus decisions. Such managerial decisions also take into account the individual “anchor point” for variable remuneration, defined as the amount of bonus reachable at targets’ achievement, set according to several criteria such as: the internal and/or external benchmarking analysis for similar roles, the seniority level, the historical payouts, the maximum ratio between variable and fixed compensation as approved by the Annual General Meeting. Such value is adjusted according to the actual available bonus pool - stemming from both Group and Divisional performance - and represents the starting point for the individual bonus allocation.

The pay for performance curve is expected to be steeper than the linear one, with reduced pay in case of performance below target and increased pay for over-performance above targets.

Pay for performance framework



A. Bonus ranges may be adjusted according to position covered (e.g. business vs control functions). In any case within the maximum regulatory variable to fixed remuneration cap, adjusted according to the actual available bonus pool (stemming from both Group and Divisional performance).

Bonus decisions at individual level will also take into account the respect of provisions of law, Group's compliance rules, Company policies and/or Corporate values, Code of Conduct and the application of claw-back clauses, as legally enforceable.

Moreover, each participant has to complete mandatory training courses and, for impacted roles, the customer due diligence periodic review (Know Your Customer), within a pre-defined threshold in order to be entitled to any bonus.

Each Group Material Risk Taker receives the Group Incentive System Rules with a detailed description of the system and its application.

> Additional long-term performance conditions (“Sustainable Performance Plan”)

For selected individuals⁴¹, namely the CEO, the members of the Group Executive Committee and managers directly reporting to GEC members (hereinafter also “GEC-1”), the incentive plan (“Sustainable Performance Plan”) has been structured to best support the Strategic Plan delivery on a yearly basis, while ensuring that results delivered are sustainable over time via long-term performance conditions, considering the significant transformational effort of the Strategic Plan.

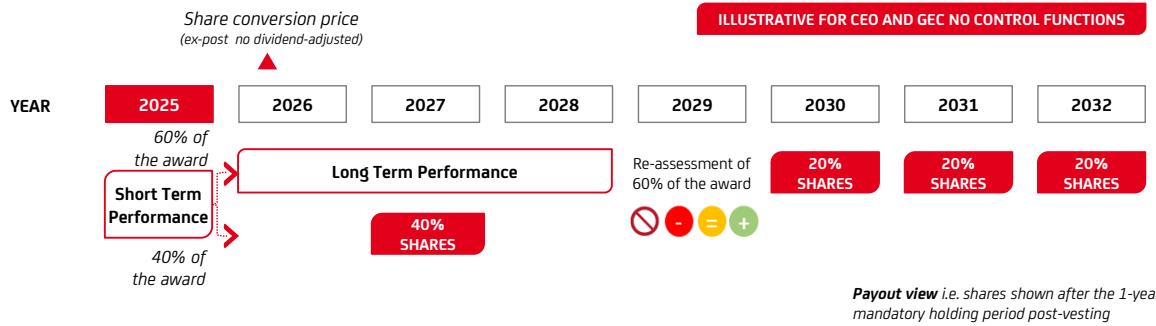
The key design principles of the Sustainable Performance Plan remain unchanged versus 2024, in particular:

- the rolling structure, to allow for a yearly verification of the adequacy of the compensation arrangements;
- the double-assessment of performance, through a combined system which requires the reconfirmation of short-term performance (2025) over the long-term (2026-2028), to guarantee sustainability of the results;
- the pay for performance, providing clear performance conditions anchored to UniCredit Strategic Plan pillars, with ambitious targets and rigorous pay for performance correlation to ensure meritocracy and fairness.

In the “Sustainable Performance Plan”, 60% of the bonus award is deferred and subject to additional long-term performance conditions, which act as a modifier (from -100% to +20%⁴²) of the deferred bonus award defined on the basis of the individual 2025 performance appraisal scorecard.

⁴¹ Excluding Control Functions, People & Culture and Manager in Charge of Drafting the Company Financial Reports

⁴² In any case in compliance with the maximum regulatory ratio of variable to fixed remuneration.



The long-term performance scorecard is based on specific goals defined at Group level covering the three years following the 2025 annual performance year (ie from 2026 to 2028). The following KPIs have been selected for the reasons described below:

- **RoTE with CET1@13%, 80% weighting:** this metric is confirmed as a key measure of the strategic plan and it reflects the core profitability of the Bank in terms of return on tangible equity, thus taking into consideration the efficiency in capital allocation. The CET1@13% is referred to the upper target capital ratio of the UniCredit Unlocked strategy plan and it operates to keep stable the denominator of the ratio at the target capital level, avoiding distortion in case of capital excess and facilitating comparison across the market. Target is to be above the cost of capital to testify our commitment to sustainable value creation, with target level defined at ca. 11.5% in line with mid-term cost of capital, with specific thresholds to adjust the scoring. In the event of methodological changes or material change of the macro-economic scenario (e.g. more than 100 bps in interest rate vs. budget assumptions), the board retain the faculty to mechanically recast LT targets according to the updated scenario.
- **Sustainability, 20% weighting:** the goal is focused in supporting clients' green and social transition, embedding sustainability and Diversity, Equity and inclusion ambitions in UniCredit culture. This goal has also a specific focus on climate-risk, through Net Zero commitments. The goal is qualitatively assessed in a 4-point rating scale, based on specific evidence from current and future ESG and DE&I strategy. Specifically, the current strategy foresees:
 - > **ESG business penetration:** support our clients in their sustainability journey offering ESG related products and services to ensure a fair share of ESG business over total (lending new production, sustainable bonds, stock of AuM⁴³), starting from 2025-27 ESG targets⁴⁴ and successive updates as per ESG strategy;
 - > **DE&I priorities:** progress towards gender parity at all levels in line with best market practices; ensure equal pay for equal work, maintaining the achieved immaterial level (around 1%) in non-demographic Gender Pay Gap; expand DE&I efforts and foster corporate Culture and Well-being through dedicated initiatives;
 - > **"Net Zero" commitments:** progress vs. Net Zero 2030 targets disclosed to the market, related to Oil & Gas, Power Generation, Automotive, and Commercial Real Estate on which yearly Tier 1 RAF targets are defined and monitored.

⁴³ Subject to current regulations on ESG Investment Products

⁴⁴ Defined according to ESG strategy. Current ESG strategy foresees: percentage of ESG lending new production (including Environmental, Social and Sustainability linked lending) on overall medium/long term lending new production: group 2025-27 target set at 15% (yearly % to be achieved); percentage of Sustainable bonds (for corporates and financial institutions, excluding Sovereign, Supranational and Agency Long Term Credit) on all bonds (For corporates and financial institutions, excluding Sovereign, Supranational and Agency Long Term Credit): group 2025-27 target set at 15% (yearly % to be achieved); percentage of ESG assets under management stock (subject to current regulations on ESG Investment Products) on Total of assets under management stock: group 2025-27 target set at 50% (yearly % to be achieved)

On all the above KPIs, also subject to the evolution of ESG regulation, a complete ex-post disclosure will be ensured according to the ESG strategy approved at the time.

2026-2028 Long-Term scorecard

Lever and KPIs	2026-28 Target	Criteria	Adj. of ST**
<div style="display: flex; align-items: center;"> <div style="background-color: red; width: 80px; height: 80px; margin-right: 10px;"></div> <div>80%</div> <div>LT Profitability</div> </div> <div style="display: flex; align-items: center;"> <div style="background-color: white; border: 1px solid black; padding: 5px; margin-right: 10px;"></div> <div>ROTE with CET1 @13%</div> </div>	<p style="text-align: center;">Avg 26-28 vs. mid term Cost of Equity (11.5%)^b</p>	<div style="display: flex; justify-content: space-around; width: 100%;"> <div style="text-align: center;"> <div style="background-color: green; width: 30px; height: 30px; margin: 2px;"></div> <div>13% - 16%</div> </div> <div style="text-align: center;"> <div style="background-color: green; width: 30px; height: 30px; margin: 2px;"></div> <div>10% - 13%</div> </div> <div style="text-align: center;"> <div style="background-color: orange; width: 30px; height: 30px; margin: 2px;"></div> <div>6% - 10%</div> </div> <div style="text-align: center;"> <div style="background-color: red; width: 30px; height: 30px; margin: 2px;"></div> <div>< 6%</div> </div> </div>	<div style="display: flex; justify-content: space-around; width: 100%;"> <div style="text-align: center;"> <div style="background-color: green; width: 30px; height: 30px; margin: 2px;"></div> <div>100% - 120%*</div> </div> <div style="text-align: center;"> <div style="background-color: green; width: 30px; height: 30px; margin: 2px;"></div> <div>Confirmed (100%)</div> </div> <div style="text-align: center;"> <div style="background-color: orange; width: 30px; height: 30px; margin: 2px;"></div> <div>0% - 100%*</div> </div> <div style="text-align: center;"> <div style="background-color: red; width: 30px; height: 30px; margin: 2px;"></div> <div>Cancellation (0%)</div> </div> </div>
<div style="display: flex; align-items: center;"> <div style="background-color: grey; width: 20px; height: 20px; margin-right: 10px;"></div> <div>20%</div> <div>LT Sustainability</div> </div> <div style="display: flex; align-items: center;"> <div style="background-color: white; border: 1px solid black; padding: 5px; margin-right: 10px;"></div> <div>ESG business DE&I priorities Net Zero commitments</div> </div>	<p>Qualitative assessment based on specific evidence from current and future ESG and DE&I strategy. KPIs are subject to the evolution of ESG strategy and regulation. Current strategy foresees:</p> <ul style="list-style-type: none"> ESG business penetration: support our clients in their sustainability journey offering ESG related products and services to ensure a fair share of ESG business over total (lending new production, sustainable bonds, stock of AuM), starting from 2025 ESG targets^c and successive updates as per ESG strategy DE&I priorities: progress towards gender parity at all levels in line with best market practices; ensure equal pay for equal work, maintaining the achieved immaterial level (around 1%) in non-demographic Gender Pay Gap; expand DE&I efforts and foster corporate Culture and Well-being through dedicated initiatives "Net Zero" commitments: progress vs. Net Zero 2030 targets disclosed to the market, related to Oil & Gas, Power Generation, Automotive, and Commercial Real Estate on which yearly Tier 1 RAF targets are defined and monitored. 	<div style="display: flex; justify-content: space-around; width: 100%;"> <div style="text-align: center;"> <div style="background-color: green; width: 30px; height: 30px; margin: 2px;"></div> <div>GREATLY EXCEEDS</div> </div> <div style="text-align: center;"> <div style="background-color: green; width: 30px; height: 30px; margin: 2px;"></div> <div>EXCEEDS</div> </div> <div style="text-align: center;"> <div style="background-color: green; width: 30px; height: 30px; margin: 2px;"></div> <div>MEETS</div> </div> <div style="text-align: center;"> <div style="background-color: orange; width: 30px; height: 30px; margin: 2px;"></div> <div>NOT FULLY MEETS</div> </div> </div>	<div style="display: flex; justify-content: space-around; width: 100%;"> <div style="text-align: center;"> <div style="background-color: green; width: 30px; height: 30px; margin: 2px;"></div> <div>120%</div> </div> <div style="text-align: center;"> <div style="background-color: green; width: 30px; height: 30px; margin: 2px;"></div> <div>110%</div> </div> <div style="text-align: center;"> <div style="background-color: green; width: 30px; height: 30px; margin: 2px;"></div> <div>Confirmed (100%)</div> </div> <div style="text-align: center;"> <div style="background-color: orange; width: 30px; height: 30px; margin: 2px;"></div> <div>0 - 50%</div> </div> </div>
	As weighted avg of Profitability and Sustainability		Overall adjustment^a (-100% ; +20%)

^aLinear continuum
^bAdjustment of the Short Term award

A. BoD discretion: unlimited downward and up to +20% to evaluate broader performance and market context e.g. industry/global shocks, exceptional events, company performance notably above target in the first year of the sustainable performance plan B. RoTE calculated as per current methodology . In case of methodological changes or material change of the macro-economic scenario (eg more than 100 bps in interest rate vs. budget assumptions) or in case of strategic deals or Russia extra-ordinary impacts, the board retain the faculty to mechanically recast Long Term targets according to the updated scenario C. Based on current ESG strategy: Percentage of ESG lending new production (including Environmental, Social and Sustainability linked lending) on overall medium/long term lending new production: group 2025-27 target set at 15% (yearly % to be achieved); percentage of Sustainable bonds (for corporates and financial institutions, excluding Sovereign, Supranational and Agency Long Term Credit) on all bonds (For corporates and financial institutions, excluding Sovereign, Supranational and Agency Long Term Credit): group 2025-27 target set at 15% (yearly % to be achieved); percentage of ESG assets under management stock (subject to current regulations on ESG Investment Products) on Total of assets under management stock: group 2025-27 target set at 50% (yearly % to be achieved)

Furthermore, if the threshold for profitability, capital and/or liquidity is not reached, Malus conditions may apply pro-rata for each year of the long-term performance period.

The application of a further discretionary range of up to +20% in the faculty of Board of Directors is foreseen with respect to the overall adjustment, on the basis of specific criteria (e.g. performance vs. the broader Strategic Plan execution, performance within the broader market context, macro scenario, compensation trends in the market, reputational impacts, regulatory recommendations), while there is no limit to a downward adjustment of the overall adjustment.

3.5.1.5 Payout Structure

As approved by the Board of Directors on February 20, 2025, with reference to payout structure, the Group Material Risk Taker population will be differentiated into four clusters, using a combined approach of position and compensation:

- for Group CEO, GEC members and Group Chief Audit Executive (CAE) 6-year deferral schemes are applied, consisting in a payout structure of 7 years in total; a smoother deferral curve is applied in case of Control functions, People & Culture to the absence of additional long-term performance conditions;
- for GEC-1 and Group CAE direct reports 5-year deferral schemes are applied, consisting in a payout structure of 6 years in total; a smoother deferral curve is applied in case of Control Functions, People & Culture and Managers in Charge of Drafting the Company Financial and Sustainability Reports⁴⁵ due to the absence of additional long-term performance conditions;

⁴⁵ For the Manager in Charge of drafting Company Sustainability reports, applies the relevant scheme according to the reporting level in respect to GEC, however without application of LT additional performance conditions.

- for other Senior Management⁴⁶ 5-year deferral schemes are applied, consisting in a payout structure of 6 years in total; a higher deferral percentage is applied in case of variable remuneration > €430,000⁴⁷;
- for other Material Risk Takers 4-year deferral schemes are applied, consisting in a payout structure of 5 years in total; a higher deferral percentage is applied in case of variable remuneration > €430,000.

The payout of incentives will be done through upfront and deferred instalments, in cash or in UniCredit ordinary shares, over a multi-year period:

- for the CEO, GEC members and Group Chief Audit Executive, in 2027 the first instalment of the total incentive will be paid in free UniCredit ordinary shares subject to the evaluation of the individual adherence to compliance and conduct principles⁴⁸;
- for all other Group Material Risk Takers, the first instalment of the total incentive will be paid in cash, in 2026, and free UniCredit ordinary shares, in 2027, subject to the evaluation of the individual adherence to compliance and conduct principles⁴⁹;
- the remaining part of the overall incentive will be paid in cash and/ or free UniCredit ordinary shares
 - 2030-2032 for Group CEO and GEC (excluding Control Functions, People & Culture);
 - 2028-2032 for GEC belonging to Control Functions and People & Culture and Group CAE;
 - 2030-2031 for GEC-1 (excluding Control Functions, People & Culture and Managers in Charge of Drafting the Company Financial and Sustainability Reports);
 - 2028-2031 for GEC-1 belonging to Control Functions and People & Culture, Managers in Charge of Drafting the Company Financial and Sustainability Reports, Group CAE direct reports and other Senior Management;
 - 2028-2030 for other Material Risk Takers;
- Each further tranche will be subject to the application of the Zero Factor for the year of reference and in absence of any individual/values compliance breach.
- Each share tranche is subject to a 1-year retention period for both upfront and deferred shares, as foreseen by regulation.
- Dividends on vested shares during the retention period will be recognized to the beneficiaries.
- All instalments are subject to the application of claw-back conditions, as legally enforceable.

⁴⁶ Staff members below GEC-1 which are senior management of the Legal Entities of Group MBU. This includes: Group CEO, Heads of Group Businesses/Divisions, Heads of Group Competence Lines, Group CEO reporting lines and all other Senior Management roles in Group Legal Entities (as defined by Bank of Italy) receiving a significant amount of variable remuneration.

⁴⁷ €430,000 is the lower amount between 10 times the average Bank total compensation and the 25% of total compensation of Italian High Earner as reported by EBA in its Report on high earners for 2022. This threshold is calculated in 2025, and the same amount is confirmed.

⁴⁸ Considering also the severity of any internal/external findings (i.e. Audit, Bank of Italy, Consob and/or analogous local authorities).

⁴⁹ Considering also the severity of any internal/external findings (i.e. Audit, Bank of Italy, Consob and/or analogous local authorities).

Deferral scheme – “Payout view” i.e. considering 1-year mandatory holding period for shares

Payout view	2026	2027	2028	2029	2030	2031	2032
Group CEO, GEC (excluding Control Functions ^A and People & Culture)		40% shares			20% shares	20% shares	20% shares
GEC belonging to Control Functions ^A , People & Culture and Group CAE		40% shares	12% shares	12% shares	12% shares	12% shares	12% shares
GEC-1 (excluding Control Functions ^A , People & Culture and Manager in Charge of Drafting the Company Financial Reports) ^B	20% cash	20% shares			20% shares	20% cash + 20% shares	
GEC-1 belonging to Control Functions ^A , People & Culture, Manager in Charge of Drafting the Company Financial Reports, Group CAE direct reports and Other Senior Management ^C with variable remuneration >€430k	20% cash	20% shares	10% shares	10% shares	10% shares	20% cash + 10% shares	
Other Senior Management ^C with variable remuneration ≤ €430k	25% cash	25% shares	5% cash	10% shares	10% shares	10% cash + 15% shares	
Other Material Risk Taker with variable remuneration >€430k	20% cash	20% shares	15% shares	15% cash + 15% shares	15% cash		
Other Material Risk Taker with variable remuneration ≤ €430k	30% cash	30% shares	10% shares	10% cash + 10% shares	10% cash		

A. Audit, Compliance, Risk Management

B. In UniCredit SpA, for the *Head of Chairman, Board & Board's Committees Secretariat Office* this scheme applies as well.

C. Including other Material Risk Taker assimilated to Senior Management according with applicable regulations

For the Manager in Charge of drafting Company Sustainability reports, applies the relevant scheme according to the reporting level in respect to GEC, however without application of LT additional performance conditions.

At local level, Group Entities may perform calibrations on the length of the deferral schemes and/or the use of financial instruments to be aligned with more restrictive local regulations.

The number of shares to be allocated in the respective instalments shall be calculated on the basis of a share conversion price defined in 2026 considering the arithmetic mean of the official market price of UniCredit ordinary shares in the month prior the BoD resolution that approves 2025 results.

The Board of Directors assigns free UniCredit ordinary shares that will be freely transferable at the end of the retention period.

For Group Material Risk Takers, the annual variable remuneration has to be deferred if it:

- is above €50,000 , or
- represents more than one third of the total annual remuneration.

Below this threshold no deferral mechanisms will be applied, according to relevant regulatory indications.

The maximum value of the 2025 Group Incentive System for the Group Material Risk Takers receiving UniCredit ordinary shares is approximately €186 mn, equivalent to approximately 0.46% of UniCredit share capital, at the publication date of the document, assuming that all free shares for employees are distributed.

Out of this amount, the estimated portion that could be awarded, exceeding the 1:1 ratio between variable and fixed remuneration, is ca. 14% of the overall estimated pool (approx. €27 mn distributed to approx. 130 beneficiaries), equivalent to approximately less than 0.1% of UniCredit share capital, assuming that all free shares for employees are distributed.

The overall number of shares under all other current outstanding Group equity-based plans, at the publication date of the document, equals 1.63% of UniCredit share capital.

The beneficiaries cannot activate programmes or agreements that specifically protect the value of unavailable financial instruments assigned within the incentive plans. Any form of coverage (hedging) will be considered a violation of compliance rules and imply the consequences set out in the regulations, rules and procedures. With the goal to respect this provision, Corporate Control Functions perform sample checks on custody and administration internal accounts for Material Risk Takers and require them to communicate the existence towards other intermediaries of custody and administration accounts and their performed transactions and financial investments, if any.

As foreseen by the incentive systems of previous years, also for the 2025 Group Incentive System, in case of termination of the employment relationship, the Employee will lose all rights under the System unless he/she qualifies as a Good Leaver.

Specifically, in the case of a Good Leaver, if the termination occurs during the performance period, the Employee will be entitled to a pro-rata temporis award of the deferrals, subject to the achievement of relevant performance conditions at the end of the performance period and according to the deferred payout scheme and all other terms and conditions under the Rules of the 2025 Group Incentive System. For the purpose of the Rules, a "Good Leaver" is exclusively an Employee who ceases to be an Employee of any Company during the performance period of the System due to the following reasons:

- termination of the employment relationship due to any physical impediment including ill-health, injury or permanent disability, as established by applicable laws;
- retirement, also in case of agreement with the Company and/or enrolment into early retirement or redundancy plans;
- the company employing the Employee ceasing to be a member of the Group;
- a transfer of the undertaking, or the part of the undertaking, in which the Employee works to a person or legal entity which is not a member of the Group.

The status of "Good Leaver" may also be granted, taking into account the specific circumstances and the company's interest, within the scope of specific agreements entered into with the beneficiary.

FOCUS

Compliance breach, Malus and Claw-back

The Group reserves the right to activate malus and claw-back mechanisms, namely the reduction/cancellation and the recouping respectively of any form of variable compensation.

In case of ex-ante risk adjustment, the Malus mechanism (the reduction/cancellation of all or part of the variable remuneration) can be activated to the variable remuneration to be awarded. In addition to the adjustment on the variable remuneration, promotion and merit salary reviews might as well be subject to the compliance breach assessment. In case of ex-post risk adjustment, the Malus mechanism (the reduction/ cancellation of all or part of the variable remuneration) can be applied to the deferred components that have already been awarded and have not yet been paid out, for the year in which the breach occurred. If the outstanding variable remuneration is not sufficiently large to ensure an appropriate malus mechanism, the reduction may be applied also to other variable remuneration components (e.g. deferred component from other years than the year in which the breach occurred or the variable remuneration awarded for the year and not yet paid).

The claw-back mechanism (the return of all or part of the variable remuneration) can be activated on the overall variable remuneration already paid, awarded for the time period during which the breach occurred, unless different provisions by local regulations or more restrictive provisions are in force.

The claw-back mechanisms can be activated up to a period of 5 years after the payment of each instalment, also after the employee's contract termination and/or the end of the appointment and take into account legal, social contributions and fiscal profiles and the time limits prescribed by local regulations and applicable practices.

Malus and claw-back mechanisms may apply in the case of verification of behaviours adopted in the reference period (performance period), for which the employee:

- contributed with fraudulent behaviour or gross negligence to the Group incurring significant financial losses, or by his/her conduct had a negative impact on the risk profile or on other regulatory requirements at Group or country/division level;
- engaged in misconduct and/or failed to take expected actions which contributed to significant reputational harm to the Group or to the country/division, or which were subject to disciplinary measures by the Authority;
- is the subject of disciplinary measures and initiatives envisaged in respect of fraudulent behaviour or characterized by gross negligence during the reference period;
- infringed the requirements set out by articles 26 TUB and 53 TUB, where applicable, or the obligations regarding the remuneration and incentive system.

Malus mechanisms are also applied to take into account the performance net of the risks actually assumed or achieved, the performance related to the balance sheet and liquidity situation.

According to the EBA guidelines⁵⁰ and to further strengthen the governance framework, the key rules of compliance breaches management, as well as, their related impact on remuneration components, through the application of both malus and claw-back clauses, are given below.

Specific guidelines about the application of the Malus and Claw-back procedure to be adopted throughout the Group were formalized and provided by the Holding Company to the Legal Entities that apply local adaptations consistent with the overall Group approach and with regulations in the various countries in which the Group operates.

The process is specifically applicable to the Material Risk Takers population, as per regulatory provisions, while general principles are applicable to all individuals within the Group who are beneficiaries of variable remuneration, including external networks and agents, where applicable.

The main elements of the Malus and Claw-back procedure are the following:

- breaches identification, based on the roles and responsibilities of the functions involved according to their ordinary activities. The Identification is based both on internal and external sources (e.g. special investigation, disciplinary sanctions, regulatory sanctions);
- breaches evaluation, based on the assessment of the breach materiality following a scoring system, from lowest to highest value. The drivers of materiality assessment are:
 - gravity of the individual conduct⁵¹, including the circumstances of a law violation;
 - nature (fraud or gross negligence) of the trigger event;
 - repetitiveness of the breach;
 - impact on financials;
 - seniority of the individual;
 - organizational role;
 - impact on the Group external reputation (e.g. Cyber Risk, Climate Related issues, etc.);
 - other circumstances aggravating or mitigating the reported breach.
- In coherence with the score assigned and the reference period of the breach, the impact on the variable remuneration is defined according to two elements:
 - perimeter of the variable remuneration (upfront or deferred) that can be reduced/cancelled based on predefined scenarios, according to the breach materiality. In case of heavy breaches, fulfilling certain pre-conditions, the claw-back (return) of already paid variable remuneration may be activated;
 - percentage of the variable remuneration that can be reduced/cancelled and/or returned back.

⁵⁰ Guidelines on sound remuneration policies, published on July 2, 2021

⁵¹ As per ESMA Guidelines on certain aspects of the MiFID II remuneration requirements “Ex-post adjustment mechanisms referred to in the previous paragraph should be triggered by relevant events impacting the firm’s or relevant persons’ compliance with the applicable provisions under MiFID II and its delegated acts aiming at the fair treatment of clients and the quality of services provided to clients.”

- Relevant breaches by Group Material Risk Taker population will be submitted for evaluation and proposal to the Group People & Culture Officer, Group Compliance Officer and Head of Group Reward⁵². The Chief Audit Executive is also attending the meeting as permanent guest, without voting rights;
- decision making process and relevant measure adoption are defined according to the internal HR Delegation of Powers.

For Executive Directors and Executives with Strategic Responsibilities specific contractual provisions are envisaged, that allow the Company to ask for the return, partially or totally, of the variable remuneration components already paid (or retain deferred amounts), defined according to data proved to be manifestly incorrect at a later time and other circumstances which may have been identified by the company.

⁵² Or person to be nominated by the Head of Group People & Culture to participate to the meeting.

FOCUS

Incentive System for Financial Advisors performing off-site offering (Consulenti Finanziari abilitati all'offerta fuori sede – OFS) and Agents in financial activities (AAF), other than employees

> Bonus Pool Funding

The relevant Bonus Pool is funded on non-HR costs and is defined through a self-financing mechanism. It is calculated as the sum of commissions paid as “non-recurring” remuneration, based on specific targets assigned to Financial Advisors / AAF (e.g.: percentage on managed net inflows, or on loans granted).

> Entry Conditions

The relevant Bonus Pool for Financial Advisors / AAF is subject to:

- Capital and Liquidity conditions set at Group level and applicable to the division in scope (e.g. Italy);
- Risk and sustainability adjustments, depending on the “quality of performance” of the division in scope (e.g. Italy), that may revise it downwards. (Adjustments based on Risk Appetite Framework – RAF annual, and Risk Management judgement).

The joint verification of the access conditions results in 2 possible scenarios whereby the bonus pool can be confirmed or reduced to zero.

The malus condition (Zero Factor scenario) will apply if the specific metrics on Capital and Liquidity are not achieved (box A).

Specifically, the Zero Factor is applied to the Group Material Risk Taker population, whereas for the non-Group Material Risk Taker population, a significant reduction will be applied.

ENTRY CONDITIONS DEFINITION

1. Group

- **Own Funds and Leverage ratios^A** \geq 2025 RAF “limit”^B
- **Liquidity Coverage Ratio^{A,C}** \geq 2025 RAF “limit” (109%)
- **Net Stable Funding Ratio^{A,D}** \geq 2025 RAF “limit” (102.3%)

ENTRY CONDITIONS ASSESSMENT

A
Zero Factor

B
Open

A In case Capital or Liquidity “entry conditions” are not met at Group level, the malus condition is activated, triggering the application of Zero Factor^E on both current year bonus and previous years deferrals. For the other employees, a significant reduction will be applied.

B In case the Entry Conditions at Group level are met, the gate is “fully open” meaning the Bonus Pool may be fully confirmed.

A. In case of issues with capital and/or liquidity requirements at Legal Entity (LE) level, a zero factor scenario in the cascading phase is activated, even if the Entry Conditions at Group level are fully satisfied.

B. The Group variable remuneration policy shall be consistent with the maintenance of a sound capital base, ensuring a margin above the overall capital requirements (levels relevant for the calculation of the maximum distributable amount, MDA) and outcomes of SREP, including the so-called Pillar 2 Guidance (P2G). This implies, for Own Funds ratios, thresholds (based on requirements expected as 4Q25) above RAF limits: CET1 ratio Transitional \geq 11.46%; Tier 1 ratio Transitional \geq 13.33%; Total Capital ratio Transitional \geq 15.83%; Leverage Ratio Transitional \geq 3.8%. Thresholds are calculated as max between RAF limit and MDA+P2G (where applicable).

C. Liquidity Coverage Ratio: it aims to ensure that the bank maintains an adequate level of not restricted “High Quality Liquid Assets” in a sufficient quantity to cover the overall ‘Net Cash Outflows’, over a period of thirty days, under gravely stressed conditions specified by Supervisors.

D. Net Stable Funding Ratio: it is defined as the ratio between the “available amount of stable funding” and the “required amount of stable funding” that are calculated applying defined weighting factors to on and off-balance sheet items. It measures, under a long-term perspective, the balance in the distribution of assets and liabilities on the time horizon.

E. For Executive & Material Risk Takers population. In any case, the Board of Directors can provide the CEO the possibility to allocate a separate and discretionary pool for retention purposes only, subject to local relevant governance bodies’ decision, eventually including positive feedback from ECB, if required (e.g. in a scenario of CET1r < threshold, in a context of a capital contingency plan defined with ECB). For the other employees, a significant reduction will be applied.

>Individual allocation

Individual allocation will be based on a managerial appraisal, which takes into account the results of a specific scorecard, the overall individual performance appraisal.

Furthermore, access to the variable remuneration will be in line with the applicable regulatory requirements (circ. 285 and Disposizioni di Trasparenza Bankit) and will be subject to the completion of specific compliance gates, defined in the relevant Incentive System for the Financial Advisors / AAF, in force (eg. Mandatory training, KYC, etc.), including malus & claw back clauses (for a complete overview on the latter please refer to paragraph 5.1.5).

Without prejudice to all the regulatory provisions applicable to the Group Material Risk Taker population (among others: the deferral threshold, malus & claw-back clauses, etc.) described in the preceding paragraphs, for the Financial Advisors / AAF identified as GMRTs, the payment of the variable component of remuneration shall take place over a multi-year period and shall be made through immediate and deferred tranches, in cash and in UniCredit ordinary shares. The applicable deferral scheme will be set in line with those envisaged for Group Material Risk Taker personnel, as described in paragraph 5.1.5.

Finally, it should be noted that the severance of agents, where due, shall be calculated in accordance with the predefined formula under art. 1751 of the Civil Code (which shall therefore be intended as "predefined formula", in accordance with Circular 285, for the severance of agents classified as material risk takers). The status of "Good Leaver" may possibly be granted, taking into account the specific circumstances and the company's interest, within the scope of specific agreements entered into with the beneficiary.

Local feature

For other Senior Management and Material Risk Takers, the threshold defined for deferred schemes is > **€363.391**, which is the "significant amount" calculated as follows: the lower between 10x the average Bank total compensation and the 25% of total comp of Luxembourgian High Earner.

Local feature

The incentive system of UCI is an integral part of the Group incentive system as described above and can be summarized as follows:

As a general principle, and in line with local practices and specificities, The Incentive system of UCI foresees for the majority of employees the system 13 plus 1. Exceptions are seconded employees from the Group whose remuneration is ruled by the Group Incentive System and employees, who have no bonus base or reference value at all

- System 13 plus 1: Bank employees out of the local collective bargaining agreement within the system "13 + 1" – whether they work for sales or non-sales divisions – receive an annual salary consisting of 12 monthly gross salaries per year, a 13th month of 1 monthly gross salary and normally a bonus which is based as a rule on one gross monthly salary. "13+1" thus stands for 12 monthly gross salary payments and a 13th month as a fixed salary component plus a bonus base value equal to one-month gross salary as a variable salary component.

Bank employees within the local collective bargaining agreement within the system "13 + 1" – whether they work for sales or non-sales divisions – receive an annual salary consisting of 12 monthly gross salaries per year, special payments including one gross monthly salary (due to the regulations of the collective agreement) and normally a bonus which is based as a rule on 1 gross monthly salary "13+1" thus stands for 12 monthly gross salary payments, the payments according to the rules of the collective agreement as a fixed salary component plus a bonus base value equal to 1 month gross salary as a variable salary component.

- Seconded employees: The amount of the bonus base value for seconded employees is defined taking into account several drivers as for example position and business strategy, internal fairness and individual considerations and may therefore deviate from the system 13 plus 1.

The UCI bonus pool, i.e. the total amount of financial resources available for the management of the variable remuneration referring to the year (recognized as bonuses, incentive systems and specific business rewards) is a part of the Group bonus pool, specifically the one dedicated to Italy Division, and as such is subject to the conditions of access at Group and Division level, described in the previous paragraph. The UCI bonus pool is defined by the Head of Wealth Management and Large

Corporates, shared with the CEO of UCI, as part of the performance assessment process with respect to the expected targets as well as risk and long-term sustainability considerations. The UCI bonus pool thus defined is subject to the approval of the Management Board of UCI, which assesses its adequacy with respect to the profitability, capital and risk situation of the Bank itself.

The access to the Bonus Pool is subject to the achievement of minimum requirements in term of capital, liquidity and profitability both at Group and Local level ("Entry Conditions") and the final size is based on Countries/Divisions actual results, revised up/downwards by the Board of Directors on the basis of the "quality of performance" ("Risk & Sustainability Adjustment"). Anyhow the review cannot result in a Division bonus pool above the one approved by UniCredit Group Board of Directors, while there are no limits on the possibility of reduction.

The bonus pool is subsequently distributed by the CEO together with the other members of the Management Board of UCI along the organizational chain through a managerial assessment that takes into account the number, complexity and qualitative and quantitative performance of the reference structures. The subdivision into the underlying structures takes place following the hierarchical reference line up to the levels described in the organization chart and pro tempore in force.

Individual Allocation

The staff of UCI identified as Group Material Risk Taker is subject to the requirements defined by this Remuneration Policy and in particular, the application of the rules of the Group Incentive System e.g. entry conditions, as specified in the dedicated paragraph, bonus paid in shares and cash and deferred over several years according to the Group schemes.

Without prejudice to the general requirements defined by the Remuneration Policy and by the Group Incentive System (e.g. malus & clawback) for the personnel identified as Material Risk Takers by the local process in UCI, simplified requirements have been applied in terms of definition of the objectives and payment schemes detailed below

	2025	2026	2027	2028	2029
Local Material Risk Takers with variable remuneration > 417.000,00 eur	20% cash	20% shares	15% shares	15% cash + 15% shares	15% cash
Local Material Risk Takers with variable remuneration < 417.000,00 eur	30% cash	30% shares	10% shares	10% cash + 10% shares	10% cash

The local threshold, set by the Local Legislator, is at € 50.000,00.

In order to be compliant with the Group Remuneration Policy the local threshold is also set to € 50.000- or represents more than one third of the total annual remuneration. Therefore, the annual variable remuneration for Group and Local Material Risk Takers has to be deferred if it is above the Group threshold of € 50.000 or represents more than one third of the total annual remuneration.

For what concerns the deferral period, pursuant to art. 38-6 (1) (m) of the Luxembourg Banking Law, at least 40% (60% in case of a variable remuneration component of a particularly high amount) of the variable remuneration should be deferred over a period which is not less than four to five years.. For what concerns GMRTs – at Legal Entity level members of the Management Body - the same deferral scheme as per Group Material Risk Takers is applied.

For LMRTs deferral scheme, it mirrors the GMRTs one but the shares eventually assigned, are financial instruments not issued by UniCredit (phantom shares⁵¹).

For members of the management body and authorized management of CRR institutions that are significant in terms of their size, internal organization and the nature, scope and complexity of their activities, the deferral period should not be less than five years.

Regarding the Payout structure, pursuant to art. 38-6(1) (l) of the Luxembourg Banking Law, a substantial portion, and in any event at least 50%, of any variable remuneration shall consist of a balance of the following: "(i) shares or, subject to the legal structure of the CRR institution concerned, equivalent ownership interests or share-linked instruments or, subject to the legal structure of the CRR institution concerned, equivalent non-cash instruments; and" "(ii) where possible, other instruments within the meaning of Article 52 or 63 of Regulation (EU) No 575/2013 or other instruments which can be fully converted to Common Equity Tier 1 instruments or written down, that in each case adequately reflect the credit quality of the CRR institution as a going concern and are appropriate to be used for the purposes of variable remuneration".

The payout structure should, thus, provide for the payment of at least 50% of the variable remuneration in instruments.

For staff not identified as risk takers the provisions of the Incentive System Regulations approved by the Board of Directors apply, both in terms of guidelines for individual allocation and in terms of pre-requisites of compliance that represent access gates to a possible award for the year 2025

⁵¹ It is an instruments connected to the price of UniCredit S.p.A shares. The number of financial instruments-phantom shares to be allocated is defined in 2026 for both upfront and deferred financial instruments instalments, considering the arithmetic mean of the official market price of UniCredit ordinary shares during the month preceding the Board of Directors that approves 2025 results.

3.5.2 Performance Management framework

3.5.2.1 The Framework

The Group Incentive System, described in paragraph 5.1, is supported by the annual performance management process assuring coherence, consistency, and clarity of performance objectives and behavioural expectation aligned with business strategy. The setting of the annual objectives (known as Goal Setting) is the initial phase of this process and is supported by a structured framework that includes a catalogue of performance indicators (the “KPI Bluebook”) annually reviewed by relevant group key functions (e.g. People & Culture, Finance, Risk Management, Group Strategy & ESG) and guidelines. The framework is in line with regulatory provisions and Group standards as verified by Compliance and it is related to:

- the selection of goals based on year-to-year priorities defined by business/perimeter and the assignment of individual goals customized on the single position;
- the indication of measurable goals, both qualitative and quantitative. In case of customized goals, clear and pre-defined parameter for future evaluation performance shall be set and made transparent;
- the adequate mix of financial and non-financial goals, taking into account the single role’s specificities;
- the use of risk-adjusted/related goals (e.g. at least one KPI in the goals card);
- the use of sustainability goals for value creation over time (e.g. about half of the goals shall be related to long-term value creation);
- the link with ESG and Diversity, Equity & Inclusion (“DE&I”) strategies (e.g. at least one ESG KPI for all GMRT with a particular focus on DE&I KPIs for staff reporting to GEC and their direct reporting line). For selected individuals (see chapter 5.1.4) ESG goal is included as additional long term condition;
- the use of goals related to business, corporate values, conduct and compliance/risk culture, with a focus on:
 - being a role model for Group culture, values and purpose;
 - setting the proper tone from the Top and from the Middle on Compliance culture and Risk mindfulness.;
- the selection of goals for the Control Functions, in order to ensure their independence (e.g. avoid KPIs linked to profitability results, use KPIs independent of results of monitored areas to avoid conflict of interests);
- the selection of goals, defined in a perspective of avoidance of conflicts of interest with customers, particularly for Commercial/ Network roles;
- the inclusion of appropriate credit quality metrics and KPIs in line with the institution’s credit risk appetite, for staff engaged in credit granting, credit administration and monitoring;
- the selection of goals for staff assigned to two or more positions (i.e., “double-hat”) balanced and respectful of the independence of each position, to avoid any conflict of interest.

The *KPI Bluebook* includes KPIs among which:

Main clusters	Exemples of KPIs for each cluster
Value Creation	<ul style="list-style-type: none"> • ROAC (Return On Allocated Capital) • ROTE (Return on Tangible Equity) • Net Revenues • ...
Risk and capital governance	<ul style="list-style-type: none"> • Net CET1 generation • Organic Capital Generation • New Business EL% • ...
Clients	<ul style="list-style-type: none"> • Gross New Clients • Internal Service Quality (ISQ) • Reputation Index • Net Promoter Score (NPS) • ...
Industrial levers	<ul style="list-style-type: none"> • Operating costs • Cross-selling excellence (CSE) • Cost /Income • ...
People & Culture	<ul style="list-style-type: none"> • Diversity, Equity & Inclusion ambitions • People&Culture Processes Execution • Sustain value through excellence in execution • ...
Compliance culture	<ul style="list-style-type: none"> • "Winning, the Right Way, Together" • Regulatory requirements and policy implementation • KYC Quality • ...
ESG	<ul style="list-style-type: none"> • ESG Strategy • Social Lending • Net Zero Project

Financial and non-financial goals included into the KPI Bluebook are mapped into clusters, as illustrated in the picture above, to help identifying the most relevant standardized KPIs: they are also categorised based on being risk-adjusted/related or on sustainability drivers.

Sustainability KPIs and ESG related KPIs are the goals that meet current needs without compromising the ability of the Company to generate profit in the future and which have an impact on the creation of medium/long-term value for one or more stakeholders.

In general, the KPI Bluebook, in addition to being the reference catalogue for the assignment of objectives within the Group Incentive System, can also be applied to the assignment of annual objectives for all Group personnel.

3.5.2.2 2025 Goal Setting Framework

The annual objectives are defined starting from the business strategy and in compliance with the KPI framework described above.

The process starts with the definition of the objectives for Top Management, which serves as a starting point for the cascading of objectives to lower levels, where applicable.

The 2025 CEO scorecard is confirmed around the key pillars of UniCredit strategy, both for financial KPIs (Net Revenues, Costs, Cost/income, Organic capital generation, Net Profit - weighting together 80% of the scorecard) and non-financial goals (company culture, risk & compliance mindfulness, Industrial transformation and business development - weighting 20% of the scorecard).

2025 CEO scorecard was updated with ambitious target setting, in line with strategic plan and above 2024 targets, despite the material headwinds expected for 2025 due to macro and geo-political effects. The level of max targets of the scorecard is set above market consensus and guidance (e.g. € 9.9 bn for net profit): this means that the CEO will have the opportunity to get 2025 total maximum remuneration, only by reaching all the financial maximum targets, assuming to get also the maximum score on the non-financial goals.

Local Feature

Goal Setting in UCI

The definition of the objectives and the measurement of the performance for the UCI Group Material Risk Takers follow the logic described previously valid for the Group Material Risk Takers as a whole.

As regards the Local Material Risk Takers of UCI, the same principles as above are applied according to the principle of proportionality.

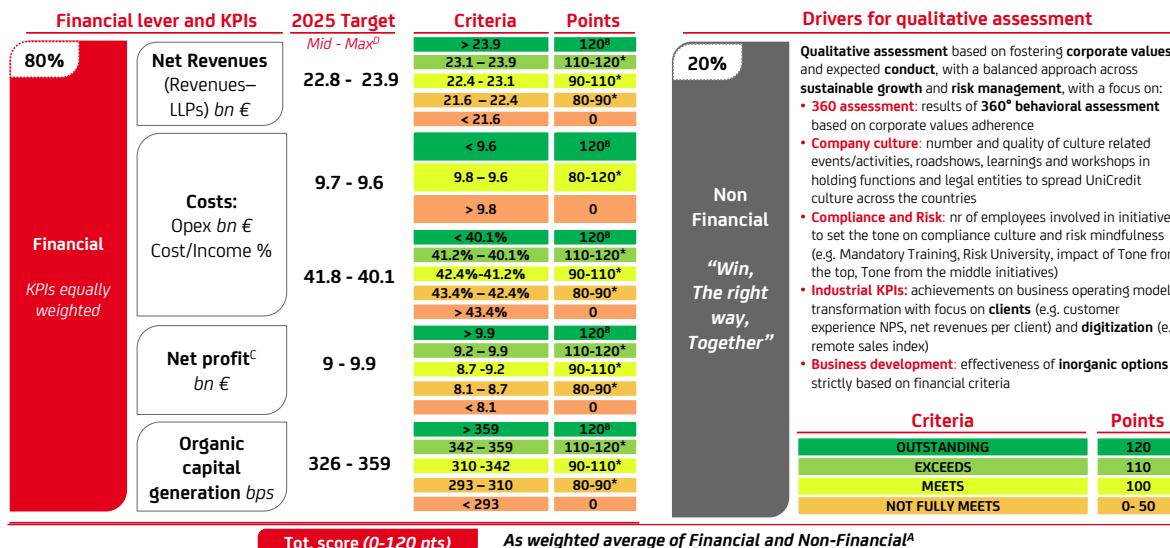
Individual goals of employees in control functions reflect primarily the performance of their own position. To avoid conflicting interests, they are independent of the success of the controlled units.

Decided by the Management Board there are certain goals, as for example "Winning the Right Way, together" mandatory for all Local Material Risk Takers or even mandatory for all local managers.

The overall local process of goal setting – within the frame of the goal setting process of the Group - starts with the goal setting for the CEO and the other members of the Management Board of UCI and is then cascaded to all employees.

The technical and organizational structure is given by the Group Success Factor Tool for every single employee. This tool allows – for what concerns GMRT - Group P&C together with local P&C, to verify whether the process is followed properly, for example whether the number of the goals is respected (minimum of 4), whether mandatory goals are inserted in the system, whether the tasks are done within the given time frame and finalized.

2025 CEO Scorecard



* *Linear Continuum. A.* BoD discretion: unlimited downward and up to +20% to evaluate broader performance and market context **B.** The over-performance of a single KPI above the max threshold can be used – calculated in points as linear continuum at the same range of each KPI capped at 140 pts max - to compensate only those KPIs that reach at least their minimum threshold level **C.** Stated net profit adjusted for impacts from DTAs tax loss carry forward resulting from sustainability test **D.** The UniCredit Board of Directors retains the faculty to mechanically recast targets related to the financial KPIs of the CEO scorecard according to updated scenarios such as in the event of strategic deals or Russia extra-ordinary impacts.

The choice of the specific KPIs, fully confirmed versus previous years scorecards, have been made in alignment with the strategic plan and supported with specific rationales:

- **Net Revenues:** optimization of the risk-return curve sustaining business growth driven by fees, capital light and revenue that delivers profitability above the cost of equity, while maintaining risk discipline and a stable cost of risk;
- **Costs (Cost/Income & Opex):** delivery of lower absolute cost base while improving operational efficiency through process simplification, digitalization, and operating model transformation;
- **Net Profit:** another key measure of the Unlocked Strategic Plan, reflecting the profitability of the Bank.
- **Organic Capital generation:** strengthening of the Bank's capital position through a healthy organic capital generation leveraging on net profit growth and RWA optimization as well as active portfolio management.

Each financial KPI is assessed quantitatively (Result vs Target), considering specific range and thresholds defined for each KPI. The score of each KPI can move in a 0-120 points rating scale, as follows:

- is zeroed if achievement is below lower threshold;
- is calculated in linear continuum between the intermediate thresholds;
- is capped (120pts) if it is higher than the upper threshold.

On the non-financial section **Winning, the right way, together** has been confirmed as a fundamental goal, since Culture is a key driver of UniCredit Plan. This goal aims at fostering corporate values and expected conduct and behaviors aligned with corporate culture, with a balanced approach across sustainable growth and risk management for all stakeholders.

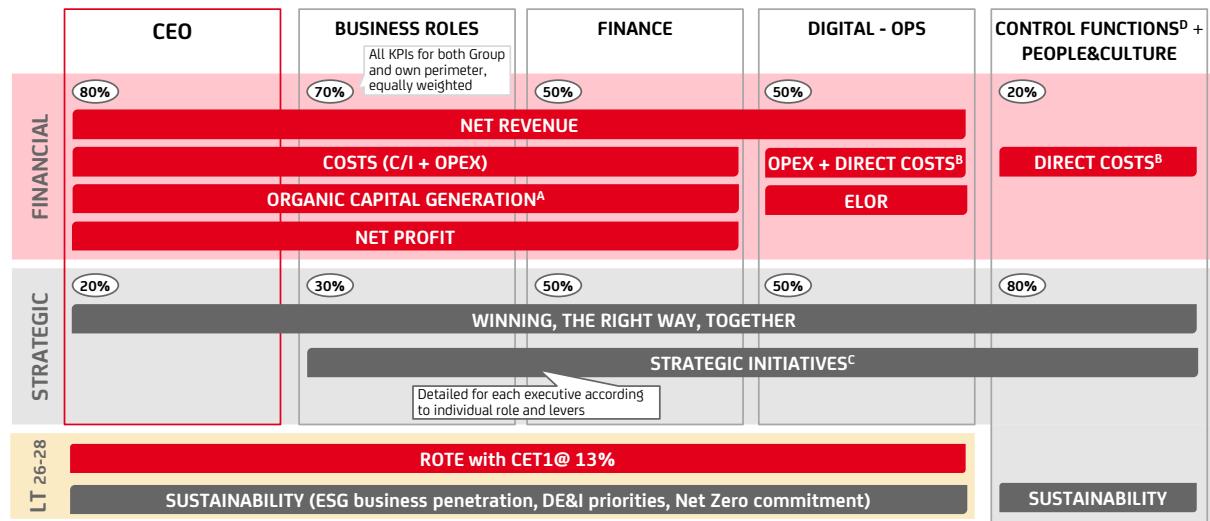
It is based on a qualitative assessment (on a 4-point rating scale), with a focus on:

- 360 assessment: results of 360° behavioral assessment based on corporate values adherence
- Company culture: number and quality of culture related events/activities, roadshows, learnings and workshops in holding functions and legal entities to spread UniCredit culture across the countries;
- Compliance and Risk: nr of employees involved in initiatives to set the tone on compliance culture and risk mindfulness (e.g. Mandatory Training, Risk University, impact of Tone from the top, Tone from the middle initiatives);
- Industrial KPIs achievements on business operating model transformation with focus on clients (e.g. customer experience NPS, net revenues per client) and digitization (e.g. remote sales index);

- Business development: effectiveness of inorganic options strictly based on financial and strategic criteria.

The CEO scorecard is the back-bone for the goals' cascading throughout the organization. Below is the illustrative structure of the objectives for the rest of the top management.

Overview on 2025 Goal Setting for Executives with Strategic Responsibilities (illustrative)



Note: all KPIs refer to their own perimeter, unless otherwise specified

A. At own perimeter level, NET CET1 generation B. For Digital & Operation direct costs as TCO of own perimeter, for Group People & Culture Officer as Group Staff Expenses C. For Chief Audit Executive: including "Internal Audit independence and governance" D. Also included: Managers in charge of drafting the Company's financial & sustainability reports.

The financial section is differently weighted depending on the role and, in compliance with regulations, for the Corporate Control Functions includes objectives not related to profitability. Financial goals are evaluated in a deterministic way based on a quantitative assessment as described above.

Goals within the non-financial section are assessed on a qualitative 4-point rating scale.

Within the non-financial section (Strategic Priorities & Culture) a specific Goal "Winning, The Right Way, Together" is mandatory for all the executives and it is related to Corporate values, conduct and compliance/risk culture, with a focus on Group culture, values and purpose and Tone from the Top and tone from the middle on Compliance culture and Risk mindfulness.

Additionally, to support UniCredit's commitment to ESG targets and DE&I ambitions specific "Sustainability" goals have been assigned to Executives with strategic responsibilities, which can also be assigned to lower levels in order to Support clients' green and social transition, embedding sustainability in UniCredit culture, valuing people diversity and promoting equity & inclusion. For selected Executives with strategic responsibilities (see chapter 5.1.4) "Sustainability" goal is included as an additional long term condition.

Finally, for Executives with strategic responsibilities an annual objective for the implementation of "UniCredit Strategy" is defined, customized on the specific role and with reference to specific strategic initiatives and projects linked for example to process simplification and fostering customer mindset as enablers of the business and operating model transformation.

These goals are calibrated and cascaded across the managerial chains.

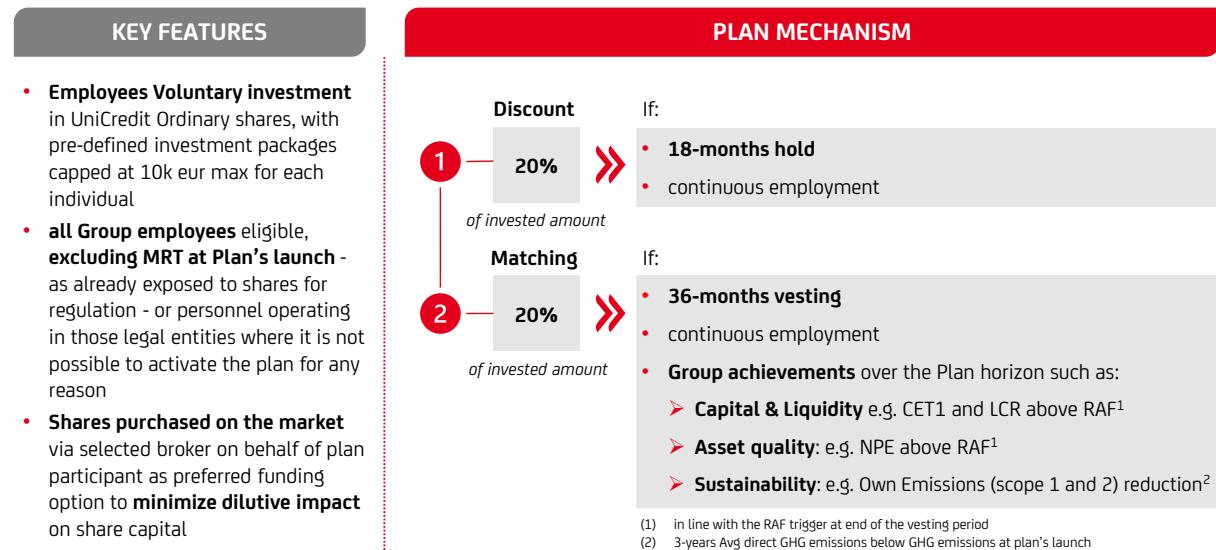
3.5.3 Employee Share Ownership Plan – U Share

UniCredit affirms the value of share ownership as a valuable tool for enabling the engagement, affiliation, and alignment of interests among shareholders, management and the overall employee population.

The participation and active involvement of our People in the achievement of corporate results is one of the pillars of our remuneration strategy and a core principle that integrates our value set, Integrity, Ownership and Caring.

This is reflected in the introduction of **U Share**, the new share ownership plan to be launched for the Group employees.

The Plan, coherent with the Board resolution approved on March 7, 2024, the AGM approval on April 12, 2024 and the regulatory requirements in force, will offer to employees the opportunity to invest in UniCredit ordinary shares on favourable conditions, with a global and consistent approach across the Group. The plan is expected to be launched by the end of the second quarter of 2025.



All Group employees are potential beneficiaries of the U Share plan, with the exception of the Chief Executive Officer, the other Executives with Strategic Responsibilities and, more generally, personnel identified as Material Risk Takers, or personnel operating in those legal entities where it is not possible to activate the plan for any reason.

The Plan will offer to participants the opportunity to purchase UniCredit ordinary shares, receiving a 20% discount on the invested amount, in the form of free shares granted by the Company, subject to 18 months holding period.

Additionally, following the completion of the three years vesting period, and subject to specific long term Group performance conditions, such as capital, liquidity, asset quality and sustainability achievements, participants will be awarded free *matching shares* equal to 20% of the initial invested amount.

The Plan provides for the shares to be purchased preferably on the market thus minimizing the dilutive impact on share capital.

4. UNICREDIT S.P.A. FOREIGN BRANCHES PRINCIPLES AND RULES

The principles of this policy must be applied to foreign branches of UniCredit S.p.A., which are responsible for:

- implementing the Global Rules, making those amendments that are necessary to ensure their consistency with all local legal and regulatory requirements;
- developing and managing local tools / programs / practices to give practical application to policies / guidelines.

For the avoidance of doubt in respect of the London branch and of the New York branch, subject to the limits set out in this policy, all severance payments and/or variable compensation payments outside of any contractual or statutory entitlements are discretionary and determined in the sole discretion of UniCredit. Previous severance payments made or variable compensation awarded does not confer any entitlement to any future severance payments or variable compensation awards. UniCredit reserves the right to withdraw or amend any guidelines or policies with regard to severance payments or variable compensation payments at any time.

4.1 Branch Germany

Should any of the preconditions contained in the Group Remuneration Policy be less restrictive than the local law, Branch Germany (Munich) will adopt the local regulations in force and more restrictive. Deviations from the Policy are in general permitted, if necessary, due to different and applicable local law including collective agreements.

Severance

In the branch the Termination Payments Group Policy applies in the version possibly calibrated for Germany / UniCredit Bank Gmbh.

4.2 Branch Hungary

Hybrid contract (3.4.3)

Under Hungarian law, the use of mixed contracts is limited. A person can only be employed under a part-time employment contract and an agency contract at the same time if the person performs clearly separable activities under the two contracts, there is no overlap between the activities, and the work performed under the part-time employment contract cannot, even in principle, be part of the work performed under the agency contract.

Severance Payments (3.4.6)

Employees working under Hungarian labor law are entitled to receive severance, calculated in accordance with the Hungarian labor law.

In case of an employment termination by the employer, if the reason for the termination is the employee's medical incapacity or a reason within the employer's sphere of activity and the employee has at least 3 years of service at the employer's organization, the severance pay is compulsory.

4.3 Madrid Branch

The Policy will be applied in a non-discriminatory manner and any exclusion decisions will be made on objective grounds totally unrelated to the employee's conditions which are protected against discrimination or status (active or inactive): gender, marital status, age, racial or ethnic origin, nationality, social origin, genetic features, language, religion or beliefs, sexual orientation, gender identity, disability, chronic illness or sick status, membership in a national minority, birth, political or any other opinion, trade union membership, family responsibilities, part-time or fixed-term employment status, having been a victim of gender violence, economic situation.

Employee working conditions, an integral part of the remuneration policy (3.1.2)

Concerning para. 3.1.2. it is specified that solutions such as flexible work hours and remote working, offering paid leave respecting cultural changes and giving equal treatment to all family models, including childcare and caregiving. Permissions are given for important life events, such as birth of a relative, celebrating a marriage, buying a house, and pursuing an educational opportunity.

Additionally, a Group-wide minimum standard for parental leave across all our markets is set, ensuring that parents are offered at least 16 weeks of paid leave in case of birth, adoption or foster care unless the statutory framework provides for longer paid leave period.

Severance (3.4.6)

Unless the statutory framework provides for higher statutory severance, the Severance Policy provides that the overall termination payments, inclusive of notice, do not exceed 24 months of total compensation (including the base salary and the average amount of the incentives actually received during the last three years prior to the termination, after the application of malus and claw-back, if any. Further elements – such as the value of fringe benefits possibly granted to the employee – may be included in the computation of the above-mentioned basis if this is required or foreseen by regulations, laws, contracts or common practices locally applicable). It is also foreseen that the amount of the payments additional to notice cannot exceed 18 months of compensation.

4.4 Paris Branch

Applicability and Scope (2)

The remuneration policy needs to comply with CRD V provisions, EBA guidelines on sound remuneration policies of 2nd July 2021, and additional requirements set out in national company, labour and other relevant local laws.

Minimum governance requirements (3)

Overview and principles (3.1)

The principles of the Group Remuneration Policy are valid across the entire organization and shall be reflected in the remuneration practices applying to employee categories across businesses, including, among others, members of the corporate bodies charged with strategic supervision and control functions, external collaborators and staff belonging to external distribution networks, considering their remuneration specifics and local laws.

Compliance and Sustainability Drivers (3.3 > Payout)

Include clauses for zero bonus in circumstances of non-compliant behaviour or qualified disciplinary action, subjecting payout to the absence of any proceeding undertaken by the company for irregular activities or misconduct of the employee with particular reference to risk underwriting, sales processes of banking and financial products and services, internal code of conduct or values breach, as applicable under local laws.

Compliance and Sustainability Drivers (3.3 > Focus Drivers for Commercial Campaigns and for Infra year bonus)

Include clauses for zero bonus payment in case of relevant non-compliant behaviour or qualified disciplinary action or in case the applicable access gates are not triggered, as permissible by local laws.

Severance Payments (3.4.6)

Employees working in France are entitled to receive severance indemnities which calculation are made in accordance with the French Labour Code, the French Monetary and Financial code (for Material Risk Takers) and/or the applicable industry-wide or company-wide collective bargaining agreements.

Consequently, the provisions provided by the policy at 3.4.6 must be applied in conjunction with the French labour code, the monetary and financial code for MRTS, and the applicable industry-wide or company-wide collective bargaining agreement.

With further reference to paragraph 3.4.6 of the Policy, it is specified that the Severance Policy provides that the overall termination payments, inclusive of notice, do not exceed 24 months of total compensation (including the base salary and the average amount of the incentives actually received during the last three years prior to the termination, after the application of malus and claw-back, if any, this rule also being subject to applicable local laws.

Non-standard compensation (3.4.4)

As a general rule, from a regulatory perspective, subject to applicable local labor laws and collective/individual provisions, non-standard compensation elements are considered variable remuneration. In specific cases, for example the Role-Based Allowances for Corporate Control Functions, they are fixed remuneration.

Benefits (3.4.5 > Features)

In coherence with the governance framework of UniCredit, benefits are assigned by applying general common criteria for each employee category, while types and characteristics of benefits are established on the basis of local regulations and practices.

By way of example, if in line with local laws, regulations and market practices, company cars or equivalent mobility grants, rents or accommodation grants may be assigned to certain categories of employees. Group-wide benefit policies are also in place for staff seconded abroad, defined in line with common market practices for equivalent multinational companies.

Benefits that are not awarded on the basis of the above common criteria are considered variable remuneration from a regulatory perspective, subject to applicable local labour laws and collective/individual provisions.

Malus and claw back

Malus/clawback provisions are enforceable towards material risk takers, as per the rules of the policy and the provisions of the French monetary and financial code.

4.5 Vienna Permanent Establishment

Severance

In the Vienna Permanent Establishment, the Termination Payments Group Policy applies in the version possibly calibrated for Austria / UniCredit Bank Austria AG.

5. ROLES AND RESPONSIBILITIES

Responsibilities of the Holding Company

UniCredit S.p.A. is responsible for:

- defining Global Rules related to remuneration in order to guarantee the Holding's guidance function, in line with international best practices and ensuring the respect of all legal and regulatory requirements;
- developing global tools / programs / practices to give practical application to policies / guidelines;
- supporting the Group Legal Entities in the local implementation of the global tools / programs / practices.

Responsibilities of the Legal Entities

The Legal Entities are responsible for:

- adopting and implementing the Global Rules, possibly making those amendments which are necessary to ensure their consistency with all local legal and regulatory requirements;
- developing local tools / programs / practices to give practical application to policies / guidelines;
- implementing and managing the tools / programs / practices consistently with global / local policies and guidelines.

6. REFERENCES

Definitions and acronyms	CAE	<i>Chief Audit Executive</i> <i>Control Functions: Internal Audit, Risk Management and Compliance functions</i>	
	FTEs	<i>Full Time Equivalent employees</i>	
	GEC	<i>Members of Group Executive Committee, namely the CEO and his direct reporting line</i>	
	GEC-1	<i>Managers directly reporting to GEC members</i>	
	TUB	<i>Testo Unico Bancario – D. Lgs. n.385/1993</i>	
	TUF	<i>Testo Unico della Finanza – D. Lgs. n. 58/1998</i>	
Associated Rules	<i>GRETEL UC-2021-105 / IR 1813/1 - GP “Group Termination Payments Policy”</i> <i>GRETEL UC-2016-038 / IR 1041 - GP “HR Policies Framework”</i>		
Revised / replaced Rules	Revised regulation code and title	Summary of main changes	Change Type
	<i>GRETEL: UC-2024-068 IR UC_3984</i> <i>2025 Group Remuneration Policy</i>	<i>2025 Group Remuneration Policy</i>	<input type="checkbox"/> First Emission <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Minor Change

