# Covered Bonds follow-up Rating
UniCredit S.p.A.
Mortgage Covered Bond Program

Creditreform Rating

| Rating Object | | Rating Information | |
|---|---|---|---|
| UniCredit S.p.A., Mortgage Covered Bond Program guaranteed by UniCredit OBG S.r.l. | | Rating / Outlook : **AA+ / Stable** | Type: Rating Update (unsolicited) |
| Type of Issuance : | Mortgage Covered Bond under Italian law | Rating Date : | 29.11.2023 |
| Issuer : | UniCredit S.p.A. | Rating Renewal until : | Withdrawal of the rating |
| LT Issuer Rating : | BBB- (UniCredit) | Maximum Validity: | 01.01.2050 |
| ST Issuer Rating : | L3 | Rating Methodology : | CRA „Covered Bond Ratings" |
| Outlook Issuer : | Stable | | |

**Program Overview**

| | | | |
|---|---|---|---|
| Nominal value | EUR 16,500 m. | WAL maturity covered bonds | 7.50 Years |
| Cover pool value | EUR 30,028 m. | WAL maturity cover pool | 9.04 Years |
| Cover pool asset class | Mortgages | Overcollateralization (nominal/committed) | 81.99%/ 9.15% |
| Repayment method | Soft Bullet | Min. overcollateralization | 0.00% |
| Legal framework | Italian legal framework for OBG | Covered bonds coupon type | Fix (48.48%), Floating (51.52%) |

Cut-off date Cover Pool information: 30.09.2023.

**Content**




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## Rating Action

This follow-up report covers our analysis of the mortgage covered bonds (Obbligazioni Bancarie Garantite or OBG) program issued under Italian law by UniCredit S.p.A. („UniCredit"). The total covered bond issuance at the cut-off date (30.09.2023) had a nominal value of EUR 16,500.00 m., backed by a cover pool with a current value of EUR 30,027.89 m. This corresponds to a nominal overcollateralization of 81.99%. The cover assets include Italian mortgages obligations.

Taking into consideration the issuer rating, our analysis of the regulatory framework, liquidity- and refinancing risks, as well as our cover pool assessment and results of the cash flow analysis, Creditreform Rating AG ("Creditreform Rating" or "CRA") upgrades the covered bond program from AA to AA+. The AA+ rating represents a very high level of credit quality, very low investment risk. The rating is based on a stabilised OC level over recent periods in conjunction with relatively low sensitivity with regard to credit quality and recovery performance. The outlook is set to stable.

## Key Rating Findings

+ Covered Bonds are subject to strict legal framework for covered bonds
+ Covered Bond holders have full recourse to the issuer
+ Current high nominal overcollateralization (OC) of 81.99% as of 30.09.2023
+ Issuer with sustained improvements in asset quality and profitability
- Covered bond rating remains limited due to issuer rating

Table1: Overview results

| Risk Factor | Result |
|---|---|
| Issuer rating | BBB- (rating as of 07.09.2023) |
| + Legal and regulatory framework | +4 Notches |
| + Liquidity and refinancing risk | +1 Notch |
| = Rating after 1st uplift | A+ |
| Cover pool & cash flow analysis | AAA |
| + 2nd rating uplift | +3 Notches |
| = Rating covered bond program | **AA+** |

## Issuer Risk

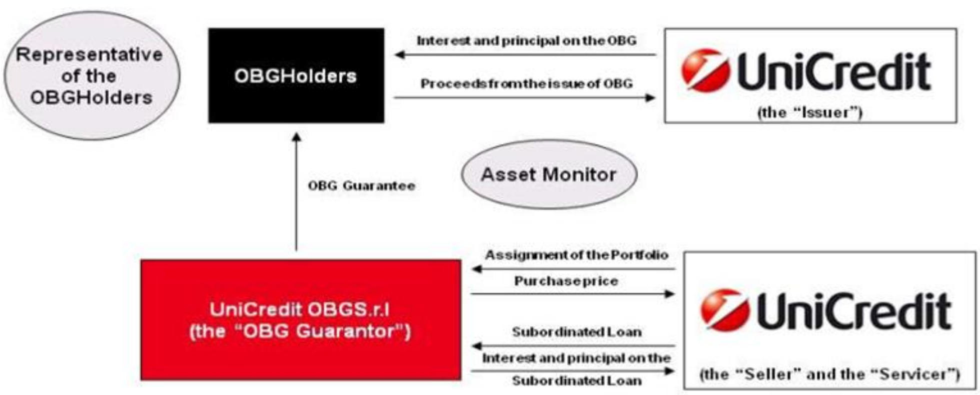
### Issuer

Our rating of UniCredit S.p.A. covered bond program is reflected by our issuer rating opinion of UniCredit S.p.A. (Group) due to its group structure. CRA has affirmed the Long-term rating of UniCredit Bank Austria at BBB- in a Rating Update dated 07.09.2023. The rating outlook is stable. Due to the higher interest rate environment, UniCredit S.p.A. (Group) has reported a strengthening of its earnings power in 2022. Further improvements in profitability are expected in 2023 based on the half-year results and the increased profit guidance. The disposal of non-performing loan portfolios has led to a sustained improvement in asset quality. Regulatory capital metrics and buffers are favourable when compared to those of most European G-SIBs, allowing for generous shareholder rewards to be distributed. Nevertheless, the issuer rating is constrained by UniCredit S.p.A. (Group)'s high exposure to the Italian Republic (BBB-/stable). For a more detailed overview of the issuer rating, please refer to the webpage of Creditreform rating AG.

## Structural Risk

### Transaction structure

Figure1: Overview of Covered Bond emission | Source: UniCredit



## Legal and Regulatory Framework

Italy has firstly incorporated covered bonds in the legal set-up in 2005 by amending the existing Italian securitization law (Law no. 130/1999) on the basis of two additional articles (Law no. 80/2005) dealing with the administration and issuance of Italian covered bonds ('Obbligazioni Bancarie Garantite' (OBG)). The European Commission on November 2019 adopted the legislative package to provide for enhanced harmonisation of the EU covered bond market. Each of the Member States were to implement the Covered Bond Directive by 8 July 2021 and the national measures to be applied at the latest from 8 July 2022. In response to that, Italy implemented the new covered bond framework by the legislative decree n. 190 of 5 November 2021. On 30 March 2023, the Bank of Italy enacted these updated provisions, which became effective from 31 March 2023.

The new framework applies to covered bonds issued after the entry into force of the further implementing provisions of the Bank of Italy. The covered bonds issued before the entry into the force of the new legislation, continue to be regulated by the previous Italian framework.

A comprehensive overview of the previous covered bond legislation that governs the OBG, can be found in our initial and follow-up rating reports of UniCredit Mortgage Covered Bonds. The following major provisions describe the status of the current covered bonds legislation in Italy.

The new framework has confirmed the structure of a covered bond transaction already in force. The bank of Italy verifies certain conditions and authorizes programs for the covered bond issuances. A credit institution delegates eligible cover assets to a special purpose vehicle (SPV), which grants a guarantee for the issued covered bonds in favour of the covered bond holders.

The covered bondholders have direct recourse to the issuer and a preferential claim to the cover pool assets secured primarily by residential mortgages, commercial mortgages, public sector loans and senior mortgage-backed securities, while issuers decide on the structure of cover pools on their own.

All assets transferred to the SPV are part of the cover pool. The geographical scope of legitimate mortgage assets is confined to EEA countries and to Switzerland, and is additionally expanded for Public Sector assets alone to include the UK, Australia, Canada, Japan, New Zealand and the USA, among others, while regulatory arrangements are present to ensure that the cover assets are enforceable in the corresponding jurisdiction.

The Italian legal framework stipulates that an external asset monitor has to be nominated by the issuer to supervise the accuracy of the transactions, the soundness of the cover assets as well as the reliability of the covered bond guarantee in favour of the covered bond holders. The asset monitor must be an auditing firm possessing the necessary skills required to perform such duties and must be independent of the issuer and of any other person participating in the transaction.

In case of issuer default, the legal framework has set out duties and powers regarding the special administrative function - i.e. the ongoing management of the covered bonds - which is governed in an independent way and on behalf of the covered bond holders' preferential interests.

In general, we considered the structural framework in Italy as positive as the legal framework for OBG defines clear rules to mitigate risks in particular regarding insolvency remoteness, asset segregation, investor's special claim vis-à-vis other creditors, the roll and appointment of a special administrator, among other provisions. Due to those reasons we have set a rating uplift of four (+4) notches for the structural framework for covered bonds in Italy under OBG.

## Liquidity- and Refinancing Risk

The new legal framework has not raised minimum overcollateralization (OC) of 0% for Italian covered bond programs; however, the law provides for the minimum OC to be set at 5% in order to comply with article 129 of the CRR and use the "European Covered Bond (Premium)" label. Therefore, Italy requires issuing banks to have assets at least the same amount as the covered bonds outstanding on a nominal and a NPV basis.

Although no mandatory liquidity buffer were specified under the old framework, the new framework introduced a mandatory liquidity buffer, which covers the maximum cumulative liquidity outflow over the next 180 days. Additionally, nominal and present value coverage tests have to be undertaken every six months.

The issuance of covered bonds with extended maturities is permitted, but subject to specific triggers and, in the event of the insolvency or resolution of the issuing bank, must not affect the ranking or the original maturity sequence of the covered bonds. The soft bullet maturity profile of this covered bond program is considered quantitatively within our cash flow analysis.

While coverage tests have to be conducted, there are no regulatory obligations for the issuers to perform specific stress tests on their covered bond programs. Derivatives can be an additional measure to hedge interest rate and currency risks. The updated law clarifies that derivative instruments must be concluded as hedging purposes only. However, the derivatives cannot be terminated upon issuer's default or the compulsory liquidation of the bank that issued the covered bonds.

In the event of the issuer's insolvency, the framework stipulates that the special administrator can sell assets of the cover pool or use them as a guarantee for liquidity operations if liquidity shortfalls are foreseeable.

In general, sufficient structural protection mechanisms for the liquidity and risk management have been established with the mandatory introduction of a liquidity buffer of 180 days, minimum overcollateralization and due to the possible postponement of maturities up to 12 months for the soft-bullet covered bonds. We assess the overall legal provisions on liquidity management for covered bonds (OBG) programs issued in Italy as positive and set a rating uplift of one (+1) notch.

## ESG Criteria

CRA generally takes ESG-relevant factors (environmental, social and governance) into account when assessing Covered Bond ratings. Overall, ESG factors have a significant impact on the current rating of this Covered Bond program. CRA identifies governance factors, in particular, to have a highly significant impact on Covered Bond ratings. Since covered bonds are subject to strict legal requirements, regulatory risk plays an important role in assessing the credit rating.

The Italian legal framework for covered bonds defines clear rules to mitigate risks in particular regarding insolvency remoteness, investor's special claim vis-à-vis other creditors, among other provisions. Additionally, risk management and internal controls as well as macroeconomic factors such as hedging strategies, interest rates and yield curve are considered to have a highly significant impact on the assessment of the credit rating. Other individual factors with a potential key rating influence were not identified, and therefore did not affect the final rating.

## Credit and Portfolio Risk

### Cover pool analysis

The analysis of the cover pool is based on public information which has been made available by the Issuer, in particular the Harmonised Transparency Template („HTT“) as per regulatory requirements. This information was sufficient according to CRA´s rating methodology “Covered Bond Ratings”.

At the cut-off-date 30.09.2023, the pool of cover assets consisted of 366,209 debt receivables from 347,658 debtors, of which 100.00% are domiciled in Italy. The total cover pool volume amounted to EUR 30,027.89 m. in residential (98.81%), commercial (1.19%) and others (0.00%) loans.

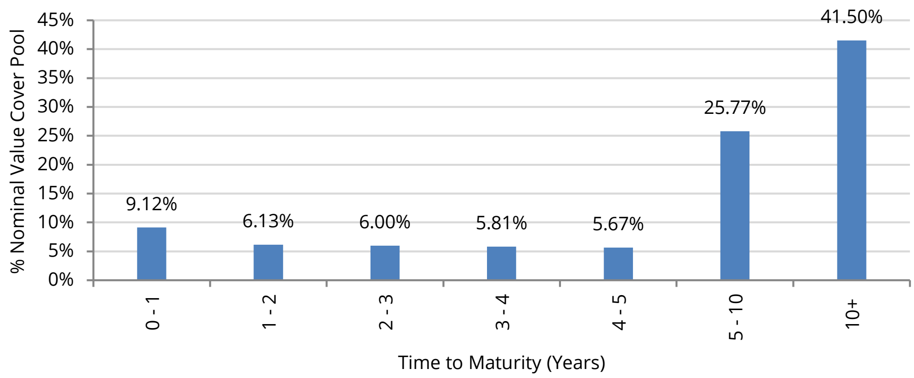
The residential cover pool consists of 363,351 mortgage loans having an unindexed weighted average LTV of 48.62%. The non-residential cover pool consists of 2,858 mortgage loans having an unindexed weighted average LTV of 19.58%. The ten largest debtors of the portfolio total to 0.29%. Table 2 displays additional characteristics of the cover pool:

Table 2: Cover pool characteristics | Source: UniCredit

| Characteristics | Value |
|---|---|
| Cover assets | EUR 30,028 m. |
| Covered bonds outstanding | EUR 16,500 m. |
| Substitute assets | EUR 886.79 m. |
| Cover pool composition | |
| *Mortgages* | 97.05% |
| *Substitute assets* | 2.95% |
| *Other / Derivative* | 0.00% |
| Number of debtors | 347,658 |
| Mortgages Composition | |
| *Residential* | 98.81% |
| *Commercial* | 1.19% |
| *Other* | 0.00% |
| Average asset value (Residential) | EUR 79.24 k. |
| Average asset value (Commercial) | EUR 121.64 k. |
| Non-performing loans | 0.17% |
| 10 biggest debtors | 0.29% |
| WA seasoning | 78.39 Months |
| WA maturity cover pool (WAL) | 9.04 Years |
| WA maturity covered bonds (WAL) | 7.50 Years |

We have listed an extended view of the composition of the cover pool in the appendix section “Cover pool details”. The following chart displays the maturity profile of the cover assets at the cut-off date 30.09.2023 (see figure 2):

Figure 2: Distribution by remaining time to maturity I Source: UniCredit




## Maturity profile

The following charts present the cash flow profile of the Issuer (see figure 3 and figure 4):

Figure 3: Cover asset congruence | Source: UniCredit

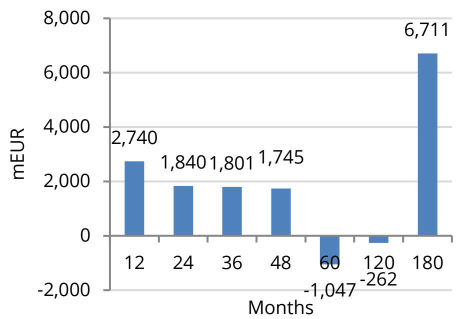
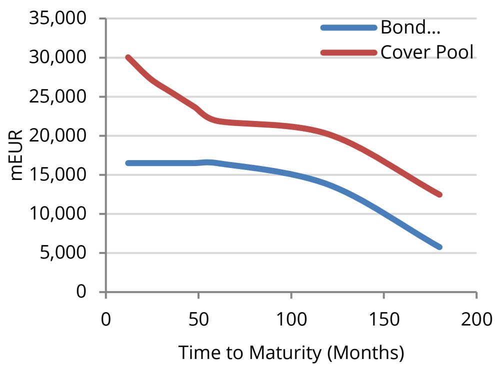



Figure 4: Amortization profile | Source: UniCredit




During its cash flow modelling, CRA has taken into consideration the maturity structure of cover assets and liabilities. We have also taken into account the soft bullet repayment structure of the outstanding covered bonds. This structure was an integral part of the cash flow analysis.

## Interest rate and currency risk

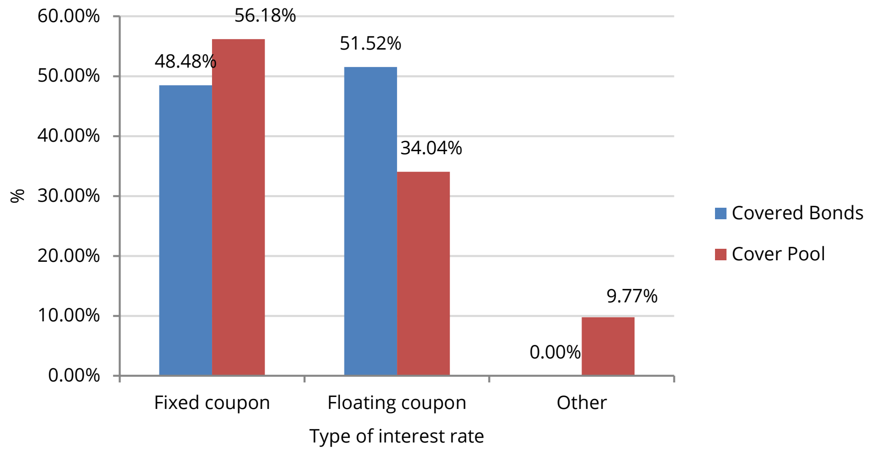
The legal framework does not stipulate any obligatory stress tests to anticipate interest rate and currency discrepancies. However, all the cover pool assets and covered bonds are denominated in euros, which mitigate the currency risks. On the other hand, 34.04% of cover pool assets and 51.51% of covered bonds have floating interest rates, which possess interest rate risks. As the available documentation does not reveal the derivatives agreement in full extent, CRA has applied interest rate stresses on the cash flows at each rating level according to its methodology.

Table 3: Program distribution by currency | Source: UniCredit

| Currency | Volume | Share (%) |
|---|---|---|
| *Cover Pool* | | |
| EUR | 30,028 m. | 100.00% |
| *Covered Bond* | | |
| EUR | 16,500 m. | 100.00% |

Figure 5 shows the types of interest rate used in this program.

Figure 5: Type of interest rate | Source: UniCredit




## Credit Risk

The credit risk assessment for Mortgage Covered Bond have been determined in accordance with CRA rating methodology for Covered Bonds by means of historical data and particular parameters from the Covered Bonds.

Due to the high granularity of mortgage pools we have characterized these portfolios as big enough and with a homogeneous composition i.e. ("Large Homogeneous Portfolio", LHP). Furthermore, under that premise we have assumed that it is possible to derive a loss distribution. CRA has used the issuer's historical NPL ratios to derivate a conservative default rate proxy for the approximation through the LHP distribution. For the UniCredit it has been assumed an expected default rate of 2.42% for the LHP. Furthermore, CRA has considered a 15.00% correlation to define the LHP distribution. Table 4 disclosed the expected default rate for each relevant rating level.

In order to derive recovery and loss-severity base case assumption, CRA has used historical data from mortgage price indexes. To determine loan-level recovery assumptions the resulting stressed recoveries assumptions were compared with the portfolio's existing loan-to-value ratios (LTVs).

Based on the default rates and taking into account the recovery assumptions, the following loss assumptions were determined for the current cover pool (see Table 4):

Table 4: Cover Pool Base case assumptions | Source: CRA

| Rating | Default Rate (%) | Recoveries (%) | Expected Loss (%) |
|---|---|---|---|
| **AAA** | **49.75%** | **69.10%** | **15.37%** |
| AA+ | 47.48% | 71.68% | 13.44% |
| AA | 42.12% | 77.23% | 9.59% |
| AA- | 38.36% | 80.13% | 7.62% |
| A+ | 36.58% | 81.60% | 6.73% |
| A | 36.56% | 81.62% | 6.72% |
| A- | 35.69% | 82.39% | 6.28% |

## Cash-Flow Analysis

### Model Assumptions

Based on public information and using the base case loss assumptions, we implement a scenario-based cash flow model. This model aims to test the ability of the structure to service all covered bonds according to their payment profile in diverse stress scenarios. The CRA cash flow analysis assumes that the Issuer has defaulted, i.e. all obligations will be met using cash flows from the cover pool assets only. We also assume that no additional assets will be added to the cover pool during the wind-down phase.

The repayment structure for covered bonds of this program is soft bullet. Therefore, CRA has taken the relevant extended maturities of the covered bonds into consideration during its cash-flow analysis.

The cash-flow analysis considers, among other factors, asset value haircuts ("asset-sale discount"), and the possible positive yield spread between covered assets and covered bonds ("yield spreads"). To derive the asset-sale discount, CRA assumes, based on secondary market data, a rating level haircut on the asset value. Furthermore, CRA, using available public information (i.e. issuer's annual accounts), has derived estimations for yield spreads (see table 5):

Table 5: Cash-Flow Model assumptions | Source: CRA

| Rating level | Asset-Sale Discount | Yield Spread |
|---|---|---|
| **AAA** | **72.75%** | **0.63%** |
| AA+ | 67.18% | 0.69% |
| AA | 63.59% | 0.72% |
| AA- | 60.17% | 0.76% |
| A+ | 57.55% | 0.78% |
| A | 55.39% | 0.80% |
| A- | 52.58% | 0.83% |

### Rating Scenarios

In our cash flow model rating scenarios have been tested considering several central input parameters, such as:

- Portfolio composition (diversification, concentration, granularity)
- Probability of default of cover assets
- Correlations of cover assets and systematic risk factors
- Recoveries

- Maturity profile of covered bonds and cover assets (ALM)

Within an AAA rating scenario, the cash flow model showed that obligations can be paid fully and in a timely manner. Overall, the cash flow analysis revealed that the portfolio, given all used information as of 30.09.2023, may ensure the repayment of bonds' nominal capital notwithstanding the occurrence of the presented stressed scenarios.

### Overcollateralization Break-Even Analysis

CRA also performed a break-even OC analysis taking into considerations the following drivers: ALM, Loss level, Interest rate spreads, foreign currency mismatches and Recoveries. Performing the break-even OC analysis, we took rating-level specific stressed outcomes into account. Based on these analyses, the maximum OC required for each relevant rating level during the whole period has been presented in table 6.

Table 6: Breakeven Analysis | Source: CRA

| Rating Level | Break-Even OC |
|---|---|
| **AAA** | **41.08%** |
| AA+ | 37.42% |
| AA | 31.31% |
| AA- | 27.73% |
| A+ | 26.02% |
| A | 25.74% |
| A- | 24.66% |

### Sensitivity Analysis

CRA also evaluates the sensitivity of the structure and program with respect to important input parameters. In particular, the following factors have been varied:

- Credit quality of cover assets
- Recoveries

The following table presents the rating impact of a decline in recoveries and an increase in the credit risk of single debtors. Starting from the best-case, which is represented by our base case assumptions, the analysis reveals the sensitivity of the rating with respect to recovery rates and credit risk. The worst-case scenario, in which we reduce recoveries by 50% and increase credit risk by 50%, the impact can be seen by a change in the implied rating scenario to AA (see Table 7):

Table 7: Covered Bond Program Sensitivity: Credit Quality und Recovery Rates | Source: CRA

| Recovery / Defaults | Base Case | -25% | -50% |
|---|---|---|---|
| Base Case | **AAA** | AAA | AAA |
| +25% | AAA | AAA | AA+ |
| +50% | AAA | AAA | AA |

In general, based on the presented cash flow analysis results, the rating of the cover pool within our covered bond program rating has been set at AAA. Consequently, the secondary rating uplift was set at three (+3) notches, which represents the maximum possible uplifts attainable based on CRA's cover-pool analysis methodology.

## Counterparty Risk

### Derivatives

Based on information from the latest prospectus and the HTT, there is an indication that the issuer has entered into derivative agreements in the form of interest rate swaps with UniCredit S.p.A., however, the full extent of this agreement is not revealed.

### Commingling

Incoming cash flows generated from the cover pool will normally be transferred to the Issuer / Guarantor and will be forwarded to the covered bond holders according to the payment terms and conditions. Should the Servicers become insolvent, the covered bond Guarantor is subject to the risk ("commingling risk") that funds may not be returned and commingled with the insolvency estate of the servicers. In order to avoid such risk, the Servicing Agreement includes provisions that, the Servicers must pay all Collections into the account of Covered Bond Guarantor within the second business day following the relevant collection.

# Appendix

## Rating History

| Event | Rating Date | Publication Date | Result |
|---|---|---|---|
| Initial Rating | 11.02.2019 | 25.02.2019 | A+ / stable |
| Rating Update | 09.03.2020 | 13.03.2020 | A+ / stable |
| Monitoring | 24.03.2020 | 28.03.2020 | A+ / watch negative |
| Rating Update | 18.01.2021 | 22.01.2021 | A+ / stable |
| Monitoring | 05.07.2021 | 06.07.2021 | A+ / watch unknown |
| Rating Update | 18.01.2022 | 24.01.2022 | A+ / stable |
| Monitoring | 15.03.2022 | 17.03.2022 | A+ / watch unknown |
| Rating Update | 11.11.2022 | 17.11.2022 | AA / Stable |
| Rating Update | 29.11.2023 | 05.12.2023 | AA+ / Stable |

## Details Cover Pool

Table 8: Characteristics of Cover Pool | Source: UniCredit

| Characteristics | Value |
|---|---|
| Cover Pool Volume | EUR 30,028 m. |
| Covered Bonds Outstanding | EUR 16,500 m. |
| Substitute Assets | EUR 887 m. |
| Share Derivatives | 0.00% |
| Share Other | 100.00% |
| Substitute Assets breakdown by asset type | |
| Cash | 100.00% |
| Guaranteed by Supranational/Sovereign agency | 0.00% |
| Central bank | 0.00% |
| Credit institutions | 0.00% |
| Other | 0.00% |
| Substitute Assets breakdown by country | |
| Issuer country | 100.00% |
| Eurozone | 0.00% |
| Rest European Union | 0.00% |
| European Economic Area | 0.00% |
| Switzerland | 0.00% |
| Australia | 0.00% |
| Brazil | 0.00% |
| Canada | 0.00% |
| Japan | 0.00% |
| Korea | 0.00% |
| New Zealand | 0.00% |
| Singapore | 0.00% |

| | |
|---|---|
| US | 0.00% |
| Other | 0.00% |
| Cover Pool Composition | |
| Mortgages | 97.05% |
| Total Substitute Assets | 2.95% |
| Other / Derivatives | 0.00% |
| Number of Debtors | 347,658 |
| Distribution by property use | |
| Residential | 98.81% |
| Commercial | 1.19% |
| Other | 0.00% |
| Distribution by Residential type | |
| Occupied (main home) | 73.45% |
| Second home | 26.55% |
| Non-owner occupied | 0.00% |
| Agricultural | 0.00% |
| Multi family | 0.00% |
| Other | 0.00% |
| Distribution by Commercial type | |
| Retail | 69.10% |
| Office | 7.14% |
| Hotel/ Tourism | 4.06% |
| Shopping center | 0.00% |
| Industry | 10.92% |
| Agriculture | 0.00% |
| Other commercially used | 0.00% |
| Hospital | 0.00% |
| School | 0.00% |
| other RE with a social relevant purpose | 0.00% |
| Land | 0.42% |
| Property developers / Bulding under construction | 3.60% |
| Other | 4.76% |
| Average asset value (Residential) | EUR 79.24 k. |
| Average asset value (Commercial) | EUR 121.64 k. |
| Share Non-Performing Loans | 0.17% |
| Share of 10 biggest debtors | 0.29% |
| WA Maturity (months) | 211.64 |
| WAL (months) | 108.48 |
| Distribution by Country (%) | |
| Italy | 100.00 |
| Distribution by Region (%) | |
| Abruzzo | 0.98 |
| Basilicata | 0.21 |
| Calabria | 0.59 |
| Campania | 4.51 |

| | |
|---|---|
| Emilia Romagna | 9.16 |
| Friuli Venezia Giulia | 2.06 |
| Lazio | 16.06 |
| Liguria | 2.32 |
| Lombardia | 20.64 |
| Marche | 1.75 |
| Molise | 0.26 |
| Piemonte | 9.50 |
| Puglia | 4.62 |
| Sardegna | 1.18 |
| Sicilia | 8.15 |
| Toscana | 5.25 |
| Trentino Alto Adige | 1.36 |
| Umbria | 1.88 |
| Valle D'Aosta | 0.23 |
| Veneto | 9.29 |

Table 9: Participant counterparties | Source: UniCredit

| Role | Name | Legal Entity Identifier |
|---|---|---|
| Issuer | UniCredit S.p.A. | 549300TRUWO2CD2G5692 |
| Servicer | UniCredit S.p.A. | 549300TRUWO2CD2G5692 |
| Account Bank | UniCredit S.p.A. | 549300TRUWO2CD2G5692 |
| Cover Pool Monitor | BDO Italia S.p.A. | NR |
| Trustee | Securitisation Services S.p.A. | NR |

Table 10: Interest rate and Swap counterparties | Source: UniCredit

| Name | Legal Entity Identifier | Agreement Type |
|---|---|---|
| UniCredit S.p.A. | 549300TRUWO2CD2G5692 | Interest rate swaps |

Figure 6: Arrears Distribution | Source: UniCredit

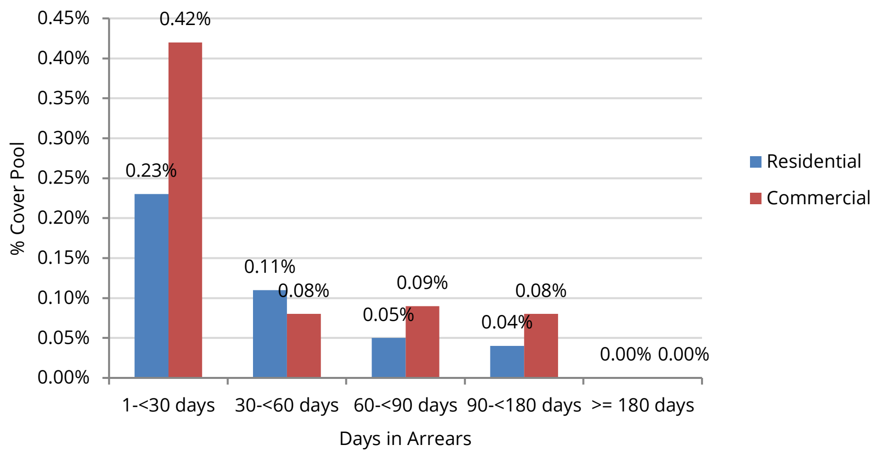


Figure 7: Program currency mismatches | Source: UniCredit

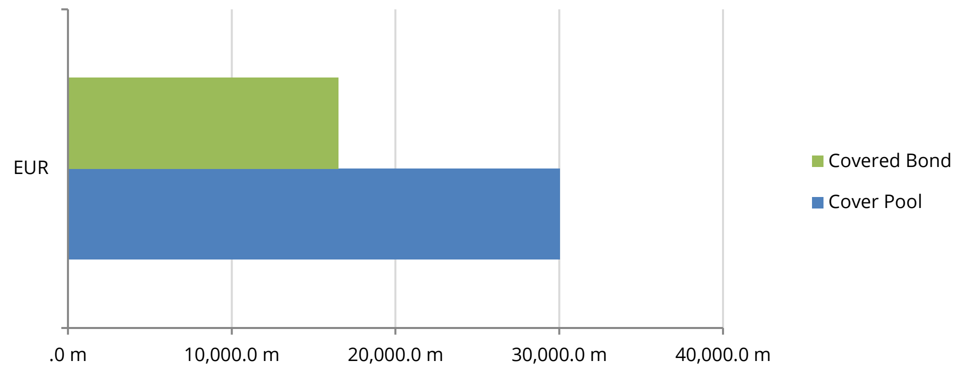



Figure 8: Unindexed LTV breakdown - residential pool | Source: UniCredit

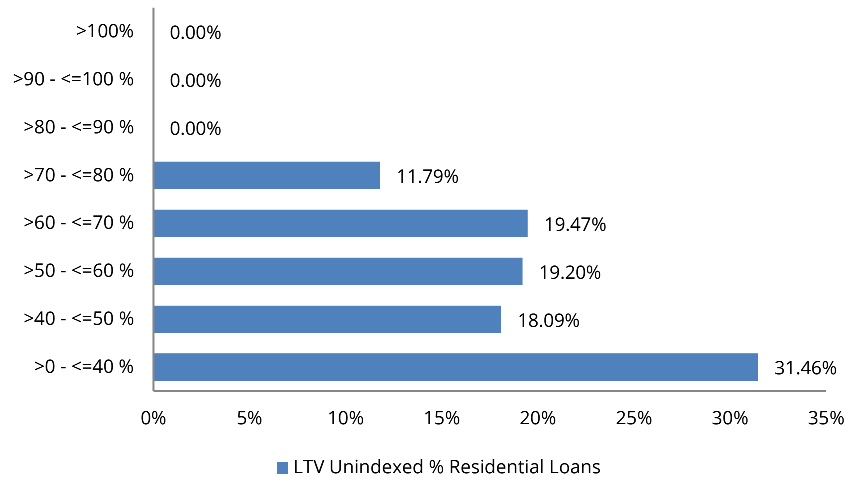
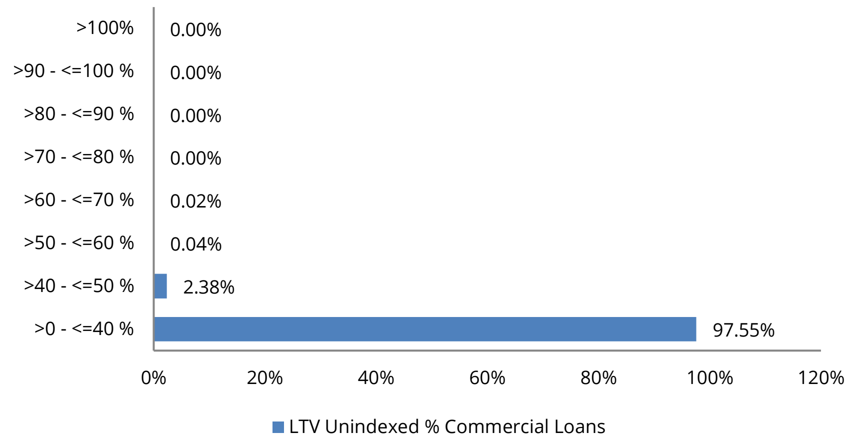



Figure 9: Unindexed LTV breakdown - commercial pool | Source: UniCredit



### Key Source of Information

| Documents (Date: 30.09.2023) |
|---|
| Issuer<br>▪ Audited consolidated annual reports of UniCredit SpA (Group) 2019-2022<br>▪ Final Rating report as of 07.09.2023<br>▪ Miscellaneous Investor Relations Information and Press releases<br>▪ Other rating relevant data from CRA eValueRate databank |
| Covered Bond and Cover Pool<br>▪ HTT Reporting from UniCredit as of 30.09.2023<br>▪ Investor Report for the OBG Programme Guaranted by UniCredit OBG S.r.l. as of 30.09.2023<br>▪ Base Prospectus of UniCredit Mortgage Covered Bond Program dated 11.05.2023<br>▪ Market data Mortgage Cover Bond Program |

### Regulatory and Legal Disclosures

Creditreform Rating AG was neither commissioned by the rating object nor by any other third parties for the rating. The analysis took place on a voluntary basis by Creditreform Rating AG and is to be described in the regulatory sense as an unsolicited rating. The rating was conducted on the basis of Creditreform Rating´s "Covered Bond Ratings" methodology (v1.2, July 2023) and "Technical Documentation Portfolio Loss Distributions" (v.1.0, July 2018) in conjunction with Creditreform`s basic document "Rating Criteria and Definitions" (v1.3, January 2018). On the subject of ESG (environment, social and governance), Creditreform Rating AG has published the basic document "The Impact of ESG Factors on Credit Ratings" (March 2020).

| Unsolicited Credit Rating | |
|---|---|
| With Rated Entity or Related Third Party Participation | NO |
| With Access to Internal Documents | NO |
| With Access to Management | NO |

The rating is based on publicly available information and internal evaluation methods for the rated bank and program. The issuer's quantitative analysis is based mainly on the latest annual accounts, interim reports, other information of the bank pertaining to investor relations, and key figures calculated by CRA/ eValueRate. The cover pool's quantitative analysis for the rated Covered Bond Program was based on the "Harmonised Transparency Template" (HTT) published by UniCredit.

A complete description of Creditreform Rating´s rating methodologies and Creditreform`s basic document "Rating Criteria and Definitions" is published on the following internet page:

www.creditreform-rating.de/en/regulatory-requirements/

This rating was carried out by analysts Philip Michaelis (Senior Analyst) and Qinghang Lin (Analyst) both based in Neuss/Germany. On 29.11.2023, the rating was presented to the rating committee by the analysts and adopted in a resolution. The function of Person Approving Credit Ratings (PAC) was performed by Christian Konieczny (Senior Analyst).

On 29.11.2023, the rating result was communicated to UniCredit, and the preliminary rating report was made available. The Issuer and all relevant parties examined the rating report prior to publication and were given at least one full working day to appeal the rating committee decision and provide additional information. The rating decision was not amended following this examination.

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Creditreform Rating did not endorse the rating according Article 4 (3), CRA-Regulation.

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To prepare this credit rating, CRA has used following substantially material sources:

1. Transaction structure and participants

2. Transaction documents

3. Issuing documents

4. Other rating relevant documentation

There are no other attributes and limitations of the credit rating or rating outlook other than displayed on the CRA website. Furthermore, CRA considers satisfactory the quality and extent of information available on the rated entity. In regard to the rated entity, Creditreform Rating AG regarded available historical data as sufficient.

Between the disclosure of the credit rating to the rated entity and the public disclosure no amendments were made to the credit rating.

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