

Notification template for Article 131 CRD – Global Systemically Important Institutions (G-SIIs)

Please send this template to

- notifications@esrb.europa.eu when notifying the ESRB;
- macropru.notifications@ecb.europa.eu when notifying the ECB;
- notifications@eba.europa.eu when notifying the EBA.

Emailing this template to the above-mentioned addresses constitutes an official notification, no further official letter is required. In order to facilitate the work of the notified authorities, please send the notification template in a format that allows electronically copying the information.

1. Notifying national authority					
1.1 Name of the notifying authority	Banca d'Italia				
2. Description of the measure					
2.1 Concerned institution(s)	<table border="1"> <thead> <tr> <th>BANK</th> <th>LEI CODE</th> </tr> </thead> <tbody> <tr> <td>UniCredit Group SpA</td> <td>549300TRUWO2CD2G5692</td> </tr> </tbody> </table>	BANK	LEI CODE	UniCredit Group SpA	549300TRUWO2CD2G5692
BANK	LEI CODE				
UniCredit Group SpA	549300TRUWO2CD2G5692				
2.2 Level of the buffer applied	<table border="1"> <thead> <tr> <th>BANK</th> <th>G-SII BUFFER</th> </tr> </thead> <tbody> <tr> <td>UniCredit Group SpA</td> <td>1.00%</td> </tr> </tbody> </table>	BANK	G-SII BUFFER	UniCredit Group SpA	1.00%
BANK	G-SII BUFFER				
UniCredit Group SpA	1.00%				
2.3 Names of subsidiaries	Not applicable.				
3. Timing of the measure					
3.1 Timing of the Decision	13 December 2016				
3.2 Timing of the Publication	15 December 2016				
3.3 Disclosure	The designated institution will be notified and the G-SII capital buffer requirements will be published on the Bank of Italy's website on 15 December 2016.				
3.4 Timing of Application	1 January 2018, according to the phase-in regime set out in Art. 162(5) CRD IV.				

3.5 Phasing in	<p>4-year phase-in period starting from 1 January 2016, to reach full implementation by 1 January 2019.</p> <p>According to its G-SII score, the UniCredit Group is allocated to the first bucket, corresponding to a G-SII capital buffer of 1.00 per cent of total risk-weighted assets. In accordance with the transitional provision set out in Art. 162(5) CRD IV, the bank is required to hold a G-SII capital buffer of 0.75 per cent of total risk-weighted assets starting from 1 January 2018.</p>
4. Reason for activation of the G-SII buffer	
4.1 Indicators used for designation of the G-SII (Article 131.2)	<p>The indicators are the ones set out in the BCBS and EBA methodology. For more information please refer to the attached file.</p>
4.2 Scores and buckets (Article 131.2 and 131.9)	<p>Based on end-2015 data, UCG attained an overall score of 148 bps and has therefore been allocated to the first bucket, corresponding to a G-SII buffer of 1.00 per cent.</p> <p>Sub-category scores are as follows:</p> <ul style="list-style-type: none"> • Size: 134 • Interconnectedness: 190 • Substitutability: 59 • Complexity: 103 • Cross-border activity: 255
5. Cross-border and cross-sector impact of the measure	
5.1 Assessment of cross-border effects and the likely impact on the internal market (Recommendation ESRB/2015/2)	<p>Not expected.</p>
5.2 Assessment of leakages and regulatory arbitrage within the notifying Member State	<p>Leakages or regulatory arbitrage are not expected.</p>

6. Combinations and timing of the G-SII notified	
6.1 combinations between G-SII and O-SII buffers (Article 131.14)	<p>UCG, identified as G-SII, also has O-SII status and is subject to an O-SII capital buffer (1.00 per cent when fully implemented).</p> <p>During the phase-in period, which is presented in the table below, the G-SII buffer will prevail.</p>

		G-SII and O-SII Buffer requirements during phase-in period				
		From 1 Jan 2017	From 1 Jan 2018	From 1 Jan 2019	From 1 Jan 2020	From 1 Jan 2021
BANK		G-SII	0.50%	0.75%	1.00%	1.00%
UniCredit Group SpA		O-SII	0.00%	0.25%	0.50%	0.75%
6.2 Combinations with SRB buffers (Article 131.14 + Article 133.5)		The SRB does not currently apply in Italy.				
6.3 Interaction with other measures		<p>UniCredit Group has been identified as O-SII. The identification process has followed the methodology set out in the EBA's Guidelines (EBA/GL/2014/10). According to the O-SII score, the bank is allocated to the fifth bucket, corresponding to an O-SII capital buffer of 1.00 per cent of total risk-weighted assets when fully implemented. According to the 4-year phase-in period, the bank is required to hold an O-SII capital buffer of 0.25 per cent of total risk-weighted assets starting from 1 January 2018 and increasing by 0.25 per cent each year until 1 January 2021. For 2017 the O-SII buffer is set equal to zero. During the stated phase-in period the G-SII buffer will prevail.</p> <p>The countercyclical capital buffer was introduced on 1 January 2016 and its rate is currently set at zero per cent. The rate is reviewed quarterly.</p> <p>The G-SII buffer is added to the capital conservation buffer (CCoB), which is currently set at 2.50 per cent. Starting from 1 January 2017, the following 3-year phase-in period will be introduced:</p> <ul style="list-style-type: none"> • 1.25% from 1 January 2017; • 1.875% from 1 January 2018; • 2.50% from 1 January 2019. 				
7. Miscellaneous						
5.1 Contact person(s) at notifying authority		Mr Antonio Di Cesare Financial Stability Analysis and Coordination Division Email: antonio.dicesare@bancaditalia.it Phone: +39 06 4792 3943				
5.2 Any other relevant information		Not applicable.				