



## Company profile



## Unipol Group Leadership in Italy

**#1** Non Life  
Insurance Group

**#1** In Motor  
Business

**#1** In Health  
Business

**#1** Sales Network

**#1** In applied  
Technology

**#1** In Financial Sector  
Reputation

# Unipol Group Profile



The leading insurance group in the Italian Non-Life business market, with:

- a market share of 21% in the Non-Life business and one of the top ten in Europe;
- €14.0bn of premiums collected (2019), of which €8.2bn in Non-Life business and €5.8bn in Life business.

One of the leaders in pension funds in the Italian market with €4.8bn in managed assets.



It uses an integrated strategy to provide the widest range of insurance and financial products and services, and is particularly active in the areas of supplementary pensions schemes and health insurance. Real Estate, Hotels and Agriculture, Long Term Rental and NPL recovery are other important macro business sectors alongside the insurance core business.



One of the main Italian institutional investors: managing €58bn in financial assets and real estate.

Listed on the Italian Stock Exchange, alongside its main subsidiary UnipolSai, with a market cap of €3.7bn (Unipol) and €7.3bn (UnipolSai) at 31 December 2019.



The leading Italian company in terms of reputation in the financial sector (banking and insurance) with a score of 67.6/100 according to the 2019 Italy RepTrak® ranking (general public perception index) run by the Reputation Institute.



Excellent track record in consolidation: the current structure is the result of a series of acquisitions made over the past 20 years: Aurora e Meie (2000), Winterthur Italia (2003), and Fondiaria-SAI (2012) are the most significant.



Adopts a multichannel strategy:

- 2,400 agencies and 5,500 sub-agencies in Italy and approx. 100 branches in Serbia;
- 5,000 bancassurance branches (bancassurance distribution agreements);
- direct channel (telephone/internet) and company agreements (e.g. health business).



European leader in motor vehicle black box policies with over 4m devices installed and a market share of approx. 50% in Italy.

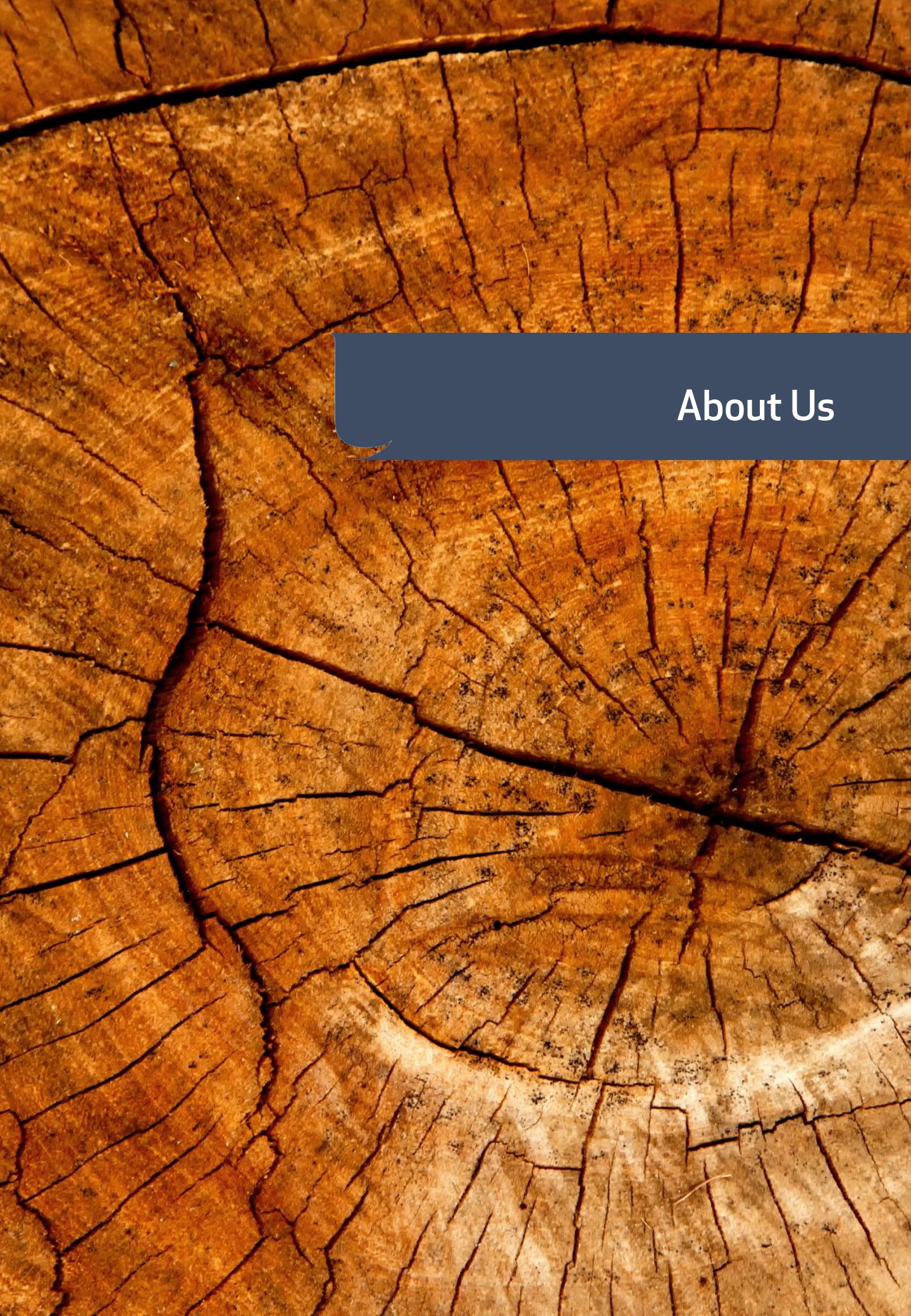


Operates with over 12,000 employees to serve 16m customers.



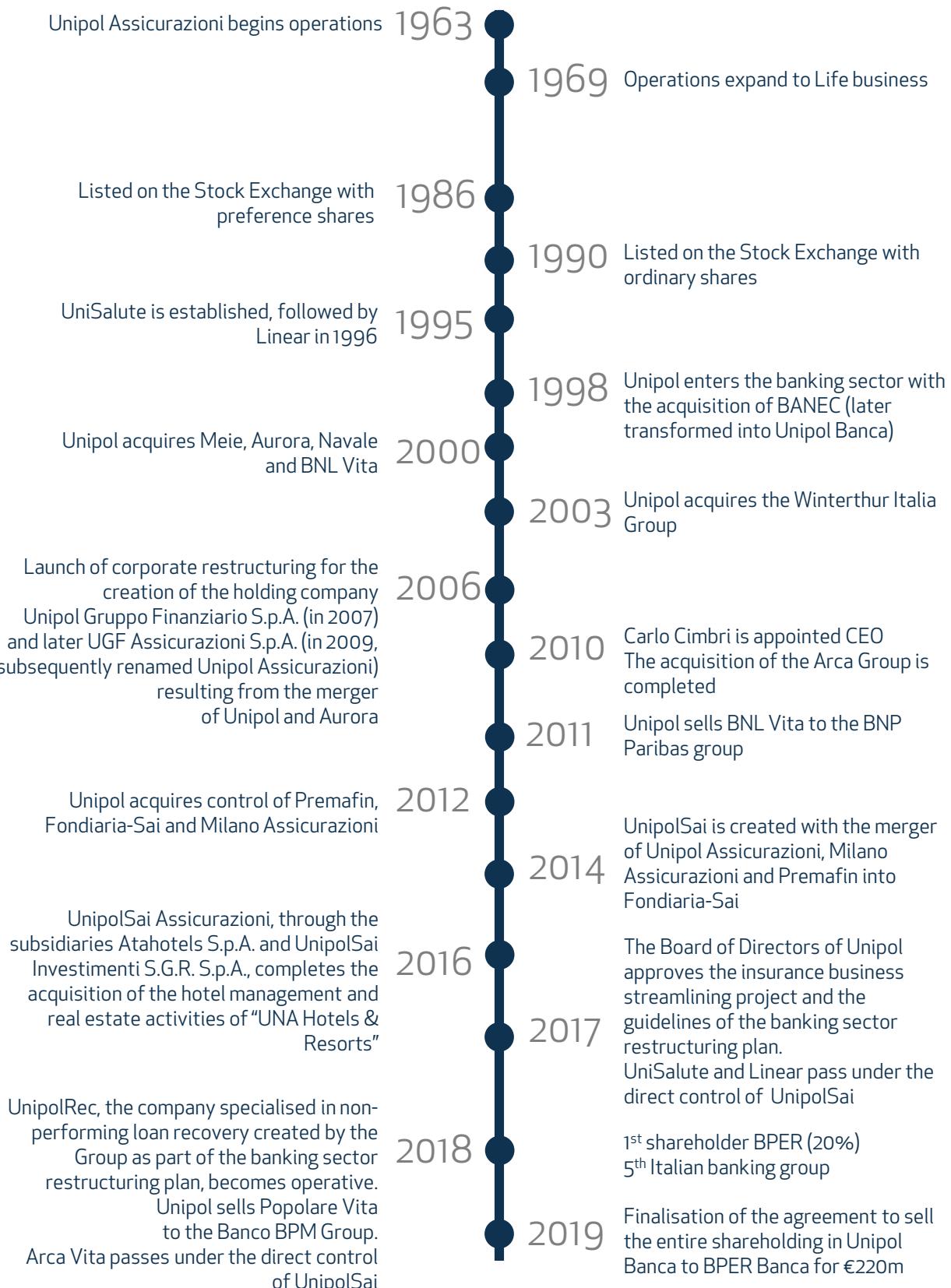
Ratings by different agencies:

- Unipol, long term issuer rating: Fitch BBB- (stable), Moody's Ba2 (stable);
- UnipolSai, insurance financial strength rating: Fitch BBB (stable), Moody's Baa3 (stable), AM Best A- (stable).

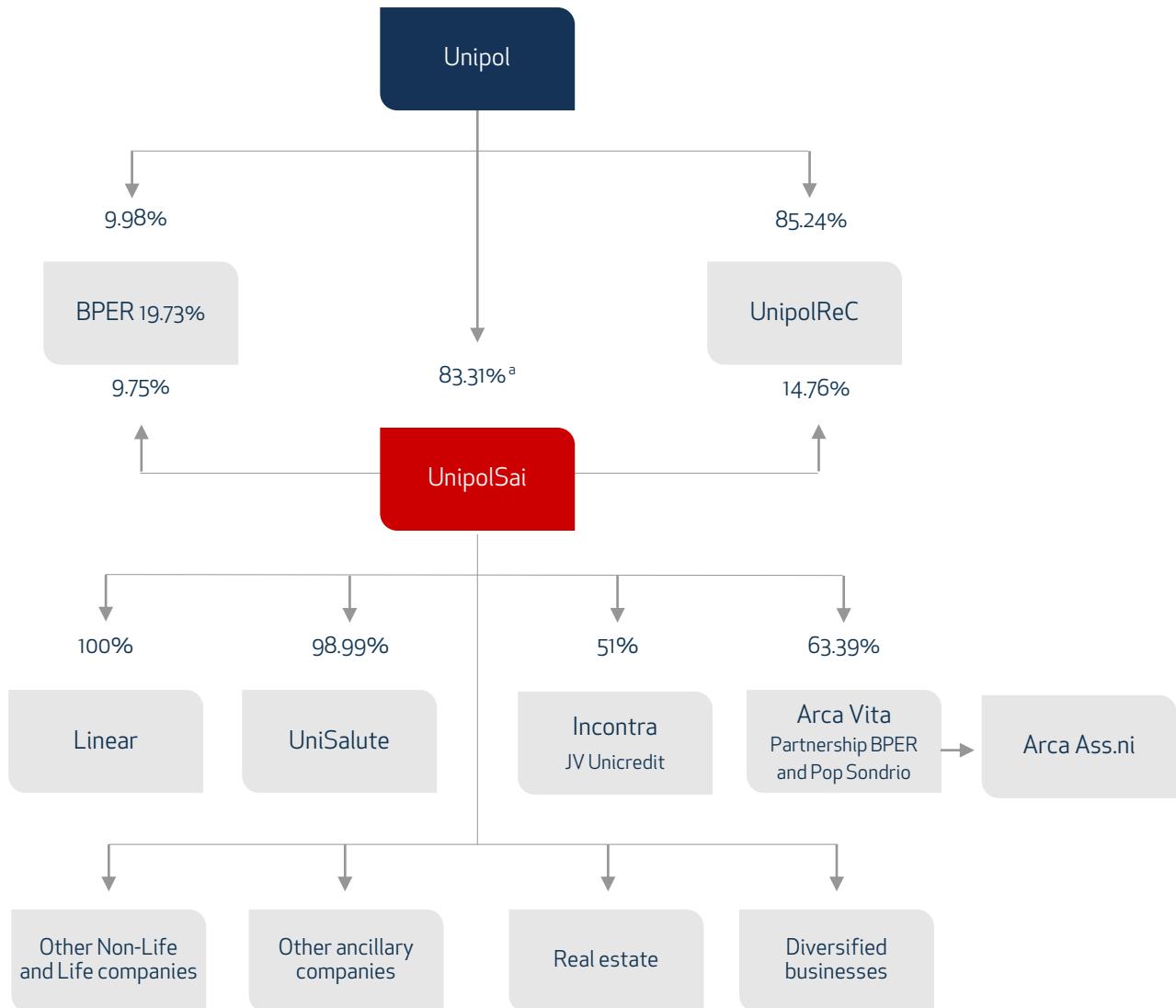


## About Us

## History of the Group



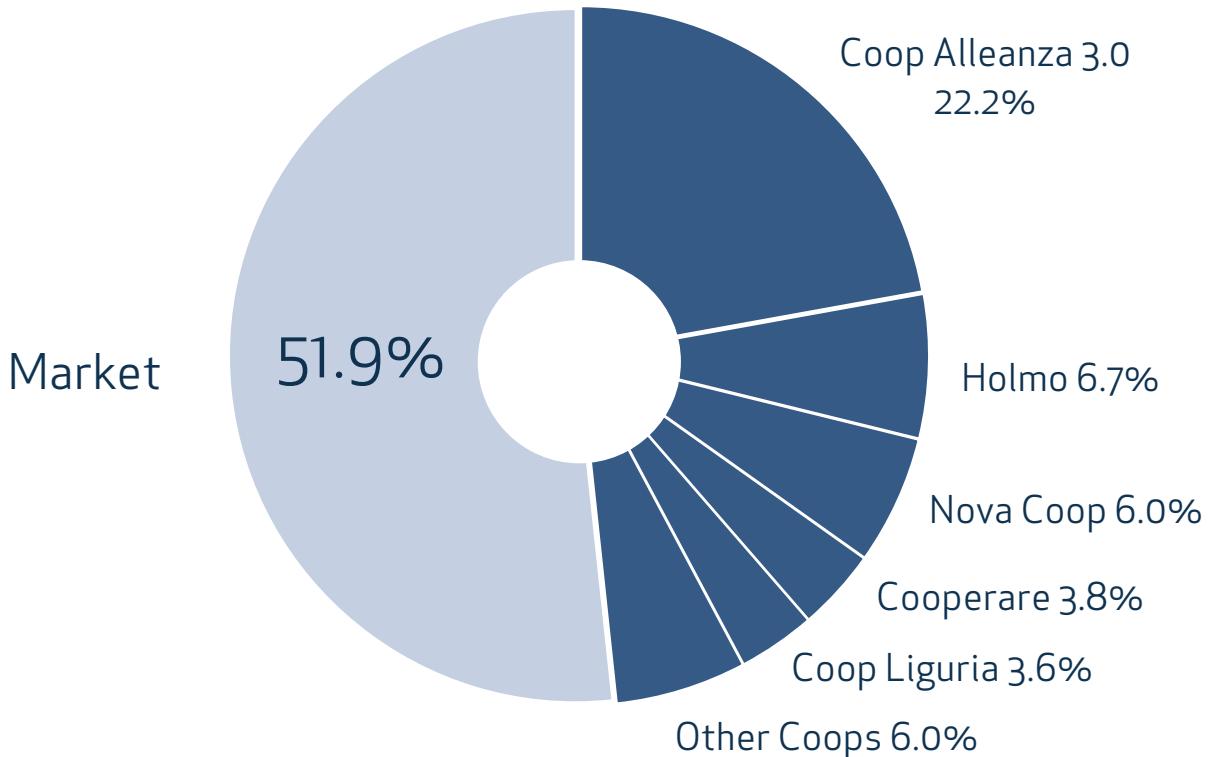
## The Group structure



<sup>a</sup> Including the shares held by Unipol Investment, Unipol Finance and UnipolPart I

Figures as at 20 may 2020

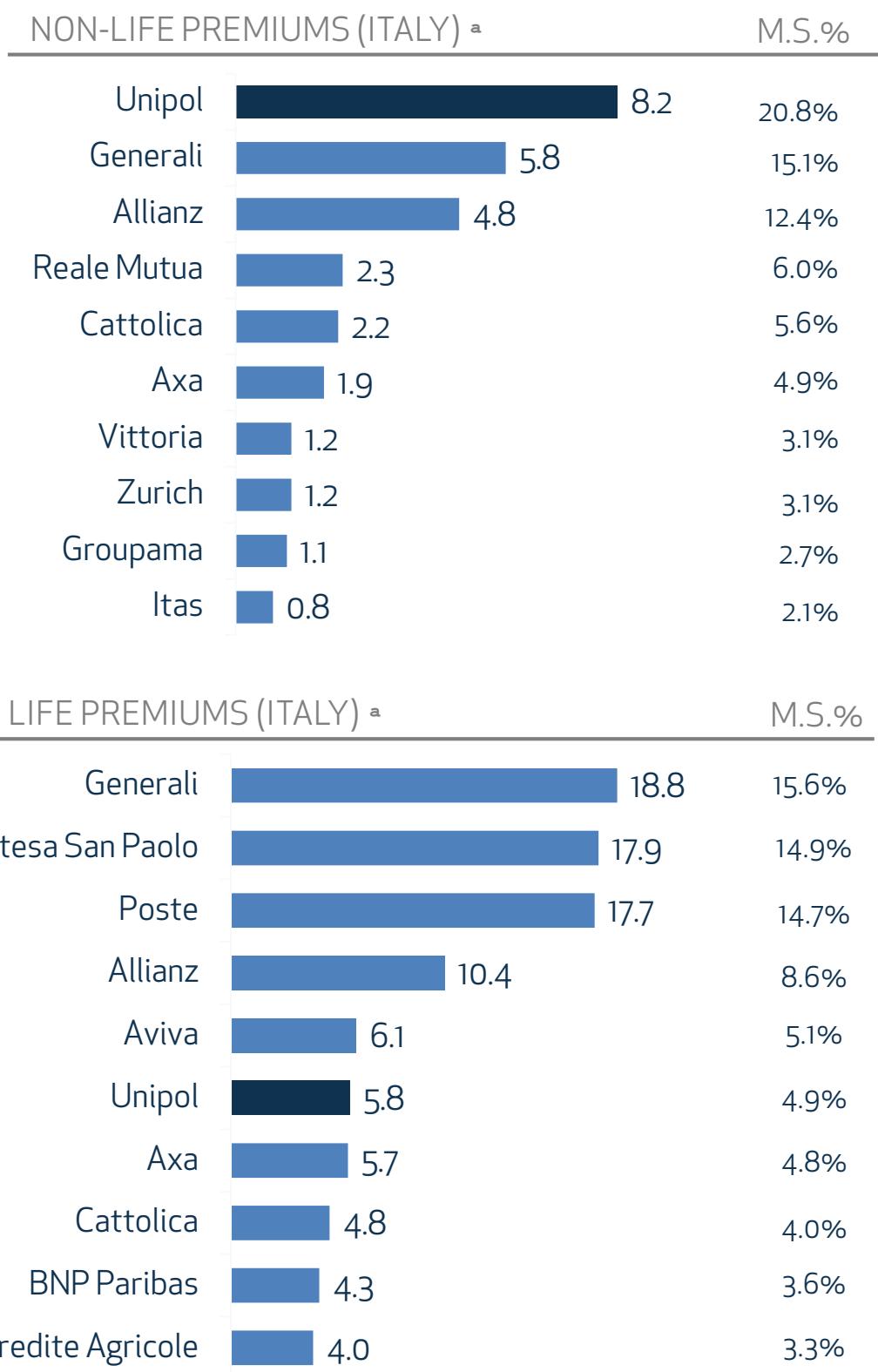
## Unipol Shareholders



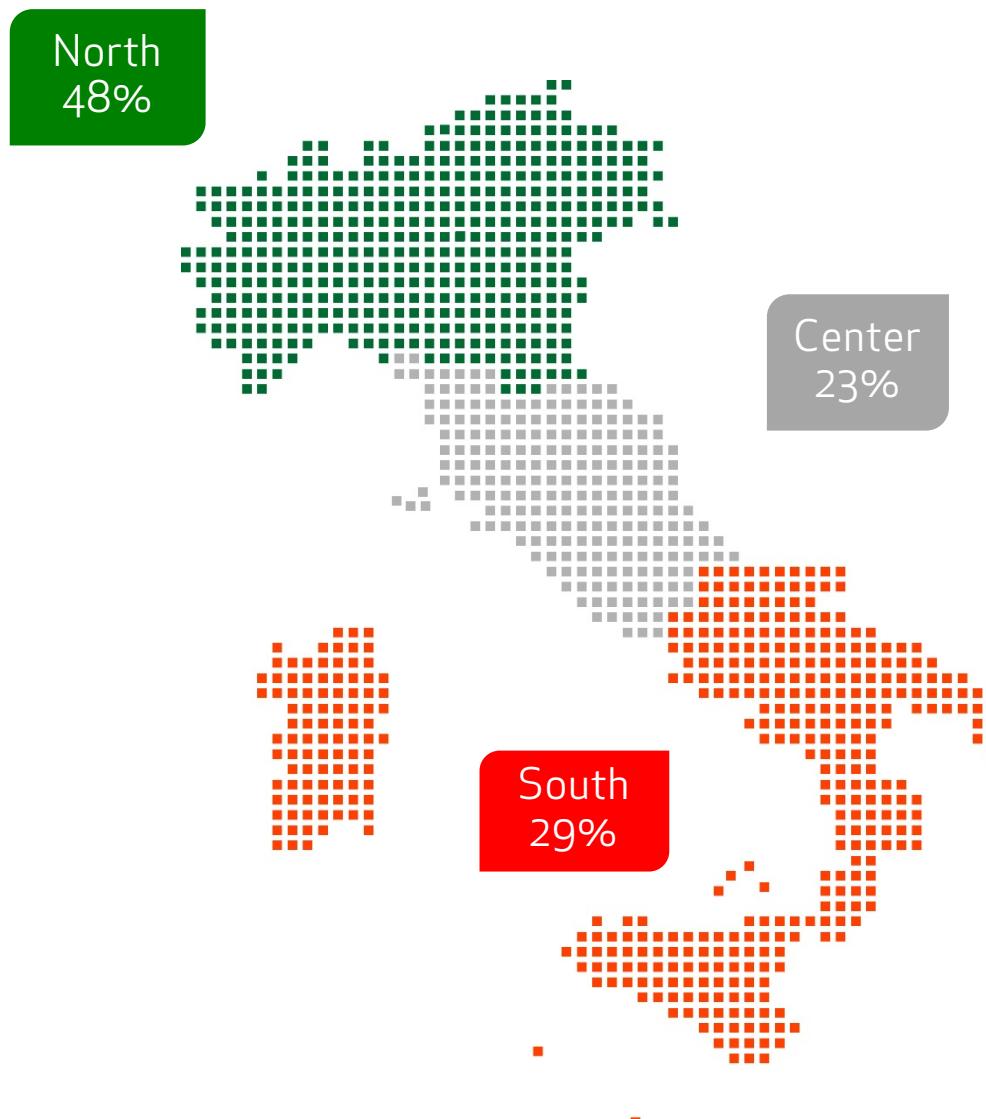
48.1% of Unipol share capital is held by Italian Cooperatives  
o/w 30% is bundled into a specific shareholders' agreement

<sup>a</sup>FY19 figures. Source: ANIA

## Ranking in Italy and sales network



## UnipolSai Sales Network



**#1 Agency Network In Italy**  
with 2,400 agencies



## Vision & Mission

## Vision

We want to be a great Italian group, proud of its journey, that knows how to be close to people and their needs, a market leader able to offer and receive trust, to work competently, simply and fast, creating value for all stakeholders.

We want to bring more security into the lives of people and trust for the future, accompanying them in choices regarding protection, savings and quality of life thanks to the active presence of our networks across the country.

We want to listen to and value our people, in an inclusive environment, by supporting their growth and development through choices based on merit.

We want to present ourselves as an innovative partner for development matters in our country, offering the skills, resources and tools to address economic and social change and oversee their effects.

We want to give value to the social aspects of our business by supporting initiatives and projects that may promote a more cohesive, sustainable society.

## Mission

We are responsible for improving our customers' quality of life by offering solutions for the protection, support and realisation of their projects.

We pursue business management that is efficient, profitable and sustainable over time, based on the contribution and empowerment of our people.

We strive to work with simplicity, effectiveness and organisational and operational transparency to remain close to stakeholder needs.

We are committed to promoting an innovation culture focused on greater benefits for customers. We undertake to contribute to the creation of new solutions and instruments to improve social wellbeing.



# Corporate Social Responsibility



## Shared values and sustainable development

Accessibility, farsightedness, respect, solidarity, and responsibility: these are the five key values identified in the Group Charter of Values.

In order to put them into daily practice, Unipol is committed to establishing business strategies that can create shared value with the stakeholders that make a real contribution towards the sustainable development of persons, businesses and territories.

Unipol is thereby committed to significantly contributing to the achievement of its Sustainable Development goals through the realisation of its strategies with a specific impact on nos. 3,8 and 11 of the SDGs.



In order to achieve this, the Group defines distinctive solutions that can have a positive social impact in order to help prevent and reduce risks to customers (for example risks connected to climate change) and to fill any gaps in the protection of underinsured categories (for example due to limits in public health spending) while increasing Group profitability.

The results obtained by Unipol in this area are reported every year in the Group Integrated Report that combines traditional financial information with the representation of the company's environmental, social and governance performance. In 2019, the Group distributed stakeholder value of over €14,4bn, of which €9,9bn in payments to the policyholders and € 4,4bn to the other stakeholders (employees, agents, suppliers, public administration, shareholders, lenders and the community).

# Unipol Board of Directors and Statutory Auditors

## BOARD OF DIRECTORS

### CHAIRMAN

Pierluigi Stefanini

### DEPUTY CHAIRMAN

Ernesto Dalle Rive

### CEO, GENERAL MANAGER AND GROUP CEO

Carlo Cimbri

### DIRECTORS

Paolo Alemagna  
Gianmaria Balducci  
Roberta Datteri  
Patrizia De Luise  
Massimo Desiderio  
Daniele Ferrè  
Giuseppina Gualtieri  
Pier Luigi Morara

Antonietta Mundo  
Milo Pacchioni  
Maria Antonietta Pasquariello  
Roberto Pittalis  
Annamaria Trovò  
Adriano Turrini  
Rossana Zambelli  
Carlo Zini

### SECRETARY OF THE BOARD OF DIRECTORS

Fulvia Pirini

## BOARD OF STATUTORY AUDITORS

Chairman: Mario Civetta  
Standing auditor: Silvia Bocci  
Standing auditor: Roberto Chiusoli  
Alternate auditor: Massimo Gatto  
Alternate auditor: Rossella Porfido

# Key Performance Indicators



## FY19 Key Performance Indicators

## Unipol

€m

	FY18	FY19
Premium income <sup>a</sup>	12,349	14,014
Non-Life	7,953	8,167
Life	4,396	5,847
Combined Ratio <sup>b</sup>	94.2%	94.2%
<b>Consolidated net result</b>	<b>628</b>	<b>1,087</b>
Group net result	401	903
EPS (€)	0.56	1.26
<b>Cons. Net Result (norm.)<sup>c</sup></b>	<b>613</b>	<b>732</b>
<i>Group Net Result (norm.)<sup>c</sup></i>	<i>440</i>	<i>569</i>
<i>EPS (norm.€)<sup>c</sup></i>	<i>0.61</i>	<i>0.79</i>
Dividends	129	201
DPS (€)	0.180	0.280
Total Equity	6,327	8,305
Shareholders' Equity	5,032	6,687
BVPS (€)	7.01	9.32

<sup>a</sup>direct business<sup>b</sup>net of reinsurance<sup>c</sup>2018 figures are normalized following the gain on Popolare Vita sale and other perimeter normalizations.  
2019 figures are normalized following the impact of a solidarity fund.

## FY19 Key Performance Indicators

## UnipolSai

€m

	FY18	FY19
Premium income <sup>a</sup>	11,718	14,014
Non-Life	7,892	8,167
Life	3,826	5,847
Combined Ratio <sup>b</sup>	94.3%	94.2%
<b>Consolidated net result</b>	<b>948</b>	<b>655</b>
Group net result	905	628
EPS (€)	0.32	0.22
<b>Cons. Net Result (norm.)<sup>c</sup></b>	<b>699</b>	<b>721</b>
<i>Group Net Result (norm.)<sup>c</sup></i>	652	694
<i>EPS (norm.€)<sup>c</sup></i>	0.23	0.25
Dividends	410	453
DPS (€)	0.145	0.160
Total Equity	5,697	7,153
Shareholders' Equity	5,448	6,878
BVPS (€)	1.93	2.43

<sup>a</sup> direct business<sup>b</sup> net of reinsurance<sup>c</sup> 2018 figures are normalized following the gain on Popolare Vita sale and other perimeter normalizations.

2019 figures are normalized following the impact of a solidarity fund

# Business description

# Group Activities



## Insurance business

The Group offers a complete range of risk coverage solutions: mobility (vehicles, marine, travel), for homes and buildings, business (products dedicated to enterprises, retailers, professionals and legal protection), personal protection (accident insurance and health protection in particular), investments and social security.



## Bancassurance business

The Group is active in the bancassurance channels thanks to agreements with the BPER Banca Group and Banca Popolare di Sondrio, Banca Intermobiliare and the UniCredit Group.



## Other businesses

UnipolReC is the Group company dedicated to non-performing loan recovery.

The Group is one of the leading Italian real estate operators by assets and is active in the hotel management, agricultural, healthcare and port industries.



## Business services and new projects

The Group has developed business initiatives aimed at supporting insurance activities in the mobility ecosystem, regarding the repair of vehicles, car windows, black boxes and long-term rental.

A woman with blonde hair, wearing a white shirt, is smiling and holding a wooden umbrella over a group of wooden human figures. The figures are arranged in a cluster, with one figure standing out as blue. The background is blurred, showing an office environment with a red chair and a computer monitor.

Insurance business

## Insurance



## UnipolSai Assicurazioni

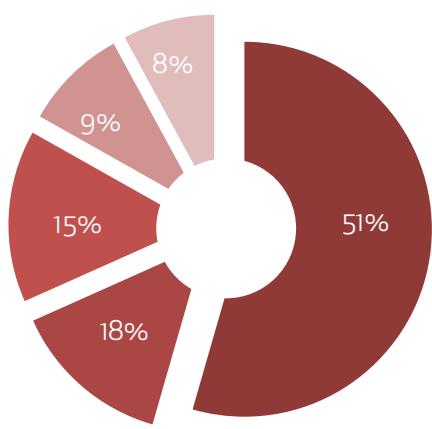
is the multi-branch insurance company of the Group, established on 6 January 2014 as a result of the merger of Unipol Assicurazioni, Milano Assicurazioni and Premafin (the financial holding company of the former Fondiaria-SAI Group) and Fondiaria-SAI. UnipolSai is the parent company of the UnipolSai Group.

Key consolidated figures at 2019 year end:

- > €14.0bn total premiums
- > Market leader in motor insurance (€4.2bn)
- > Largest distribution network in Italy (2,400 agencies)

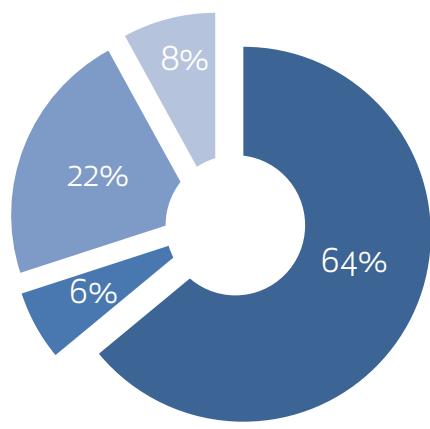
Technology and innovation are key pillars of the Group's strategy. Since 2003, it has been the Italian forerunner in MV black box policies, now the European leader, with an estimated market share of 50% in Italy and over 4 million devices installed.

FY19 Non-Life premiums  
€8.2bn



- MV
- Accident and health
- Fire and theft
- Liability insurance
- Other

FY19 Life premiums  
€5.8bn



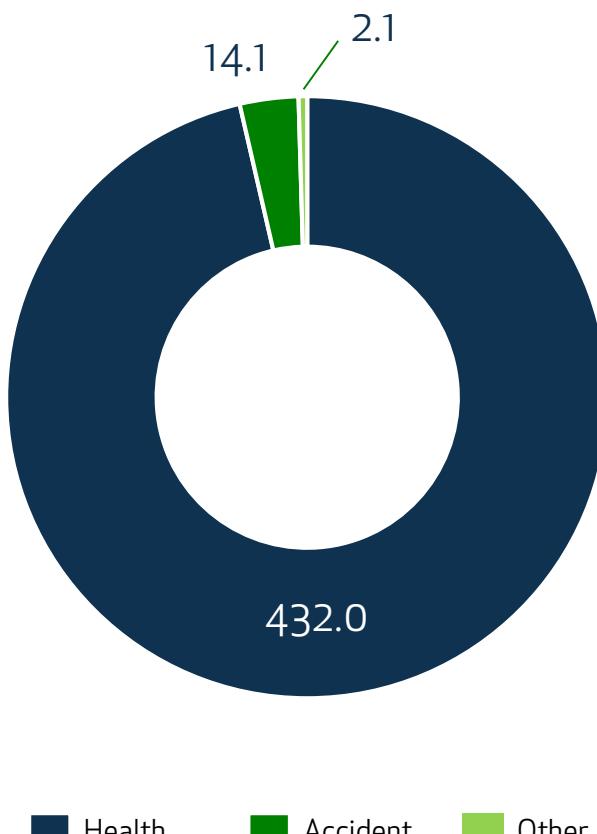
- Traditional
- Unit linked
- Pension funds
- Capitalisation



UniSalute, established in 1995, is the Group company specialised in health insurance, and operates through a network of affiliated health centres, clinics and hospitals. At these facilities, policyholders are provided with quality healthcare services with reduced waiting times and payment of benefits directly by the Company. The company was the first in Italy to apply this approach, and its innovative business model has allowed the company to steadily grow its customer base.

- > Direct premium income: €448m (+9.3% y/y)
- Excellent technical performance:  
Combined ratio 89.6% (direct business)
- 3rd largest health insurer in Italy (1st including UnipolSai premiums – Figures by ANIA 2019)

PREMIUMS BREAKDOWN (€mln)



## Linear

Linear Assicurazioni, established in 1996, is the online Unipol Gruppo S.p.A. company that specialises in the sale of insurance products over the phone and online.

Linear offers customised rates, adjusted to reflect the multiple characteristics of the policyholders and their vehicles, adding a service that uses modern technology and highly professional agents. Direct premium income: **€184,2m**, 5th largest direct company in Italy.

## Siat

SIAT is the specialised Group transport and aviation insurance company, the only one entirely devoted to these businesses in Italy. It combines technical expertise with highly innovative processes and products and provides a global service thanks to its wide-ranging, efficient organisation, making it a leader in its sector.

It manages the transport and aviation portfolio for UnipolSai, helping develop the businesses through the leading Italian agency network, offering both a technical service and training and support at all levels, rendering it unique on the market.

SIAT recorded gross premium income (direct and indirect) of **€159.8m** in 2019, compared to **€148.5m** in 2018 thanks to its role as leader in the transport, hull and cargo insurance market.

## International Insurance



UnipolRE is the Group company specialised in reinsurance.

Its headquarters are in Dublin, Ireland.

It provides reinsurance coverage to small and medium-sized insurance companies based in Europe.

Taking a customer-centric global service approach, UnipolRE offers cost effective, efficient reinsurance proposals structured on a multiclass, overall participation basis, including Motor and General Liability, Property, Personal Accident, Theft and Life coverage.

The company collected **€264.6m** premiums in 2019.



DDOR is the Group company focused on the Serbian insurance market, where it is the third largest insurer.

Through a strong and extensive business network, DDOR provides services to more than half a million clients in Serbia.

It is the number 1 non-state insurer by number of agencies in Serbia, with over 100 points of sale located across the country and over 600 internal salespersons, in addition to a well-developed external distribution network. The company offers insurance services in both the Life and Non-Life businesses.

The company collected **€100,9m** in premiums in 2019.



## Bancassurance business



Arca Vita (joint venture between UnipolSai 63.4%, BPER Banca 19.7%, Banca Popolare di Sondrio 14.8%, other banks 2.1%) operates in the Life insurance business. Arca Assicurazioni, its subsidiary, sells Non-Life products. These products are distributed through over 2,800 branches of affiliated banks.

Unipol recently renewed its strategic partnership, extending the agreement up to 2022. In 2019, the total premium income of Arca Vita amounted to **€1,676m**, while Arca Assicurazioni collected **€136m**.



Incontra Assicurazioni sells Fire and Credit Protection Non-Life products through UniCredit central and southern branches, expanding its range of products in 2018 to include healthcare cover distributed throughout all UniCredit branches.

Premium income FY19: **€185m**



BIM VITA is a private insurance company resulting from the joint venture with Banca Intermobiliare which sells Life insurance products, with a focus on pension schemes and savings.

Gross written Premiums FY19: **€76m**



## Other businesses

# UnipolReC

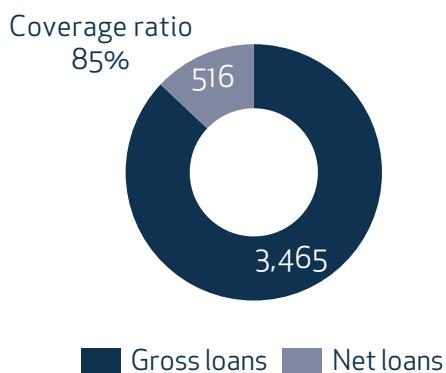
RECOVERY REVOLUTION

UnipolReC is the Group company dedicated to non-performing loan recovery.

The company held €3.465bn in gross non-performing loans at 2019 year-end, including a €1.2bn portfolio acquired from Gruppo BPER in August 2019. Total net loans amounted to €516m, with a coverage ratio of 85%.

The non-performing loan portfolio fell by €366m during the year against collections of €110m, giving a **30%** recovery ratio (unchanged from the previous year).

FY 19 STOCK NPEs



FY 19 PORTFOLIO BREAKDOWN



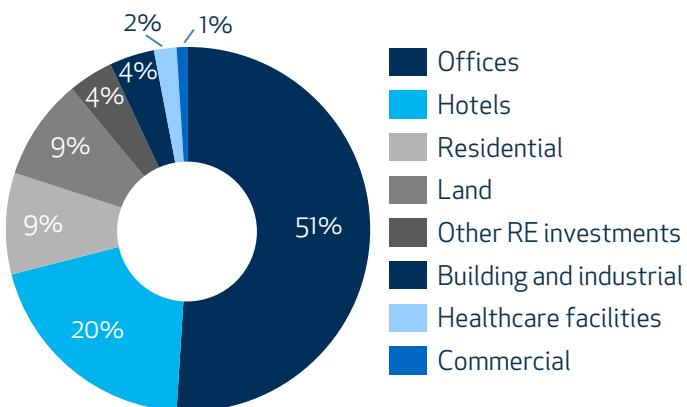
## Real Estate

The Group is one of the main operators in Italy in terms of assets under management in the real estate sector (€4bn at 31 December 2019).

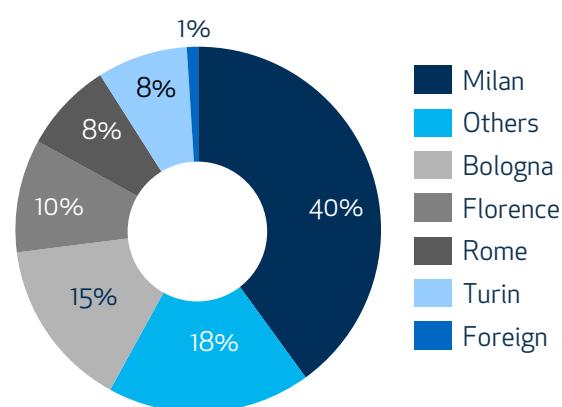
In this business, we can count on:

- more than 20 years experience in promoting and coordinating urban regeneration projects with several large construction sites currently in the city of Milan;
- Property Company and Service Provider with consolidated experience in ordinary and extraordinary management of both individual assets and real estate portfolios aimed at maximising the earnings and financial capacity of the real estate in the portfolio;
- Asset management company, with a management philosophy in line with market best practices and a series of decision-making tools and activities to promptly support strategic choices of owners;
- an internal department that ensures an extensive knowledge of the property market and that provides support to the teams in managing portfolios and achieving objectives to create continuous and sustainable value.

Breakdown by use



Breakdown by area



# Hotels



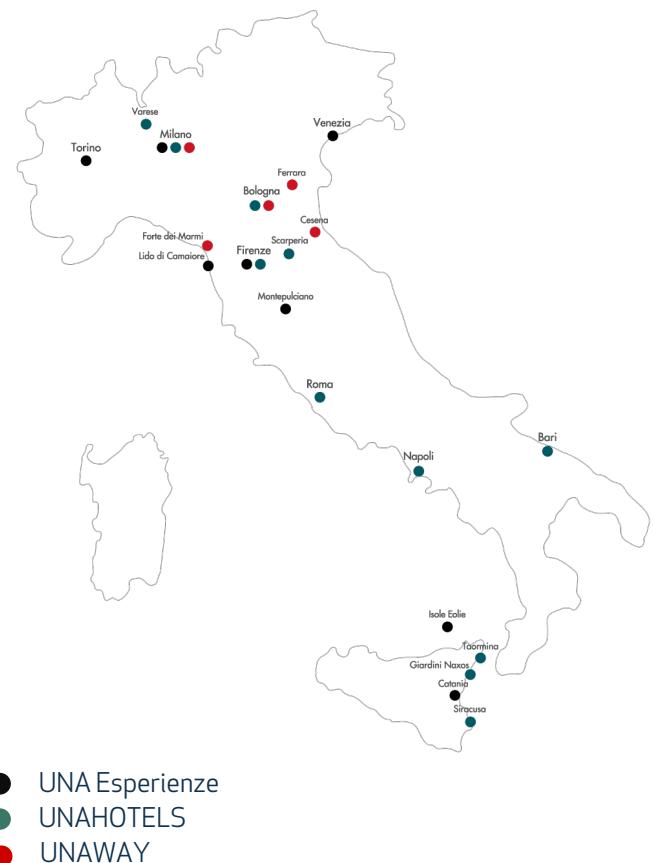
Unipol is an important player in the Italian hotel industry - thanks to Gruppo UNA, established in 2016 by the merger of Atahotels and UNA Hotels and Resorts.

With its newly launched rebranding, the portfolio of 37 hotels and resorts are represented by 3 separate brands, UNA Esperienze, UNAHOTELS and UNAWAY, which target three different market segments: upper-upscale, upscale, and smart.

UNA has taken this approach to consolidate its position as a leading Italian operator, and increase the number of facilities it manages in upmarket metropolitan areas and the main tourist destinations.

Gruppo UNA is in 10 regions in Italy, covering 18 different destinations and provides approx. 5,000 rooms across its 37 hotels and resorts, including:

- **27** urban hotels:  
one 5-star and twenty-six 4-star
- **6** resorts:  
all 4-star
- **4** aparthotels:  
all 4-star



## Agriculture, Marine and Clinics: the other businesses

### TENUTE DEL CERRO

In the agriculture business, Unipol operates through Tenute del Cerro, owner of approx. 4,300 hectares of land in Tuscany and Umbria, including 300 hectares of vineyards among the most suitable for the production of high quality wine.



Marina di Loano, the port facility owned by the Unipol Group, enjoys a central position on the Western Ligurian coast and can accommodate over 900 boats between 6 and 80 metres in length.

There was a **10.5%** increase in the number of superyachts (over 30 metres long) between 2018 and 2019, accounting for 100 yachts.



The Villa Donatello and Centro Florence clinics operate in Florence. Villa Donatello provides both inpatient and outpatient diagnostic and care services.



**Business services  
and new projects**

## Business services and new projects



### Auto Presto&Bene

Auto Presto & Bene is the Group company dedicated to the repair of vehicles insured by UnipolSai.

It manages the entire repair process, from the technical assessment of damage and cost (consistency, fairness of estimate, etc.) to the centralised supply of spare parts, guaranteeing the use of original brands only.

Auto Presto & Bene allows the Group to achieve an average cost of claims that is significantly lower than the market, increasing both client satisfaction and loyalty.

Today, the company has a network of over 2,600 bodyshops with nationwide coverage, processes over 162,000 claims in 2019 (+17% over 2018).



MyGlass is a brand owned by APB Car Service S.r.l., which in turn is 70% controlled by UnipolSai and 30% by DIRA, a car window provider. It operates through a network of 200 centres spread throughout Italy, which are specialised in the installation, repair and replacement of vehicle windows and it serves both UnipolSai and non-UnipolSai customers.

MyGlass provides several benefits to the Group, such as significant reduction of the average cost of claims compared to the market, product diversification offer compared to competitors, reduced fraud thanks to specific control tools, excellent customer satisfaction (76.8% NPS) and higher customer loyalty.

129,910 claims were managed in 2019, with 81.8% of claims channelled (+4.6 percentage points over 2018 year-end) and cost savings of almost €11m.



Car Server SPA leases car fleets and manages the general mobility of companies. It was established in 1994 with the aim of supplying leasing services to companies.

It is the biggest long-term leasing company backed by Italian capital only. The Company currently has a fleet of over **50,000** vehicles and **10,000** customers including big and medium-sized companies, SMEs, public administrations, private parties and self-employed persons, and has 180 employees.

It is the only company in the sector that has established a network of 23 branches in the country managed by its own employees, and can count on a service fleet of over 4,000 vehicles available and 8,500 affiliated service centres.



AlfaEvolution Technology was established in 2016 and is the technologies and telematics service competence centre for the Group to guarantee its competitiveness in the IoT area. It is the vehicle used by the Group to offer Motor and Non-Motor policies using the black box.

Key figures at 2019 year end: approx. **4m** blackboxes installed (45% of the retail portfolio)  
**1<sup>st</sup>** in Italy and **1<sup>st</sup>** in Europe for vehicle-applied innovation and telematics.



Leithà is the Group company focused on maximising the value of the vast quantity of data held by the Group, through the intensive use of algorithms and innovative computing-based solutions, in order to gain and maintain a competitive advantage over competitors and keep up with a continuing changing market.



## Significant investments: BPER Banca

# BPER:

## Banca

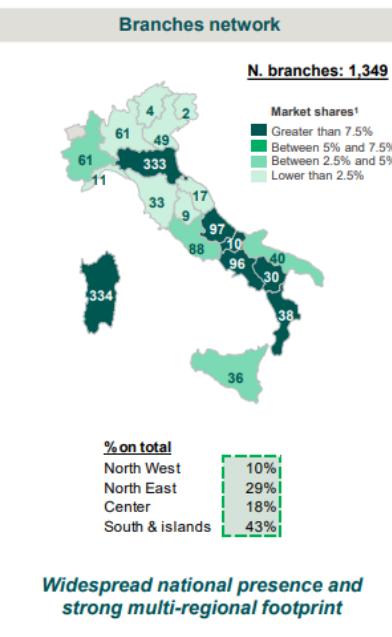
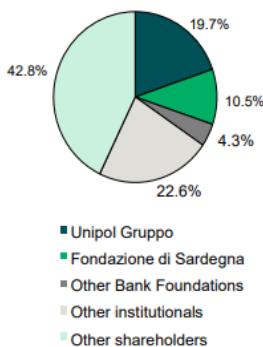
Unipol Group owns a stake of 19.7% (9.9% directly and 9.8% through UnipolSai) in BPER Banca, one of the largest banking groups in Italy (ranking 5<sup>th</sup>).

In its capacity as an institutional investor, Unipol intends to contribute towards the medium-long term development plans of BPER, with which it also has a long-term industrial partnership in the life and non-life bancassurance business.

**One of the largest banking groups in Italy focused on traditional business**

**#6<sup>th</sup> banking group by total asset**

### Key shareholders



### Key financials

Key financials		2019 <sup>2</sup>
<b>P&amp;L (€m)</b>		
Total banking income		2,276
Operating expenses		(1,687)
LLPs		(449)
Profit before taxes		417
Net income		380
<b>B/S (€bn)</b>	<b>Gross</b>	<b>Net</b>
Loans to customers	55.3	52.0
o/w <i>Performing</i>	49.2	49.0
o/w <i>NPEs</i>	6.1	3.0
Direct deposits		58.1
Indirect deposits		117.4
<b>Asset quality</b>	<b>Gross</b>	<b>Net</b>
NPE ratio	11.1%	5.8%
NPE Coverage		51.0%
<b>Regulatory capital (€bn)</b>		
CET1 capital FL		4.2
RWAs FL		34.6
CET1 ratio FL (%)		12.0%



[unipol.it](http://unipol.it)

Unipol Gruppo S.p.A.  
Registered office:  
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40128 Bologna  
Italy