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2024
Solvency and Financial
Condition Report
of the Unipol Group



Unipol Group
**Solvency and Financial Condition
Report**
■ 2024

Translation from the Italian original solely for the convenience of international readers

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Introduction

This “Solvency and Financial Condition Report” was prepared in application:

- of the provisions on disclosure to the public set forth in Articles 290-303 of Title I, Ch. XII, and Articles 359-364 of Delegated regulation EU No. 35/2015 (“Regulation”), supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (“Directive”);
- of Implementing Regulation (EU) 2023/895 of 4 April 2023, laying down implementing technical standards for the application of the Directive with regard to the procedures, formats and templates for the disclosure by insurance and reinsurance undertakings of their report on their solvency and financial condition and repealing Implementing Regulation (EU) 2015/2452;
- of IVASS Regulation No. 33, 6 December 2016, concerning the disclosure to the public and IVASS, carrying provisions integrating the contents of the “Solvency and Financial Condition Report” and the regular report to IVASS (“Regular Supervisory Report”), (“Regulation 33”);
- of IVASS Letter to the Market Prot. No. 0093309/18 of 28 March 2018 concerning the “Results of comparative analyses on solvency and financial condition reports (SFCR)”;
- of IVASS Regulation No. 46 of 17 November 2020 containing provisions on the transparency of the commitment policy and the elements of the equity investment strategy of insurance or reinsurance companies (“Regulation 46”).

Unless otherwise specified, data are expressed in thousands of euros.

Definitions and glossary

The meaning of the main acronyms and expressions used in this document is summarised below.

Term	Meaning
Capital adequacy	Observance by the company/Group of regulatory solvency capital requirements.
BBA	"Building Block Approach": General accounting model for all contracts without direct participation required by the accounting standard IFRS 17.
BEL	"Best estimate of liabilities" deriving from insurance contracts.
CAP	Private Insurance Code (Legislative Decree No. 209 of 7 September 2005, as amended).
Capital at Risk	Total capital requirement relating to a specific risk that the company/Group deems necessary to cover losses exceeding a given expected level.
Combined Ratio	The Combined ratio is the indicator that measures the balance of overall technical management for damages, i.e., the ratio between insurance expenses and revenues. The ratio is calculated based on the economic items resulting from the consolidated income statement, using the following formula: $1 - (\text{insurance services result} / \text{insurance contract revenues})$. The Combined ratio corresponds to the sum of the Loss ratio (which includes indemnities and expenses related to claims among the expenses) and the Expense ratio (which includes all other insurance expenses such as acquisition and administration costs and other costs attributable to insurance contracts).
CSM	"Contractual Service Margin" - Insurance liability suspending the expected profit overtime, recognising it in the P&L consistently with the insurance service provided.
EIOPA	European supervisory authority for occupational pensions and insurance.
Key Functions	The Audit Function, the Chief Risk Officer, the Compliance and Anti-Money Laundering Function, as part of compliance activities, and the Actuarial Function.
LIC	Liability for Incurred Claims.
LOB	Line of Business of insurance activities as defined in annex I of the Regulation.
LRC	"Liability for Remaining Coverage" - Liability for covered events relating to future insurance services.
Market Consistent Balance Sheet (or also "MCBS")	MCBS to be drafted on the basis of the appropriate criteria specified by the Solvency II provisions that are based on the concept of fair value.
MCR	Minimum Capital Requirement as defined by Title I - chapter VII of the Regulation. It corresponds to the amount of eligible own funds below which policyholders and beneficiaries would be exposed to an unacceptable level of risk if the insurance companies were allowed to continue their activities.
PIM	Partial Internal Model used to determine the solvency capital requirement.
OF	Own Funds as defined by Title I Chapter IV and Title II Chapters I and II of the Regulation. They represent the financial resources steadily acquired by the company/Group and available to it to absorb losses and to overcome risks generated by business activities on a going concern basis.
PAA	"Premium Allocation Approach" - Simplified accounting model required by the accounting standard IFRS 17 for one-year contracts, or contracts deemed as eligible based on a negligible fulfilment cash flows volatility throughout the coverage.
ORSA	Own Risk and Solvency Assessment Report to the Authorities.
RA	Insurance liability reflecting the remuneration requested by the issuer to bear the uncertainty in the cash flows amount and timing deriving from non-financial risks.
RAF	Risk Appetite Framework - reference framework which defines - in line with the maximum risk that may be assumed, the business model and the Strategic Plan - the Risk Appetite, any tolerance thresholds, the operational risk limits, specific risk management policies and the reference processes required to define and implement them.
Risk Appetite	Level of risk (overall and by type) that the Group and/or the Company intends to assume for the pursuit of its strategic objectives.
RM	The Risk Margin corresponding to the cost of holding an amount of eligible own funds equal to the SCR needed to support insurance and reinsurance obligations assumed throughout their contractual life.
SCR	Solvency Capital Requirement as set forth in Title I - chapters V and VI of the Regulation. The amount of that requirement is determined so as to enable insurance companies or groups to be capable, with a likelihood of at least 99.5%, of honouring their obligations to policyholders and beneficiaries in the next twelve months.
Market Wide Standard Formula	Methodology for the calculation of the solvency capital requirement which calls for the application of the standard parameters defined by the Regulation.
TCM	Temporary insurance in the event of death.

Term	Meaning
Technical Provisions (TP)	Technical provisions determined according to Solvency II criteria, to the extent equal to the amount that an insurance or reinsurance company would have to pay if its contractual rights and obligations were immediately transferred to another company. They correspond to the sum of BEL and RM.
USP or GSP	"Undertaking Specific Parameters" or "Group Specific Parameters" – parameters of calculation of the insurance company or group specific solvency capital requirements, to be used as a replacement of those defined by the Market Wide Standard Formula. The use of specific parameters is subject to authorisation by the Supervisory Authority.
VA	Volatility Adjustment corresponding to an optional adjustment to the risk-free interest rate curve (published by EIOPA) to be applied to determine the BELs.
VFA	"Variable Fee Approach" - Accounting model for contracts with direct participation required by the accounting standard IFRS 17.

A woman in a grey sleeveless top and black skirt stands smiling, presenting to a group of people seated at a table. A whiteboard behind her displays a pie chart with segments labeled '40%' and '35%', and some flow diagrams. The room has large windows and modern office furniture. The text 'Together to enhance value' is overlaid in the center.

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SUMMARY

Introduction

This section summarises the key information and any substantial changes taking place in the year in the solvency and financial condition of the Group, with regard to:

- A. business and performance
- B. system of governance
- C. risk profile
- D. valuation for solvency purposes
- E. capital management.

For more detailed information, please refer to later chapters prepared with reference to the requirements of the current legal provisions summarised previously.

It should be noted that on 31 December 2024 the merger by incorporation (the “**Merger**”) into the holding company Unipol Gruppo SpA (the “**Merging Company**”) of UnipolSai Assicurazioni SpA (“**UnipolSai**”), as well as Unipol Finance Srl, UnipolPart I SpA and Unipol Investment SpA, companies wholly owned by Unipol Gruppo, which in turn held equity investments in UnipolSai (the “**Intermediate Holding Companies**”), became legally effective.

As a result of the Merger, the Merging Company took over all authorisations for carrying on the insurance and reinsurance business, formerly held by UnipolSai, and took the name Unipol Assicurazioni SpA (“Unipol Assicurazioni” or simply “Unipol”).

The Merger became effective for accounting and tax purposes as of 1 January 2024.

Business and performance¹

The Unipol Group closed 2024 with a **consolidated net profit** of €1,119m (-15.9% compared to 31/12/2023; +5.2% compared to the normalised 2023 profit of €1,604m, calculated excluding the effect of the initial consolidation at equity of the investment in Banca Popolare di Sondrio).

The net profit of the insurance group, determined excluding the effects of the pro-rata consolidation of the associates BPER Banca and Banca Popolare di Sondrio, but considering only dividends for the period, came to €860m (€768m in 2023, +12.0%).

The consolidated profit at 31 December 2024 considers the allocation of a solidarity fund for the early retirement of approximately 600 employees, in the amount of €173m, gross of the relative tax effect, the benefits of which, in terms of a reduction in personnel costs, will become effective over the next few years. It should also be noted that in the analysis of the results by accounting segments, the comparison between the year 2024 and the previous year is influenced by the Merger. More specifically, the economic and financial contribution of the parent Unipol (formerly Unipol Gruppo) and the Intermediate Holding Companies is included in Other Businesses in the figures for 2023, while this contribution is attributed for the year 2024 to the Non-Life and Life businesses due to the change in activity of the merging Parent after the Merger was finalised.

At 31 December 2024, **direct insurance premiums**, gross of reinsurance, amounted to €15,621m, up 3.7% compared to 31 December 2023: the increase was 4.6% if the contribution of Incontra Assicurazioni, sold in 2023, is excluded from 2023 data.

Non-Life direct premiums, at €9,175m, recorded growth of 6.1% (+7.7% on a like-for-like basis, i.e. excluding the contribution of Incontra Assicurazioni, which was sold during 2023, from 2023 data) compared to €8,651m at 31 December 2023. Unipol Assicurazioni, which recorded premiums of €7,306m (+5.1%), contributed to this amount, as did the other main Group companies: UniSalute for €1,013m (+27.2%), Linear for €251m (+16.3%) and Arca Assicurazioni for €313m (+14.9%).

¹ The economic data reported in the section Business and performance are taken from the Unipol Group's Consolidated Financial Statements at 31 December 2024 (the “Financial Statements” or the “Consolidated Financial Statements”).

The MV segment was up by 9.2% compared to the previous year, recording premiums of €4,373m. Operations were positively affected by the improvement in business margins aimed at covering growth in the cost of claims linked to the inflationary trend affecting the segment and regulatory adjustments of the reference values of damages for macro-injuries. In addition, the accessory guarantees included in the Land Vehicle Hulls class, which recorded growth of 17.6% compared to 2023, are also continuously developing.

The Non-MV segment continued to record positive performance, with premiums amounting to €4,802m and with growth of 3.4% (+6.3% on a like-for-like basis) compared to 31 December 2023, thanks to the contribution of all of the main business lines and sales channels of the Group.

At 31 December 2024, the **combined ratio** amounted to 93.6%, compared to 98.2% at 31 December 2023. The loss ratio was 67.6% (compared to 71.5% in 2023), while the expense ratio came to 26.0% (against 26.7% at 31/12/2023).

All Ecosystem business lines posted positive performance.

The Mobility Ecosystem recorded insurance premiums of €4,742m (+8.6% compared to 31/12/2023). UnipolMove, in its third year of operating in the electronic toll market, reached 2m devices in circulation. In 2024, the Welfare Ecosystem reported €1,825m in premiums (+3% compared to 31/12/2023; +10% on a like-for-like basis), with a significant increase for UniSalute (+27.2%), while the Property Ecosystem, with premiums of €2,608m, grew by 3.7% (+4.4% on a like-for-like basis).

The **Non-Life pre-tax profit** was €537m, compared to €658m at 31 December 2023. In particular, Non-Life profit at 31 December 2024 was impacted by costs and interest expense relating to Unipol Gruppo SpA, previously represented in Holding and Other Businesses, in addition to the above-mentioned solidarity fund and some extraordinary costs linked to the merger and the write-down of assets of the subsidiary UnipolRental.

In the **Life business**, the Group's direct premiums came to €6,446m, an increase of 0.6% compared to €6,409m in 2023. The sales networks focused on traditional and multi-segment products, with a view to optimising the net flows of segregated funds, which made it possible to achieve positive net inflows. In particular, Arca Vita, together with the subsidiary Arca Vita International, recorded direct premiums of €2,805m (+9.8% compared to 2023); Unipol's direct premiums were €3,601m (-5.5% compared to 2023, marked by very significant income from closed pension funds).

The **Life pre-tax profit** was €325m, compared to €329m last year. The effects mentioned above deriving from the Merger and the solidarity fund also affected the Life business, in addition to the expense for the contribution to the new Life Guarantee Fund amounting to €18m.

The **gross profitability of the Group's insurance financial investment portfolio** recorded a return of 4.1% on invested assets, of which 3.5% from coupons and dividends and 0.6% from sales and valuations. The same figure at 31 December 2023 was 3.8%, of which 3.4% linked to the coupon and dividend component and 0.4% to sales and valuations.

The management of financial investments benefited from asset allocation decisions, focusing on investment grade securities, with a simultaneous improvement in terms of diversification and the overall risk-return profile.

The most significant events taking place during the year are set forth below.

The merger by incorporation of Centri Medici Dyadea Srl into Società e Salute SpA became effective on **1 January 2024**. Following the merger of Centri Medici Dyadea Srl, Società e Salute SpA acquired 100% of the share capital of Gratia et Salus Srl.

On **8 March 2024**, the Fitch rating agency raised the Restricted Tier 1 rating (ISIN code XS2249600771) issued by UnipolSai SpA from BB to BB+. The rating improvement took place in the context of an update of the Fitch Ratings methodology, which revised its assessment on some types of subordinated bond issues, mainly of European insurance and reinsurance companies.

On **15 May 2024**, the Board of Directors of UnipolSai authorised the issue by the Company of a "Tier 2" subordinated capital instrument denominated in Euro, at a fixed rate, for a maximum nominal amount not exceeding €750m (the "Issue" or the "Tier 2"), to be placed exclusively with qualified Italian and foreign investors (with the exception of US investors) and to be listed on the regulated market of the Luxembourg Stock Exchange.

Summary

Tier 2 was issued on 23 May 2024 at 99.853%, with a fixed annual coupon of 4.9%. The issue met with strong investor interest, confirming the solid reputation that UnipolSai and the Unipol Group enjoy in international markets. During the placement, orders in excess of €1.65bn were received, covering the book by about 2.2 times.

About 80% of Tier 2, which was assigned a Ba1 rating for Moody's and BBB- for Fitch, was placed with foreign institutional investors.

For the purposes of efficient management of its liabilities and subject to the favourable outcome of the Issue, the Board of Directors of UnipolSai also resolved the exercise by the Company of the early repayment option, already authorised by IVASS, of the "*Euro 750,000,000 Fixed/Floating Undated Subordinated Notes*" (ISIN XS1078235733), classified in Tier 1 basic own funds. The early repayment was completed on 18 June 2024, contributing to the containment of UnipolSai's leverage.

Lastly, as mentioned in the introduction, the Merger became legally effective on 31 December 2024, with accounting and tax effects backdated to 1 January 2024.

* * *

International macroeconomic forecasts for the year 2025 are characterised by expectations of an acceleration in global economic growth, with a still solid US economy and an acceleration in Euro Area GDP growth. In Italy, growth is expected to be driven by an increased contribution of private consumption and the end of the negative inventory cycle; furthermore, a convergence of Italian inflation at slightly below the ECB target of 2% is expected.

With regard to the Non-Life insurance business, the effects of climate change are leading to changes in products, at both tariff and regulatory level. As concerns MV TPL, although in a still highly competitive market context, ongoing actions are aimed at achieving positive margins by favouring portfolio selection and cost containment, also thanks to the know-how acquired in the area of telematics and the constant increase in MV claims channelled to the UnipolService and UnipolGlass networks, allowing for excellent results in terms of limiting average repair costs.

In the Life segment, traditional Class I products will continue to be offered across all production networks in 2025 as well, to promote the profitability of segregated funds, alongside multi-segment and protection products, while maintaining leadership in the Pension Funds sector.

Group investment management continues to be aimed at the consistency of assets and liabilities and optimising the risk/return profile and liquidity of the portfolio, also with regard to the maintenance of an adequate level of solvency.

The Group has completed the preparation of the new 2025-2027 Strategic Plan, which will be presented to the markets on 28 March 2025.

Excluding unforeseeable events, also given the uncertainties in the reference context, the operating result for the current year is expected to be positive.

System of governance

Unipol Assicurazioni SpA, as the ultimate Italian parent company, has adopted an "enhanced" corporate governance system, pursuant to IVASS Regulation No. 38 of 3 July 2018, deemed most suited for the sound and prudent management of the Company.

The governance structure of the Company is based on a traditional management and control model, where the main bodies are the Shareholders' Meeting, the Board of Directors (which operates with the support of board committees) and the Board of Statutory Auditors. The Company has created the Audit Function, the Risk Area, the Compliance and Group Anti-Money Laundering Function and the Actuarial Function (jointly "Key Functions").

The Board of Directors assesses the position of each of its members, establishing whether they meet the requirements and satisfy the criteria of suitability for office established by regulations in force over time, as well as the absence of situations of incompatibility. The Board of Directors also establishes whether the requirements of suitability for office are met by the Heads of the Key Functions and the Anti-Money Laundering Function, pursuant to the company policy on the matter in force.

The Company has acquired an articulated and efficient Internal Control and Risk Management System, to ensure that the most significant risks arising from its activity are correctly identified, measured, managed and controlled, as well as being compatible with a sound and correct management. The Company also ensures that this System is implemented consistently and continuously within the entire Group, taking into account the risks of each company in the scope of

Group supervision and their mutual interdependencies. The Board of Directors is responsible for said System and regularly verifies its suitability and actual operation.

Within the Internal Control and Risk Management System, the Audit Function assesses and monitors the effectiveness, efficiency and adequacy of the internal control system and the additional components of the system of corporate governance, according to the nature of the business activities and the level of risks undertaken, its consistency with the guidelines defined by the Board of Directors, as well as its updating, if applicable, also through support and advisory activities provided to other corporate functions.

This Report also describes the control tasks of the Actuarial Function with reference to Solvency II Technical Provisions.

Risk profile

As the Group has received the necessary authorisations from the Supervisory Authority, it calculates its Solvency Capital Requirement using the Partial Internal Model ("PIM"), which can provide a better assessment of its actual risk profile than the standard formula. For the risk modules not included in the PIM, the Standard Formula is used.

To provide a more complete representation of the risk profile, the Group has adopted risk classification criteria somewhat different from those proposed by the Standard Formula, which is the method used to calculate the Solvency Capital Requirement ("SCR") for companies that have not developed an internal model. In particular, with regard to market risk, as part of the PIM, the Group also considers the risks relating to the volatility of share prices and interest rates.

The foreign subsidiaries are excluded from the scope of application as they are out of scope of the Group's Partial Internal Model and, therefore, the relative capital requirement is calculated using the Standard Formula and added to the Basic Solvency Capital Requirement (BSCR) (see the "Out of scope undertakings' SCR" item in the SCR - Partial Internal Model table below).

The Solvency Capital Requirement (SCR) for the Group at the end of the reference period was €5,116,344k, up by €428,778k compared to 31 December 2023. The primary changes observed in the components of the SCR compared to the previous year are summarised below:

- Non-Life and Health Underwriting Risks: there was a reduction in the Non-Life and Health SCR caused by the recalibration of the Non-Life Internal Model and the change in volume measures;
- Life Underwriting Risks: growth was recorded in the Life SCR mainly due to the increase in the volatility of that risk factor, partially offset by the reduction in interest rates recorded during the year, given that the Group is exposed to the increase in surrender frequencies;
- Market Risks: the increase in the market SCR was primarily caused by the Equity and Spread sub-modules, due to the increase in exposures to corporate securities and equity instruments;
- Credit Risks: there was a reduction primarily caused by the decline in liquidity deposited at banks;
- Capacity to absorb losses deriving from technical provisions, increase attributable to i) the positive effect deriving from the increase in volume relating to new business and ii) market changes;
- Conservative Margin, a marked increase compared to the previous year, which considers i) the component relating to Dynamic Policyholder behaviour (€53,105k), ii) the component relating to NatCat Risk (€22,037k) and iii) the component relating to Government Bonds (€58,298k, valued starting from 2024);
- Financial Sector Capital Requirement: there was an increase in the capital requirement deriving nearly exclusively from the capital requirement of BPER and Banca Popolare di Sondrio, calculated in compliance with sector rules.

The amount of the SCR for each risk module is shown below along with a comparison with the data relating to 31 December 2023:

² This presentation method differs from that adopted to determine the values included in annex QRT S.25.05.22 of the Report, prepared on the basis of the definitions, scopes and classification rules introduced by European Commission Delegated Regulation EU/2023/894 of 4 April 2023 and the "Insurance Data Point Model and Taxonomy 2.8.2" published by EIOPA.

Summary

SCR - Partial Internal Model

<i>Amounts in €k</i>	2024	2023	Change on 2023
Non-life and health underwriting risk	1,880,304	1,886,124	(5,819)
Life underwriting risk	869,534	712,923	156,611
Market risks	3,031,564	2,714,853	316,711
Credit risk	794,042	819,456	(25,414)
Diversification	(2,396,404)	(2,348,635)	(47,770)
Basic Solvency Capital Requirement (BSCR)	4,179,041	3,784,721	394,319
Operational risk	550,736	542,215	8,520
Adjustment for loss-absorbing capacity of technical provisions (ALAC TP)	(1,417,170)	(1,056,830)	(360,340)
Adjustment for loss-absorbing capacity of Deferred Taxes (ALAC DT)	(634,486)	(739,886)	105,400
SCR of unregulated companies not belonging to the insurance group	124,100	120,504	3,596
Out of scope undertakings's SCR	79,384	67,822	11,562
Non-controlled participation SCR ³	52,548	59,603	(7,054)
Conservative margin	133,440	54,358	79,082
Solvency Capital Requirement - Insurance Sector	3,067,593	2,832,507	235,085
Solvency Capital Requirement - Credit and financial sector	2,048,751	1,855,059	193,692
Totale Solvency Capital Requirement (SCR)	5,116,344	4,687,566	428,778

Note that the risk assessments are carried out applying as long-term measure the Volatility Adjustment (VA).

Valuation for solvency purposes

To calculate the own funds eligible for the coverage of the Solvency Capital Requirement, the Group must prepare a "Market Consistent Balance Sheet" ("MCBS"), enclosed to this Report, on the basis of specific valuation criteria and with methods of consolidation of the investee companies, defined by the Directive and the Regulation, which are different from those used for the consolidated financial statements.

Please note in particular that the methods of consolidation laid out in Solvency II result in a more restricted line-by-line consolidation scope than that applicable in the IFRS consolidated financial statements. In particular, we note that:

- the entities that carry out financial and credit activities (Unipol Investimenti Sgr, UnipolPay, BPER Banca, Banca Popolare di Sondrio and their subsidiaries) were consolidated synthetically based on the proportional share of own funds of such entities determined on the basis of the pertinent sector rules ("Basel III");
- the other subsidiaries whose activities are not insurance activities or instrumental to the insurance business were subject to synthetic consolidation (and not line-by-line as set forth in IFRS 10 for the purpose of preparing the consolidated financial statements) on the basis of dedicated financial positions drawn up in accordance with Solvency II criteria.

In addition, the measurement criteria specified by the Solvency II provisions are based on the concept of fair value and, therefore:

- assets are valued at the amount at which they could be exchanged between knowledgeable and willing parties in an arm's length transaction;
- liabilities are valued at the amount at which they could be sold or settled between knowledgeable and willing parties in an arm's length transaction.

In the valuation of liabilities, any changes in the creditworthiness of the individual companies belonging to the Group subsequent to the issue are not taken into consideration.

There were no substantial changes in the valuation criteria adopted compared to the previous year.

³ The amount of the non-controlled participation SCR represents the proportional share of the solvency capital requirement of Cronos Vita Assicurazioni SpA.

The nature of the main differences between the shareholders' equity resulting from the consolidated financial statements and that resulting from the MCBS at 31 December 2024 and at the end of the previous year is summarised below.

<i>Amounts in €k</i>		2024	2023
A	Shareholders' equity (Financial Statement)	9,627,728	9,798,856
B	Adjustments for reclassification of shareholders' equity items	(481,869)	(491,830)
	<i>Own shares qualified as asset in the MCBS and as an adjustment to shareholders' equity in the IFRS Consolidated Financial Statements</i>	14,292	4,331
	<i>RTI capital instruments qualified as shareholders' equity in the IFRS Consolidated Financial Statements and as liabilities in the MCBS</i>	(496,161)	(496,161)
C	Adjustments for different consolidation methods	(263)	(240)
D	Adjustments by assets/liabilities type	938,844	572,146
	<i>Intangible assets</i>	(2,516,808)	(2,445,556)
	<i>Properties and tangible assets for investment and for own use</i>	789,007	704,118
	<i>Other financial investments</i>	265,921	(36,003)
	<i>Technical provisions</i>	3,094,566	2,904,961
	<i>Deferred taxes</i>	(845,470)	(822,025)
	<i>Other assets and liabilities</i>	151,628	266,651
E=A+B+C+D	Shareholders' equity (MCBS)	10,084,439	9,878,932

Capital management

The Group has own funds eligible to cover the capital requirements equal to 2.12 times the SCR (2.15 at 31/12/2023) and 3.28 times the Minimum Capital Requirement ("MCR"), 4.55 at 31 December 2023.

The following tables show:

- the reconciliation between the amount of shareholders' equity from the MCBS and the amount of own funds eligible to cover capital requirements;
- the amount of own funds eligible to cover capital requirements, with a breakdown by individual tiering level;
- the capital requirements (SCR and MCR);
- the capital requirement coverage ratios.

Reconciliation from MCBS to eligible own funds

<i>Amounts in €k</i>	2024	2023	Change on 2023
Shareholders' equity (MCBS)	10,084,439	9,878,932	205,507
Subordinated and hybrids liabilities computable in own funds such as Tier 1 restricted and Tier 2 instruments	1,749,535	1,700,679	48,856
Expected dividends	(653,377)	(370,687)	(282,690)
Own shares held directly or indirectly	(15,665)	(4,794)	(10,872)
Adjustments related to the transferability of subsidiaries own funds or the computability of minority interests	(324,974)	(1,140,062)	815,087
Other deductions required by the Regulations or by specific provisions of the Supervisory Authority	(544)	(41)	(502)
Total eligible own funds to meet the SCR	10,839,414	10,064,028	775,386
Non eligible own funds to meet the MCR	(3,997,590)	(2,638,050)	(1,359,540)
Total eligible own funds to meet the MCR	6,841,824	7,425,978	(584,154)

Summary

Eligible amount of own funds

<i>Amounts in €k</i>	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Total eligible own funds to meet the SCR (A)	10,839,414	9,066,788	455,130	1,294,404	23,091
Total eligible own funds to meet the MCR (B)	6,841,824	5,969,896	455,130	416,798	

SCR, MCR and Capital Requirement coverage ratios

<i>Amounts in €k</i>	2024	2023	Change on 2023
Solvency Capital Requirement (SCR) (C)	5,116,344	4,687,566	428,778
Minimum Capital Requirement (MCR) (D)	2,083,988	1,631,774	452,213
Ratio of Eligible own funds to SCR (A / C)	2.12	2.15	(0.03)
Ratio of Eligible own funds to MCR (B / D)	3.28	4.55	(1.27)

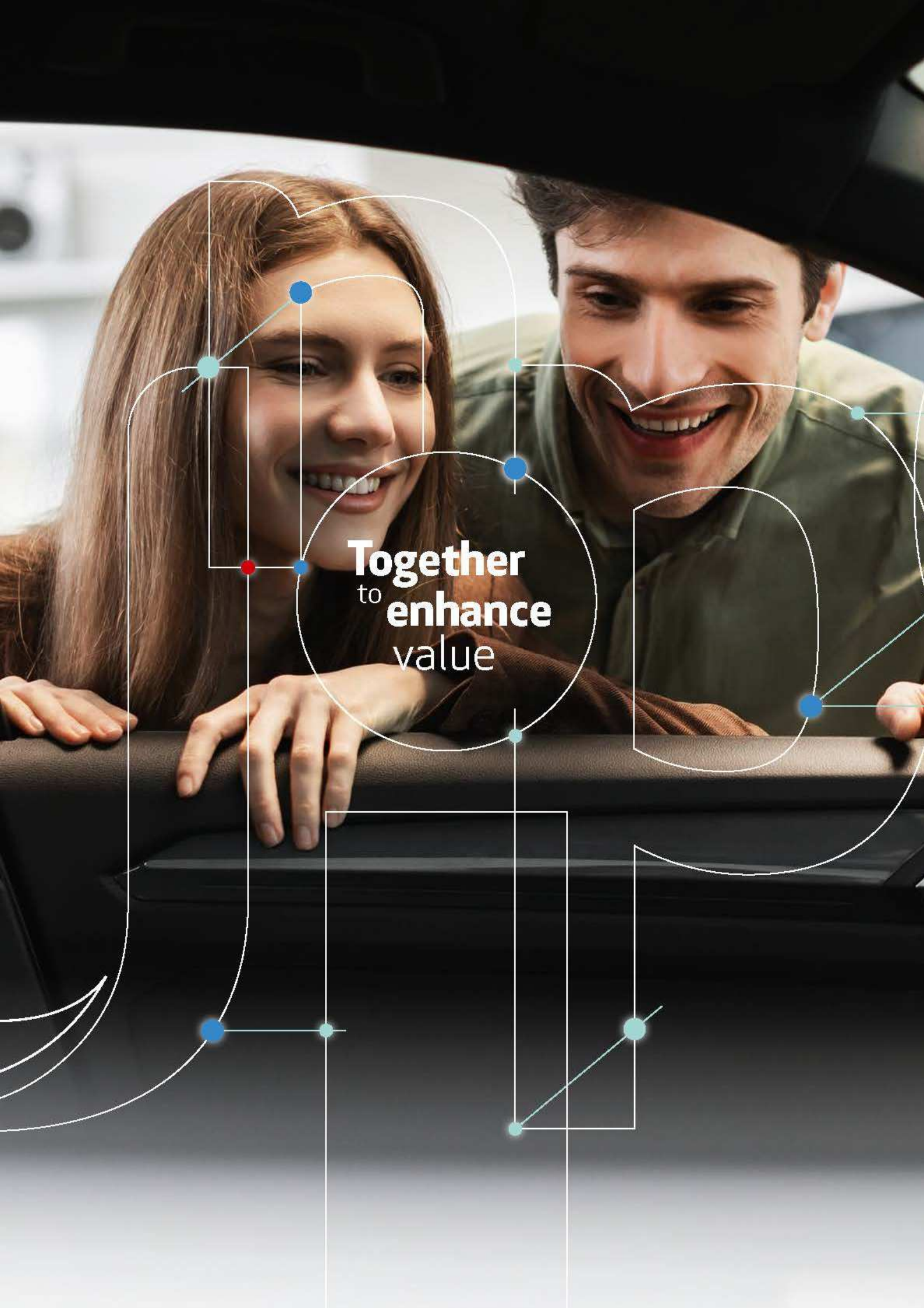
The SCR coverage ratio without the application of the volatility adjustment is 2.04 (2.08 at 31/12/2023).

We provide below the results of the sensitivity analyses carried out by the Group. The analyses refer to the year in question and take, as central scenario, the capital adequacy and the solvency capital requirement calculated according to the PIM adopted by the Group.

Sensitivities

Description	Impact with respect to central scenario	Impact on Solvency II Ratio
Shift upward of the interest yield curve	interest rate: +100 bps	5 p.p.
Shift downward of the interest yield curve	interest rate: -100 bps	-9 p.p.
Sensitivity on credit spread – corporate bonds	industrial and financial credit spreads: +100 bps	-1 p.p.
Sensitivity on equity market	equity market value: -30%	-5 p.p.
Sensitivity on property market	real estate market value: -15%	-9 p.p.
Sensitivity on Italian Government spread	Italian Government spread: +100 bps	-11 p.p.
Sensitivity on inflation	inflation: +100 bps	-4 p.p.
Sensitivity on surrender frequencies	surrender tables: +100%	-6 p.p.
Sensitivity on combined ratio	combined ratio: +100 bps	-1 p.p.

During the year the Group always maintained adequate coverage of its SCR as well as its MCR.



Together
to **enhance**
value



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BUSINESS
AND PERFORMANCE

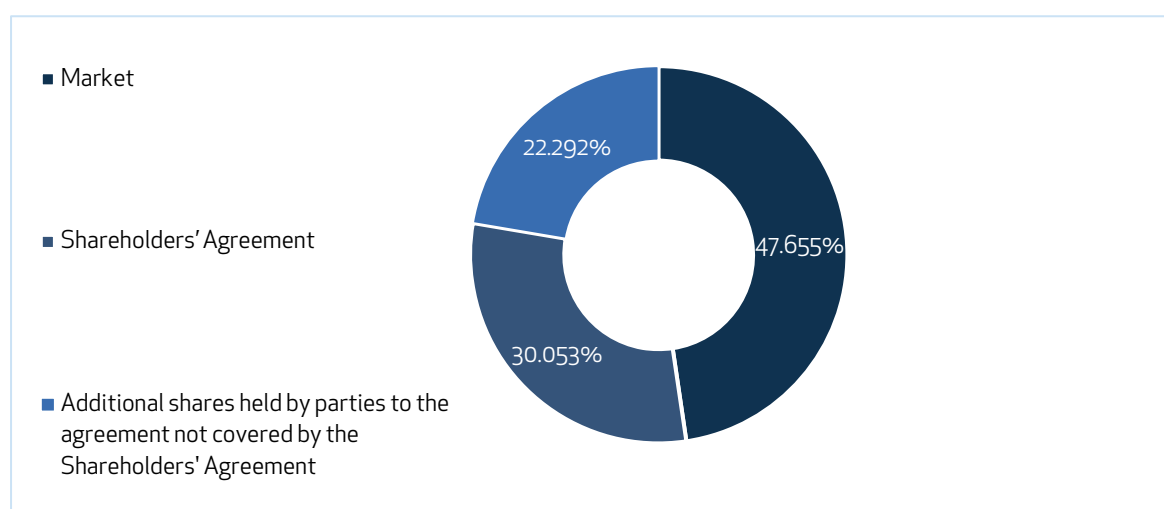
A Business and performance

A.1 Business

Company information

Unipol Assicurazioni SpA ("Unipol Assicurazioni" or "Unipol"), listed on the Milan Stock Exchange and included in the FTSE MIB and MIBR ESG indices, is the parent company of the Unipol Group ("the Group"), a leader in the Italian insurance market, and is present in a number of market sectors in addition to insurance. Unipol Assicurazioni manages and coordinates all the subsidiaries.

The shareholding structure is shown in the chart below:



The Group is subject to supervision, as an insurance group, by the Istituto per la Vigilanza sulle Assicurazioni (IVASS).

The independent audit firm appointed by the Group is EY SpA.

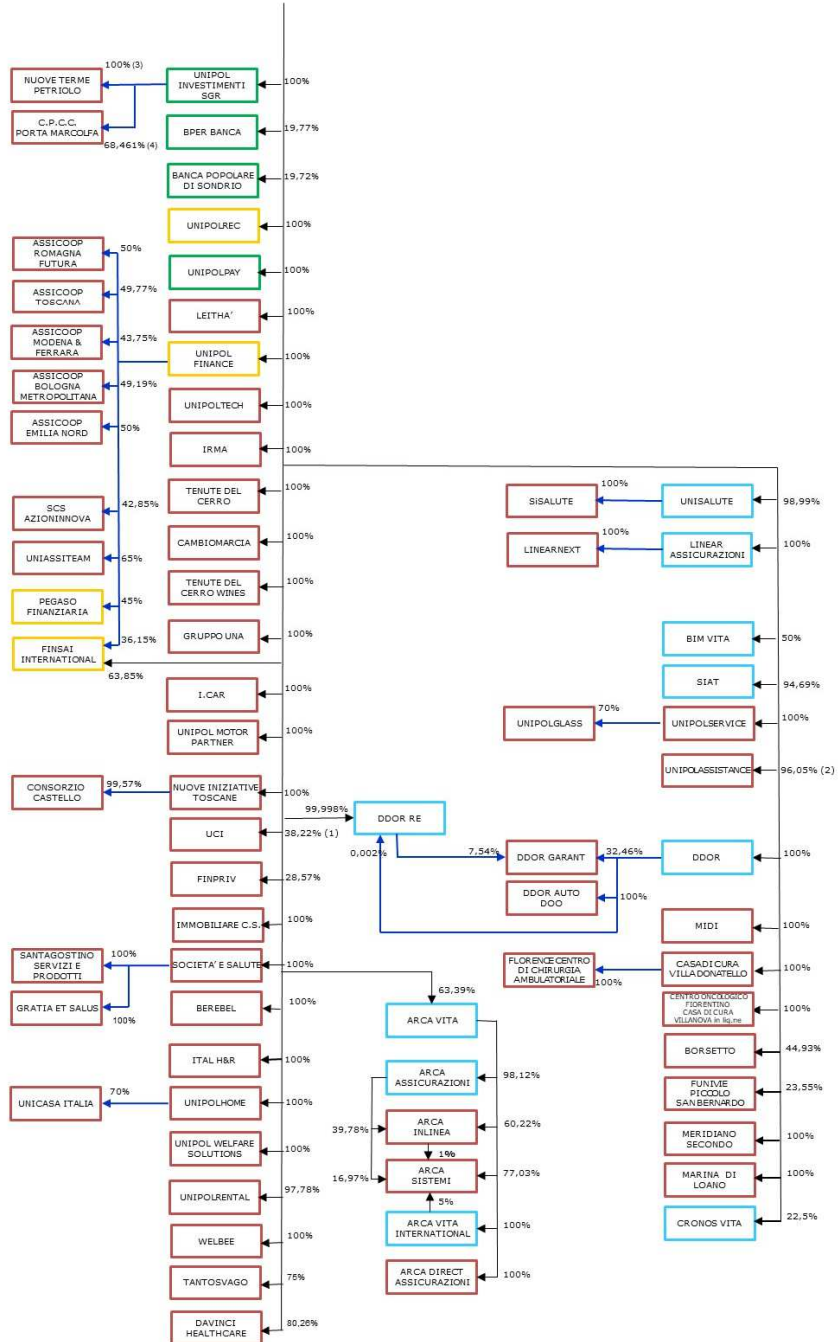
The structure of the Unipol Group at 31 December 2024 is shown below.

Situation as of 31 December 2024



- 1. A further 0.10% is held by other Group companies
- 2. A further 3.95% is held by other Group companies
- 3. Shareholding held through the Athens RE Fund
- 4. Shareholding held through the Empron Fund

Additionally, the direct holdings of Unipol Assicurazioni in the real estate funds Athens RE Fund, Fondo Empron Immobiliare, Fondo Landev, Fondo Oikos and Tikal RE Fund are reported.



A Business and performance

We also provide a list of subsidiaries and associates at 31 December 2024. Please note that at that date, there were no companies subject to unified management.

List of subsidiaries and associates

Name	Legal form	Registered office	% voting rights
Arca Assicurazioni Spa	Joint-stock company	Italy	98.12%
Arca Direct Assicurazioni Srl	Limited liabilities company	Italy	100.00%
Arca Inlinea Scarl	Limited liabilities consortium	Italy	100.00%
Arca Sistemi Scarl	Limited liabilities consortium	Italy	100.00%
Arca Vita International Dac	Designated activity Company	Ireland	100.00%
Arca Vita Spa	Joint-stock company	Italy	63.39%
Assicoop Bologna Metropolitana Spa	Joint-stock company	Italy	49.19%
Assicoop Emilia Nord Srl	Limited liabilities company	Italy	50.00%
Assicoop Modena & Ferrara Spa	Joint-stock company	Italy	43.75%
Assicoop Romagna Futura Srl	Limited liabilities company	Italy	50.00%
Assicoop Toscana Spa	Joint-stock company	Italy	49.77%
Athens R.E. Fund	Collective Investments Undertakings	Italy	89.59%
Banca Popolare di Sondrio	Joint-stock company	Italy	19.88%
BeRebel Spa	Joint-stock company	Italy	100.00%
BIM Vita Spa	Joint-stock company	Italy	50.00%
Borsetto Srl	Limited liabilities company	Italy	44.93%
BPER Banca Spa	Joint-stock company	Italy	19.86%
Cambiomarcia Srl	Limited liabilities company	Italy	100.00%
Casa di Cura Villa Donatello - Spa	Joint-stock company	Italy	100.00%
Centro Oncologico Fiorentino Casa di Cura Villanova Srl in Liquidazione	Limited liabilities company	Italy	100.00%
Compagnia Assicuratrice Linear Spa	Joint-stock company	Italy	100.00%
Consorzio Castello	Limited liabilities consortium	Italy	99.57%
Consorzio tra Proprietari Centro Commerciale Porta Marcolfa	Consortium of Owners	Italy	68.46%
Cronos Vita Spa	Joint-stock company	Italy	22.50%
DaVinci Healthcare Srl	Limited liabilities company	Italy	80.26%
Ddor Auto - Limited Liability Company	Drustvo Sa Ogranienom Odgovornou-DOO	Serbia	100.00%
Ddor Garant	Akcionarsko Drustvo-ADO	Serbia	40.00%
Ddor Novi Sad	Akcionarsko Drustvo-ADO	Serbia	100.00%
Ddor Re	Akcionarsko Drustvo-ADO	Serbia	100.00%
Fin.Priv. Srl	Limited liabilities company	Italy	28.57%
Finsai International Sa	Societe' Anonyme	Luxembourg	100.00%
Florence Centro di Chirurgia Ambulatoriale Srl	Limited liabilities company	Italy	100.00%
Fondazione Unipolis	Foundation	Italy	100.00%
Fondo Emporion Immobiliare	Collective Investments Undertakings	Italy	100.00%
Fondo Landev	Collective Investments Undertakings	Italy	100.00%
Fondo Oikos	Collective Investments Undertakings	Italy	100.00%
Funivie del Piccolo San Bernardo Spa	Joint-stock company	Italy	23.55%
Gratia et Salus Srl	Limited liabilities company	Italy	100.00%
Gruppo UNA Spa	Joint-stock company	Italy	100.00%
I.Car Srl	Limited liabilities company	Italy	100.00%
Immobiliare C.S. Srl	Limited liabilities company	Italy	100.00%
IRMA Srl	Limited liabilities company	Italy	100.00%
Ital H&R Srl	Limited liabilities company	Italy	100.00%
Leithà Srl	Limited liabilities company	Italy	100.00%
LinearNext Srl	Limited liabilities company	Italy	100.00%
Marina di Loano Spa	Joint-stock company	Italy	100.00%

Name	Legal form	Registered office	% voting rights
Meridiano Secondo Srl	Limited liabilities company	Italy	100.00%
Midi Srl	Limited liabilities company	Italy	100.00%
Nuove Iniziative Toscane - Società a Responsabilità Limitata	Limited liabilities company	Italy	100.00%
Nuove Terme Petriolo Srl	Limited liabilities company	Italy	100.00%
Pegaso Finanziaria Spa	Joint-stock company	Italy	45.00%
Santagostino Servizi e Prodotti Srl	Limited liabilities company	Italy	100.00%
SCS Azioninova Spa	Joint-stock company	Italy	42.85%
Siat-Società Italiana Assicurazioni e Riassicurazioni - per Azioni	Joint-stock company	Italy	94.69%
SiSalute Srl	Limited liabilities company	Italy	100.00%
Società e Salute Spa	Joint-stock company	Italy	100.00%
Tantosvago Srl	Limited liabilities company	Italy	75.00%
Tenute del Cerro Spa - Società Agricola	Joint-stock company	Italy	100.00%
Tenute del Cerro Wines Srl	Limited liabilities company	Italy	100.00%
Tikal R.E. Fund	Collective Investments Undertakings	Italy	100.00%
Uci - Ufficio Centrale Italiano	Limited liabilities consortium	Italy	38.36%
UniAssiTeam Srl	Limited liabilities company	Italy	65.00%
Unicasa Italia Spa	Joint-stock company	Italy	70.00%
Unipol Assicurazioni Spa	Joint-stock company	Italy	100.00%
Unipol Finance Spa	Joint-stock company	Italy	100.00%
Unipol Investimenti Sgr Spa	Joint-stock company	Italy	100.00%
Unipol Motor Partner Srl	Limited liabilities company	Italy	100.00%
Unipol Rental Spa	Joint-stock company	Italy	97.78%
Unipol Welfare Solutions Srl	Limited liabilities company	Italy	100.00%
UnipolAssistance Scrl	Limited liabilities consortium	Italy	100.00%
UnipolGlass Srl	Limited liabilities company	Italy	70.00%
UnipolHome Spa	Joint-stock company	Italy	100.00%
UnipolPay Spa	Joint-stock company	Italy	100.00%
UnipolReC Spa	Joint-stock company	Italy	100.00%
UnipolService Spa	Joint-stock company	Italy	100.00%
UnipolTech Spa	Joint-stock company	Italy	100.00%
UniSalute Spa	Joint-stock company	Italy	98.99%
WelBee SpA	Joint-stock company	Italy	100.00%

Changes in the consolidation scope compared with 31 December 2023

Merger of Centri Medici Dyadea into Società e Salute

The merger by incorporation of Centri Medici Dyadea Srl into Società e Salute SpA became effective on 1 January 2024. Following the merger of Centri Medici Dyadea Srl, Società e Salute SpA acquired 100% of the share capital of Gratia et Salus Srl.

Merger of UnipolSai Assicurazioni, Unipol Finance, UnipolPart I and Unipol Investment into Unipol Gruppo

On 31 December 2024, the merger by incorporation of UnipolSai Assicurazioni SpA, Unipol Finance Srl, UnipolPart I SpA and Unipol Investment SpA into Unipol Gruppo SpA became effective, which on the same date took the company name Unipol Assicurazioni SpA or, in abbreviated form, Unipol SpA.

The following changes were also made to the names of the subsidiaries:

New company name	Previous company name
Unipol Finance SpA	UnipolSai Finance SpA
Unipol Investimenti SGR SpA	UnipolSai Investimenti SGR SpA
Unipol Motor Partner Srl	UnipolSai Motor Partner Srl
SiSalute Srl	Unisalute Servizi Srl
Unipol Welfare Solutions Srl (UWS Srl)	UnipolSai Servizi Previdenziali Srl

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Main differences between the scope of consolidation considered in the consolidated financial statements prepared pursuant to Article 95 of the Private Insurance Code ("CAP") and the scope of consolidation considered for the calculation of group solvency pursuant to Article 216-ter of the CAP

The Unipol Group MCBS was determined in accordance with method 1 (method based on the consolidated financial statements described in Art. 335 of the Regulation). To that end, a Group MCBS expressed at market value was prepared on the basis of the criteria defined in the Regulation.

The Group scope for the preparation of the MCBS includes 78 companies, of which:

- A. 43 companies consolidated on a line-by-line basis in application of Art. 335 paragraph 1 (a) of the Regulation (insurance or reinsurance companies, non-EU insurance or reinsurance companies, insurance holding companies, mixed financial holding companies and ancillary services undertakings which are subsidiaries of the parent company);
- B. 1 company assessed in compliance with Art. 13 of the Regulation (equity investments in insurance or reinsurance companies, non-EU insurance or reinsurance companies, insurance holding companies, mixed financial holding companies and ancillary services undertakings which are not subsidiaries of the parent company), consolidated with the Solvency II equity method in application of Art. 335, par. 1 (d) of the Regulation;
- C. 4 companies for which the proportional share of own funds of the company calculated in accordance with the pertinent sector rules pursuant to Art. 2, point 7 of Directive 2002/87/EC was consolidated in application of Art. 335 paragraph 1 (e) of the Regulation (investee companies that are credit institutions, investment firms and financial institutions, UCITS management companies);
- D. 30 companies measured in compliance with Art. 13 of the Regulation (other subsidiaries, associates, included in the definition of equity investments other than the previous ones), consolidated with the Solvency II equity method in application of Art. 335 paragraph 1 (f) of the Regulation.

There are no companies pursuant to paragraph 1, letters b) and c) of Art. 335 of the Regulation (line-by-line consolidation of special purpose vehicles as defined in Art. 13 of the Directive and proportional consolidation of equity investments in insurance or reinsurance companies, non-EU insurance or reinsurance companies, insurance holding companies, mixed financial holding companies and ancillary services undertakings which are not subsidiaries of the parent company).

The main differences in the scope of consolidation of the MCBS with respect to the scope of consolidation used for the preparation of the Unipol consolidated financial statements derive from the lack of line-by-line consolidation of the subsidiaries belonging to the financial sector and the subsidiary entities that are not ancillary services undertakings within the scope of the Unipol Insurance Group, with the exception of several subsidiary entities whose activities were deemed similar to those of the ancillary services undertakings, such as the controlled property funds and the companies directly controlled by Unipol which provide their financial resources to the parent company by means of the cash pooling system (UnipolReC).

For further details regarding the scope of consolidation and the methods of calculation applied to the individual entities, please refer to QRT S.32.01.22 in the QRT Models section.

Relations with Group companies

Unipol Assicurazioni provides the following services to companies of the Group:

- Governance (services supporting internal control, risk management, compliance and the Actuarial Function Validation);
- Finance;
- Innovation;
- Communications and Media Relations;
- Anti-money laundering and Anti-terrorism;
- 231 support;
- Institutional Relations;
- Assessment of investments;
- Human resources and industrial relations (personnel administration, external selection, development and remuneration systems, welfare initiatives, personnel management, trade union relations, employee disputes, employee welfare, safety);
- Organisation;
- Training;
- Legal and corporate (corporate affairs, group legal register management, anti-fraud, institutional response, legal insurance consulting, privacy consulting and support, legal antitrust consulting, general legal consulting, legal dispute services, corporate legal, complaints, management of investments);
- Claims settlement;
- Insurance (distribution network regulations, MV portfolio management, MV tariff setting, Life bancassurance, first level assistance to agencies, local assistance to agencies, final user test and manuals, Non-Life management and knowledge management services, CRM, targeting and campaign management);
- IT services;
- Actuarial Function Calculation;
- Administration (accounting, tax, administrative and financial statements services);
- Management control;
- Purchase of goods and services (including real estate) and general services;
- Services for the management of Whistleblowing reports;
- Support services to the Supervisory Board;
- Sustainability;
- Corporate social responsibility (CSR) services;
- Real estate (coordination of urban planning processes, value added services, operational management of property sales and purchases, property leasing services, project management, logistics and real estate services, facility management, tax and duty property management, property management).

UniSalute provides the following services to Unipol:

- Managing addressing services, providing medical advice and assistance by telephone, making bookings, managing and settling claims relating to specific guarantees/products on behalf of Unipol;
- Policyholder record updating services and administrative services associated with the payment of health policy claims.

The services provided by UniSalute to its subsidiary SiSalute mainly concerned the following areas:

- Administration and management control;
- Complaints, regulations and tenders;
- IT services;
- Digital marketing and Communications;
- Supplier Network Management and Medical Coordination;
- Human resource monitoring and Training;
- Collective Operating Centre - Assistance Class 18 and LTC case management.

UniSalute provides to the Companies to which the supplementary corporate agreement applies direct management of payments for healthcare services of employees (including senior executives).

SIAT performs the following services in favour of Unipol:

- Technical assistance in the negotiation and stipulation of transport and aviation contracts;
- Portfolio services for agreements in the transport sector;
- Administrative support in the relationships with insurance counterparties;
- Management of development projects in the Transport sector.

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UnipolService provides car repair services for certain Group Companies, while **UnipolGlass** provides glass repair services.

Unipol Welfare Solutions performs administrative management of open pension funds on behalf of a number of Group companies.

UnipolTech guarantees competitiveness to the Group insurance companies through continuous technological innovation and the evolution of ITC and mobile payment services. In particular:

- manages the electronic boxes, designed and continuously innovated internally and complete with proprietary software associated with MV, Motorcycle and Fleet policies, confirming the Unipol Group as market leader. The electronic boxes are directly linked to the service centre (TSP) in order to guarantee security and assistance insurance services through a complex data analysis based on crash recognition and reconstruction, roadside assistance and theft up to value added services such as private emergency calls, plus the VASs available on the mobile app;
- supports Unipol in identifying IoT technology and leading partners in the market for the provision of safety and security services linked to home, store and commercial business insurance policies (smart home);
- develops electronic devices associated with insurance policies for pet protection;
- has launched the development of technological solutions that integrate telematics and electronic toll payments with a view to insurance offer distinctiveness.

The Company has developed products and services that are offered through the Unipol agency network, the Unipol multi-channel system and on the free market such as:

- Qshino, the product that offers an anti-abandonment device service for child car seats as required by Italian Law No. 117 of 1 October 2018, which makes their use compulsory;
- UnipolMove, an electronic motorway toll payment service that was made available to all Group customers and others from March 2022, after UnipolTech received European Electronic Toll Service accreditation (first company at national and European level) for light and heavy vehicles.

To supplement the electronic toll service, UnipolTech continues to support Unipol in the development of mobile payment solutions to offer customers an integrated model of distinctive services, complementary to the insurance business. The first services available on the Unipol and UnipolMove Apps offer the opportunity to pay car parking fees, "blue line" parking slips, for access to certain Limited Traffic Zones (such as Milan Area C), fines and road tax, as well as fuel. From 2023, the Company also joined the MaaS (Mobility as a Service) NRRP calls for proposals and offers integrated payment services for micro-mobility and public transport, complementary to cars, in the cities of Rome and Milan.

Leithà designs, develops and provides to Group companies services, applications, data-intensive components and innovative, high-tech tools based primarily on Artificial Intelligence, Machine Learning, Process Automation and Computer Vision solutions. It also studies and analyses data in support of the development of new insurance solutions (both in actuarial and product application distribution terms), processes and business development. This includes the necessary preparatory and instrumental activities for the implementation of commissioned research projects and the development of operating system software, operating systems, applications and database management concerning and functional to such projects.

The main project areas covered include:

- development of software supporting the reconstruction and settlement of claims;
- software development to support tariff underwriting;
- development of solutions for real-time claims management;
- support for tariff sophistication processes through data enrichment and machine learning modelling;
- tariff optimisation;
- natural events and weather alert services;
- reinsurance support;
- communication tools for the agency network;
- smartphone telematics;
- scientific communication activities through collaboration with important European projects and research centres (e.g., ADA - ADaptation in Agriculture and development of the E3CI - European Extreme Events Climate Index, NRRP National Recovery and Resilience Plan).

UnipolAssistance provides the following services for the Companies of the Consortium and to non-insurance third parties:

- organisation, provision and 24/7 management of services provided by the Class 18 assistance insurance coverage, by taking the action requested and managing relations with professionals and independent suppliers to which the material execution of the action is assigned, also including settlement of the related remuneration. Analogous activities are also provided to Consortium members not in the insurance business.
As part of the Tourism claims management solely for consortium members carrying out insurance activities, in addition to the provision of normal Assistance services, at the request of an individual consortium member UnipolAssistance can advance medical expense payments on behalf of that member;
- contact centre activities for customers or prospects, specialists and agencies of the Group, whose services consist of:
 - providing front and back office services to existing or potential customers at all stages of relations with Group Companies and their respective sales networks, or to any intermediaries acting on their behalf (brokers, banks);
 - providing after-sales services on policy statuses or on any transactions that can be made on existing policies;
 - providing support services to the agency network in relations with customers, potential customers and insurance consortium members;
 - providing front-office support services in pre-sales and after-sales to the agency network in relations with customers, potential customers and non-insurance consortium members;
 - providing contact centre services dedicated to opening claims and related information requests.

Arca Vita provides the following services to its subsidiaries:

- human resource management and development, organisation, corporate affairs, purchasing, legal services and complaints, secretariat and general services, security and privacy, administration, life planning in favour of subsidiaries;
- real estate and property unit leases in favour of several Group companies.

An agreement with Arca Vita International is also in place regarding the licence for use of the "Arca Vita International" trademark owned by Arca Vita.

Arca Inlinea provides sales support services to Arca Assicurazioni, Arca Vita and Arca Vita International.

Arca Sistemi provides the following services primarily in favour of the companies participating in the consortium:

- IT system design, development and management;
- electronic storage design, development and management.

In addition, Arca Sistemi provides IT services to UniSalute.

Arca Direct Assicurazioni has insurance brokerage agreements in place with Arca Vita, Arca Assicurazioni and Unipol.

UnipolRental provides medium/long-term vehicle rental services to Group companies.

UnipolHome provides repair services to Unipol for insurance products that include this solution.

UnipolPay acts as a centre of expertise for payment solutions and experiences for the Company. In this context, UnipolPay offers the Group companies a payment account with the various associated services for collection and payment activities.

Welbee designs, develops and provides welfare plans for Unipol employees, made available through a digital platform, which focus primarily on flexible benefits in the welfare and health sectors.

Tantosvago provides Welbee with content services and corporate welfare experiences; in addition, the company designs, develops and provides incentive, loyalty and prize competition programmes for Unipol.

DaVinci Healthcare provides Unipol and other Group Companies with Mental Coach and Dedicated Physician services.

SiSalute provides remote assistance services on behalf of UniSalute and call centre services for Società e Salute.

Moreover, it is noted that the Group companies conduct the following regular transactions with each other:

- reinsurance and coinsurance;

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- leasing of property and other tangible assets;
- agency mandates;
- brokerage of collections and payments;
- secondment of personnel;
- training project management.

There is also a partnership agreement between **Unipol** and **UnipolTech** with the aim of strengthening their reciprocal positions in the reference markets: in this sense, the agreement calls for advertising on the Unipol website and App, and in particular through the agency network as well, the services offered by UnipolTech.

No atypical or unusual transactions were carried out in the execution of these services.

Fees are mainly calculated on the basis of the external costs incurred, for example the costs of products and services acquired from suppliers, and the costs resulting from activities carried out directly, i.e. generated by their own staff, and taking account of:

- performance targets set for the provision of the service to the company;
- strategic investments required to ensure the agreed levels of service.

The following elements are specifically taken into consideration:

- personnel costs;
- operating costs (logistics, etc.);
- general costs (IT, consultancy, etc.).

As regards services rendered by Leithà, the consideration was determined to the extent equal to costs, as previously defined, to which a mark-up was applied, which is the operating margin for the service rendered.

The costs for financing activities are calculated by applying a fee on managed volumes. The services provided by UniSalute (except for operating services provided to SiSalute for which the costs are split), SiSalute and UnipolService involve fixed prices.

Both the Parent Company **Unipol Assicurazioni** and its subsidiaries, including **Arca Vita** and **Arca Assicurazioni**, second their staff to other Group companies to optimise the synergies within the Group.

Tax regime for taxation of group income (so-called “tax consolidation”)

The Parent Company Unipol Assicurazioni exercised the Group joint tax consolidation option governed by Title II, Chapter II, Section II of Italian Presidential Decree 917/86 (the Consolidated Income Tax Act, Articles 117 et seq.) as consolidating entity, jointly with the companies belonging to the Unipol Group meeting the established regulatory requirements over time. The option has a three-year duration and is renewed automatically unless cancelled.

Unipol VAT Group

Unipol and the subsidiaries for which there are economic, financial and organisational restrictions exercised the option of establishment of the Unipol VAT Group pursuant to Art. 70-bis et seq. of Italian Presidential Decree No. 633/1972 and Ministerial Decree of 6 April 2018. Initially valid for the three-year period 2019-2021, the option renews each year until cancelled.

In addition to what was mentioned previously, due to the very nature of the Group, there are significant intra-group transactions concerning “transactions relating to equity instruments, debt instruments and asset transfers”. These transactions are substantiated in the possession of equity investments, the disbursement of loans and the management of centralised treasury services (“cash pooling”) and the relative ensuing transactions (payment of dividends and interest and repayments). There are current account and securities deposit relationships as well as insurance product distribution agreements in place with the banking entities that are shareholders of the bancassurance companies and with associated companies (BPER Banca and Banca Popolare di Sondrio).

These transactions, which do not include atypical or unusual transactions, are settled at arm’s length conditions.

Lines of Business

The Group's activities are divided into the following lines of business:

Insurance

The Group offers the market the entire range of risk cover solutions: for mobility (vehicles, sportscraft and travel), for the home and condominiums, for work (products dedicated to businesses, traders, professionals and legal protection), for personal protection (particularly accident and health protection policies), and for investments and welfare. Insurance services are offered to customers through a number of channels, from the agency network to the banking network (where Unipol operates on the basis of bancassurance agreements), from direct sales to the broker channel.

The Parent Company **Unipol Assicurazioni SpA** is the main Insurance Company, supported by specialist companies: **UniSalute**, specialising in the Healthcare segment; **Linear**, a company specialising in direct sales, online and via call centres, of MV products; **SIAT**, operating in the Transport business, with corporate customers primarily reached through brokers. The bancassurance channel distributes the products of the companies **Arca Assicurazioni**, **Arca Vita** and **Arca Vita International**, through the networks of the BPER Banca Group and Banca Popolare di Sondrio, and of the company **BIM Vita**, through Banca Investis.

Outside Italy, the Group offers insurance products in Serbia, through the subsidiary **DDOR Novi Sad** and the dedicated captive reinsurance company **Ddor Re**.

Non-insurance services in the Mobility, Welfare and Property Ecosystems

During the last two Strategic Plans (2019-2021 and 2022-2024), the Unipol Group supplemented its ordinary insurance activities with a whole range of different services, becoming a point of reference in the Mobility, Welfare and Property ecosystems, in which it operates with a range of companies that offer customers both services integrated with insurance activities and processes, and solutions that support insurance services in meeting broader customer needs in the three areas:

- **Mobility:** the Group is a full partner for the entire mobility lifecycle, particularly for the management of the vehicle repair process with **UnipolService** and glass repairs through **UnipolGlass**, response to assistance requests with **Unipol Assistance**, the Long-Term Rental market with **UnipolRental**, the electronic toll sector and the offer of mobile payments with **UnipolMove**, a **UnipolTech** brand that is the telematics provider of Unipol and the other Group companies, and the supply of anti-theft systems using **I.Car** identification.
- **Welfare:** the Group is strengthening its positioning thanks to the network of proprietary and affiliated healthcare facilities, with its 45 Santagostino and Dyadea health centres managed by **Società&Salute**, and the **Villa Donatello** and **Centro Florence** care homes, maximizing synergies with insurance services. Through **DaVinci HealthCare**, it also offers a digital health platform, additional digital health services, including telemedicine, prevention and home care services, physiotherapy and social care. Lastly, the welfare provider **Welbee** completes the offer through the flexible benefits platform (managed by the digital company **Tantosvago**) optimised for both SMEs and large companies;
- **Property:** the Group provides services relating to homes and condominiums, in particular through the development of a craftsmen network to ensure service quality and savings on insured services (**UnipolHome**) and through a network of franchise administrators for the provision of services to administrators and owners (**UniCasa**).

Other Businesses

The Group is one of the main real estate operators in Italy in terms of assets, which includes both properties for business use, mainly used for the performance of Group company activities, and properties for third-party use, i.e. buildings that represent investments for the Group (made directly, by dedicated Group companies, or indirectly) and are mostly leased to third parties.

Through **Unipol Investimenti SGR**, the Unipol Group manages real estate investment funds.

Unipol is also active in the following sectors:

- hotel sector through **UNA Group**, which manages 56 facilities (hotels, residences and resorts through leases, franchises and management) in some of the main cities and most renowned tourist destinations in Italy;
- agricultural sector through **Tenute del Cerro**, owner of around 4,000 hectares of land in Tuscany and Umbria, of which 300 hectares of vineyards among the most sought-after for high quality wine production;

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- port facilities through **Marina di Loano**, centrally located in western Liguria and able to moor over 1,000 craft with lengths from 6 to 77 metres.

Leithà is the company specifically dedicated to innovation and digital transformation.

UnipolPay, is an e-money institution (IMEL) authorised to provide electronic payment and e-money services in Italy.

Unipolis is the business foundation of the Unipol Group, and one of the most important tools for implementing social responsibility initiatives, within the framework of the more comprehensive sustainability strategy.

Significant events in 2024

Group corporate rationalisation project

On 16 February 2024, the Boards of Directors of Unipol Gruppo and UnipolSai Assicurazioni approved a project for the corporate rationalisation of the Unipol Group (the **"Transaction"**), to be carried out through the merger by incorporation (the **"Merger"**) into the holding company Unipol Gruppo of UnipolSai Assicurazioni SpA, as well as Unipol Finance Srl, UnipolPart I SpA and Unipol Investment SpA, companies wholly owned by Unipol Gruppo which held interests in UnipolSai (the **"Intermediate Holding Companies"**); to this end, the parties have entered into a framework agreement (the **"Framework Agreement"**) aimed at (i) establishing the main terms and conditions of the Transaction, (ii) governing the activities preparatory to and/or functional to its implementation, as well as (iii) establishing the relevant timing, the interim management of the Group companies and the terms and conditions of the Transaction, setting the swap ratio of the Merger - if the conditions were met - at 3 Unipol Gruppo shares for every 10 UnipolSai shares.

As concerns the Merger, it should be noted that: (i) on 29 April 2024, the plan for the Merger by incorporation into Unipol Gruppo of UnipolSai, as well as of the Intermediate Holding Companies, approved by the Board of Directors of the Company at its meeting held on 21 March 2024, was filed at the Company's registered office; (ii) on 25 July 2024, IVASS authorised the Merger pursuant to and for the purposes of Art. 201 of Italian Legislative Decree No. 209 of 7 September 2005 and of Art. 23 of IVASS Regulation No. 14/2008; and (iii) on 30 July 2024, the Merger plan was registered with the competent Companies' Register.

As part of the Transaction, Unipol Gruppo has also promoted a voluntary public purchase offer (the **"Offer"**) concerning all of the ordinary shares of UnipolSai (now merged into Unipol) (hereinafter referred to for brevity's sake as **"UnipolSai"**) not held directly or indirectly by Unipol Gruppo. The Offer was for a maximum of 418,788,217 UnipolSai shares, representing 14.800% of the share capital, at a price of €2.700 (cum dividend, i.e. including the coupons relating to any dividends distributed by UnipolSai) for each share for which the Offer was accepted.

As a result of the acceptance of the Offer, Unipol purchased, on 3 May 2024, 274,937,646 UnipolSai shares, for a total value of €742,331,644.20, directly and indirectly holding 94.916% of the share capital of the latter.

Subsequently, when the conditions set forth by law were met, Unipol Gruppo also initiated the Joint Procedure for the exercise of the Purchase Obligation pursuant to Art. 108, paragraph 2, of the Consolidated Law on Finance (the **"Sell-Out Procedure"**) and the right to purchase pursuant to Arts. 108, paragraph 1, and 111 of the Consolidated Law on Finance (the **"Right to Purchase"**) on the remaining UnipolSai shares subject to the Offer and not transferred to it.

Therefore, Unipol Gruppo has purchased, for a unit price of €2.535 per UnipolSai share (equal to the consideration of the Offer net of the dividend distributed in the meantime by UnipolSai):

- (i) on 28 June 2024, 57,113,309 UnipolSai shares for which requests for sale were submitted during the Sell-Out Procedure for a total consideration of €144,782,238.32, so it now directly and indirectly holds 2,742,980,110 UnipolSai shares, equal to 96.93% of the share capital.
- (ii) on 3 July 2024, 86,737,262 UnipolSai shares for which Unipol Gruppo has exercised the Right to Purchase for a total consideration of €219,878,959.17. On the same date, in compliance with the regulatory conditions, Borsa Italiana SpA ordered the delisting of the UnipolSai shares from Euronext Milan;
- (iii) on 11 September 2024, 109,208 UnipolSai shares not included in the squeeze out procedure as they are held by subsidiaries of UnipolSai or assigned, following the exercise of the Right to Purchase, to managers of UnipolSai in execution of compensation plans.

As a result of the above purchases, Unipol Gruppo holds, directly or through the Intermediate Holding Companies, the entire share capital of UnipolSai, with the exception of the UnipolSai treasury shares directly held by the latter, which were cancelled as a result of the Merger, thus not making it necessary to issue new shares in connection with the Merger.

On 21 October 2024, the Extraordinary Shareholders' Meeting of Unipol Gruppo approved the Merger Plan and also expressed an opinion on the amendment to the By-Laws of Unipol Gruppo made necessary, among other things, by the change in the corporate purpose. The holders of ordinary Unipol Gruppo shares who did not participate in the approval of the Merger Plan and, therefore, in the amendment of the corporate purpose, had the right of withdrawal pursuant to Art. 2437, paragraph 1, letter a) of the Italian Civil Code (the "Right of Withdrawal"). The Right of Withdrawal was validly exercised for a total of 37 shares, which, given the extremely small number of shares subject to withdrawal, were purchased directly by Unipol Gruppo pursuant to Art. 2437-quater, paragraph 5, of the Italian Civil Code using available reserves.

As all the conditions precedent set forth in the Merger Plan were met, the merger deed was signed on 23 December and was filed and recorded on the same date at the competent office of the Bologna Register of Companies. The Merger became effective for statutory purposes at 11:59 p.m. on 31 December 2024 (the "Effective Date"). The Merger became effective for accounting and tax purposes as of 1 January 2024.

As of the Effective Date, Unipol Gruppo took on the current company name of "Unipol Assicurazioni SpA" or, in short, "Unipol SpA", and the amendments to the By-laws connected to the Merger came into force.

Merger by incorporation of Centri Medici Dyadea Srl into Società e Salute SpA

The merger by incorporation of Centri Medici Dyadea Srl into Società e Salute SpA became effective from 1 January 2024.

Trade union agreement relating to the Supplementary Corporate Agreement

On 28 February 2024, a possible bridge agreement was signed with the Trade Unions, subsequently approved by workers in the insurance sector by means of a referendum and by the Board of Directors of Unipol Gruppo and UnipolSai on 21 March 2024. The aim of this agreement was to improve company welfare benefits (supplementary pension and welfare credit, the latter valid for 2024), while also recognising an improvement in the Variable Company Bonus, in correlation with the use of holidays and mandatory training, and a one-off amount for the years 2022 and 2023.

Fitch improves UnipolSai Restricted Tier 1 rating

On 8 March 2024, the Fitch rating agency raised the Restricted Tier 1 rating (ISIN code XS2249600771) issued by UnipolSai SpA from BB to BB+. The rating improvement took place in the context of an update of the Fitch Ratings methodology, which revised its assessment on some types of subordinated bond issues, mainly of European insurance and reinsurance companies.

Renewed Bancassurance agreement with BPER

On 22 March 2024, UnipolSai and BPER signed the renewal of the agreement "for the distribution of UnipolSai insurance products and standardised banking products of the BPER Group", with an extension of the expiry date to 31 December 2027. The transaction is part of the Bancassurance Boosting guideline of the "Opening New Ways" Strategic Plan, with the aim of enhancing the bancassurance business model and strengthening the synergy between the Unipol Group and BPER. In this context, the innovations introduced confirm the willingness to fully exploit the potential of the insurance and banking networks and attest to the renewed and growing ambitions at the basis of the agreement. The main areas of intervention subject to renewal aim at the achievement of the following objectives:

- the increase in overall flexibility, in order to collect stimuli and opportunities from the market;
- the simplification of the contractual infrastructure;
- the optimisation of the operating model.

Issue of a "Tier 2" subordinated instrument and early repayment of a "Tier 1" loan

On 15 May 2024, the Board of Directors of UnipolSai authorised the issue by the Company of a "Tier 2" subordinated capital instrument denominated in Euro, at a fixed rate, for a maximum nominal amount not exceeding €750m (the "Issue" and the "Tier 2"), to be placed exclusively with qualified Italian and foreign investors (with the exception of US investors) and to be listed on the regulated market of the Luxembourg Stock Exchange.

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Tier 2 was issued on 23 May 2024 at 99.853%, with a fixed annual coupon of 4.9%. The issue met with strong investor interest, confirming the solid reputation that UnipolSai and the Unipol Group enjoy in international markets. During the placement, orders in excess of €1.65bn were received, covering the book by about 2.2 times.

About 80% of Tier 2, which was assigned a Ba1 rating for Moody's and BBB- for Fitch, was placed with foreign institutional investors.

For the purposes of efficient management of its liabilities and subject to the favourable outcome of the Issue, the Board of Directors of UnipolSai also resolved the exercise by the Company of the early repayment option, already authorised by IVASS, of the "Euro 750,000,000 Fixed/Floating Undated Subordinated Notes" (ISIN XS1078235733), classified in Tier 1 basic own funds. The early repayment was completed on 18 June 2024, contributing to the containment of UnipolSai's leverage.

Resignation of the Vice Chairman

On 27 June 2024, Mr. Fabio Cerchiai resigned from the office of Vice Chairman and Director of UnipolSai, effective on the same date.

This resignation is the result of the appointment, on 19 April, of Mr. Cerchiai as Director and Chairman of the Board of Directors of BPER Banca SpA, a position that led to a situation of incompatibility for the purposes of the "interlocking" regulations. Mr. Cerchiai – a non-executive and non-independent Director, nor a member of any committee – was appointed by the Ordinary Shareholders' Meeting on 27 April 2022, within the only list submitted by the majority shareholder Unipol Gruppo SpA.

Trade union agreement regarding Personnel and access to the Solidarity Fund

As part of the process undertaken to pursue continuous and gradual generational turnover, as well as the strengthening of new specialisations and skills, on 15 July 2024 UnipolSai entered into an agreement with the trade unions to implement a voluntary pre-retirement plan for around 600 colleagues, through:

- redundancy incentives for employees who have already met or will meet the "Fornero Reform" pension requirement by 31 October 2025; in this case the mutually agreed termination of the employment contract was set for 31 January 2025 for those already meeting the requirements or will gradually be set as the last day prior to meeting the requirements for the aforementioned pension treatment for those who have already met the requirements for a total of 63 employees;
- use of the extraordinary section of the Solidarity Fund, for colleagues who meet pension requirements between 1 November 2025 and 31 December 2029; in this case, the consensual terminations of contract of these employees will take place with access to the extraordinary benefits of the Solidarity Fund starting from:
 - 1 February 2025 (termination/last day of work on 31 January 2025) for those who will accrue pension between 1 November 2025 and 31 December 2027, for a total of 66 employees;
 - 1 July 2025 (termination/last day of work on 30 June 2025) for those who will accrue pension between 1 January 2028 and 31 December 2029, for a total of 469 employees.

In addition, in December 2024, a trade union agreement was signed on voluntary pre-retirement arrangements for executive personnel who will meet pension requirements due to either the number of years of contributions or old age by 31 December 2029. This agreement refers to the provisions of the system governed by Art. 4, paragraphs 1 to 7-ter, of Law No. 92 of 28 June 2012 ("Fornero" law), as amended by Art. 34, paragraph 54, of Law No. 221 of 17 December 2012 and Art. 1, paragraph 160, of Law No. 205 of 27 December 2017.

The potential recipients of the voluntary pre-retirement plan include 14 senior executives.

Appointment of new directors

On 21 October 2024, the ordinary shareholders' meeting of Unipol approved an increase in the number of Directors of the Company from 15 to 19 and the appointment of Matteo Laterza, Stefano Caselli, Giusella Dolores Finocchiaro and Rossella Locatelli as new Directors, approving the proposal submitted by the shareholders participating in the shareholders' agreement to which some Unipol Shareholders are party. The mandate of the newly-appointed Directors will expire at the same time as that of the other Directors currently in office, on the occasion of the Shareholders' Meeting to approve the 2024 financial statements. All of the new Directors have direct experience at leading insurance companies, as each of them has held the position of Director at UnipolSai and Matteo Laterza was its Chief Executive Officer. The CVs of these Directors are available on the Company's website at www.unipol.it.

Cooperative compliance regime with the Tax Authorities

In December 2024, Unipol was admitted by the Tax Authorities to the cooperative compliance tax regime. The main objective of the cooperative compliance regime is to establish a relationship of trust and transparency between the Italian Tax Authorities and the taxpayer, to increase the level of certainty on relevant tax matters. In particular, the collaboration takes place through constant and preventive dialogue aimed at a shared assessment of situations likely to generate tax risks. Admission to the cooperative compliance regime is the final step of a screening performed by the Tax Authorities following the submission of the application last December 2023. This admission is based on the company's possession of an adequate system for the detection, management and control of tax risks, integrated within a broader internal control system, in line with international best practice.

Additional information

DDOR joins the Ogyre community

In line with the commitment already undertaken by the Unipol Group, in January 2024 DDOR also joined the large community of **Ogyre**, with the aim of pursuing a **sustainable development strategy** by contributing to **protection of the seas**. DDOR purchased 1,000 Ogyre water bottles, an investment aimed at removing 1,000 kg of marine litter and contributing to the regeneration of the Mediterranean Sea. DDOR's commitment to its alignment with a high ESG standard was recognised and awarded in 2022 by Confindustria Serbia and in 2023 by the Italian-Serbian Chamber of Commerce.

Welfare, Italia

In October 2024, the "**Welfare, Italia**" Forum entitled "*Opportunities for generating value in the Welfare system*" was held in Rome. During the event, which opened with remarks from the President of the Republic Sergio Mattarella, the 2024 Report of the "**Welfare, Italia**" Think Tank was presented, supported by Unipol Gruppo with the collaboration of The European House - Ambrosetti (TEHA), and with the support of a scientific committee. The cross-cutting role of prevention to respond to the evolutionary challenges of the welfare system, as an element capable of reducing systemic costs, medium-long term welfare system sustainability, the role of the private sector and social investments are just some of the topics of debate discussed during the annual Welfare Italia Forum. For over a decade, the "**Welfare, Italia**" Think Tank has been a place for analysis, study and reflection on welfare topics, open to dialogue between the main public and private sector stakeholders: decision-makers, national and local government representatives, social parties, pension and welfare funds, company and worker representatives, universities and the third sector.

Advertising and Sponsorships

UnipolSai and Ducati Corse still together in the MotoGP challenge

UnipolSai (now merged into Unipol) remains alongside **Ducati Corse** in the **MotoGP World Championship** as **Official Sponsor** through a renewed partnership for the 2024 and 2025 seasons.

Sport Heroes UnipolSai

From 19 April 2024, "**Sport Heroes UnipolSai**" was launched on the DAZN app, also available free of charge. This is an original UnipolSai video series that tells the story of five athletes, an expression of the excellence of Italian sport and its deeper values: Gregorio Paltrinieri (swimming), Simone Giannelli (volleyball), Carlotta Gilli (paralympic swimming), Laura Rogora (climbing) and Mattia Furlani (long jump).

Title Sponsor of the Milan Forum

In May 2024, Unipol's partnership with Forumnet (owner and manager of the Milan Forum) was formalised, with the insurance group, as title sponsor, acquiring the naming rights of the iconic Milan facility, which thus took on the name **Unipol Forum**, on the basis of a multi-year agreement that will be developed from May 2024 to December 2026, with the option to extend the contract for an additional year until the end of 2027.

Unipol supporter of the 2025 Jubilee

After the engaging experience as Supporter of the 2016 Jubilee of Mercy, Unipol is once again supporting the Holy See for the **Jubilee Year 2025**, which will involve millions of pilgrims and volunteers from all corners of the world. This support is also expressed through concrete aid for the needs of the Jubilee Year, contributing in particular to the implementation of the important "**13 houses**" campaign, an initiative strongly desired by Pope Francis in favour of the homeless and marginalised in various countries worldwide.

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Recognitions

MF Insurance Awards 2024

On **8 February 2024**, during the award ceremony of the **MF Insurance Awards 2024**, **4 “Compagnia di Valore” awards** were won by **UnipolSai** for the “Best technical result”: “Best Technical Result in the Assistance Class”, “Best Technical Result in the Land Vehicle Hulls Class”, “Best Technical Result in the Legal Expenses Class” and “Best Technical Result in the General TPL Class”. **UnipolSai** also won the **Insurance Elite** award (“Best ecosystem strategy”) for the new business acquisition campaign for healthcare (Centro Medico Santagostino) and mobility (long-term rental) in symbiosis with the protection offer, in addition to the **MF Innovazione** award for the Omnichannel Evolution of the distribution model.

Siat received the “**Compagnia di Valore**” award for the “Best Technical Result” for the Aircraft, Rail and Marine Vessels Class, in addition to the award for average profit growth.

UniSalute won the “**Best Technical Result**” award in the Health Class.

Major recognition also for **BeRebel**, with the “**MF Innovazione Award**” in the product/service category - Mobility and for Arca Vita with the “Lombard Superindex” award.

RepTrack Company ranking

The Unipol Group is the leading company in terms of reputation in the insurance and banking sector according to the specific model built by **The RepTrak Company**, an international company specialised in reputation measurement that every year assesses 7k companies on an international basis in around 40 markets. Ten years after the launch of the Reputation Management programme - which involves the continuous measurement of corporate reputation on a monthly basis among a representative sample of the Italian population and on an annual basis among six other key stakeholders - the Group, even in a year of a generalised reputational decline in all corporate sectors, in April 2024 confirmed its leadership position with a positive difference of +9.9 points compared to the average reputation in the insurance sector and +10.7 points compared to the average in the banking sector. A positive gap compared to the constantly growing insurance sector, which rose from +5.7 points in 2019 to +9.9 points in 2023, for a reputational performance of 77.6 points on a scale from 0 to 100, which places Unipol in the “Strong” (70-79) bracket.

World’s Most Trustworthy Companies 2024

In September 2024, the “**World’s Most Trustworthy Companies 2024**” ranking was published by the US magazine Newsweek in collaboration with the market and consumption data provider Statista (based on an independent survey of over 70k participants and 230k assessments from customers, investors and employees), according to which Unipol is the only Italian Group with 2 companies among the top 1,000 in 20 countries all over the world, in terms of trust, reliability and security.

Urban Up: the prestigious CTBUH Award of Excellence goes to Unipol Tower

In the 2024 edition of the CTBUH (Council on Tall Buildings and Urban Habitat) Annual Awards, Unipol Tower was the only new Italian building to be recognised in the 20 categories of the competition. During the **CTBUH 2024 International Conference**, which was held from 23 to 27 September 2024 between London and Paris and which each year sees the participation of over 1,300 delegates from 50 countries around the world, Unipol Tower received the prestigious Award of Excellence in the Tall Building 100-199 metres category. This is an authoritative global recognition that rewards projects that have made an extraordinary contribution to the progress of tall buildings and the urban environment, by achieving the highest sustainability standards.

UnipolSai (now merged into Unipol) confirmed as the strongest insurance brand in Italy

The **2024 Brand Finance Insurance Report**, which assessed insurance brands on the basis of their ability to influence consumers’ choices, recognised UnipolSai (now merged into Unipol) as the strongest insurance brand in Italy. This prestigious result confirms its leading position in the Italian insurance market and the strength of the brand. In fact, UnipolSai (now merged into Unipol) obtained an exceptional score, between 8/10 and 9/10 across nearly all key indicators: brand familiarity, high knowledge, products suited to needs, overall reputation and propensity to buy. The score in the “Propensity to accept higher prices for the services offered” category is particularly noteworthy, which indicates the trust and value that customers recognise in UnipolSai products and services. The Company was also praised for its ease of dialogue and customer service quality.

BeRebel recognised at the NC Digital Awards

At the **2024 NC Digital Awards**, BeRebel won three awards for the innovative “Real Intelligence” campaign, which was awarded as the first multi-subject campaign completely designed and carried out with artificial intelligence, with savings of 90% on production costs and times. In detail, the awards obtained were two golds for Best Integrated Digital Campaign and Other Digital Solutions and a bronze in the Grand Prix category. The implementation of the campaign involved the use of a number of generative AI tools for each production aspect. This multidisciplinary approach underscores the importance of innovation and experimentation in creative processes, demonstrating how artificial intelligence can radically transform marketing strategies.

MF Best ESG Rating Award

In October 2024, UnipolSai was awarded the “**MF Best ESG Rating Award**”, assigned by Class Editori - Milano Finanza. At the basis of the recognition is the rating that Standard Ethics issued, EEE-, the highest in Italy, “*For having pursued structural streamlining and innovations in line with the Sustainability policies promoted by the EU, UN and OECD. The Strategic Plan and Sustainability Policy include Guidelines and ambitious objectives for the protection of the Environment (Climate Strategy), Social issues (Human Rights Guidelines) and Governance (Anti-Corruption Guidelines)*”.

UnipolMove App enters the 2024 Design Index and is a candidate for the Compasso d’Oro

In October 2024, the design of the UnipolMove App was selected for the **2024 Design Index** by the ADI (Association for Industrial Design) and received the prestigious nomination for the **Compasso d’Oro**, one of the most important awards in the world of design that highlights projects that stand out due to their innovation, quality and impact. This important milestone bears witness to UnipolMove’s commitment to the digital sphere and is the result of complex teamwork that involved the various Group units.

Chairman Carlo Cimbri receives “Al Merito del Lavoro” Order distinction

Chairman **Carlo Cimbri** is one of the 25 new “Cavalieri del Lavoro” appointed during the ceremony held on 30 October at the Quirinale Palace, during which the President of the Republic, Sergio Mattarella, conferred the distinction of the “**Al Merito del Lavoro**” Order. “*Cavalieri del Lavoro are interpreters of the ‘social function’ of business. Companies and manufacturers are the drivers of the broader well-being of families, they develop supply chains and they provide local development. It is an awareness of this responsibility that makes economic operators share in the task and responsibility of managing the country*”, declared the Head of State.

A.2 Underwriting performance

Introduction

In order to provide a presentation of the Group’s economic results that is consistent with what is presented in the consolidated financial statements and with the underlying management approach, the Underwriting performance commented on in this section corresponds to the Insurance service result pursuant to item 5 of the Group’s IFRS Income Statement.

The “**Underwriting performance**” thus determined differs from the balance of the economic figures presented in the quantitative model (“Quantitative Reporting Template” or “QRT”) S.05.01.02 “Premiums claims and expenses by LoB” included in the annexes of this report, in terms of the analysis scope and the methods for assessing the economic results of such contracts.

In particular, with reference to the scope of contracts, contracts which, in the absence of significant insurance risk and discretionary profit participation elements, constitute investment products accounted for in accordance with IFRS 9, do not contribute to the Insurance service result. With reference to the methods for assessing profit and loss results, IFRS 17 establishes a detailed method for representing contract profitability, through a representation of the Income Statement based on margins, with the explicit representation of actual flows and estimated flows.

In particular, the Insurance service result is determined as the difference between:

A. Insurance revenue, mainly comprised of:

- the amount of insurance service expenses that the insurer expects to incur during the year;

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- the evolution of liability due to the explicit adjustment for risk for the component relating to services provided;
- the attribution to the year of a portion of the expected contractual service margin ("CSM") based on the portion of services provided, gross of the component of acquisition charges.

B. Insurance costs, mainly comprised of:

- the amount of insurance service expenses actually incurred during the year under way (claims occurring and change in liabilities for claims occurring and administration expenses);
- the portion of contract acquisition charges allocated on an accrual basis to the financial year;
- the losses on onerous contracts and the related reversal.

The **Investment performance**, referred to in section A.3 below, corresponds to the Net financial result pursuant to item 12 of the Group's IFRS Income Statement.

Please refer to the consolidated financial statements for the year 2024 for more extensive information on the specific breakdown and calculation approach of the Insurance service result and the Net financial result.

The **Performance of other activities** pursuant to section A.4 below was therefore determined including all economic components not included in the previous sections, such as other ordinary and extraordinary non-financial gains and losses.

Non-Life insurance business

Total Non-Life premiums (direct and indirect) at 31 December 2024 were €9,238m (€8,796m at 31/12/2023, +5%). **Direct business** premiums alone amounted to €9,175m (€8,651m at 31/12/2023, +6.1%).

Premiums ceded amounted to €522m (€494m at 31/12/2023), with retention ratios remaining basically stable. Premiums written, net of reinsurance, therefore amounted to €8,717m (€8,302m at 31/12/2023).

Non-Life direct premiums, at €9,175m, recorded growth of 6.1% (+7.7% on a like-for-like basis, i.e. excluding the contribution of Incontra Assicurazioni, which was sold during 2023, from 2023 data) compared to €8,651m at 31 December 2023. Unipol Assicurazioni, which recorded premiums of €7,306m (+5.1%), contributed to this amount, as did the other main Group companies: UniSalute for €1,013m (+27.2%), Linear for €251m (+16.3%) and Arca Assicurazioni for €313m (+14.9%).

The MV segment was up by 9.2% compared to the previous year, recording premiums of €4,373m. Operations were positively affected by the improvement in business margins aimed at covering growth in the cost of claims linked to the inflationary trend affecting the segment and regulatory adjustments of the reference values of damages for macro-injuries. In addition, the accessory guarantees included in the Land Vehicle Hulls class, which recorded growth of 17.6% compared to 2023, are also continuously developing.

The Non-MV segment continued to record positive performance, with premiums amounting to €4,802m and with growth of 3.4% (+6.3% on a like-for-like basis) compared to 31 December 2023, thanks to the contribution of all of the main business lines and sales channels of the Group.

At 31 December 2024, the **combined ratio** amounted to 93.6%, compared to 98.2% at 31 December 2023. The loss ratio was 67.6% (compared to 71.5% in 2023), while the expense ratio came to 26.0% (against 26.7% at 31/12/2023).

The following tables show net premiums by LoB and the amount of the total underwriting performance of the non-life business during the reference period.

Non-life Premiums written 2024 and 2023 net of reinsurance

<i>Amounts in €m</i>	<i>Line of business</i>	2024	2023	Change on 2023
Insurance and reinsurance obligations (direct business and accepted proportional reinsurance)	1-Medical expense insurance	1,143	1,031	112
	2-Income protection insurance	676	689	(13)
	3-Workers' compensation insurance			
	4-Motor vehicle liability insurance	3,237	3,067	170
	5- Other motor insurance	1,100	944	157
	6-Marine, aviation and transport insurance	56	70	(13)
	7-Fire and other damage to property insurance	1,316	1,302	14
	8-General liability insurance	787	782	5
	9-Credit and suretyship insurance	26	25	1
	10-Legal expenses insurance	23	23	
	11-Assistance	254	233	21
	12-Miscellaneous financial loss	84	80	4
Accepted non-proportional reinsurance	13- Health			
	14-Casualty	14	57	(43)
	15-Marine, aviation and transport			
	16-Property			
Total		8,717	8,302	414

Non-life underwriting performance 2024 and 2023

<i>Amounts in €m</i>	2024	2023	Change on 2023
Insurance revenues from insurance contracts issued	9,112	8,947	165
Insurance service expenses from insurance contracts issued	(8,369)	(9,029)	660
Insurance revenue from reinsurance contracts held	206	623	(418)
Insurance service expenses from reinsurance contracts held	(367)	(377)	10
Total	582	165	417

Overall, the Non-Life business recorded a positive underwriting performance of €582m (€165m at 31/12/2023).

Premiums written, net of reinsurance, equal to €8,717m (€8,302m at 31/12/2023), correspond to the amount of premiums related to proportional direct and indirect business (€9,222m compared to €8,729m at 31/12/2023), non-proportional indirect business (€17m compared to €67m at 31/12/2023) and reinsurance contracts held (522m compared to €494m at 31/12/2023).

The **loss ratio** (net of reinsurance in Non-Life business) was 67.6% (71.5% at 31/12/2023).

As already mentioned above, in the course of 2024 operations were positively affected by the recovery in margins aimed at covering growth in the cost of claims linked to the inflationary trend affecting the segment and as concerns vehicle repair costs due to regulatory adjustments of the reference values of damages for macro-injuries.

The number of claims reported, without considering MV TPL class, rose by 10.8%.

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As regards the MV TPL class, where the CARD agreement⁴ is applied, in 2024, 509,292 claims (Non-Card, Debtor Card or Natural Card) were reported, down 4.8% (534,844 in 2023).

Claims reported that present at least Debtor Card claims handling numbered 319,072, down 2.8% compared to the same period in the previous year.

Handler Card claims were 378,583 (including 71,270 Natural Card claims, claims between policyholders at the same company), down by 5.7%. The settlement rate in 2024 was 78.9% versus 77.9% in the previous year.

The weight of cases to which the Card agreement may be applied (both Handler Card and Debtor Card claims) out of the total cases (Non-Card + Handler Card + Debtor Card) at 31 December 2024 was equal to 85.4% (unchanged since 31/12/2023).

Life insurance business

Life **direct premiums**, which represent almost all premiums, amounted to a total of €6,446m (€6,409m at 31/12/2023), of which €1,997m were investment products (€2,237m at 31/12/2023).

Premiums ceded amounted to €23m (€21m at 31/12/2023), with retention ratios remaining basically stable. Premiums written, net of reinsurance, therefore amounted to €6,424m (€6,389m at 31/1/2023).

Direct premiums for the Parent Company **Unipol Assicurazioni** were equal to €3,601m (€3,811m at 31/12/2023, -5.5%). In the individual policies sector (which shows an increase of 8.1% compared to 2023), the distribution choice in 2024 was affected by the financial context characterised by high interest rates with a consequent opportunity for development in class I (+14.4%), captured by the Company through the new Unipol Investimento MultiGest product, developed with a mix of Segregated Funds to ensure a high prospective return such as to make the product competitive with respect to other financial instruments. The 2024 offer also saw the continuation of the campaign about the Unipol Investimento Garantito product which, under certain conditions, provides for the application of a lower management fee.

Customers responded positively to the distribution proposal, showing excellent sales performance in class I in 2024, which made it possible to partially offset the outflows and a reduction in the negative net balance. On the other hand, the offer of stand-alone Segregated Fund products reduced class III premiums, overall down by 13% compared to 2023. Collective policies showed a decrease of 14.2% compared to the same period of the previous year, attributable, however, to the lower premiums in class VI with the Occupational Pension Funds. Net of Pension Funds, collective policy premiums increased by 16.6% and showed excellent development in this segment as well.

There was also an increase of 10.1% in class IV.

First year premiums declined compared to the previous year (-3.1%), particularly in class I (-6.1%).

BIM Vita recorded a profit of €1.02m at 31 December 2024 (€1.7m at 31/12/2023). In terms of premium income, premiums referring to insurance contracts amounted to €8.2m (roughly €15.5m at 31/12/2023, -47.1%), plus financial products in the amount of €10.9m (€9.2m at 31/12/2023, +19.2%). The volume of investments stood at €470m (€564m at 31/12/2023).

In the bancassurance channel, the **Arca Group** (Arca Vita and Arca Vita International) recorded direct premiums (including investment products) amounting to €2,805m (€2,554m at 31/12/2023, +9.8%). In particular, in the first few months of 2024, in continuity with the previous year, Arca Vita supported class I premiums with sales campaigns that favoured New Business for traditional products: subsequently, also due to expectations of a gradual reduction in

⁴ Below is a brief description of the terms used:

- Non-Card claims: claims governed by the ordinary regime, to which CARD is not applied;
- Debtor Card claims: claims governed by CARD where "our" policyholder is fully or partially liable, which are settled by the counterparty's insurance companies, to which "our" insurance company must pay a flat rate pay-out ("Debtor Flat Rate");
- Handler Card claims: claims governed by CARD where "our" policyholder is fully or partially not liable, which are settled by "our" insurance company, to which the counterparty's insurance companies must pay a flat rate pay-out ("Handler Flat Rate").

However, it must be noted that this classification is a simplified representation because, in reality, each individual claim may contain damages included in each of the three above-indicated cases.

market rates, the Company implemented actions aimed at gradually rebalancing the portfolio mix, favouring multi-segment product premiums.

The volume of total investments reached the amount of €16,884m (€14,804m at 31/12/2023). The profit of Arca Vita, net of dividends collected from the subsidiaries, was €66.6m (up compared to €59.8m recognised at 31/12/2023), and that of Arca Vita International was approximately €0.5m (€0.9m at 31/12/2023).

The following tables show net premiums by LoB and the amount of the total underwriting performance of the life business during the reference period.

Life Premiums written 2024 and 2023 net of reinsurance

Amounts in €m	Line of business	2024	2023	Change on 2023
Life insurance obligations	1-Health insurance			
	2-Insurance with profit participation	4,166	3,923	243
	3-Index-linked and unit-linked insurance	2,013	2,258	(245)
	4-Other life insurance	244	208	36
	5-Annuities stemming from non-life insurance contracts and relating to health insurance obligations			
	6-Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations			
Life reinsurance obligations	7-Health reinsurance			
	8-Life reinsurance			
	Total	6,424	6,389	35

life underwriting performance 2024 and 2023

Amounts in €m	2024	2023	Change on 2023
Insurance revenues from insurance contracts issued	698	623	75
Insurance service expenses from insurance contracts issued	(428)	(376)	(53)
Insurance revenue from reinsurance contracts held	14	13	1
Insurance service expenses from reinsurance contracts held	(25)	(20)	(6)
Total	259	241	17

Premiums written, net of reinsurance, equal to €6,424m (€6,389m at 31/12/2023), consist almost exclusively of premiums related to direct business (€6,446m compared to €6,409m at 31/12/2023) and reinsurance contracts held (€23m compared to €21m at 31/12/2023).

Overall, the Life business recorded a positive underwriting performance of €259m⁵ (€241m at 31/12/2023).

Geographic areas

As regards direct business, for all lines of business specified in Annex I to the Delegated Regulation (EU) 2015/35, information must be broken down by the country in which the contract was concluded, which is understood to be:

- the country in which the insurance company is located (country of origin), if the contract was not sold through a branch or under the freedom to provide services;

⁵ It should be noted that, as indicated above, the Insurance service result does not include the net profitability deriving from investment contracts without discretionary participation features accounted for in accordance with IFRS 9 and which constitute the predominant part of LoB 33 - Index-linked and unit-linked insurance premiums. This margin, in the amount of €36m, is included in the Investment performance and in the Performance of other activities.

A Business and performance

- the country in which the secondary office is located (host country), if the contract was sold through a branch;
- the country in which the freedom to provide services was notified (host country), if the contract was sold under the freedom to provide services.

Unlike what is specified above, direct insurance activity for LoB 1 Medical expense (Classes 1 and 2), LoB 2 Income protection (Classes 1 and 2), LoB 7 Fire and other damage to property (Classes 8 and 9) and LoB 9 Credit and suretyship (Classes 14 and 15), is reported by the country in which the risk is located.

For proportional and non-proportional reinsurance, the information is provided according to the country in which the transferring company is located.

We note, in this regard, that the Group carries out its insurance activity almost exclusively in Italy.

A.3 Investment performance

Investment performance in 2024

The **gross profitability of the Group's insurance financial investment portfolio** recorded a return of 4.1% on invested assets, of which 3.5% from coupons and dividends and 0.6% from sales and valuations. The same figure at 31 December 2023 was 3.8%, of which 3.4% linked to the coupon and dividend component and 0.4% to sales and valuations.

The management of financial investments benefited from asset allocation decisions, focusing on investment grade securities, with a simultaneous improvement in terms of diversification and the overall risk-return profile.

Financial activities

This section provides information on financial transactions referring to Group investments other than those for which the risk is borne by customers, the only exclusion being portfolios held by the foreign companies DDOR and DDOR Re, the values of which in the Group's total portfolio are of little significance.

In 2024, the investment policies adopted in the financial area continued to apply, in the medium/long term, the general criteria of prudence and preservation of asset quality, in compliance with the Guidelines defined in the Group Investment Policy.

Specifically, financial transactions were geared towards reaching profitability targets consistent with the asset return profile and with the trend in liabilities over the long term, maintaining a high-quality portfolio through a process of selecting issuers on the basis of their diversification and strength, with a particular focus on the liquidity profile.

As regards the **bond segment**, a constructive approach was maintained, assuming a positioning consistent with a context of stable interest rates compared to the values at the end of 2023 and inflation returning to acceptable levels.

The year was characterised by a decrease in exposure to government bonds, particularly Italian government bonds.

The non-government bond component during 2024 increased in the Life business, while the Non-Life business recorded a reduction in exposure. Sales mainly concerned subordinated securities of financial and corporate issuers and helped to reduce the portfolio risk profile and manage Income Statement volatility, while purchases were mainly focused on securities of good quality financial issuers (with an investment grade credit rating) and well diversified.

The group's overall **duration** of 5.54 years was basically unchanged compared to 5.53 years at the end of 2023. The Non-Life business duration was 2.45 years (2.97 at the end of 2023) while in the Life business it was 6.46 years (6.48 at the end of 2023). The fixed rate and floating rate components of the bond portfolio amounted respectively to 91.8% and 8.2%. The government component accounted for approximately 62.6% of the bond portfolio whilst the corporate component accounted for the remaining 37.4%, split into 27% financial and 10.4% industrial credit.

93.1% of the bond portfolio was invested in securities with ratings above BBB-

Equity exposure rose in 2024 by €465m. Exposure to China and technology stocks in Hong Kong and certain South East Asian stock markets (Vietnam, Indonesia and Thailand) increased. In Europe, exposure increased to sectors with good fundamentals and low valuations and which guarantee attractive returns to shareholders in the form of dividends. Almost all equity instruments belong to the main stock indices of developed countries.

During the year, in light of the good performance already recorded in the first few months of the year, protections were purchased, in the form of put spreads, on approximately 27% of the equity portfolio which at the end of the year were extended to the end of 2025.

Exposure to **alternative funds**, a category that includes Private Equity Funds, Hedge Funds and investments in Real Assets, amounted to €3,215m, an increase of approximately €462m compared to 31 December 2023.

Currency operations were actively managed following the performance of currency prices with a view to managing net exposure to the currency risk of outstanding equity and bond positions.

The following tables show the Investment performance broken down by Income Statement items and asset classes.

Balance on investments 2024 and 2023

<i>Amounts in €m</i>	2024	2023	Change on 2023
Gains/losses on financial assets and liabilities at fair value through profit or loss	572	470	102
Gains/losses on investments in associates and interests in joint ventures	402	641	(239)
Gain/losses on other financial assets and liabilities and investment property	1,389	1,326	63
Balance on investments	2,363	2,437	(74)
Net financial costs/revenues relating to insurance contracts issued	(1,554)	(1,286)	(268)
Net financial revenues/costs relating to reinsurance transfers	20	(3)	23
Net financial result	829	1,148	(319)

Net gains on financial instruments at fair value through profit or loss

<i>Amounts in €m</i>	2024	2023	Var.%
Net gains/losses:	572	470	21.7
on other financial assets mandatorily at fair value	472	438	7.8
on financial assets/liabilities at fair value through profit or loss	100	32	208.8
Total	572	470	21.7

At 31 December 2024, **gains/losses on investments in associates and interests in joint ventures** amounted to €402m and included the contribution of the consolidation at equity of BPER Banca for €278m and of Banca Popolare di Sondrio for €115m (€641m at 31/12/2023, of which €309m referring to BPER Banca and €289m to Banca Popolare di Sondrio).

Gains on other financial instruments and investment property

<i>Amounts in €m</i>	2024	2023	Var.%
Interests	1,526	1,452	5.1
on financial assets at amortised cost	187	139	35.1
on financial assets at fair value through OCI	1,339	1,314	1.9
Other income	225	222	1.2
from investment property	129	122	5.8
from financial assets at fair value through OCI	96	101	(4.4)
Realised gains	42	74	(43.2)
on investment property	5	15	(68.8)
on financial assets at fair value through OCI	37	57	(34.3)
on financial liabilities at amortised cost		2	(100.0)
Unrealised gains and reversals of impairment losses	30	32	(4.8)
on investment property	2		
on financial assets at fair value through OCI	17	29	(42.4)
on other financial liabilities	11	3	312.8
Total	1,824	1,781	2.4

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Losses on other financial instruments and investment property

<i>Amounts in €m</i>	2024	2023	Var.%
Interests:	(223)	(186)	19.8
on other financial liabilities	(223)	(186)	19.8
Other charges:	(56)	(62)	(9.5)
from investment property	(44)	(52)	(15.9)
from financial assets at fair value through OCI	(2)	(2)	5.1
from other financial liabilities	(10)	(8)	26.5
Realised losses:	(41)	(83)	(50.5)
on investment property	(2)	(1)	183.9
on financial assets at fair value through OCI	(39)	(82)	(52.7)
Unrealised losses and impairment losses:	(114)	(123)	(7.6)
on investment property	(87)	(67)	28.6
on financial assets at fair value through OCI	(16)	(48)	(66.1)
on other financial assets	(11)	(7)	51.3
Total	(435)	(455)	(4.5)

The item "Gains/losses on investment property" included €54m in depreciation (€53m at 31/12/2023).

The item "Net finance expenses/income relating to insurance contracts issued", amounting to -€1,554m, mainly consisted of net costs due to the application of the option to reduce to zero the net financial profitability recognised in the Income Statement arising from the assets underlying insurance contracts accounted for using the VFA method ("mirroring").

The significant change is attributable to the progressive increase in the locked-in discount rates applicable in the period in question compared to those of the previous year.

Investment in securitisations

At 31 December 2024, there were no investments in securitisations. During the year, no expenses and income from this type of investment were recognised.

A.4 Performance of other activities

We provide below a breakdown of other significant income and charges, which were not already included in Par. A.2 and A.3. above.

This item "Other revenue/costs" includes revenue from the sale of goods, the provision of services other than those of a financial nature and the use by third parties of the company's property, plant and equipment other than investment property and other assets. Also included are exchange rate differences to be recognised in the income statement pursuant to IAS 21, as well as realised gains relating to property, plant, equipment and intangible assets, other than investment property and "Discontinued operations".

Additional provisions allocated during the year are also included.

The item "Operating expenses" includes investment management expenses (overheads and personnel expenses relating to the management of financial instruments, investment property and equity investments) and administrative expenses (overheads and personnel expenses not included in the calculation of insurance liabilities and assets and not allocated to insurance contract acquisition expenses or investment management expenses).

The item "Other income/expenses" includes Income Statement items 15, 16, 17 and 18 as shown in the Group's consolidated financial statements.

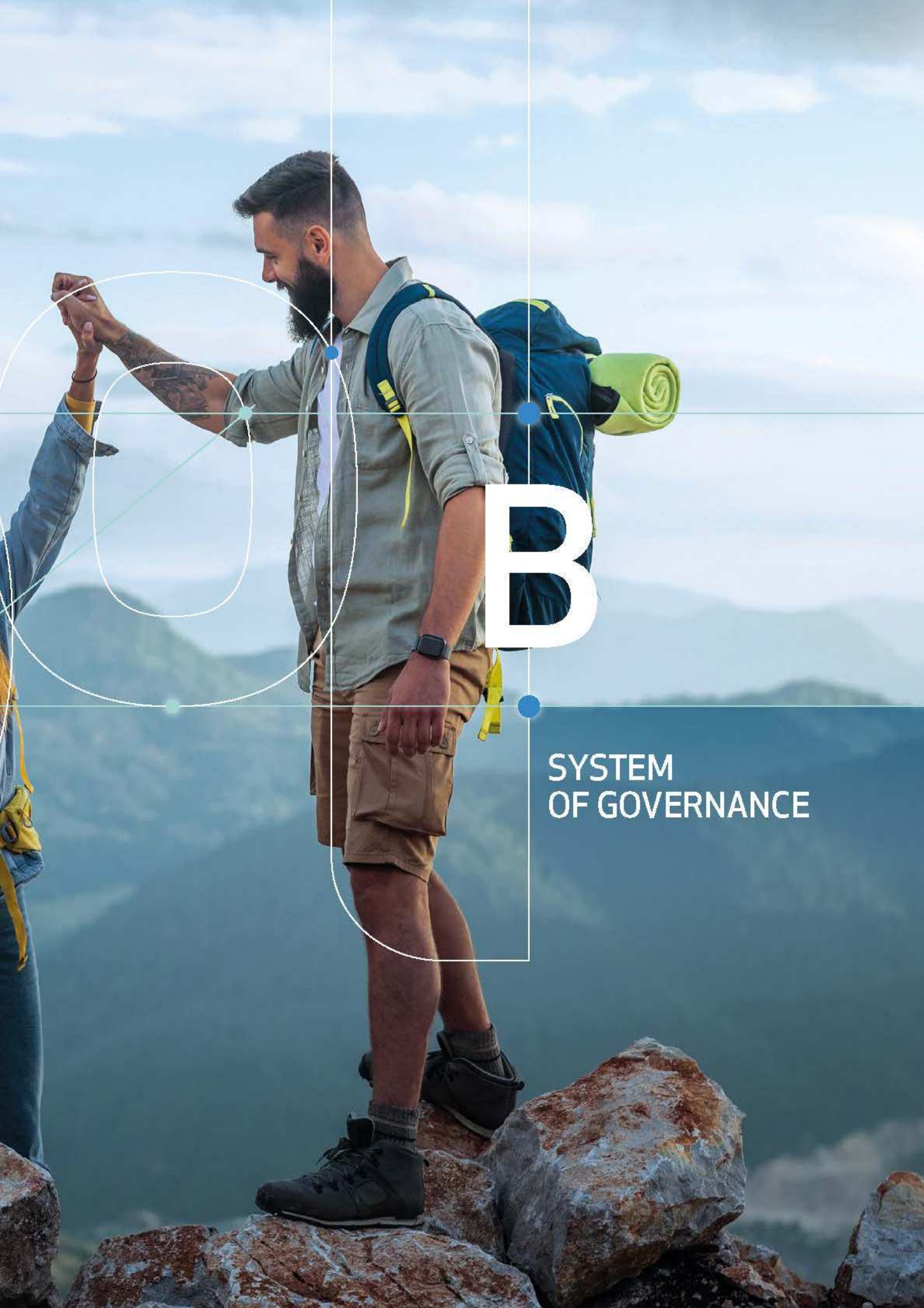
<i>Amounts in €m</i>	2024	2023	var. %
Exchange rate differences	32	(11)	n.s.
Extraordinary gains	21	20	5.0
Other income	1,926	1,529	25.9
Other costs	(883)	(443)	(99.5)
Total Other revenue/costs	1,096	1,096	(0.0)
Operating expenses	(638)	(564)	(13.1)
Other expenses/income	(812)	(522)	(55.6)
Total other assets	(354)	10	n.s.

A.5 Any other information

Note that there is no significant information to report in addition to that already illustrated in previous paragraphs.



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B

SYSTEM
OF GOVERNANCE

B System of governance

B.1 General information on the system of governance

B.1.1 Tasks and responsibilities of Board of Directors

As also reported in section A.1 in the paragraph “Significant events in 2024”, on 16 February 2024, the Boards of Directors of Unipol Gruppo S.p.A. (now called “Unipol Assicurazioni S.p.A.”, “Unipol”, or the “Company” or the “Parent Company”) and UnipolSai Assicurazioni S.p.A. (“UnipolSai”) have approved a Unipol Group corporate rationalisation project, to be carried out through the merger by incorporation into Unipol of UnipolSai, as well as Unipol Finance S.r.l., UnipolPart I S.p.A. and Unipol Investment S.p.A. (the “Merger”), preceded by the promotion of a voluntary public tender offer by Unipol on all ordinary shares of UnipolSai other than those already held, directly and indirectly, by Unipol and treasury shares held, directly and indirectly, by UnipolSai.

Following the voluntary public tender offer for UnipolSai shares, on 3 July 2024, Unipol held, directly and indirectly, its entire share capital and, therefore, from the same date UnipolSai shares were removed from trading on the EuroNext Milan as ordered by Italian Stock Exchange, with measure No. 9002 of 25 June 2024.

On 21 October 2024, the Shareholders’ Meetings of the companies participating in the transaction approved the Merger plan and, particularly with reference to Unipol, the resulting amendment of the By-laws concerning, inter alia, the change in the corporate purpose, aimed at reflecting the fact that it now carries out the insurance and reinsurance activities previously carried out by UnipolSai and its new name “Unipol Assicurazioni S.p.A.”.

Pursuant to Art. 2504-bis of the Italian Civil Code, following the registration of the Merger deed on 23 December 2024 with the competent Register of Companies of Bologna, the Merger became legally effective as of 11:59 pm on 31 December 2024. For accounting purposes, the transactions carried out by the merged entities were recognised in the financial statements of Unipol as of 1 January 2024. Tax effects also started from the same date.

In compliance with IVASS Regulation No. 38 of 3 July 2018 (“Regulation 38”), Unipol, also as the ultimate Italian parent company of the Unipol Group, on the basis of the annual self-assessment process pursuant to the IVASS Letter to the Market of 5 July 2018 (the “Letter to the Market”), has adopted an “enhanced” corporate governance system, deemed most suited for the sound and prudent management of the Company.

Note that the Company has adopted corporate governance mechanisms compliant with the principles contained in the Corporate Governance Code of listed companies promoted by Borsa Italiana S.p.A. (“Corporate Governance Code”) and inspired more generally by international best practices, already compliant with the requirements of the above-mentioned regulation for companies with an “enhanced” corporate governance system.

The governance structure of Unipol is based on a traditional model, with a Board of Directors (which operates with the support of Board Committees, with proposal, advisory, investigation and support functions) and a Board of Statutory Auditors, with functions of administration control, both appointed by the shareholders’ meeting. The statutory audit is entrusted to an Auditing Company registered in the appropriate register, appointed by the Shareholders’ Meeting taking into account the reasoned recommendation by the Board of Statutory Auditors.

Shareholders’ Meeting

The Shareholders’ Meeting is the body that expresses the will of the company. Its resolutions are adopted in compliance with law and the By-Laws, and are binding on all Shareholders, including those absent or dissenting.

Aside from the duties and responsibilities set forth in the By-Laws and regulatory provisions, the Ordinary Shareholders’ Meeting of Unipol also establishes the compensation due to members of the bodies it has appointed and approves, inter alia, the remuneration policies, including of the Group.

In order to incentivise medium/long-term investment in the Company by Shareholders, in 2020 the Extraordinary Shareholders’ Meeting of Unipol introduced the increased vote pursuant to Art. 127-*quinquies* of Italian Legislative Decree No. 58 of 24 February 1998 as amended (the “Consolidated Law on Finance” or “TUF”). Specifically, two votes are attributed for each share held by the Shareholder who has requested registration in a dedicated special list - managed and updated by the Company - and has maintained it for a continuous period of at least 24 months starting from the date of registration on that list.

Board of Directors

The By-Laws allocate the management of the Company to a Board of Directors composed of no less than 15 and no more than 25 members, appointed by the Shareholders’ Meeting, after having established the number, and meeting the requirements of suitability for office set by the applicable laws and regulations.

Directors are in office for three years, or for the shorter period set by the Shareholders' Meeting at the time of their appointment, and may be re-elected.

The Unipol Ordinary Shareholders' Meeting of 28 April 2022 has appointed the Board of Directors of the Company, initially consisting of 15 members, giving them a mandate of three years and, therefore, up to the Shareholders' Meeting called to approve the 2024 financial statements.

In consideration of the acquisition by Unipol, following the Merger, of the authorisation to carry out insurance and reinsurance activities, on the basis of the justified proposal of the Board of Directors, the Shareholders' Meeting of Unipol resolved to appoint four new Directors with direct experience in leading insurance companies, who will remain in office until the Shareholders' Meeting for the approval of the financial statements for the year 2024.

Furthermore, in the course of the meeting on 7 November 2024, the Board of Directors appointed a Chief Executive Officer⁶.

The Board of Directors is vested with the broadest powers for the ordinary and extraordinary administration of the Company. It is therefore entitled to carry out all acts, including disposals, it deems appropriate for achieving the corporate purpose, excluding only those which are reserved by law to the Shareholders' Meeting.

In line with the principle of centrality of the Board, the By-Laws attribute responsibility to the Board of Directors to resolve on, inter alia:

- i. mergers and demergers with subsidiaries, in cases permitted by legislation;
- ii. the opening or closure of secondary offices;
- iii. the reduction of the share capital, should a Shareholder withdraw;
- iv. the amendments to the By-Laws required to comply with legal provisions;
- v. the issue of non-convertible bonds;
- vi. the transfer of the registered office within Italy.

Pursuant to the law, the By-Laws and the internal policies in force, the Board of Directors, inter alia:

- a) reviews and approves the strategic, business, financial and sustainability plans of the Company and the Group, taking into account the analysis of the issues relevant to long-term value generation for Shareholders and the interests of other relevant stakeholders, as well as the long-term financial interests and solvency of the Group itself, regularly monitoring their implementation;
- b) defines the system of corporate governance, the corporate structure and the governance models and guidelines of the Group itself, reviewing them at least once per year and guaranteeing their overall consistency. In that regard, it defines:
 - i. the tasks, responsibilities and functioning methods of the corporate bodies, the board committees, the Key Functions (the Internal Audit, Risk Management, Compliance and Actuarial Functions)⁷ and the Anti-Money Laundering Function;
 - ii. the information flows - including time frames - and the nature and frequency of reporting between the Key Functions, the Anti-Money Laundering Function and the various Group Functions, the board committees and between them and the corporate bodies of Unipol;
 - iii. the method of coordination and collaboration, if the activity remits have areas of potential overlap or make it possible to create synergies;
 - iv. the methods of liaising and collaborating with the other insurance companies belonging to the Group and cooperating with the corporate bodies and the functions of the other Group companies;
 - v. the nature and level of risk consistent with the strategic objectives of the Group, including in its valuations all the aspects that may assume importance in light of the Company's and Group's sustainable success;
- c) defines the business model, aware of the risks to which this model exposes the Company and understanding the ways in which the risks are observed and assessed, also ensuring that the structure of the Company is consistent with the activity carried out and with the business model adopted, avoiding the creation of complex structures not justified for operating purposes;
- d) approves the organisational, administrative and accounting structure of the Parent Company and evaluates the adequacy of the Group structure, particularly with regard to the internal control and risk management system;
- e) defines and reviews the Group policies, ensuring the appropriate involvement of the administrative body of the subsidiaries and handling the relative transmission within the Group, all while guaranteeing that these are implemented by the other insurance companies and consistently applied by the other Group companies;
- f) also in exercising its management and coordination activities of the subsidiaries:

⁶ The Chief Executive Officer also retains the position of General Manager, with the role of top contact person for the company functions that organisationally report to him and with duties of management, coordination and guidance of such functions, as well as ordinary management of the company's operating activities.

⁷ These functions were assigned respectively to the Audit Function, the Risk Area, the Compliance and Group Anti-Money Laundering Function for activities under their responsibility and to the Actuarial Function.

B System of governance

- i. approves - after review by the Group's Risk Committee and the Appointments, Governance and Sustainability Committee and based on prior opinion of the Control and Risk Committee - the Sustainability Policy, together with the thematic annexes which outline the commitments in relation to specific sustainability issues;
- ii. guarantees consistency between the Sustainability Policy and the Specific Risk Management Policies;
- iii. approves - with the support of the Control and Risk Committee and the Appointments, Governance and Sustainability Committee, for matters within its remit - the Integrated Consolidated Financial Statements and the Sustainability Statement in accordance with the CSRD regulations, which constitutes a specific section of the management report;
- iv. approves - with the support of the Control and Risk Committee and the Appointments, Governance and Sustainability Committee, to the extent of its competence - the Materiality Analysis that identifies the impacts, risks and opportunities connected with the relevant sustainability issues to be communicated, at Group level;
- g) with the support of the Control and Risk Committee,
 - i. sets the guidelines of the internal control and risk management system in order to contribute to the Company's sustainable success, so that the main risks relating to the Company and the Group are correctly identified and adequately measured, managed and monitored, in line with the Company's strategies;
 - ii. assesses - at least once a year - the current and future adequacy and functioning of the internal control and risk management system with respect to the characteristics of the Company and the Group and the risk profile taken on, as well as the effectiveness of said system;
 - iii. describes, in its annual report on corporate governance and ownership structures, the main features of the internal control and risk management system and the methods used to coordinate the subjects involved in the same, indicating the national and international models and best practice of reference and expresses a judgement on the appropriateness of the same system, while also justifying the choices made regarding the composition of the Company's Supervisory Board pursuant to Italian Legislative Decree No. 231/2001 (defined below);
 - iv. approves, at least once a year, after consulting the Board of Statutory Auditors the working plans prepared by the Heads of the Key Functions;
 - v. examines, at least once a year, the documents on the results of the self-assessment of the money laundering risk of Unipol individually and of the Group, the plan of activities planned for the latter as well as the relative reports on activities carried out from the Heads of the respective Functions of the Company and the Group;
 - vi. approves the risk management strategies even in the medium-long term and the emergency plans (contingency plans) in order to guarantee corporate regularity and continuity;
 - vii. approves the Group's pre-emptive recovery plan;
 - viii. assesses, after consulting the Board of Statutory Auditors, the findings produced by the Auditing Company in any letter of recommendations and in the Additional Report addressed to the control body;
- h) verifies that the system of governance, including for the Group, is consistent with the strategic objectives, the risk appetite and the Group risk tolerance limits and is capable of taking into account the evolution, also at Group level, of the business risks of the insurance companies and the interaction between them, as well as the risks deriving from membership of the Group;
- i) orders periodic audits on the effectiveness and adequacy of the Group's system of governance and requires the prompt reporting of the most significant weaknesses, giving timely directions for corrective measures, of which it later evaluates the effectiveness;
- j) sets the Group risk targets system defining, also on the basis of the own risk and solvency assessment (i) the risk appetite of the Group in accordance with its overall solvency requirements, (ii) the types of risk it believes it can assume, and (iii) the risk tolerance levels, which it reviews at least once a year, in order to ensure their effectiveness over time;
- k) appoints and revokes, starting from the renewal of the administrative body by the Shareholders' Meeting called for 29 April 2025, the Board Member responsible for anti-money laundering, also entrusting him/her with the role of Board Member responsible for Group anti-money laundering, and ensures that the aforementioned Board Member has adequate resources to carry out his/her duties;
- l) appoints, replaces and removes, with the support of the Control and Risk Committee and having heard the Board of Statutory Auditors, Heads of the Key Functions, the Head of the Company's Anti-Money Laundering Function and their deputy as well as the Head of the Group Anti-Money Laundering Function, while respecting the eligibility criteria and requirements established in the Fit & Proper Policy, ensuring that they are provided with adequate resources to carry out their tasks and defining their remuneration pursuant to the policies adopted on the matter by the Company;
- m) establishes within itself committees with proposal, advisory, investigation and support functions, as set forth by the legislation and regulations in force over time, as well as those deemed appropriate or necessary for the proper

- operation and development of the Company and the Group and, when established in the Group companies defines their guidelines within the scope of the Group Directives on the corporate governance system (also the "Directives"), ensuring that there is adequate and continuous interaction between them, the Top Management, the Key Functions and the Board of Statutory Auditors;
- n) on an annual basis, defines and reviews the remuneration policies, including of the Group, submitting them to the Ordinary Shareholders' Meeting for approval, and is responsible for their proper application;
 - o) grants and revokes powers to the Chief Executive Officer, defining their limits and operating modes; it also establishes the intervals, which must not, however, be more than a quarter, at which the delegated bodies must report to the Board of Directors about the activities carried out in the exercise of the powers conferred on them;
 - p) determines, after reviewing the proposals of the Remuneration Committee and consulting the Board of Statutory Auditors, the remuneration of the Directors holding particular offices - also within the Board Committees - and the allocation of any global compensation payable to the members of the Board of Directors approved by the Shareholders' Meeting;
 - q) appoints and removes the members of the Supervisory Board of the Company pursuant to Legislative Decree No. 231/2001, with the support of the Control and Risk Committee regarding the composition criteria and the functions of said Body; determines, with the opinion of the Remuneration Committee, the remuneration of the aforementioned members; approves, annually and on the proposal of the Supervisory Board, the expenditure budget, including on an extraordinary basis, necessary for the performance of the supervisory and control tasks laid down by the Organisation, Management and Control Model (defined below), as well as the statement of expenditure of the previous year;
 - r) assesses the general operating performance, taking into account, in particular, the information received from the delegated bodies, and periodically comparing the results achieved with those planned;
 - s) carries out, at least once a year, with the support of the Appointments, Governance and Sustainability Committee, an evaluation of the operation of the Board of Directors and its Committees, as well as of their size and composition, taking into account factors such as the characteristics of professional managerial experience and the gender of its members, and their seniority in office;
 - t) taking into account the results of the assessment referred to in the previous paragraph, gives the Shareholders, before the appointment of the new administrative body, its advice on the quantitative and qualitative composition thereof, also with reference to the professional but also managerial figures whose presence in the Board is deemed appropriate;
 - u) approves, monitoring its suitability over time, the system of delegations and powers and responsibilities of the Group, taking care to avoid an excessive concentration of powers in a single person and implementing controls on the exercise of the delegated powers, with the possibility of defining appropriate emergency plans ("contingency arrangements") if the Board itself decides to take upon itself the delegated powers;
 - v) resolves on the transactions of the Parent Company and/or subsidiaries, when these transactions have a significant strategic, economic, capital or financial importance for the Company, paying particular attention to situations in which one or more Directors have an interest of their own or of third parties. To this end, it lays down general criteria to identify significant transactions and take appropriate measures to require the subsidiaries to submit for a binding opinion to the Board of Directors of the Parent Company significant transactions relevant to the latter;
 - w) approves transactions with intra-group counterparties as well as - with the support, when required, of the Related Party Transactions Committee - transactions with related parties, in compliance with the reference regulations adopted respectively by IVASS and by CONSOB and internal regulations in force over time;
 - x) adopts - on the proposal by the Chairman: (i) a policy for the management of dialogue with all investors as well as (ii) a procedure for the internal management and external communication of documents and information concerning the Company with particular reference to privileged information;
 - y) defines, with the support of the Appointments, Governance and Sustainability Committee, a possible plan for the succession of the Chief Executive Officer and the executive directors, where appointed;
 - z) verifies the existence of appropriate procedures for top management succession.

Further responsibilities specifically attributed to the Board of Directors are set forth in the policies adopted by the Company.

Pursuant to Art. 12 of the By-Laws, the Board of Directors will meet at least quarterly and whenever the Chairman, or other person standing for the Chairman, deems it appropriate, or on the written request of at least one third of the Directors in office. The Board of Directors may also be called by the Board of Statutory Auditors, or by at least one member of it, on notice to the Chairman.

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The validity of resolutions of the Board of Directors is governed by Art. 2388 of the Italian Civil Code. In an open vote, in the case of a draw, the Chairman has the casting vote.

On 12 May 2022, the Board of Directors performed the assessment of the legal requirements of the Directors, as well as of the members of the Board of Statutory Auditors, pursuant to the Fit & Proper Policy in force at that date⁸. At the meetings on 11 May 2023 and 9 May 2024, the administrative body periodically verified the continued fulfilment of these requirements for its corporate officers; lastly, at the meeting on 7 November 2024, these checks were also performed on the four new members of the administrative body appointed by the Shareholders' Meeting of 21 October 2024, as a result of which their suitability to hold office was confirmed.

Board Committees

To increase the efficiency and the effectiveness of its activity, the Board of Directors has established special internal Committees, with the power to make proposals, provide advice and support, and carry out investigations, specifying their tasks by also taking into account the provisions in this regard set forth in the Corporate Governance Code and in the Letter to the Market.

In particular, on 12 May 2022, the Board of Directors approved the establishment of the following board Committees, which play a role in the corporate governance system and perform their duties in compliance with the provisions of the corporate governance code and applicable supervisory provisions:

- Strategic Committee;
- Appointments, Governance and Sustainability Committee;
- Remuneration Committee;
- Control and Risk Committee;
- Related Party Transactions Committee.

These Committees, with the exception of the Strategic Committee, are composed at least by a majority of independent Directors, as specified below. The Committees are dissolved when the entire Board of Directors reaches the end of its mandate; if one or more members become unavailable, for any reason, the Board shall find a replacement.

In this regard:

- the Strategic Committee is composed of the Chairman of the Board of Directors, the Vice Chairman and the other members appointed by the Board of Directors within their scope. During 2024 this Committee met 8 times. The General Manager, first, and then the Chief Executive Officer (as of 7/11/2024, the date of appointment), were invited to and participated in Strategic Committee meetings. The Strategic Committee has proposal, advisory, investigation and support functions vis-à-vis the administrative body regarding the identification of development policies and guidelines for the strategic and operating plans to be submitted to the Board of Directors, in particular on the following topics:
 - dividend policies and/or capital remuneration policies;
 - extraordinary transactions pertaining to the Shareholders' Meeting, in particular capital increases and convertible bond issues, mergers, spin-offs, distribution of reserves, purchase of own shares and amendments to the by-laws;
 - extraordinary transactions of a relevant strategic interest, or intended to significantly affect the value or structure of the share capital or to significantly affect the price of stocks, such as acquisitions or disposals of relevant shareholdings, aggregations or alliances with other groups as well as significant changes in the structure or composition of the Group;
 - multi-year strategic plans and annual budgets of the Company and the Group;
 - periodic financial reports.

During the year, the Board of Directors updated the Regulation of the Strategic Committee, in force as of 1 January 2025, aligning its content with the rules of operation established for the administrative body and the other Board Committees.

- The Appointments, Governance and Sustainability Committee is composed of three Directors, all non-executive and the majority independent pursuant to Art. 147-ter of the Consolidated Law on Finance and the Corporate Governance Code. During the meeting on 12 May 2022, the Board of Directors appointed Mr Carlo Cimbri as Chairman of the Appointments, Governance and Sustainability Committee. During 2024 this Committee met 4

⁸ As specified in par. B.2 below, the Company's Board of Directors most recently approved the update of the Fit & Proper Policy on 19 December 2024, which entered into force on 1 January 2025.

times. Said Appointments, Governance and Sustainability Committee has proposal, advisory, investigation and support functions with respect to the administrative body:

- a) the self-assessment and optimal composition of the Board of Directors as well as the definition of the corporate governance system of the Company and of the Group;
- b) sustainability issues, by coordinating for aspects within its competence the guidelines, processes, initiatives and activities targeted at monitoring and promoting the commitment of the Company and, in general, of the Group geared towards the pursuit of sustainable success;
- c) the contents and purposes of the Code of Ethics.

Particularly with reference to letter a) above, the Appointments, Governance and Sustainability Committee is entrusted with the task of assisting the Board of Directors in the following main activities:

- definition of the optimal composition of the administrative body and its Board Committees;
- identification of candidates for the office of Director in the event of co-optation;
- self-assessment of the administrative body and its Board Committees. In particular, the Appointments, Governance and Sustainability Committee defines the timing, criteria and tools for carrying out the related process, also involving the Board of Statutory Auditors and making use, where deemed appropriate, at least every three years, of a leading independent consultant in the sector, with the task of supporting the Directors and Statutory Auditors in conducting the analyses;
- preparation, updating and implementation of any plan for the succession of the Chief Executive Officer and the other Executive Directors, where appointed.

The Appointments, Governance and Sustainability Committee is also responsible for:

- informing and updating the Board of Directors on regulatory developments and on the corporate governance best practices;
- preventively reviewing the annual Report on corporate governance and ownership structures;
- the issue of opinions to the Board of Directors concerning the Company's system of governance and the model and the guidelines for Group governance.

With regard to the sustainability issues referred to in letter b) above, the Appointments, Governance and Sustainability Committee is entrusted with the task of assisting the Board of Directors in the following main activities, by coordinating with the Control and Risk Committee, where competent:

- identifying the guidelines for the integration of sustainability issues in the Business Plan, through an analysis of sustainability topics, also relevant for the generation of value in the long term for the benefit of Shareholders, taking into account the interests of other relevant stakeholders;
- drafting the Sustainability Reporting contained in the Management Report of the Consolidated Financial Statements and, in general, preparation of the reports, accounts, final statements and documentation, also relating to the Group, on the topic of sustainability, including for example the Green Bond Report;
- assessing the suitability of periodic financial and sustainability reporting, to correctly represent the business model, the strategies of the Company and of the Group, the impact of its activities and the performance achieved;
- defining guidelines, processes, initiatives and activities targeted at monitoring and promoting the commitment of the Company and, in general, of the Group geared towards the pursuit of sustainable success;
- drafting and reviewing the policy, including the Group's policy, on sustainability and the related company documentation, as well as reviewing compliance with the provisions contained therein by monitoring the indicators identified for this purpose;
- drafting and reviewing, insofar as it is responsible, the policies for achieving the climate change objectives, as well as defining the related commitments and monitoring the indicators for compliance with them, as identified in the Sustainability Policy;
- monitoring regular updates on the main activities of preparation for the full achievement of the Group's sustainability objectives;
- analysing the methodology adopted for the development of the materiality analysis and identifying the relevant topics relevant to the Company and the Group, through the analysis of sustainability issues identified as part of the interaction of the Company and the Group itself with its stakeholders;
- monitoring the positioning of the Company and the Group in the financial markets in terms of sustainability, with particular reference to their placement in the main sustainability indexes;
- examining national and international initiatives on sustainability and participation of the Company, as well as monitoring regulatory developments and best practices in this regard, in order to consolidate the Group's sustainable success and reputation in terms of sustainability.

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Lastly, with specific regard to letter c/above, the Appointments, Governance and Sustainability Committee is entrusted with the following main tasks:

- promoting consistency between the principles of the Code of Ethics and the corporate policies, also by interacting with the Supervisory Board, the Control and Risk Committee and the company Departments concerned;
 - contributing to the definition of initiatives to promote the knowledge and understanding of the Code of Ethics;
 - defining the set-up of the plan of ethics communication, knowledge and awareness-raising in collaboration with the Ethics Officer and with the competent company Departments;
 - supervising compliance with the Code of Ethics, performing assessments through the Ethics Officer and collecting all necessary information and documentation;
 - issuing opinions on the more complex reports received by the Ethics Officer of alleged breaches of the Code of Ethics;
 - receiving and evaluating the Ethics Report - drawn up by the Ethics Officer and which, among other things, reports on the consistency between ethical principles and company management, identifying the areas at risk and verifying the effective implementation of the Code of Ethics - then submitting it to the Board of Directors;
 - expressing its opinion on the revocation of the Ethics Officer;
 - suggesting any updates to the Code of Ethics to the Board of Directors.
- The Remuneration Committee is composed of three Directors, all non-executive and the majority independent pursuant to Art. 147-ter of the Consolidated Law on Finance and the Corporate Governance Code. During 2024 this Committee met 7 times. At the meeting on 12 May 2022, the Board of Directors appointed the Committee Chairwoman, Ms Patrizia De Luise, confirming that she had adequate knowledge and experience on financial matters and remuneration policies. The Remuneration Committee has proposal, advisory, investigation and support functions with respect to the administrative body on remuneration matters. In particular, also consistent with the applicable internal regulatory provisions, the Remuneration Committee:
- performs advisory and proposal functions for the definition of Remuneration policies, including of the Group, in favour of the Corporate Bodies and Key Personnel (as defined in the aforementioned Policies), including compensation plans based on financial instruments;
 - formulates proposals and/or voices opinions to the Board of Directors for the remuneration of the Directors who perform specific duties and for the General Manager, where attributed, as well as for setting performance objectives related to the variable component of the remuneration, consistent with the Remuneration Policies adopted by the Board of Directors;
 - verifies the adequacy of the overall remuneration scheme in accordance with the applicable regulatory requirements;
 - monitors the correct application of the Remuneration Policies and, in particular, verifies the actual achievement of the performance objectives;
 - periodically submits Remuneration Policies for review so as to guarantee their adequacy, overall consistency and concrete application by Unipol and the Companies in the Group, relying, in this last regard, on the information provided by the Corporate Bodies of the Group companies;
 - identifies potential conflicts of interest and the measures adopted to manage them;
 - ascertains the fulfilment of conditions for the payment of incentives to Key Personnel;
 - provides adequate disclosure to the Board of Directors on the effective functioning of the Remuneration Policies;
 - expresses opinions to the Board of Directors on the remuneration of the members of the Supervisory Body of the Company pursuant to Legislative Decree No. 231/2001;
 - expresses opinions to the Board of Directors in the case of exceptional circumstances and - where so provided - subject to activation of the Related Party Procedure, temporary exceptions to the Remuneration Policies;
 - supports the Board of Directors, if the latter avails itself of external consultants to determine the Remuneration Policies, in the prior verification of their independence of judgement.

In application of the principle of proportionality set forth in the Letter to the Market and in line with the Directives on corporate governance, the Committee in question, like the Control and Risk Committee, carries out the same tasks specified at the individual level for the Parent Company, also on behalf of the insurance companies of the Unipol Group based in Italy that have adopted an “enhanced” corporate governance system according to the classification made

based on the parameters indicated in said Letter to the Market. During the year, this task was not carried out in favour of the merged entity UnipolSai, which had established this Committee.

- The Control and Risk Committee is composed of four Directors, all non-executive and independent pursuant to Art.147-ter of the Consolidated Law on Finance and the Corporate Governance Code. The Control and Risk Committee overall must possess an adequate knowledge of the activity sector of the Company, functional to assessing the related risks. In particular, in the course of the meeting on 12 May 2022, the Board of Directors appointed Mr Massimo Desiderio as Chairman of the Control and Risk Committee, as he possesses adequate experience on accounting, financial and risk management matters. During 2024 this Committee met 14 times. The Control and Risk Committee has proposal, advisory, investigation and support functions with respect to the administrative body in relation to assessments concerning the internal control and risk management system as well as the approval of periodic financial and non-financial reports. In particular, pursuant to the Corporate Governance Code as well as Unipol's internal policies in force, the Control and Risk Committee is responsible for supporting the Board of Directors with:
 - defining the guidelines for the internal control and risk management system in order to contribute to the Company's sustainable success, so that the main risks relating to the Company and the Group are correctly identified, adequately measured, managed and monitored, in line with the Company's strategies;
 - assessing - at least once a year - the current and future adequacy and functioning of the internal control and risk management system with respect to the characteristics of the Company and the Group and to the risk profile assumed as well as the effectiveness of said system.

Particularly with regard to the internal control system, the Control and Risk Committee, for example but not limited to, performs the following tasks:

- supports the Board of Directors in carrying out the duties attributed to it by legislative and regulatory provisions and by the Corporate Governance Code with regard to the internal control system;
- assesses, having consulted the Manager in charge of financial reporting, representatives of the Auditing Company and the Board of Statutory Auditors, the correct use of the accounting standards and, with reference to the drafting of the consolidated financial statements and the consolidated half-yearly report, their homogeneity at Group level;
- evaluates, having consulted with the Manager in charge of financial reporting, the representatives of the Auditing Company and the competent Functions, the suitability of periodic financial and non-financial reporting to properly represent the business model, the strategies of the Company, the impact of its activities and the performance achieved, coordinating with the Appointments, Governance and Sustainability Committee;
- reviews the content of periodic non-financial reporting relevant for the purposes of the internal control and risk management system;
- reviews the processes of drawing up the periodic accounting documents prepared by Unipol and the Group companies in order to prepare the separate and consolidated financial statements;
- assesses, after consulting the Board of Statutory Auditors, the findings produced by the Auditing Company in any letter of recommendations and in the additional report addressed to the control body;
- defines, evaluates and ensures the adequacy of the self-assessment process for the definition of the corporate governance system pursuant to the Letter to the Market, as well as with reference to the outsourcing of Key Functions;
- makes decisions regarding the composition criteria and functions of the Supervisory Board.

Specifically as concerns risk management, the Control and Risk Committee, performs, inter alia, by way of a non-exhaustive example, the following tasks:

- supports the Board of Directors in carrying out the duties attributed to it by legislative and regulatory provisions, and by the Corporate Governance Code with regard to the risk management system;
- supports the administrative body with reference to proposals regarding the appointment and/or removal of Heads of the Key Functions, on the adequacy of the resources assigned to such functions for the performance of the respective duties, as well as on the consistency of the remuneration assigned to the above-mentioned Heads with applicable company policies;
- provides the Board of Directors with a specific opinion on the identification of the main business risks, taking into account the risk appetite of the Company and the Group, as well as with reference to the risk tolerance limits as defined in the Risk Appetite Framework;
- assists the Board of Directors with respect to the current and forward-looking risk assessment, taking into account the criteria used for the assessment of the main business risks, as well as specific aspects concerning their identification with reference to the Company and the Group;

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- supports the Board of Directors in defining the model for identifying, assessing and managing the main sustainability-related risks, including, in particular, those related to the climate, and their impacts on the business strategy, keeping the Appointments, Governance and Sustainability Committee informed of them, within the scope of the responsibilities of the latter;
- supports the assessments and decisions of the Board of Directors relating to the management of the risks deriving from events of default that it has become aware of.

In this regard, the Control and Risk Committee may ask the Audit Function to carry out assessments on specific operational areas, sending prompt notification to the Chairman of the Board of Directors, the Chief Executive Officer and the Chairman of the Board of Statutory Auditors.

In addition, in order to take the appropriate initiatives in this regard, the Control and Risk Committee is the recipient of information from the Chief Executive Officer with regard to problems and/or critical issues arising from the performance by the latter of the activities for which he/she is responsible or of which he/she has been informed.

Lastly, by way of a non-exhaustive example, with regard to matters common to the internal control and risk management system, the Control and Risk Committee:

- supports the Board of Directors in approving, at least annually, the work plan prepared by each Head of the Key Functions (as well as the Anti-Money Laundering Function) relating to the Company and the Group;
- reviews the particularly important periodic reports prepared by the Key Functions (and the Anti-Money Laundering Function) for the Committee and for the Board of Directors;
- monitors the independence, adequacy, effectiveness and efficiency of the Key Functions;
- supports the Board of Directors with respect to the adoption and revision of company and Group policies as required by the Solvency II regulation and/or in any event relating to the internal control and risk management system;
- supports the Board of Directors with respect to the description, in the annual report on corporate governance, of the main characteristics of the internal control and risk management system and the procedures of co-ordination between the parties involved, indicating the reference national and international models and best practices, as well as the assessment of its suitability, also detailing the choices taken regarding the composition criteria of the Supervisory Board;
- supports the Board of Directors in identifying the guidelines of the internal control and risk management system of the Company within the scope of Group Directives on the corporate governance system.

The Control and Risk Committee is also identified as the body competent to examine the information – prepared by the Chief Risk Officer and subject to the approval of the Board of Directors – concerning intra-group transactions performed by Unipol and the insurance companies controlled by them, which cause the operating limits set in the Policy on intra-group transactions adopted pursuant to IVASS Regulation No.30 of 26 October 2016 to be exceeded.

The Control and Risk Committee ensures, through the Chairman of the Board of Statutory Auditors, a permanent invitee of the meetings, that an information flow to the control body is established for the prompt exchange of the relevant information for the performance of the respective duties and the coordination of activities in areas of shared responsibility. To this end, and to contain the cost of the controls, in 2024, the Board of Statutory Auditors attended all the meetings of the Committee.

In compliance with the regulations in force, as well as in accordance with the principle of proportionality set forth in the Letter to the Market, the Control and Risk Committee carries out similar tasks to those laid out at the individual level for Unipol also in favour of the insurance companies of the Unipol Group based in Italy that have adopted an “enhanced” or “ordinary” corporate governance system according to the classification deriving from said Letter to the Market. During the year, this task was not carried out in favour of the merged entity UnipolSai, which had established this Committee. The Committee in question fulfils the above-mentioned duties as a Board Committee of the Parent Company, without prejudice to the responsibility of the corporate bodies of the subsidiaries with respect to their own corporate governance system. The subsidiaries that rely on the Unipol Control and Risk Committee are Arca Vita S.p.A., Compagnia Assicuratrice Linear S.p.A., SIAT S.p.A. and UniSalute S.p.A.

- The Related Party Transactions Committee is composed of four Directors, all non-executive and independent pursuant to Art. 147-ter of the Consolidated Law on Finance and the Corporate Governance Code. At the meeting on 12 May 2022, the Board of Directors appointed Mr Paolo Fumagalli as Chairman of the Related Party Transactions Committee. Following the death of Mr Paolo Fumagalli, at the meeting of 13 February 2025 the Board of Directors appointed Ms Rossella Locatelli, meeting the independence requirements set forth by applicable

regulations, as a member of the Related Party Transactions Committee, also making her Chairwoman of that Committee.

During 2024 this Committee met 12 times. The Related Party Transactions Committee has functions of providing proposals, advice, investigations and support towards the Board of Directors and the units of Unipol and the subsidiaries with reference to transactions with related parties (the "Transactions") in compliance with the provisions of the Regulation issued by CONSOB with Resolution No. 17221 of 12 March 2010 and subsequent amendments and the internal procedure for the execution of the Transactions in question ("Related Party Procedure"). More specifically, the Committee:

- expresses to the Board of Directors of the Company an opinion on the procedures to establish and create the register in which Related Parties are recorded ("Register of Related Parties");
- participates in the phases of screening and negotiations of the Transactions of Greater Relevance (as defined in the Related Party Procedure) and issues a reasoned opinion to the competent decision-making body, based on a complete and updated information flow, on the Company's interest in the execution of the aforementioned Transactions of Greater Relevance, as well as on the cost-effectiveness and substantive fairness of their conditions;
- verifies the correct application of the exemption conditions to the Transactions of Greater Relevance defined as ordinary and concluded under market or standard conditions, issuing a preventive opinion in this regard and examines the quarterly disclosure on Exempt Transactions, supported by the assessments of the competent Corporate Functions regarding the assumptions for application of said exemption conditions;
- expresses to the competent corporate decision-making body a reasoned opinion on the interest of the Company in the execution of the "Transactions of Lesser Relevance" (as specified in the Related Party Procedure), as well as on the convenience and fairness of the corresponding terms;
- expresses to the Chief Executive Officer of Unipol a reasoned opinion on the interest of the subsidiaries and the Unipol Group in the execution of Transactions with Related Parties carried out through the subsidiaries, either of Greater or Lesser Relevance, as well as on the convenience and substantial fairness of the corresponding terms;
- expresses to the Board of Directors a reasoned opinion on the possibility of temporarily departing, pursuant to Art. 123-ter, Par. 3-bis, of the Consolidated Law on Finance, from the Remuneration Policies in the presence of exceptional circumstances, in compliance with said Remuneration Policies;
- expresses to the Board of Directors an opinion on the updates made to the Related Party Procedure.

During the year, the Board of Directors updated the Regulations of the Related Party Transactions Committee, in force as of 1 January 2025, aligning their content with the operating rules envisaged for the administrative body and for the other Board Committees.

Delegated Bodies

The Board of Directors may appoint one or more Chief Executive Officers from among its members, for three financial years or for the shorter period of office of the administrative body. It may also appoint one or more General Managers.

The Ordinary Shareholders' Meeting held on 21 October 2024, inter alia, resolved to appoint four new Directors, including Mr Matteo Laterza, indicated in the list submitted by the Shareholders participating in the Shareholders' Agreement as a candidate also holding the technical skills and professional experience necessary to hold the position of Chief Executive Officer of the Company.

During the meeting of 7 November 2024, the Board of Directors of Unipol assessed the need and opportunity to delegate certain functions of the Board of Directors to one of its members meeting the necessary requirements, in order to ensure, in view of the Merger, the presence of a body capable of jointly carrying out duties in order to execute the instructions given by the administrative body and current operations of the Company, also taking into account the governance schemes implemented in the companies participating in the Merger and, in particular, the circumstance that a Chief Executive Officer was already present on the Board of Directors of the merged entity UnipolSai.

Therefore, due to the technical and professional skills of Mr Laterza, as well as his consolidated knowledge of the Company and the Group, and in view of the size and operational complexity of the listed parent insurance company resulting from the above-mentioned Merger, at the board meeting on 7 November 2024, the latter was appointed Chief Executive Officer of the Company.

Subsequently, at the meeting on 19 December 2024, taking into account:

- the upcoming Merger;
- that, as a result of the Merger and starting from its effective date, the merging company would assume the status of insurance and reinsurance company leading the Unipol Insurance Group,

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the Board of Directors has assigned to Mr Laterza, in his capacity as Chief Executive Officer, effective as of 1 January 2025, functions and powers - in addition to those already assigned to him - specifically relating to the performance of insurance and reinsurance activities by the Company, corresponding to those already granted to him by the merged entity UnipolSai in relation to the same office held until this point.

In particular, the Chief Executive Officer has been assigned the following functions by the Board of Directors:

- ensuring the execution of the resolutions of the Board of Directors and the Shareholders' Meeting of the Company;
- ensuring the ordinary management of the business of the Company as well as the governance, supervision and coordination of the entire company activity;
- promoting the policies and guidelines of the Company and the Unipol Group;
- proposing to the Chairman of the Board of Directors the plan for the activities of the Board;
- formulating the proposals relating to the long-term plans and the annual budgets of the Company, to be submitted to the study and approval of the Board of Directors;
- ensuring that the organisational, administrative and accounting structure is adequate for the Company;
- providing instructions for the preparation of the Company's financial statements; preparing the proposals on the draft financial statements and consolidated financial statements, as well as on the interim financial reports and on the additional periodic financial information, to be submitted to the Board of Directors;
- defining the top organisational structure of the Company to be submitted to the examination and approval of the Board of Directors;
- handling the identification of the main business risks, taking account of the characteristics of the activities carried out by the Company and its subsidiaries, regularly subjecting them to review by the Board of Directors;
- implementing the guidelines set out by the administrative body, overseeing the design, implementation and management of the internal control and risk management system, and constantly verifying its adequacy and effectiveness, as well as ensuring that it is duly adjusted to the changes in operating conditions and in the legislative and regulatory landscape;
- carrying out, on the basis of the strategic objectives and in line with the risk management policy, the policies related to underwriting, reserving, reinsurance and other risk mitigation and operational risk management techniques, as well as the other policies and guidelines specified by the Board of Directors;
- if applicable, assigning the Audit Function the task of performing audits on specific operating units and on compliance with internal rules and procedures in the execution of corporate transactions, reporting on these to the Chairman of the Board of Directors, to the Chairman of the Control and Risk Committee and the Chairman of the Board of Statutory Auditors;
- promptly informing the Control and Risk Committee of any problems and critical issues that might arise or that he may be informed of during the performance of his activities so that said Committee may take the appropriate action.

The Board of Directors has also conferred specific executive powers on the Chief Executive Officer (as it had already done for the role of General Manager), defining the relevant methods and quantitative limits.

Following his appointment as Chief Executive Officer, Mr Laterza, in his position of General Manager as well, also retains the role of top contact person for the company functions that organisationally report to him, carrying out duties of management, coordination and guidance of such functions, in addition to ensuring the ordinary management of the company's operating activities.

Board of Statutory Auditors

The Shareholders' Meeting of 28 April 2022 appointed the Board of Statutory Auditors currently in office, consisting of three Statutory Auditors and two Alternate Auditors, giving them a mandate of three years and, therefore, up to the Meeting called to approve the 2024 financial statements.

Pursuant to Legislative Decree No. 39/2010, as amended and Regulation (EU) 537/2014 regarding auditing, the Board of Statutory Auditors of the Company, as well as monitoring the compliance with the law and the By-Laws and with the principles of proper management, is in charge, in the execution of its functions as internal control and audit committee, of:

- informing the Company's administrative body of the outcome of the audit, sending the latter the additional report pursuant to Art. 11 of (EU) Regulation No. 537/2014;
- monitoring the process of financial and non-financial reporting and submitting recommendations or proposals aimed at ensuring its integrity;
- controlling the effectiveness of the systems for the internal control of the quality and management of the risk profile and of internal audit as regards the financial and non-financial reporting of the Company;
- monitoring the audit of the separate financial statements and the consolidated financial statements;

- verifying and monitoring the independence of the Auditing Company, in particular as regards the adequacy of the provision of non-audit services to the Company;
- formulating, following the selection procedure for which he is responsible, the recommendation regarding the auditor to whom to assign the engagement, to be sent to the administrative body so that it can submit a proposal to the Shareholders' Meeting.

Supervisory Board

Legislative Decree No. 231 of 8 June 2001, "Discipline of the administrative responsibility of legal persons, companies and associations even without legal personality" ("Decree 231/2001") - which introduced the administrative liability of entities as a result of certain offences committed in the interest or for the advantage of the entity by directors, managers, employees and company representatives - establishes in Art. 6 an exemption from above-mentioned liability for entities that demonstrate: (i) that before the offence was committed, they adopted and effectively implemented organisation, management and control models suitable to prevent the occurrence of the offences considered therein; (ii) that they have established an internal control body with the task of supervising the functioning and observance of the model (the "Body" or the "SB") as well as its actual effectiveness and adequacy and, when necessary, managing any updates of the model; (iii) that the offence was committed by fraudulently circumventing the model, and (iv) that the above-mentioned Body did not fail to supervise or enact insufficient supervision.

In compliance with the above regulations, the Company adopted the Organisation, Management and Control Model (the "MOG" or the "Model") and established and appointed the SB pursuant to Art. 6, letter b) of Decree 231/2001.

The Body is assigned the task of supervising:

- the effective observance of the Model by its addressees: employees, corporate bodies and, within the limits laid out therein, agents, associates and suppliers;
- the actual effectiveness and adequacy of the Model with respect to the structure of the company and its real capacity for preventing the commission of the offences pursuant to Decree 231/2001;
- the possibility of updating the Model, when it is found that it needs to be adjusted in light of changed company and/or regulatory conditions, contacting the competent bodies for this purpose.

The SB is also given the right to conduct targeted verifications, even without providing prior notice, on specific transactions or deeds entered into by the Company, especially as regards sensitive activities, the results of which need to be summarised in reporting to the competent corporate bodies.

These powers are to be exercised within the limits of what is strictly functional to the mission of the SB, which has no management powers whatsoever.

B.1.2 Material transactions with specific counterparties

The substantial transactions performed during the reference period with shareholders, people with significant influence over the company and with the members of the administrative or supervision body are described below.

In the allocation of the profit for the year 2023, Unipol disbursed dividends of around €60.65m to the shareholder Coop Alleanza 3.0 Società Cooperativa.

The relations with the members of the administrative or supervision body refer to the remuneration paid in compliance with the resolutions of the Shareholders and/or the Board adopted and processed in compliance with current Group policies.

B.1.3 Tasks and responsibilities of Key Functions

The following Key Functions have been established at the Parent Company:

- internal audit function, assigned to the Audit Function, responsible for assessing and monitoring the effectiveness, efficiency and adequacy of the internal control system and the additional components of the system of corporate governance, according to the nature of the business activities performed and the level of risks undertaken, its consistency with the guidelines defined by the Board of Directors, as well as its updating, if applicable, also through support and advisory activities provided to other corporate functions;
- risk management function, assigned to the Risk Area, which is in charge of identifying, measuring, assessing and monitoring the current and prospective risks at the individual and aggregated level to which the Company is or may be exposed and their correlation;

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- compliance verification function, assigned to the Compliance and Group Anti-Money Laundering Function⁹ which - as regards compliance activities - is responsible for evaluating, with a risk-based approach, the adequacy of procedures, processes, policies, and internal organisation to prevent compliance risk¹⁰;
- actuarial function, assigned to the Actuarial Function¹¹, whose main task is to coordinate the calculation of the technical provisions, guarantee the adequacy of the methodologies, models and assumptions forming the basis of said calculation and evaluating the quality of the data used. It provides advice and expresses opinions on, inter alia, the Reinsurance and other risk mitigation techniques policy and the Group reinsurance programme considered as a whole, Group underwriting risks, aspects connected to the management of assets and liabilities, Group solvency, also on a forward-looking basis, through stress testing and scenario analyses in areas relating to the technical provisions and asset-liability management and underwriting and reserving policies (Life and Non-Life); in addition, it provides, inter alia, a contribution to the risk management system, also with reference to the modelling underlying the capital requirement calculation and the own risk and solvency assessment, and verifies the consistency between the amounts of the technical provisions calculated on the basis of the valuation criteria applicable to the statutory financial statements and the calculations resulting from the application of Solvency II criteria¹².

Within the Internal Control and Risk Management System, it is essential to ensure dialogue between the Key Functions, and regular reporting between these functions and the Corporate Bodies.

The Control and Risk Committee, the Board of Statutory Auditors, the Auditing Company, the Key Functions, the Anti-Money Laundering Function and the Supervisory Board pursuant to Legislative Decree 231/2001 and any other body and function that has been given specific control responsibilities exchange all information needed to carry out the tasks assigned to them.

As part of said system, the Compliance and Group Anti-Money Laundering Function, the Risk Area and the Audit Function, as well as the specialist control units and the Organisation Function access, collaborate with one another in observance of their autonomy, using a joint approach to the mapping and analysis of the processes, the assessment of operational risks and controls and an information system providing shared support, sharing the wealth of information produced, as well as the ongoing monitoring of any corrective action notified to the operating units following the analysis carried out by the above-mentioned Functions. Reciprocal information flows between the different Key Functions are already in place through:

- participation of the respective Heads in the meetings of the Control and Risk Committee
- participation of the Heads of Audit and Compliance in the meetings of the Supervisory Board;
- disclosure and discussion on the annual planning of the activities of the Functions themselves;
- periodic meetings aimed at sharing the results emerged from the control activity performed, also through a common supporting IT platform, as described below;
- reporting activities with exchange of the documentation produced by the individual Key Functions (such as for example the results of the audits performed, the cases of non-compliance and the regular claim reports, etc.).

Once a year, the Heads of the Key Functions submit their plans of scheduled activities for the reference year to the Board of Directors for approval and every six months they report to the Board of Directors on the activities carried out and the main critical issues observed, as well as on any initiatives proposed, as well as promptly in the presence of significant violations which may involve a high risk of sanctions, losses or damages to image.

In addition, in the execution of their power to provide advice and make proposals on the Internal Control and Risk Management System, the Control and Risk Committee and the Board of Statutory Auditors receive from the Heads of

⁹ Given this name as of 1 January 2025 in relation to the obligations set forth in IVASS Regulation 44, previously the "Compliance and Anti-Money Laundering Function".

¹⁰ "Compliance risk" is defined as "the risk of incurring judicial or administrative sanctions, losses or reputational damage as a result of failure to observe laws, regulations and directly applicable European regulations or measures of the Supervisory Authorities or internal regulations such as by-laws, codes of conduct or corporate governance codes" or also "risk deriving from unfavourable amendments in the regulatory framework or case law decisions".

¹¹ The actuarial function is exercised by an actuary listed in the professional register set up by Law No. 194, 9 February 1942, or by parties with knowledge of actuarial and financial mathematics appropriate to the nature, magnitude and complexity of the risks intrinsic to the business activities of the company and with proven professional experience in the issues relevant to the execution of the task.

¹² The actuarial function directly reports to the Board of Directors and has been given the necessary independence and separation in the performance of its tasks to avoid conflicts of interest with the Group divisions in charge of the technical and operational management. Any potential conflict of interest is addressed by an appropriate diversification and separation of the tasks within the Actuarial Function itself.

the Key Functions the action plan and regular reports on their activities, as well as a prompt disclosure on the most significant critical issues; these information flows are also sent to the Chief Executive Officer, by virtue of the duty assigned to him to establish and maintain the internal control and risk management system.

To execute the activities within its area of competence, the personnel of the Key Functions has unlimited access to company data and relevant information.

On the basis of the Group's organisational model, the Key Functions perform the activities under their responsibility for Unipol, as well as at Group level.

B.1.4 Remuneration policies

The primary objective of the remuneration policies is to guarantee fair remuneration, adequate to the scope and level of responsibility, professional competence and experience required by the job and the individual skills, in order to attract, motivate, develop and retain key personnel. In addition, the remuneration policy is defined in accordance with the legal, regulatory and statutory provisions as well as the Group Code of Ethics, promoting the adoption of behaviour that complies with them and consistency between the remuneration paid and the need to ensure a sustainable performance, in observance of a sound and prudent risk management policy. In line with the Company's and the Group's long-term strategic objectives, profitability and balance, the Company does not adopt remuneration policies based exclusively or mainly on short-term results, such so as to incentivise an excessive exposure to risk or an assumption of risk exceeding the risk tolerance limits established by the Board of Directors.

On the basis of these principles, the fixed remuneration component compensates the extent and level of responsibility, the complexity managed and experience required by the role; it also remunerates expertise and skills, making provision for a predefined financial basis, established by the applicable Collective Labour Agreements, as well as, when present, Supplementary Company Agreements, any bilateral agreements and/or specific internal Regulations. Reasons of internal fairness, competitiveness, attractiveness, meritocracy or the attribution of greater responsibilities may lead to the payment of additional fixed amounts.

The variable remuneration component aims to reward results achieved in the short and long-term, expressed not only in the economic-financial terms, but also in the form of attention to risks and the qualitative performances, and related to ESG criteria, as well as to develop professional skills while implementing an effective retention policy.

Considering the foregoing, in 2024, essentially in continuity with previous years, the remuneration of the recipients of the remuneration policy was aligned with the following principles:

- an appropriate balance between the fixed component and the variable component of the remuneration, with the latter linked to pre-set, objective and measurable efficiency criteria, to strengthen the link between performance and remuneration and setting limits on it beforehand;
- the establishment, as regards the variable component of remuneration, of an adequate balance between monetary disbursements and/or disbursements in financial instruments;
- sustainability thanks to the proper balance between short and long-term efficiency criteria that the remuneration is based on;
- the deferred payment of a significant part of the variable component, whose duration is differentiated in accordance with the percentage of the fixed component and in any case, not less than that required under applicable laws;
- the presence of Malus clauses, which provide for the reduction until elimination of the variable component in the presence of given conditions, and Claw-back clauses which envisage the possibility of requesting the repayment of the amount already paid out under certain conditions;
- the provision of a holding period of one year with reference to the amounts paid in financial instruments, without prejudice to the possibility of "selling to cover" (sale of the securities necessary to obtain the liquidity for fulfilling the resulting tax obligations stemming from the attribution of securities);
- with reference to the Chief Executive Officer and General Manager of Unipol and the Executive Bracket Managers and 1st Bracket Managers, the provision of share ownership requirements, consisting of the obligation to maintain (lock-up), for a predetermined period, the shares assigned by virtue of participation in the incentive plans;

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- the prohibition of relying on hedging strategies or specific insurance against the risk of a downward correction of remuneration, which could alter or invalidate the random effects connected to the provision of deferred bonuses and paid in the form of financial instruments;
- a process of cascading objectives aimed at making the targets assigned to the managerial levers engaged more consistent.

The reference model on which the architecture of the remuneration systems are designed is based on the correlation among the following elements:

- the results of the Unipol Group (including the results in terms of adequacy of the risks taken on with respect to the pre-established goals and considering the ESG criteria);
- the results of the reference Company;
- the results of the Department of reference, the Function or the organisational area of responsibility of the Recipient;
- the individual performances.

The variable component of the remuneration may be awarded to the Chief Executive Officer and the General Manager (when appointed) and management personnel, including therein key personnel, through the activation of an incentive system (the Unipol Variable Pay, "UVP" System, for the 2022-2024 period). This includes:

- a short-term component (STI Bonus), paid entirely in monetary form;
- a long-term component (LTI Bonus), disbursed entirely in Shares, of which 50% Unipol Shares and 50% UnipolSai Shares.

The assignment of the Shares relating to the LTI Bonus due is postponed over a multi-year time period.

Taking into account the launch in 2024 of the group's corporate rationalisation project, carried out by means of the Merger, the Board of Directors of Unipol will assess the need to make - in compliance with applicable regulations - any changes to the 2022-2024 UVP System necessary in order to maintain the principles of the plan and the rights of the beneficiaries unchanged, in line with the objective of maintaining the fairness and overall consistency of the Remuneration Policies, without prejudice to any shareholders' meetings, where necessary.

The incentive system links:

- the annual results of the Group and of the Company, expressed in terms of achievement of gross profit and solvency capital targets and taking into consideration also ESG objectives;
- individual performance, measured in terms of economic-financial objectives and non-financial objectives, both quantitative and qualitative, assigned through the cascading process described above;
- the results measured over a three-year period of the Group, expressed in terms of achievement of objectives linked to economic and financial results, solvency capital, growth in value for shareholders by measuring the Unipol's Absolute Total Shareholder Return and the Group's ESG sustainability strategy through indicators relating to climate strategy, finance for SDGs and the Gender Pay Gap.

The objectives assigned to personnel operating in the Key Functions are identified consistent with the effectiveness and quality of the control action, without comprising economic-financial objectives pertaining to the areas subject to their control. Access to the Incentive system for Managers operating at the Key Functions, both for the STI Bonus and the LTI Bonus is not connected with achievement of the Consolidated Gross Profit condition.

The remuneration of non-managerial personnel (including therein any Key Personnel) may include not only a fixed component but a variable one.

As regards the remuneration of the Board of Directors, annual Director compensation, approved by the Shareholders' Meeting for the 2022-2024 term of office, is fixed, and Directors may also receive reimbursements for expenses incurred to carry out their official duties and attendance fees for participation in meetings of the Board of Directors and the Shareholders' Meetings. For the Directors who are members of Board Committees in office for the 2022-2024 mandate, only a fixed remuneration is provided for the office in the aforementioned committees, without the recognition of any attendance fee.

The Company of which they are Directors also covers the cost of insurance covering the risks connected to third-party liability deriving from legal and contractual obligations inherent in the office of Director and the related legal protection.

After consulting with the Remuneration Committee and the Board of Statutory Auditors, the Board of Directors may provide additional fixed remuneration to Directors vested with specific duties; such Directors may also be provided supplementary benefits relating to lodging and/or the use of company vehicles.

Non-executive Directors are not provided with any variable remuneration component; on the other hand, after consulting with the Board of Statutory Auditors, Executive Directors may be recognised a short and/or long-term variable remuneration component, subject to the criteria set forth in the incentive system of the Company of which they are Directors.

As regards the criteria and the procedures relating to the recognition to Directors of any end-of-office compensation, they can be assigned in observance of the regulations in force and, in any case, based on a prior resolution of the Board of Directors on the proposal of the Remuneration Committee.

As regards management personnel, any payment of an amount if the termination of employment is on a consensual basis, or if the dismissal is not supported by just cause or dismissal for just cause - if agreed upon - will be equal to a maximum of three years worth of annual Compensation¹³, plus the normal end of employment fees and the advance notice substitution indemnity required by the national collective labour agreement for those who have accrued service seniority of more than 10 years, or equal to a maximum of two years worth of annual Compensation for those who have accrued service seniority of less than or equal to 10 years. This amount since being calculated on the Compensation it takes into account the performance on average in a period of at least three years.

There are no supplementary pension schemes for the members of the Board, while all employees, whether in an executive position or not, may join specific corporate Pension Funds, divided into Employees' Pension Funds and Executives' Pension Funds. These Funds are based on voluntary contributions made by the recipient and the company and envisage supplementary pension provisions on termination of the employment relation due to retirement.

B.2 Fit and proper requirements

The Board of Directors in office, appointed during the Shareholders' Meeting of 28 April 2022, duly fulfilled, after appointment, the obligations assigned to it by the law in force at the time with regard to the verification that its members meet legal and statutory requirements, in terms of good repute, professionalism and independence, and absence of legal obstacles, of grounds of disqualification and incompatibility situations, in compliance with the regulations applicable at the time (i.e. Decree of the Ministry for Economic Development No. 220 of 11/11/2011). This verification was subject to periodic renewal, together with the verification of the lack of situations of incompatibility pursuant to interlocking regulations, in compliance with the Fit & Proper Policy applicable at the time, and was promptly confirmed.

Given that the legislation in force at the time left the definition of the number of independent directors - whose adequacy was to be linked proportionately to the activity carried out by the company, due to the nature, extent and complexity of the inherent risks - and the definition of independence requirements up to the By-Laws, the Company's By-Laws established that at least one-third of the Directors must meet the independence requirements set forth for Statutory Auditors by Art. 148, paragraph 3, of Legislative Decree No. 58/1998.

In any event, as Unipol is a listed company, the Corporate Governance Code was applicable (Recommendation No. 5), which specifies that at least half of the Board of Directors of the Company must be made up of independent Directors pursuant to the Code itself, provided that - in accordance with the criteria identified therein - Unipol qualified (and still qualifies) as (i) "large" in relation to its capitalisation and (ii) with "non-concentrated" ownership with reference to the composition of its shareholding structure.

The reference regulatory framework has changed following the issue:

- of Decree of the Ministry for Economic Development No. 88 of 2 May 2022 ("Decree 88" or the "Decree") which - pursuant to Art. 76 of Legislative Decree No. 209/2005 (the "CAP") - governs the requirements and eligibility criteria for holding the office of company representatives and those who perform key functions (i.e.

¹³ Calculated with reference to the Annual Gross Remuneration, the short and long-term variable component as Manager, and the short and long-term fixed component possibly received as Director.

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- Audit, Risk Management, Compliance and Actuarial Function, the “Key Functions”) in Italian insurance or reinsurance companies and in the ultimate Italian parent companies, which entered into force on 1 November 2022 and, therefore, after the appointment of the Board of Directors in office;
- of Measure No. 142 of 5 March 2024 (“Measure 142”), whereby IVASS approved, *inter alia*, the amendments and additions to Regulation 38, adapting the latter to the new regulatory framework introduced by Decree 88;
- of Measure No. 144 of 4 June 2024, whereby amendments were made to IVASS Regulation No. 44 of 12 February 2019 on anti-money laundering.

The Ordinary Shareholders’ Meeting of 21 October 2024:

- in consideration of the new provisions contained in Decree 88 and in Regulation 38 - as amended and supplemented by Measure 142 - and the elimination of the reference to the autonomy of the By-Laws, resolved, *inter alia*, to eliminate from Art. 10 of the By-Laws the provision that referred for Directors to the independence requirement set forth for Statutory Auditors by Art. 148, paragraph 3, of the Consolidated Law on Finance, introducing the reference to the provisions currently in force on the requirements and criteria of eligibility for office, including the independence, of Directors;
- appointed four new Directors of the Company, increasing the number of members from 15 to 19, in office until the Shareholders’ Meeting for the approval of the financial statements for the year 2024.

Following these new appointments, the Board of Directors met the obligations imposed by regulations in force with regard to the verification of the fulfilment of requirements and the satisfaction of the criteria set forth in Decree 88 - in terms of integrity, professionalism and independence, as well as fairness and expertise, in addition to the absence of impediments, causes for suspension and situations of incompatibility - by the four newly appointed Directors, also checking the adequate collective composition of the administrative body, all in compliance, to the extent applicable pending the re-appointment of the entire administrative body, with Decree 88 and Regulation 38 as amended by Measure 142, as well as the Fit & Proper Policy in force at the time. With regard to adequate collective composition, the Board of Directors had already carried out its assessment pursuant to Art. 11 of Ministerial Decree 88/2022, in light of the criteria established by Art. 10 of the same Decree, during the meeting held on 21 March 2024, which was subsequently updated following these new appointments to take into account the responsibilities of the new Directors (the “Verification”). The Verification was reviewed and updated in light of the new role of Parent listed insurance company assumed by the Company following the Merger, and the administrative body took this into account in developing its guidance to Shareholders in view of the Shareholders’ Meeting called for the re-appointment of the corporate bodies on 29 April 2025.

Considering the new regulatory framework, most recently at its meeting on 19 December 2024, the Board of Directors, after consulting with the Appointments, Governance and Sustainability Committee, updated, pursuant to the industry regulatory provisions in force, the Fit & Proper Policy, which describes, *inter alia*, the procedures to assess the requirements and criteria of suitability for office of the members of the corporate officers as well as those who perform Key Functions.

The Fit & Proper Policy defines, *inter alia*, the precise number of Directors who must meet the independence requirement pursuant to Decree 88 (i.e. 25% of the members), the Corporate Governance Code (i.e. half of the members) and the Consolidated Law on Finance (i.e. 2 members). Furthermore, particularly with reference to the evaluation of the independence requirement pursuant to the Corporate Governance Code and the Fit & Proper Policy mentioned above, we note that:

- in line with international best practices, particular attention is paid to the “substantial” independence requirement of the non-executive Directors. The Company has adopted a restrictive interpretation of the provisions contained in the Corporate Governance Code, in order to ensure the interests of all Shareholders, both majority and minority;
- taking into account the current ownership structure of Unipol, all Directors of the Company are considered non-independent if they are:

- i. members of the Management Committee of the Shareholders' Agreement¹⁴ concluded by some Unipol shareholders; or
- ii. important representatives (i.e. Chairman, General Manager or Executive Directors) of the main Shareholder of the Company;
- for the purposes of evaluation of the independence requirement of a Director, it is also responsible for:
 - i. the annual amount paid for any professional and/or other services rendered to the Company and/or holding company and/or subsidiaries that exceeds 5% of the annual turnover of the Director or of the company or entity over which the Director has control or is an executive director, or of the professional practice or consulting company of which he or she is a partner or shareholder or, at any rate, exceeding €500k per year;
 - ii. any compensation received for offices also held in the holding company and/or subsidiaries, where these exceed a total of €200k per year;
 - iii. any personal and financial situations which could result in conflicts of interest and also potentially hinder the independent judgement of the Director, in any event with the performance of corporate management in the interest of the Company remaining ensured, consistent with the objectives of sound and prudent management.

If the Director is also a partner of a professional practice or a consulting company, even irrespective of the quantitative parameters mentioned above, the administrative body evaluates the significance of the professional relations which could have an effect on his or her position and role within the practice or the consulting company or which, in any event, relate to significant transactions of Unipol or the Unipol Group.

The new provisions of the Fit & Proper Policy apply as of 1 January 2025.

Pursuant to Decree 88, with regard to the requirements of suitability for office referred to above, the Board of Directors carries out its own assessment after its appointment by the Shareholders' Meeting.

In the event of co-opting:

- the assessment of the candidate's suitability is performed by the Board of Directors prior to appointment;
- a copy of the meeting minutes is sent to IVASS, together with the documentation required by Measure 142;
- the appointment of the representative cannot be completed before 90 days have elapsed from receipt by IVASS of the minutes. In the event that the positive outcome of the assessment performed is communicated before the end of this term, the representative may be appointed immediately after receipt of the notification;
- this procedure may be waived in exceptional cases of urgency pursuant to Art. 25-*ter* of Regulation 38, as amended by Measure 142. These cases must be analytically assessed and justified in the meeting minutes.

The Board carries out the evaluation reviewing the information provided by the individuals involved on the basis of their curricula vitae and the statements in lieu of certification provided by these, also taking into account the information in the Company's possession and the assessments carried out by the competent functions of the Company and the Group. Moreover, at least once per year, the competent company functions require the corporate officers to provide statements certifying that there have been no relevant intervening events - with respect to what they previously stated after their appointment - regarding the application of legislation and regulations on the matter of requirements of suitability for office, without prejudice to the commitment to report and describe such events should they occur. This documentation is made available in due time for review during the Board meeting and is put to the record.

The Board of Directors takes its resolutions with the abstention, each time, of the individual Director being assessed.

Lastly, to assess whether Directors are able to carry out effectively their functions, the Board of Directors carried out - after its appointment and, later, once a year - an assessment of the compliance with the provisions on overlapping offices, as indicated in a specific regulation adopted by the Board as guideline for the maximum number of offices as director or statutory auditor that may be considered compatible with an effective execution of the tasks of Director, according to the provisions of the Corporate Governance Code. This Regulation (which is available in the Corporate Governance Section of the Unipol website) sets some general criteria, which take into account the actual role that the

¹⁴ It means the material Shareholders' Agreement pursuant to Art. 122 of the Consolidated Law on Finance - effective 15 December 2017 for three years and tacitly renewable for further three years, a first time on 15 December 2020 and lastly on 15 December 2023 - concluded by some shareholders of Unipol operating as a voting and blocking syndicate on the Company shares involved, representing 30.053% of the share capital and 40.663% of the voting rights.

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Director has in other companies as well as the nature and size of these companies, introducing differentiated limits, respectively, for the position of Chairman and of executive, non-executive or independent Director, also considering the prohibitions on interlocking directorships set by legal and regulatory provisions. Decree 88 introduced specific limits to the number of offices that may be held by officers of insurance companies and parent companies of a larger or more operationally complex insurance group. These limits were first applied during the verification of the requirements of the new four members of the Board of Directors at the meeting on 7 November 2024 and will be fully applied when the Board is re-appointed, with the resulting elimination of the Regulation mentioned above on limits on the number of offices that may be held.

Even before the end of its term of office, pursuant to Art. 11 of Decree 88, the Board of Directors carried out an assessment of its adequate collective composition. This assessment was in addition to that (referred to below) carried out as part of the body's annual self-assessment process and was aimed at allowing the latter to identify its optimal qualitative-quantitative composition and subsequently verify the correspondence between it and the actual composition resulting from the appointment process.

This additional assessment evaluated the expertise - of each Director individually and then collectively, with reference to that set forth in Decree 88, as well as that on ESG factors - as suitable to achieve the goals set forth in Decree 88, i.e., adequate diversity in the composition of the Board of Directors, so as to: foster internal dialogue and debate within the body; favour the emergence of a variety of approaches and perspectives in the analysis of topics and decision-making; effectively support the corporate processes of strategy development, risk and activity management and control over the operations of top management; take into account the multiple interests contributing to sound and prudent business management.

In line with the best international practice and with the provisions of the Corporate Governance Code as well as with the supervisory provisions in force from time to time, the Board of Directors carries out an annual assessment on the size, composition and operation of the said administrative body and the Board Committees, also taking into account elements such as the professional characteristics, experience, including managerial, and the gender of its members, as well as their length of office (Board Performance Evaluation). The evaluation concerns also the possession, by the Board as a whole, of the technical expertise needed to the execution of the tasks assigned by current legal provisions, in compliance with the principle that, in the choice of the Directors, it is necessary to keep into account the size of the Group as well as the complexity and specificity of the sectors in which it operates, to ensure that the Board as a whole has the appropriate technical expertise.

As regards the Heads of the Key Functions, to whom the Fit & Proper Policy applies, they were appointed by the Board of Directors from among individuals meeting the requirements and criteria of suitability for office established by regulations currently in force and the Fit & Proper Policy.

The Board of Directors verifies the fulfilment of these requirements by each of the Heads prior to their appointment and, subsequently, in the event of the occurrence of intervening events subject to assessment pursuant to Decree 88¹⁵.

The evaluation is carried out through the review of the information provided by the individuals involved in their curricula vitae and the statements in lieu of certification provided by these, taking also into account the assessments carried out by the competent units of the company and the Group. This documentation is made available in due time for review during the Board meeting and is put to the record.

At its meeting held on 19 December 2024, the Unipol Board of Directors checked the fulfilment of requirements by candidates for the office of Head and deputy (when applicable) of the Anti-Money Laundering Function pursuant to the new regulation.

¹⁵ Pursuant to IVASS Regulation No. 44/2019, as amended by IVASS Measure No. 144/2024, the administrative body in any case verifies, on an annual basis, the continued fulfilment of the requirements and criteria of suitability for office by the Head and Delegate of the Anti-Money Laundering Function.

B.3 Risk management system, including the own risk and solvency assessment

B.3.1 Risk management system

The Risk management system is the set of processes and tools used in support of the risk management strategy of the Unipol Group; it provides an appropriate understanding of the nature and significance of risks to which the Group and the individual companies and forms of supplementary pension, including Open-ended Pension Funds, are exposed. The Risk management system makes it possible to have a single point of view and a holistic approach to risk management, and it is an integral part of the management of the business. The Risk management system specifies the risk management process, which is articulated as follows:

- identification of the risks, which consists of the identification of the risks believed to be significant, or those risks the consequences of which may jeopardise the solvency or the reputation of the Group and the individual Group companies or represent a serious obstacle to the achievement of the strategic objectives;
- current and forward-looking assessment of the risk exposure; the current evaluation of the risks identified is carried out by using the methodologies specified by regulations and best practice with regard to the risks for which the measurement is not regulated or is specified with high-level principles. With regard to the forward-looking evaluation, we note that the internal assessment of risk and solvency (the "Own Risk and Solvency Assessment" or "ORSA") is used to support the strategic decisions of the Group and the Companies;
- monitoring of risk exposure and reporting, a system implemented – on the basis of the principles of completeness, timeliness and effectiveness of the disclosure – to ensure a timely and constant monitoring of the evolution of the Risk Profile and the compliance with the specified Risk Appetite. This system ensures that the quality and quantity of the information provided are proportional to the requirements of the different recipients and the complexity of the business managed, so that this may be used as a strategic and operational tool for the evaluation of the potential impact of the decisions on the risk profile and the solvency of the Group and the individual Companies;
- risk mitigation, which consists of the identification and proposal of actions and initiatives necessary and/or useful to mitigate current or future risk levels, when these are not in line with the risk objectives specified.

The identification, evaluation and monitoring of the risks are carried out on ongoing basis to take into account the changes occurred both in the nature and size of the business and in the market context, and whether new risks arise or the existing ones change.

The Risk management system follows an Enterprise Risk Management ("ERM") approach, that is, is based on the assessment of all current and forward-looking risks to which the Group is exposed, assessing the impact that these risks may have on the achievement of the strategic objectives.

To pursue these high-level objectives, the approach adopted takes into account the need to reconcile multiple requirements expressed by the main stakeholders. In particular, the Risk management system aims to reflect:

- the requirement of safeguarding the assets and the reputation of the company;
- the need for security and solvency;
- the target rating;
- the need to diversify risks and ensure adequate liquidity.

The Internal Audit Function is responsible for the assessment and monitoring of the effectiveness, efficiency and adequacy of the internal control system and the additional components of the corporate governance system, including the risk management system. Audit activity planning uses a risk-based approach, with the ultimate objective of guaranteeing adequate coverage of company processes - in terms of audits carried out - according to their materiality. In particular, also in the course of 2024 and in continuity with previous years, Audit, as usual, performed specific audits on the risk management system.

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B.3.1.1 Risk management and monitoring system: Risk Appetite

Based on the principles outlined above and to pursue the objectives assigned, the Risk management system relies on a key element: the Risk Appetite Framework.

The Risk Appetite can be established as a fixed target or as a range of possible values and is broken down into quantitative and qualitative elements.

In quantitative terms, Risk Appetite is generally determined on the basis of the following elements:

- capital at risk;
- capital adequacy;
- liquidity ratios.

Qualitative/quantitative objectives are defined in reference to compliance, emerging and strategic, reputational, sustainability-related or ESG (Environmental, Social and Governance), business continuity operational and IT risks.

The Risk Appetite is formalised in the Group Risk Appetite Statement, which indicates the risks that the Group and the Companies intend to take or avoid, and sets the quantitative limits and the qualitative criteria to be taken into account for the management of unquantified risks.

The Risk Appetite is part of a reference framework - the Risk Appetite Framework (RAF). The RAF is defined in strict compliance and prompt reconciliation with the business model, the Strategic Plan, ORSA process, the budget, company organisation and the internal control system. The RAF defines the Risk Appetite and other components ensuring its management, both in normal and stress conditions. These components are:

- Risk Capacity;
- Risk Tolerance;
- Risk Limits (or operational risk limits);
- Risk Profile.

The activity to define the RAF components is dynamic, and reflects the risk management objectives associated with the objectives of the Strategic Plan. Verification is performed annually as part of the process of assigning Budget objectives. Further analyses for the preventive control of Risk Appetite, and capital adequacy in particular, are performed when studying extraordinary transactions (mergers, acquisitions, disposals, etc.).

The RAF is broken down into several analysis macro areas with the aim of guaranteeing continuous monitoring of risk trends and capital adequacy. The main analysis macro areas are:

- individual type of risk (non-life and health underwriting risks, life underwriting risk, market risk, credit risk and operational risk), overall risk as well as capital adequacy;
- individual companies and group.

For the annual definition of the Risk Appetite and Risk Tolerance limits, Unipol considers the current and prospective risk level. Based on the findings at 31 December 2024, the priority risks are Non-Life and Health Underwriting Risks and Market Risks.

The Risk management system is formalised by the Risk management policy, adopted by the Board of Directors of the Parent Company and subject to regular updates, which sets, in reference to the perimeter of competence, suitable guidelines for the identification, evaluation, monitoring and mitigation of the risks and the operational limits in line with the Risk Appetite specified. The Parent Company ensures that the Risk management policy is implemented consistently and continuously within the entire Group, taking into account the risks of each company in the scope of group supervision and their mutual interdependencies, with reference to the provisions laid out in Articles 210 and 210-ter, paragraphs 2 and 3 of the Private Insurance Code ("CAP").

The Risk Management Policy sets out, by way of example but not limited to, the possible measures that may be adopted in order to mitigate current or prospective risk levels not aligned with the risk targets defined:

- **Financial hedges:** these measures may take the form of hedging transactions on the market using financial derivatives. The Group Investment Policy defines the principles for the use and management of hedging instruments;
- **Reinsurance:** transfers part of the underwriting risk outside the Group, providing more possibility for business growth, both by proportionally reducing the amounts at risk (e.g. proportional treaties) and by limiting even further the amounts of major claims (e.g. non-proportional treaties). The "Reinsurance and Other Risk Mitigation Techniques Policy" defines the guidelines on reinsurance cover management;

- **Guarantees held as a hedge against credit risks:** the main type of guarantee available on exposures to reinsurers comprises deposits with the Group for the risks ceded and retroceded that are generally moved (placed and repaid) annually or half-yearly. Their duration largely depends on the specific nature of the underlying insurance benefits and on the actual duration of the reinsurance agreements, which are renegotiated at the end of each year. For exposures to reinsurers the Group also makes use of a limited number of guarantees consisting mainly of Letters of credit and Securities. Collateral deposited by the counterparties for operating in derivatives under CSA-type (Credit Support Annex)¹⁶ agreements is also used as guarantees on credit risks. If the Internal Model for measuring risks includes mitigation techniques, their compatibility and constant updating in line with performance must be guaranteed;
- **Management actions:** corrective measures to be applied following the occurrence of certain events, such as the restructuring of assets and/or liabilities under management or the disposal of assets and/or liabilities (closure of positions), or the redefinition of the return targets of segregated funds aimed at limiting the risk generated by the discretionary component of the BEL (Future Discretionary Benefits), guaranteeing compliance with contractual restrictions and company policies;
- **Operational risk mitigation actions:** mitigation plans with the aim of preventing or mitigating the effects should a risk event occur. The implementation of mitigation plans is based on decisions made on a continual basis during the entire operational risk monitoring stage;
- **Emergency and contingency plans:** extraordinary ex ante measures to be activated if certain catastrophes or emergency events should occur, such as those envisaged in the Pre-emptive Recovery Plan of the Group, Business Continuity Plan and Disaster Recovery Plan which respectively define the measures/actions to be adopted at Group and/or Company level to restore the financial position of the Group and/or a Group company in specific scenarios of financial difficulty and severe macro-economic stress, and govern operating procedures for declaring a crisis situation arising from catastrophes and managing the effects;
- **Strategic, emerging and reputational risk mitigation actions:** mitigation plans with the aim of preventing or mitigating the effects deriving from the occurrence of specific strategic risks, economic losses caused by reputational damages or deriving from new risks not yet monitored or mapped.

The principles and processes of the Risk management system as a whole are also governed by the following Group policies: “Current and Forward-looking Own Risk and Solvency Assessment Policy”, “Operational Risk Management Policy”, “Information Security Policy” and “Group-level Risk Concentration Policy”. The policies setting the principles and guidelines below are an integral part of this Risk management system: (i) management of specific risk factors (e.g. Investment Policy for market risk and Credit Policy for credit risk), (ii) risk management as part of a specific process, (iii) risk mitigation and (iv) risk measurement model management.

B.3.1.2 Objectives and Core principles of Risk Management

Within the Risk management system, the Risk Area is in charge of continuously identifying, measuring, assessing and monitoring the current and prospective risks at the individual and aggregated level that the Group is or may be exposed to and their correlations. In the exercise of its role, the Risk Area is responsible for designing, implementing and maintaining the risk measurement and control systems.

Among these, particular relevance is given to the definition and the use of tools aimed at assessing the capital needed against the risks identified and, in particular, the Internal Model.

In this regard, we note that IVASS authorised¹⁷ Unipol (former Unipol Gruppo) to use the Partial Internal Model (or the “PIM”) to calculate the Group Solvency Capital Requirement with effect from the annual supervisory reporting relating to 31 December 2017.

Within the Group, the responsibility for the design and implementation of the PIM is separated from the responsibility for its validation.

The Risk Area also contributes to the dissemination of a risk culture throughout the Group.

¹⁶ The CSA requires the delivery of a collateral asset when the value of the contract exceeds the set threshold.

¹⁷ See Measure No. 0113852/18 of 24 April 2018.

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B.3.2 Own risk and solvency assessment (ORSA)

The process for the execution of the internal current and forward-looking risk assessment is described - at the Group level - in the Internal Current and Forward-looking Risk and Solvency Assessment Policy, adopted by the Board of Directors of the Parent Company and subject to regular updates, which moreover defines i) the tasks, roles and responsibilities of the Corporate Bodies and the units involved, ii) the connection between the company's risk profile, the risk appetite defined, the overall solvency requirement and the objective of safeguarding the assets, also from a medium/long-term perspective, iii) the frequency of the quantitative analysis and the corresponding rationale and the quality standards for the data used in the analysis, as well as iv) the cases when a new evaluation of the risks is required. Through the own risk and solvency assessment, the Group pursues the following objectives:

- to highlight the link between the business strategy, the capital allocation process and the risk profile;
- to obtain an overall view of all risks to which the Group and the Companies are exposed, or could be exposed in the future, and the current and forward-looking solvency;
- to provide to the Board of Directors and Top Management an evaluation on the design and the effectiveness of the risk management system, highlighting at the same time any deficiency and suggesting remedial actions.

In particular, with reference to the current evaluation, these objectives are achieved by:

- the measurement of the capital required according to current legal and regulatory provisions, making use of the Internal Model;
- the assessment of the capital adequacy of the Group and the Companies, on the basis of the results obtained under the previous point.

With reference instead to the forward-looking evaluation, the objectives are pursued through ORSA, which allows for the analysis of the risk profile of the Group based on strategy, market scenarios and business trends.

In designing ORSA, the Group has followed the following principles:

- the assessment of risks at Insurance Group level includes the risks from all companies included in the group supervision area and takes into account their correlations. For the purposes of the Group ORSA, the ultimate Italian parent company defines a process for the assessment of risks at group level, which also includes those deriving from companies with registered office in third countries, from companies not subject to sector regulations and from other companies subject to specific sector regulations;
- the ORSA, as well as being a legal requirement, represents an internal assessment element to support operational and strategic decisions. ORSA and strategic planning processes are strictly related:
 - the estimates taken as reference for the development of the Strategic Plan are the basis for the ORSA in a forward-looking approach;
 - ORSA is used in support of the drafting and review of the Strategic Plan;
- ORSA takes into account all risks that may cause a significant decrease in Own Funds at the Group level and for each individual Company, or that have an impact on the ability to meet the commitments towards the policyholders, in line with the Risk management policy. For the risks not included in the calculation of the capital requirements set by Pillar I of the Solvency II Directive, the Group carries out a qualitative assessment. Therefore, the assessment on these risks is basically aimed, rather than to quantify the potential loss, to verify the effectiveness of the controls implemented and the good operation of the management and monitoring processes;
- ORSA is carried out in compliance with the data quality standards set by the Data Governance Policy in force at the reference date.

The execution of ORSA and the drafting of the corresponding report are started after the end of the reference year and follow a schedule consistent with the deadlines set by supervisory regulations.

Before the meeting called to approve the ORSA Report, the administrative bodies of Unipol and the other Companies approve the criteria and the methodologies - including the types of stress tests and reverse stress tests - to be used in drafting the ORSA Report. The administrative bodies of the other Companies later approve, within their respective areas of competence, the sections of the ORSA Report that concern them, before this is submitted to the Board of Directors of Unipol to be approved as a whole. In compliance with legal and regulatory provisions in force, the Group sends the ORSA Report to IVASS by the deadline envisaged in regulations.

B.3.2.1 Solvency needs

The internal current and forward-looking assessment is an integral part of the risk management system and the decision-making process of the Insurance Group and the Companies and presents therefore points of contact with other corporate processes, such as:

- strategic planning and capital allocation;
- definition of the Risk Appetite;
- monitoring and mitigation of risks;
- the preparation of the Group's Pre-emptive recovery plan.

As concerns the current assessment, please note that the indicators specified in the Group Risk Appetite Statement are monitored at least on a quarterly basis.

The forward-looking assessment, instead, is developed in line with the schedule and the elements of the Strategic Plan and the annual budget, through which the economic capital is allocated to each Company and risk category. The capital allocation process provides for each year of the Strategic Plan a projection of the Own Funds and an estimate, through Internal Model, of the capital required according to the strategic plan scenarios. This analysis is in line with the Risk Appetite Framework, as specified within the Risk management policy.

As specified in the ORSA Report relating to the year 2023, transmitted to the Authority in accordance with the timing set forth in the legislation in force, the current and forward-looking risk assessment analyses were conducted using the following methodologies:

- PIM for capital at risk and capital adequacy, for the Unipol Group;
- PIM for capital at risk and the individual capital adequacy of Unipol;
- PIM for capital at risk and capital adequacy, for Arca Vita;
- Market Wide Standard Formula for capital at risk and capital adequacy, for the other Companies.

Unipol relied on the right pursuant to Art. 215-ter, paragraph 3 of the CAP to transmit a report on the single internal assessment of the risk profile for all Group companies. The reasons for this decision - which is moreover compliant with the normal practice exercised with reference to the ORSA analyses conducted in previous years - lie in the presence within the Group of processes characterised by a high level of consistency among the companies and therefore in the desire to consider all companies which are subject to the prudential supervisory system introduced by Directive 2009/138/EC on a unitary basis and using the same methodology.

B.3.3 Internal model governance

Unipol (former Unipol Gruppo) was authorised by IVASS to use the PIM to calculate the group Solvency Capital Requirement with reference to the following risk elements, as well as in the aggregation process:

- Non-Life and Health Underwriting Risk;
- Life Underwriting Risks;
- Market Risks;
- Credit Risk.

The PIM is also used in the risk management system and in the decision-making processes as a tool to support the decisions of strategic relevance of the Company and the business activities. This model is in fact used for the definition and quarterly monitoring of the Risk Appetite, in line to which operational limits are specified for each risk factor, reviewed at least once a year to ensure their effectiveness over time and reported within the Group corporate Policies.

The governance, update and validation of the PIM are regulated, respectively, by the Internal Model Governance Policy, the Internal Model Update Policy and the Internal Model Validation Policy, adopted by the Board of Directors of Unipol and subject to regular updates.

B.3.3.1 Board of Directors

The Board of Directors has the final responsibility for ensuring that the PIM is appropriate in terms of design and functionality, that it continues to reflect the risk profile of the Group and that the resources involved in the development, monitoring and maintenance of the Model are appropriate in terms of number, experience and areas of

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competence with respect to the objectives of these activities. The Board of Directors has a clear understanding of the Internal Model, with particular reference to its structure and the ways in which this reflects the business and is integrated in the risk management system, of the context of application and its limitations, of the methodologies and the diversification effects considered.

B.3.3.2 Role of the Committees

In support of the Board of Directors, the Control and Risk Committee provides non-binding opinions on the validation of the PIM and any risk mitigation initiative related to PIM deficiencies identified during validation.

B.3.3.3 The Risk Management Function

The Chief Risk Officer, who reports hierarchically to the Chief Executive Officer, without prejudice to the fact that he/she reports directly to the Board of Directors, is responsible for the risk management function. The Risk Management Models Validation Department reports to the Chief Risk Officer.

The Chief Risk Officer supports the Board of Directors, the Chief Executive Officer and Top Management in the evaluation of the structure and effectiveness of the risk management system, highlighting any deficiencies and suggesting recommendations for resolving them, as well as the methodologies and methods used, in particular in the current and forward-looking own risk and solvency assessment, for the management of such risks. With reference to the governance of the PIM, the Risk Area is responsible for designing and implementing said Model.

Lastly, it should be noted that the Risk Management Models Validation Department enjoys the necessary independence and separation in the performance of its tasks to avoid conflicts of interest with the function responsible for designing and implementing the Internal Model. The staff of the Risk Management Models Validation Department in fact are separate and independent from those which, in the Risk Area, are responsible for the design and development of the Internal Model.

B.3.3.4 Description of the validation processes used to continuously monitor the results and adequacy of the internal model

The validation process includes all elements of the PIM, the monitoring of its good operation, the ongoing monitoring of the suitability of its specifications and the cross-check of its results against historical data.

The perimeter of the validation extends to all operational units of the Parent Company and of the Companies that have obtained authorisation from IVASS to use the PIM and to all risks included in the perimeter of the PIM.

Besides the validation on first adoption, before authorisation by the supervisory authorities to use the PIM to calculate the SCR, the PIM is subject to:

- regular validation, with annual frequency;
- occasional validation, in addition to the regular validation cycle, in the cases indicated in the Internal Model Update Policy.

The stages of the validation process are:

- analysis of the risk modules and sub-modules that constitute the Internal Model for each area set out in the reference regulation;
- obtainment of information (internal documents, academic articles) in keeping with the best practice adopted in developing and implementing similar solutions to those making up the elements of the Internal Model;
- preparation and execution of tests to conduct the necessary checks for confirming the application of the best practice in implementing the Internal Model;
- in relation to the complexity and seriousness of the results obtained by the initial phase of checks, the Risk Management Models Validation Department can engage in dialogue with the units responsible for calculating the SCR in order to guarantee it has correctly identified the key methodological and practical aspects of the solutions implemented in the Internal Model subject to validation;
- planning of subsequent in-depth analyses if, also based on discussions with the units responsible for calculating the SCR, it emerges that the results obtained by the checks and the tests conducted are not sufficient;
- presentation of the analyses, tests and in-depth analyses carried out in a single document, organised by risk modules and sub-modules, areas analysed and tools used for the checks conducted.

In addition, although preserving the independence required by regulatory provisions in the execution of validation activities, the Risk Management Models Validation office makes recommendations to the developers of the PIM, with the objective of constantly improving its functioning.

B.3.4 Procedures that ensure consistency within the Group of the internal control and risk management systems and reporting

Unipol has provided the Group with an Internal Control and Risk Management System - the definition and purposes of which are described in this paragraph as well as in paragraph B.4 - which is suitable to conduct effective controls on the strategic decisions of the Group as a whole and on the operational balance of its individual members, also establishing the relative guidelines. This System provides the Group with a global and unitary approach to risk management.

The Internal Control and Risk Management System is implemented using methods that guarantee an integrated approach at Group level. The Parent Company ensures that this Internal Control and Risk Management System is implemented consistently and continuously within the entire Group, taking into account the risks of each company in the scope of group supervision and their mutual interdependencies. The principle of proportionality continues to apply, based on the nature, extent and complexity of the risks inherent in company activities carried out by the various Group companies.

In order to guarantee that procedures for reporting to the Supervisory Authority and the public are carried out consistently within all Group companies, Unipol has adopted (i) the Policy on information to be provided to the Supervisory Authority, (ii) the Policy on public disclosure, (iii) the Policy of statistical information, whereby the Parent Company, in exercising its management and coordination activities, defines guidelines for the preparation, revision and approval of reporting to the Supervisory Authority and the general public. These Policies are adopted, as applicable, by the individual Group companies in compliance with their respective business models.

The consistency of internal reporting is ensured using various methods. First of all, the Group's corporate policies govern the main information flows within the individual companies and to the Parent Company, inherent in the topic subject to the policy, by identifying their function/sending body, addressees and frequency. Particularly with regard to the internal control system, the Key Function Policies describe, inter alia, the information flows exchanged within the Group between those Functions and the bodies/other parties involved in that System. The policies and procedures applicable to the Group companies included within the group's supervisory scope require information flows from them to the Parent Company, which are part of the internal reporting system in place within the Insurance Group (e.g., information flows relating to transactions within the group and with related parties, the outsourcing of functions and activities, etc.).

Furthermore, an internal group directive has been issued by Unipol in order to achieve greater coordination in the relative activities of drawing up and issuing corporate communication documents which establishes, inter alia, that documents such as Internal Provisions, Operating Rules and Circulars must be subject to prior review by the Parent Company's Audit, the Risk Area and the Compliance and Group Anti-Money Laundering Functions, if they regard matters dealt with in Group policies or guidelines, topics transversal to multiple sectors or if they envisage the direct or indirect involvement of Parent Company functions.

Lastly, also to allow for strategic, management and technical-operational control, aimed at assessing the various risk profiles contributed to the Group by the individual Group companies, the Group's Risk Committee has been set up at the Parent Company, with responsibility for implementing, maintaining and monitoring the Group's internal control and risk management system.

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B.4 Internal control system

The Internal Control and Risk Management System is a key element in the overall corporate governance system. It consists of a set of rules, procedures and organisational structures for the effective and efficient identification, measurement, management and monitoring of the main risks, including sustainability-related risks, with the aim of contributing to the Sustainable Success of companies. Specifically, it aims to ensure:

- effectiveness and efficiency of corporate processes;
- identification, current and forward-looking assessment, management and adequate control of risks, including IT risk, in line with strategic guidelines and the risk appetite of the company, also in the medium-long term;
- prevention of the risk that the company be involved, even unintentionally, in illegal activities, in particular those related to money laundering, usury and terrorist financing;
- prevention and correct management of the potential conflicts of interest, also with Related Parties and Intra-group Counterparties, as identified by regulatory provisions of reference;
- verification that corporate strategies and policies are implemented;
- safeguarding of the value of company assets, also in the medium to long term, and the proper management of assets held on behalf of customers;
- reliability and integrity of information provided to Corporate Bodies and the market, particularly in relation to accounting and operational information, as well as of IT procedures;
- reliability and integrity of information provided to the Supervisory Authorities, including with reference to the obligations - where envisaged - attributable to the system for transmitting personal data;
- adequacy and promptness of the corporate data reporting system;
- compliance of business activities and transactions carried out on behalf of customers with the law, supervisory regulations, internal regulations and the company's internal measures.

The Internal Control and Risk Management System is an integral part of the company and must extend to all sectors and units, involving all employees, each for his own level and responsibility, to ensure a constant and effective control of the risk.

The Internal Control and Risk Management System is defined in the Group Directives on the corporate governance system adopted by the Unipol and UnipolSai Board of Directors on 21 June 2019 and updated most recently on 19 December 2024, effective as of 1 January 2025, which are complemented by the Policies of the Key Functions, recently approved during the same board meeting, also effective as of 1 January 2025.

The Board of Directors is in charge of the Internal Control and Risk Management System; to this end, it approves Directives - which, inter alia, are the basis of the Internal Control and Risk Management System - as well as the Current and Forward-looking Own Risk and Solvency Assessment and Risk Management Policies and ensuring that the main corporate risks are adequately identified, assessed - also on a forward-looking basis - and controlled, as well as approving an organisational structure able to ensure, through an appropriate and consistent articulation, the separation of the roles in the execution of process activities, the traceability and visibility of the transactions and the transparency of the decision-making processes concerning the individual operational processes. The Board of Directors also periodically verifies the adequacy and effective functioning of the Internal Control and Risk Management System.

The Top Management (the Chief Executive Officer, General Manager and the top managers in charge of the decision-making process and the implementation of strategies) is responsible for the overall implementation, maintenance and monitoring of the Internal Control and Risk Management System, in line with the directives of the Board of Directors and in compliance with the roles and duties assigned to it, and in accordance with guidance issued by the Parent Company.

The Internal Control and Risk Management System is designed according to the guidelines described below:

- *separation of tasks and responsibilities*: the areas of competence and the responsibilities are clearly divided among bodies and units, to avoid gaps or overlaps that may affect the operations of the company;
- *formalisation*: the activities of the administrative bodies and delegated parties must always be documented, to ensure the control on the management and the decisions taken;
- *integrity, completeness and correctness of the data stored*: it is necessary to ensure that the data recording system and the corresponding reports have appropriate information on the elements that may affect the risk profile of the company and its solvency;

- *independence of controls*: the independence of the control functions with respect to the operational units must be guaranteed.

The Internal Control and Risk Management System is regularly submitted to evaluation and review, according to the developments of the corporate activity and the reference context.

The Internal Control and Risk Management System is articulated on multiple levels:

- line controls ("first line of defence"), aimed at ensuring transactions are carried out correctly. These are performed by the same operating structures (e.g. hierarchical, systematic and sample controls), also through the different units which report to the heads of the structures, or carried out as part of back office activities; as far as possible, these are incorporated in IT procedures. The operating structures are the primary bodies responsible for the risk management process and must ensure compliance with the adopted procedures for implementing the process and compliance with the established risk tolerance level;
- controls on risks and compliance ("second line of defence"), which aim at ensuring, among other things, the correct implementation of the risk management process, the execution of the activities assigned by the risk management process, compliance with the operational limits assigned to the different functions, the compliance of corporate operations with external and internal regulations and the reliability and adequacy of the calculation of Solvency II technical provisions. The functions responsible for these controls (Risk Management, Compliance and Actuarial Functions) are separate from the operating functions; they help define the risk governance policies and the risk management policy;
- internal audit ("third line of defence"), verification of the comprehensiveness, functionality, adequacy and reliability of the internal control and risk management system (including the first and second line of defence) and that business operations comply with the system.

In the definition of the organisational structure of the control function, the Unipol Group has adopted a Function organisational model which is structured differently depending on the reference corporate scope, in any event pursuing the main objective of ensuring uniformity and consistency at Group level in the adoption of risk governance policies, procedures and methodologies and controls. With reference to Unipol and the Other Insurance Companies with registered office in Italy, a "centralised" model was again adopted for the year 2024, which calls for:

- the set-up of the Key Functions at Unipol;
- the outsourcing of the Key Functions to Unipol by the Other Insurance Companies with registered office in Italy and the appointment within those companies of Function Heads, meeting requirements of suitability for office set forth in the Fit & Proper Policy, to which the overall responsibility of the Function for which they are responsible is attributed.

The Parent Company performs proportionate governance, guidance and coordination activities for the Group companies - taking into account, inter alia, the activities carried out, the individual risk profile and the contribution of each company to the Group's overall risk - also on the basis of a detailed system of information flows in order to guarantee the following:

- integrated management of risks and controls;
- common governance, direction and co-ordination approach in line with the objectives of the respective functions of the Parent Company and the strategies specified.

As noted above, within the Internal Control and Risk Management System, the task of assessing that the internal procedures, processes, policies and organisation of the company are appropriate to prevent compliance risk is assigned to the Compliance and Group Anti-Money Laundering Function. The compliance operational process is structured in the following stages:

- analysis of legal and regulatory provisions;
- evaluation of the risk;
- identification of corrective actions;
- monitoring;
- reporting.

The characteristics of each stage depend on the "project" or "control" approach adopted by the Compliance and Group Anti-Money Laundering Function, according to whether the evaluation: (i) is related to the entry into force of new laws and regulations, to new projects/services/processes, or; (ii) concerns external or internal regulatory provisions in force. The assessments of the first type (*ex ante* assessments) are mainly aimed at supporting the Top Management in the corrective actions resulting from new projects/processes/laws and regulations; those of the second type (*ex post* assessments) have the purpose of representing the level of compliance of the procedures, processes, policies and internal organisation of the companies/of the Group with applicable regulations, as well as compliance risk.

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Ex ante assessments

The *ex ante* assessments are carried out at the time: i) of external events, e.g. the issue of new laws and regulations applicable to the companies by European or Italian legislators, Supervisory Authorities, etc. or ii) of internal events, e.g. the proposal by the management of new projects, the development of new operating processes or the revision of existing processes.

These assessments are usually scheduled within the annual plan of the Compliance and Group Anti-Money Laundering Function and the scope is chosen according to a priority system that focuses, mainly, on the relevance and the impact (also reputational) of the newly-issued or upcoming legal and regulatory provisions (which will enter into force during the year or later) with respect to the organisation and business model of the company. The *ex ante* assessments may also be started after a one-off request by the supervisory authorities, the corporate bodies or the management.

Ex post assessments

Ex post assessments concern external supervisory regulations (e.g. IVASS and Consob Regulations, Laws and Decrees, etc.), as well as internal regulations; they may also concern the verification of compliance of entire company processes. These assessments are normally set forth in the Function's annual plan of activities, in which - *inter alia* - the process of identifying/selecting them is detailed, according to priority criteria that aim to favour:

- the regulations subject to recent attention by the Regulators/Authorities;
- the relevance of the business/process within the Companies in scope;
- the results of any previous inspections by the Supervisory Authorities;
- any points for attention that emerged during the monitoring of the remediation actions identified;
- the results of previous audits conducted (e.g. also on other Companies/processes and/or associated regulations); audits carried out by other Key/corporate control functions may also be taken into consideration;
- the presence of a particularly severe penalty system or the imposition of sanctions on both Group Companies and other Market operators.

The *ex post* assessments may also be started following a one-off request by the Supervisory Authorities, the corporate bodies or the management.

B.5 Audit

Audit is responsible for assessing and monitoring the effectiveness, efficiency and adequacy of the internal control system and the additional components of the system of corporate governance, according to the nature of the business activities performed and the level of risks undertaken, its consistency with the guidelines defined by the Board of Directors, as well as its updating, if applicable, also through support and advisory activities provided to other corporate functions. The procedures of execution of the tasks assigned to the Audit Function are specified and formalised in the "Audit Function Policy".

The Head of Audit has specific expertise and professionalism for carrying out the activities and has the authority needed to ensure their independence. Audit has been provided with personnel and technology resources consistent, for quantity and quality, with the purpose of the duties assigned. Personnel in charge of the activities are given - for the execution of the assessments - access to all business units and all relevant information, including the information needed for the assessment of the suitability of the controls carried out on outsourced company functions. In addition, the structures subject to intervention must provide accurate and comprehensive information.

Audit activities include in particular:

- audits on the fairness of management processes and the effectiveness and efficiency of organisational procedures;
- audits on the compliance of the different operational sectors with the limits set by the delegation mechanisms as well as of the full and correct use of the information available in the different activities;
- audits on the suitability and reliability of the IT systems suitable to guarantee (i) the continuity and regularity of the activity performed, (ii) the protection of the company's information assets and (iii) the quality, accuracy and promptness of the information on which the top management bases its decisions;
- assessments to ensure that the administrative-accounting processes meet criteria of fairness and regular keeping of the accounts;
- audits on the effectiveness, efficiency and adequacy of the controls carried out on outsourced activities;

- verification of the regularity and functionality of information flows between sectors of the company, as well as to all parties and bodies involved in decision-making processes;
- audits on the adequacy and proper implementation of the internal organisational structure;
- advisory support to all units in the preparation of new processes and activities, through specific control and regulatory tasks, so that the necessary levels of security and the control points are appropriately specified and constantly monitored;
- reporting to the Board of Directors, the Chief Executive Officer, Top Management, managers of the operating units, the Control and Risk Committee, the Remuneration Committee, the Board of Statutory Auditors and the Supervisory Board pursuant to Legislative Decree 231/01;
- the necessary cooperation with the Control and Risk Committee, the Board of Statutory Auditors, the Supervisory Board pursuant to Legislative Decree 231/01 and the independent auditing company.

The Audit Function operates in compliance with the regulations, measures and resolutions of the Supervisory Authorities, as well as the Code of Ethics of the Institute of Internal Auditors and is inspired by common standards and best practices in the sector including, in particular, the standards of the Italian Association of Internal Auditors.

The Audit Function structures its activities into: (i) Bottom Up audits, including Follow Ups (audits on line I and II controls for the scope of activity, the results of which are included in the Audit Report sent to the Top Management and the Management concerned, aimed at assessing the Internal Control System in place to monitor the risks underlying the areas of activity subject to the audit); (ii) Top Down audits (continuous collection and analysis of data from company databases and/or information flows, from the various Audit functions, from the other Key Functions and from the company units participating in various capacities in the implementation of the Internal Control and Risk Management System); (iii) other audits (audits prior to the drafting of the reports required by law, Internal Fraud Detection). These activities are carried out in the following operating areas: Non-Life and Life Insurance, Finance and Real Estate, Financial and other staff, Risk and Governance, IT, Beyond and other sectors, Claims, Distribution Network and Regulation.

Based on the results of the audits conducted, the Audit Function formulates recommendations for the resolution of any criticalities and gaps identified and, at a later date, checks the effective set-up and the effectiveness of the corrections made by the management to the internal control system ("follow-up" activities).

If the audits highlight situations of particular relevance or severity, the Audit Function promptly reports them to the Board of Directors, the Control and Risk Committee, the Chief Executive Officer, the Top Management and the Board of Statutory Auditors.

B.6 Actuarial function

With reference to Solvency II Technical Provisions, in compliance with Art. 30-sexies of the CAP and with the relative implementing provisions and in line with what was decided at the time of set-up of the Actuarial Function, the Function carries out, inter alia, the following tasks with reference to the Group:

- to coordinate the calculation of the Technical Provisions, as well as the evaluation and the validation of the data to be used in the procedure of evaluation of the adequacy of the provisions;
- to ensure the suitability of the methodologies and the models used, as well as of the assumptions on which the calculation of the Technical Provisions is based, also in terms of proportionality of the methodologies to the nature, magnitude and complexity of the risks underlying the commitments taken;
- to assess the adequacy and quality of the data used in the calculation of the Technical Provisions;
- to compare the best estimates with historical data;
- to inform the Board of Directors about the reliability and suitability of the Technical Provisions' calculation;
- to supervise the calculation of the Technical Provisions in the cases specified by legal and regulatory provisions;
- to express an opinion on the global risk underwriting policy;
- to express an opinion on the suitability of the reinsurance agreements;
- to verify the consistency between the amounts of the technical provisions calculated on the basis of assessment criteria applicable to the financial statements and the calculations resulting from the application of Solvency II criteria, as well as the resulting presentation and justification of any differences. This consistency check is also carried out between the databases and the data quality process adopted, respectively, for prudential and statutory purposes;

B System of governance

- to contribute to apply the risk management system effectively, in particular with reference to the modelling of the risks underlying the calculation of capital requirements, and own risk and solvency assessment.

The Actuarial Function collaborates with the Risk Area in the analysis and assessment of the methodologies and assumptions used in determining future taxable profit for the calibration of the adjustment for the loss-absorbing capacity of deferred taxes (ALAC-DT).

Furthermore, the contribution of the Actuarial Function may also be required in the definition of the strategic plan as well as for specific business requirements.

Lastly, pursuant to Art.92, paragraph 1 of Regulation 38, the Actuarial Function formulates an opinion on the management of assets-liabilities and on the solvency of the group, as well as on the company's recognition of a discretionary participation in profit, where appropriate in relation to the contractual forms offered.

B.7 Outsourcing

The Outsourcing and Supplier selection policy ("*Outsourcing Policy*") defines guidelines on outsourcing and supplier selection, in order to govern the decision-making processes, responsibilities, tasks and controls required on the outsourcing of activities and corporate functions within the Unipol Group, as well as to third parties, strengthening in this way the control of the risks deriving from outsourcing decisions.

The Outsourcing Policy is approved by the Unipol Board of Directors and is subject to periodic updates¹⁸.

The Policy in particular specifies:

- the criteria and restrictions to identify the activities to be outsourced;
- the criteria and process to classify functions or activities as essential or important and the important operational functions;
- the outsourcing risk assessment;
- the criteria to select the suppliers;
- the decision-making process for the outsourcing of corporate functions or activities, as well as to check for any conflicts of interest, including those relating to relations with suppliers and the assessments carried out to understand the main risks deriving from outsourcing and to identify the relative mitigation and management strategies;
- the minimum content of the outsourcing contracts and the criteria to define the expected service levels of the outsourced activities and the methods for their assessment, as well as the conditions on the basis of which the supplier may make recourse to sub-outsourcing;
- monitoring of outsourcing agreements;
- access and audit rights in the event of outsourcing;
- the internal reporting activities to provide the control bodies and entities, as well as the Key Functions, with the full knowledge and governability of the risk factors related to the functions outsourced;
- the methods for storing documentation relating to outsourcing;
- the guidelines to be followed in case of incorrect execution of the outsourced functions or activities by the service provider, including those related to emergency plans, exit strategies and any new outsourcing assignments or in-housing, in the case of outsourcing of essential or important functions and activities;
- the applicable Supervisory Authority reporting obligations;
- the keeping of the register of cloud outsourcing.

In compliance with the relevant supervisory provisions, each Company deems essential or important those functions or activities that meet at least one of the following conditions:

- anomalous execution or failure to execute may seriously jeopardise:
 - the financial performance, the solidity/stability of the Company or the continuity and the quality of the services provided to customers; or,

¹⁸ The last update to the Outsourcing Policy was approved by the Board of Directors of Unipol on 19 December 2024, and entered into force on 1 January 2025.

- the ability of the Company to continue to meet the conditions for the authorisation to the exercise of the activities or the obligations specified by applicable supervisory regulations;
- concern operational processes of the Key Functions or the Anti-Money Laundering Function, or have a significant impact on risk management;
- are subject to legal reservation.

The following functions/activities, even if not meeting the conditions laid out above, should also be considered essential or important functions or activities:

- those which relate to processes of strategic relevance or processes strictly functional or connected to those of strategic relevance;
- those whose anomalous execution could have a significant impact, in terms of reputational risk;
- those which result in a relevant overall exposure of the Company (and the Group, if applicable) to a single service provider and/or a significant cumulative impact in the same operating area;
- those whose service provider is considered irreplaceable;
- those which relate to operating areas of the Company of significant size and complexity;
- those which may entail a risk for the protection of personal data and non-personal data with regard to the Company, the policyholders and other relevant parties, in particular in terms of the potential impact of a breach of privacy or the failure to guarantee the availability and integrity of the data on the basis, *inter alia*, of the GDPR as regards personal data.

Within this classification, outsourcing cannot be considered outsourcing of essential or important functions or activities, with regard to the economic significance of the outsourced activities and their volumes with respect to total volumes, as well as the actual degree of independence of the service provider in the execution of the activities specified by the outsourcing contract.

The classification must be developed before concluding any outsourcing agreement; in performing this assessment, when appropriate, each Company should consider whether the agreement has the potential to become essential or important in the future. Lastly, the assessment should be performed again should there be a substantial change in the nature, extent and complexity of the risks inherent in the agreement.

In compliance with regulations in force in the reference sector, the provisions of the “Outsourcing Policy” and the system of authorisations and powers adopted, each Company may outsource the typical activities and functions of its industry, as well as activities auxiliary and instrumental to running the business.

Each Company may conclude outsourcing agreements, provided the nature and the quantity of the functions or activities to be outsourced, as well as the outsourcing procedures, do not result in a transfer of the main activities of the Company. In particular, each Company cannot, by outsourcing:

- delegate its responsibilities, or the responsibilities of its Corporate Bodies. In line with this principle, the outsourcing of activities that are expressly included in the tasks of the latter is not allowed;
- jeopardise the quality of the internal controls and the system of governance of the Company;
- cause an undue increase in operational risk;
- outsource the Key Functions or the Anti-Money Laundering Function outside the Unipol Group¹⁹;
- change the relations and the obligations towards the customers;
- jeopardise its ability to meet the obligations specified by supervisory regulations or fail to maintain the reserves provided for by the law;
- hinder the supervision;
- outsource the assumption of risk.

Each Company has identified among its personnel a contact person to control the outsourced activities and has formalised the relative tasks and responsibilities.

The outsourcing of essential and important functions or activities, identified according to the above criteria, is subject - as well as to the prior notification to the Supervisory Authorities, if required, - (i) to the approval procedure specified by the system of mandates and powers in force, if the service providers belong to the Unipol Group and (ii) to the approval of the Board of Directors if the consideration exceeds the limit value of the powers attributed to the Chief Executive Officer/General Manager or the service providers are resident outside the European Economic Area (EEA), if the service providers do not belong to the Unipol Group. In particular, the Key Functions, given the relevance taken within the more general internal control and risk management system, may be outsourced, if allowed by industry regulations, in compliance with the authorisation and/or prior communication restrictions set by the competent sector Supervisory Authorities and, in any case, only within the Unipol Group, after resolution of the Board.

¹⁹ The foreign companies are an exception.

B System of governance

Information is provided below on the main categories of essential or important functions or activities²⁰ outsourced by one or more Group companies to a provider outside the Group:

- Electronic storage of documents;
- Settlement;
- Sales;

Outsourced activities are carried out almost exclusively by suppliers with a registered office in the same country as the outsourcing Group Company.

The table below provides information on the relevant intra-group outsourcing agreements.

Essential or important outsourced functions or activities	Provider	Provider's registered office
Call centre in support of intermediaries and policyholders	Arca Inlinea Scarl	Arca Assicurazioni SpA
Design, implementation and management of computer applications	Arca Sistemi Scarl	Arca Assicurazioni SpA
Archiving of legally admissible optical documents	Arca Sistemi Scarl	Arca Assicurazioni SpA
Management of financial resources	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	Arca Assicurazioni SpA
Anti-terrorism	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	Arca Assicurazioni SpA
Key Functions	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	Arca Assicurazioni SpA
Claims management on health products	UniSalute SpA	Arca Assicurazioni SpA
Claims, guarantee, assistance management	UnipolAssistance Scarl	Arca Assicurazioni SpA
Call centre in support of intermediaries and policyholders	Arca Inlinea Scarl	Arca Vita SpA
Design, implementation and management of computer applications	Arca Sistemi Scarl	Arca Vita SpA
Archiving of legally admissible optical documents	Arca Sistemi Scarl	Arca Vita SpA
Management of financial resources	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	Arca Vita SpA
Anti-money laundering and Anti-terrorism	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	Arca Vita SpA
Key Functions	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	Arca Vita SpA
Risk Management	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	Arca Vita International DAC
Management of information systems	Arca Sistemi Scarl	Arca Vita International DAC
Management of financial resources	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	BIM Vita SpA
Operational services	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	BIM Vita SpA
Key Functions	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	BIM Vita SpA
Car repair	UnipolService SpA	Compagnia Assicuratrice Linear SpA
Operational Services	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	Compagnia Assicuratrice Linear SpA
Claims settlement	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	Compagnia Assicuratrice Linear SpA
Finance	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	Compagnia Assicuratrice Linear SpA
Key Functions	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	Compagnia Assicuratrice Linear SpA
Assistance claims settlement	UnipolAssistance Scarl	SIAT Società Italiana di Assicurazioni e Riassicurazioni per Azioni
Management of financial resources	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	SIAT Società Italiana di Assicurazioni e Riassicurazioni per Azioni
Services for collection of claims reported, claims management and settlement	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	SIAT Società Italiana di Assicurazioni e Riassicurazioni per Azioni

²⁰ The classification as Essential or Important in this table originates, for some contracts, from analyses before the issue of the Group Outsourcing Policy and its subsequent updates, and may therefore sometimes depart from the criteria set by it.

Essential or important outsourced functions or activities	Provider	Provider's registered office
Operational Services	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	SIAT Società Italiana di Assicurazioni e Riassicurazioni per Azioni
Key Functions	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	SIAT Società Italiana di Assicurazioni e Riassicurazioni per Azioni
Actuarial Function Calculation	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	SIAT Società Italiana di Assicurazioni e Riassicurazioni per Azioni
Car repair	UnipolService SpA	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)
Technical assistance in negotiating and signing contracts - Portfolio management - Goods in Transit administr. management	SIAT Società Italiana di Assicurazioni e Riassicurazioni per Azioni	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)
Call centre for medical assistance, routing, reservations, claims management and settlement	UniSalute SpA	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)
Sales and after-sales assistance services	UniSalute Servizi Srl	UniSalute SpA
IT services	Arca Sistemi S.c.a.r.l.	UniSalute SpA
Finance	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	UniSalute SpA
Operational Services	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	UniSalute SpA
Key Functions	Unipol Assicurazioni SpA (ex-UnipolSai Assicurazioni SpA)	UniSalute SpA

B.8 Any other information

The Board has reviewed the suitability of the organisation, administrative and accounting structure and, in particular, of the Internal Control and Risk Management System of the Company and its main subsidiaries, also on the basis of regular reports of the delegated body, the Control and Risk Committee and the Key Functions.

There is no other significant information on the company's system of governance.



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C

RISK PROFILE

C Risk profile

C.1 Underwriting risk

Non-Life and Health Underwriting Risk

Definition

Non-Life and Health Underwriting Risk is represented, within the PIM, through the following risk sub-modules:

- Premium Risk: risk deriving from fluctuations concerning the timing, frequency and seriousness of insured events related to contracts in force at the date of evaluation or that will be underwritten in the year after the date of evaluation t (“next year”);
- Reserve Risk: risk deriving from fluctuations concerning the timing and amount of future payments for claims already made at the date of evaluation;
- Catastrophe Risk: risk of losses or unfavourable changes in the value of the insurance liabilities due to extreme or exceptional events;
- Lapse Risk: risk of early extinction – on the initiative of the policyholder – of multi-year contracts.

SCR valuation methodology

As of 31 December 2023, the Group was authorised to use the Internal Model for the assessment of Non-Life and Health underwriting risks (represented by the sub-modules: premium risk, reserve risk, catastrophe risk and lapse risk). The methodology adopted calls for the use of internal models for the premium and reserve sub-modules as well as, in the context of catastrophe risks, for earthquake risk and the integration of a probability distribution function calibrated on the basis of the results of the Standard Formula for other risks. The aggregation of risks is calibrated by also taking into account information available on the Italian insurance market.

Exposures

The following table provides volume measures for Non-Life and Health Premium and Reserve Risk. The data are reported for each LoB in which the Group operates.

Volume measure for Non-Life and Health premium and reserve risk

<i>Amounts in €k</i>	Volume measure and premium risk	% on total	Volume measure and reserving risk	% on total
Motor vehicle liability insurance	3,350,972	33.4%	4,592,841	48.1%
Fire and other damage to property insurance	1,631,002	16.3%	1,072,614	11.2%
General Liability Insurance	927,540	9.2%	2,102,601	22.0%
Other motor insurance	1,290,447	12.9%	228,995	2.4%
Marine, aviation and transport insurance	54,808	0.5%	108,081	1.1%
Credit and suretyship insurance	38,868	0.4%	113,545	1.2%
Legal expenses insurance	43,422	0.4%	29,541	0.3%
Assistance	266,128	2.7%	36,589	0.4%
Miscellaneous financial loss	100,163	1.0%	11,430	0.1%
Non-proportional property reinsurance accepted	418	0.0%	124,085	1.3%
Non-proportional casualty reinsurance accepted	628	0.0%	320,030	3.4%
Non-proportional marine, aviation and transport reinsurance		0.0%	1,482	0.0%
Income protection insurance	847,076	8.4%	339,751	3.6%
Medical expense insurance	1,481,766	14.8%	460,069	4.8%
Non-proportional health reinsurance accepted	84	0.0%	1,708	0.0%
Total	10,033,323	100.0%	9,543,362	100.0%

SCR measurement

The SCR of the Non-Life and Health Underwriting risk module for the Group calculated with the Partial Internal Model at 31 December 2024 was equal to €1,880,304k. With respect to the solvency requirement at 31 December 2023, there was a change of -€5,819k. This reduction is mainly due to the recalibration of the Non-Life Internal model and the change in volume measures.

Non-Life and Health SCR

Amounts in €k

Risk sub-module	2024	2023	Change on 2023
Non-Life	1,718,968	1,748,094	(29,126)
<i>Non-Life premium and reserve</i>	<i>1,290,195</i>	<i>1,304,654</i>	<i>(14,459)</i>
<i>Non-Life surrender</i>	<i>34,380</i>	<i>22,029</i>	<i>12,351</i>
<i>Non-Life CAT</i>	<i>790,917</i>	<i>849,924</i>	<i>(59,008)</i>
Health	387,258	349,943	37,315
<i>Health premium and reserve</i>	<i>384,992</i>	<i>348,531</i>	<i>36,461</i>
<i>Health surrender</i>	<i>41,449</i>	<i>34,448</i>	<i>7,001</i>
<i>Health CAT</i>	<i>16,324</i>	<i>15,838</i>	<i>486</i>
Total Non-Life and Health SCR	1,880,304	1,886,124	(5,819)

Concentration of risks

According to the provisions of Chapter III of IVASS Regulation No. 30 of 26 October 2016, risk concentrations are assessed at Group level consistent with what is set forth in the "Group-level Risk Concentration Policy". This policy envisages that the concentration of Non-Life and Health underwriting risks is measured with respect to:

- insurance liabilities in financial statements:
 - o values of provision for individual claim;
- contingent liabilities outside the financial statements:
 - o natural catastrophe exposures²¹ grouped by risk factor and appropriate territorial clusters;
 - o exposures by risk or policy on individual insured party or group of related parties;
 - o exposures for the Bond class grouped by sector.

In order to mitigate concentration, operating limits by insured counterparty are included in the underwriting autonomies defined according to the process illustrated in the non-life business underwriting policies. The operating limits with reference to the catastrophe exposures of the Bond class are included in the limits established by the Bond Credit Policy.

With reference to 31 December 2024, the Group's risk portfolio has significant risk concentrations in relation to exposure to the natural disasters of earthquakes, floods and hail, several Bond class sectors and certain exposures for individual insured counterparties. Reinsurance and other risk transfer techniques are the main tools used by the Group to mitigate the exposures or the concentration of exposures that could lead to a divergence of the current risk profile from the one desired.

Risk mitigation techniques

The Group uses outwards reinsurance as a risk mitigation technique.

With regard to the Premium, Reserve and Catastrophe risks, the calculation of the capital requirement at 31 December 2024 was carried out by taking into account the mitigation generated by outwards reinsurance agreements, as established by regulations.

²¹ Considered significant on the basis of the analysis of the portfolio risks of the Group.

C Risk profile

Life Underwriting Risks

Definition

The underwriting risk for Life insurance represents the risk deriving from Life insurance commitments, keeping into account the perils covered and the procedures used in the exercise of the activity.

Life Underwriting Risk is represented through the following risk sub-modules:

- mortality risk: associated with an unfavourable change in demographic bases resulting from experience (higher death rate) compared to those used in determining the tariff;
- longevity risk: associated with an unfavourable change in demographic bases resulting from experience (lower death rate) compared to those used in determining the tariff;
- surrender risk: associated with adverse changes in the level or volatility of the incidence of surrenders, withdrawals, early settlements and terminations in premium payments;
- expense risk: associated with adverse changes in the value of expense relating to policies compared to the values used to determine the tariff;
- catastrophe risk: deriving from an unforeseeable event, the consequence of which is to affect multiple individuals at the same time, generating a number of claims for amounts significantly higher than expected.

SCR valuation methodology

The Unipol Group was authorised to use the Internal Model to calculate the following risk factors:

- mortality/longevity risk;
- surrender risk;
- expense risk.

Catastrophe risk and the Class D component of the Life portfolio (Index Linked, Unit Linked and Pension Funds) are instead assessed with the Standard Formula.

Exposures

The Life portfolio of the Unipol Group consists mostly of revaluable products, related to the financial returns of the Segregated Funds.

The table below shows the details of the composition of the portfolio in terms of Best Estimate of Life liabilities.

Life portfolio at 31 December 2024

Amounts in €k

Best Estimate of Liabilities (BEL)	Amount at 31/12/2024
Insurance with profit participation	37,107,513
Index-linked and unit-linked insurance	11,649,135
Other life insurance	(134,594)
Indirect business	1,953
Total	48,624,007

The table above also includes the Best Estimate Liabilities relating to the foreign subsidiaries, for €443,573k, and the Best Estimates relating to the Ring Fenced Funds, amounting to €982,528k.

SCR measurement

The SCR of the Life Underwriting risk module for the Remaining part calculated with the Partial Internal Model at 31 December 2024 was equal to €852,034k. With respect to the solvency requirement at 31 December 2023, there was a €155,901k increase in the Life SCR Remaining part.

The change in the Life SCR is linked to the increase in surrender risk by €143,403k attributed primarily to the increase in the volatility of the same risk factor, partially offset by the reduction in interest rates recorded during the year, given that the Group is exposed to the increase in surrender frequencies.

Life SCR partial internal model

Amounts in €k

Risk sub-module	2024	2023	Change on 2023
Mortality/Longevity	120,265	105,769	14,496
Disability			
Surrender	738,058	594,656	143,403
Life expenses	198,428	148,678	49,750
Revision			
Life catastrophe	55,419	50,758	4,661
Life SCR Remaining part	852,034	696,133	155,901
SCR Ring Fenced Fund	17,500	16,791	710
Life SCR	869,534	712,923	156,611

Concentration of risks

According to the provisions of Chapter III of IVASS Regulation No. 30 of 26 October 2016, risk concentrations are assessed at Group level consistent with what is set forth in the "Group-level Risk Concentration Policy". Each Group Company contributes to the significant risk concentrations observed at Group level through its insurance liabilities, with a particular focus on surrender and mortality risks.

The Group identifies and measures surrender risk concentration through the total amount of the surrender value per individual policyholder or for groups of related policyholders.

In general, the Group aims to mitigate the concentration of its exposure to surrender risk by limiting contracts entered into for significant amounts with the same policyholder, particularly in the corporate segment.

As concerns mortality risk, the risk exposure measurement is expressed by the insured capital in the event of death. For this risk factor, reinsurance and other risk transfer techniques are the main tools used by each Company to mitigate the exposures or the concentration of exposures that could lead to a divergence of the current risk profile from the one desired.

Risk mitigation techniques

Mitigation actions may be taken through reinsurance, with the transfer of a portion of mortality risk.

C.2 Market risk

Definition

Market risk refers to all risks which have the effect of diminishing investments of a financial or real estate nature as a result of adverse trends in the relevant market variables.

SCR valuation methodology

The Market Risk classes identified are the following:

- Interest rate risk: the risk of a potential adverse change in the net asset value due to a change in the term structure of interest rates;
- Interest rates volatility risk: the risk of a potential adverse change in the net asset value due to a change in the volatility of interest rates;
- Equity risk: the risk of a potential adverse change in the net asset value due to changes in market prices of equities;
- Equity volatility risk: the risk of a potential adverse change in the net asset value due to changes in the volatility of equities;
- Exchange rate risk: the risk of a potential adverse change in the net asset value due to changes in the value or the volatility of exchange rates;
- Spread risk: the risk of a potential adverse change in the net asset value due to changes in the value of the credit spread with respect to the risk-free curve;
- Yield risk: the risk of a potential adverse change in the net asset value due to joint changes in the value of the credit spread and the risk-free rates;

C Risk profile

- Property risk: the risk of a potential adverse change in the net asset value due to changes in the value of the land, buildings and corresponding rights, direct and indirect participations in real estate companies, as well as instrumental property used for insurance activities and investment funds the components of which may be considered equivalent to the categories previously described;
- Concentration risk: the additional risk deriving from a limited diversification of the financial asset portfolio, or a high exposure to the default of a single issuer.

The Unipol Group was authorised to use the Internal Model to calculate the capital requirement for the following risk factors:

- Interest rate risk;
- Interest rates volatility risk;
- Equity risk;
- Equity volatility risk;
- Exchange rate risk;
- Spread risk;
- Yield risk²²;
- Property risk.

Concentration Risk and Market Risk for index linked and unit linked policy portfolios and pension funds are instead assessed with the Standard Formula.

Exposures

The financial portfolio at 31 December 2024 consisted of 83.7% of Class C Assets and 16.3% of Class D Assets.

Please note that the Class C financial portfolio at 31 December 2023 consisted for 59.1% of bonds and, in particular, 35.9% of financial assets consisted of government bonds.

Composition of the financial portfolio

<i>Amounts in €k</i>	Solvency II value 2024	Exposure % on total PTF
Total Assets	73,436,199	100.0%
Total Class C	61,454,382	83.7%
Property, plant & equipment held for own use	4,537,657	6.2%
Property (other than for own use)	2,553,678	3.5%
Holdings in related undertakings, including participations	3,808,539	5.2%
Equities	1,988,302	2.7%
<i>Equities - listed</i>	1,710,571	2.3%
<i>Equities - unlisted</i>	277,731	0.4%
Bonds	43,404,317	59.1%
<i>Government Bonds</i>	26,359,641	35.9%
<i>Corporate Bonds</i>	16,678,562	22.7%
<i>Structured notes</i>	366,115	0.5%
<i>Collateralised securities</i>		0.0%
Collective Investments Undertakings	4,749,017	6.5%
Derivatives	175,887	0.2%
Deposits other than cash and cash equivalents	236,985	0.3%
Total Class D	11,981,817	16.3%
Assets whose market risk is borne by the customer	10,974,443	14.9%
Ring Fenced Funds	1,007,375	1.4%

²² The Market internal model generates joint distributions for the returns on financial and industrial securities, the returns on government bonds and the risk free curve. The spread risk is obtained on the basis of a marginal distribution of the spread of financial and corporate securities not significant for the purposes of the calculation of the Market VaR.

The table above also includes the assets relating to the foreign subsidiaries for an amount of €596,166k.

Verification of the prudent investment requirement

These risk classes make possible an appropriate representation of the measurement of the maximum loss and the trend of the profits and losses on the investment portfolio according to the investment classes specified by the Group Investment Policy.

The Group Investment Policy defines the investment activity on all the assets of the Companies included in the perimeter, according to the nature, magnitude and complexity of the risks characterising the corporate activities carried out, in line with the principles of prudent management. It takes into account, on one hand, the risk appetite and tolerance levels and the possibility to identify, measure, monitor and manage the risks related to each asset type without relying only on the fact that the risks are correctly considered in the capital requirements and, on the other, the characteristics and the nature of the liabilities, the cash flows matching requirements and the control of the investment margins.

All assets, in particular those set against the Minimum Capital Requirement and the Solvency Capital Requirement, are invested in a way to ensure the safety, quality, liquidity and profitability of the portfolio as a whole.

The Investment Policy identifies the investment activity on all the assets of the Companies included in the perimeter, according to the nature, magnitude and complexity of the risks characterising the corporate activities, in line with the principles of prudent management. It takes into account, on one hand, the risk appetite and tolerance levels and the possibility to identify, measure, monitor and manage the risks related to each asset type without relying only on the fact that the risks are correctly considered in the capital requirements and, on the other, the characteristics and the nature of the liabilities, the cash flows matching requirements and the control of the investment margins.

All assets, in particular those set against the Minimum Capital Requirement and the Solvency Capital Requirement, are invested in a way to ensure the safety, quality, liquidity and profitability of the portfolio as a whole.

Given the above, the Investment Policy establishes, for each Company included in the scope of application and as a result for the Group as a whole, the strategic medium/long-term composition of the investment portfolios, defining limits on investments by individual Company and specific limits at consolidated level for each source of significant risk for the Group, providing for an adequate diversification of assets so as to guarantee the continuous availability of sufficient assets to cover liabilities, as well as the security, quality, liquidity and profitability of the portfolio as a whole, taking into account, for investments concerning the Life business, the reasonable expected returns of policyholders, insured parties, beneficiaries and those entitled to insurance benefits compatible with the types of policies taken out, with the minimum level of return and with the minimum level of security that the Companies intend to guarantee, as well as what is laid out in contractual regulations.

The Investment Policy is also adopted taking into account the fact that the assets covering the technical provisions must be adequate in relation to the nature of the risks and obligations assumed and the duration of the liabilities, in the best interest of all policyholders, the insured, the beneficiaries and those entitled to insurance benefits, while observing the supervisory provisions on the coverage of technical provisions. The underlying principles of the Investment Policy are:

- general principles of security, quality, liquidity, profitability and availability of the entire asset portfolio, taking into account the liabilities held;
- evaluation of risk appetite, risk tolerance levels and the possibility to identify, measure, monitor and manage risks connected to each asset type;
- Strategic Asset Allocation which ensures the achievement of the targets pursued by the integrated asset and liability management, the liquidity and concentration risk management policies as well as return objectives;
- definition of investment selection and management criteria in the best interest of the policyholders, insured parties, beneficiaries and those entitled to insurance benefits, including if there is a conflict of interests, taking into account the financial market environment.

SCR measurement

Given the composition of the financial portfolio, we provide below the SCR figures calculated with the Internal Model for the year ended 31 December 2024 and a comparison with the capital requirement relating to 31 December 2023.

C Risk profile

Market SCR partial internal model

Amounts in €k

Risk sub-module	Market SCR 2024	Market SCR 2023	Change on 2023
Interest Rate	260,069	490,442	(230,373)
Equity	1,620,808	1,261,363	359,445
Property	567,478	506,929	60,549
Spread	1,785,182	1,537,810	247,373
Exchange	53,166	51,336	1,830
Concentration			
SCR Market Remaining part	2,986,307	2,676,214	310,093
SCR Ring Fenced Fund	45,258	38,639	6,619
Market SCR	3,031,564	2,714,853	316,711

With respect to the solvency requirement at 31 December 2023, there was a €310,093k change in the Market SCR Remaining part, primarily deriving from the Equity and Spread sub-modules due to the increase in corporate and equity instrument exposures.

Concentration of risks

According to the provisions of Chapter III of IVASS Regulation No. 30, 26 October 2016, risk concentrations are assessed at Group level.

The risk concentration policy of the Group defines a "Limit of concentration on investments and loans" which, as well as loans and receivables, also includes any exposure in equity or debt securities. The concentrations are recognised mainly at the level of counterparty or group of related counterparties, sector, geographic area and currency.

Risk mitigation techniques

In order to mitigate current or future risk not in line with the risk objectives specified, the Group may adopt risk mitigation techniques, such as the use of derivatives. The objectives of the use of derivatives are:

- to reduce the risk of the investment;
- to achieve an effective portfolio management by improving the level of quality, safety, liquidity or profitability of the portfolio without significant reduction for any of these characteristics.

If these instruments are used, specific controls are established to verify the adequacy of the risk mitigation techniques implemented. Specifically, monthly tests are carried out to assess the effectiveness of the derivative hedges taken out.

These transactions do not have speculative purposes; short selling is not allowed.

Moreover, the Investment Policy specifies Market Risk limits and Sensitivity limits.

With regard to Market Risk limits, a warning threshold is specified for the Companies, keeping into account the resolutions taken by the respective Administrative Bodies on Risk Appetite and in particular the economic capital component allocated by the Parent Company and by the individual companies to Market Risk.

This warning threshold is set equal to 95% of the Risk Appetite specified for Market Risk (total Value at Risk per individual Company, with 99.5% confidence interval and a holding period equal to 1 year).

The following limits related to the sensitivity of the financial asset portfolios for different risk factors are also specified:

- a) for widening of the credit spreads of +100 bps;
- b) for change in equity prices of -45%;
- c) sensitivity with reference to Alternative Investments, due to a negative change of 15% in the values of Alternative Investment Funds.

C.3 Credit risk

Definition

Credit Risk (Counterparty Default Risk) identifies the risk that a borrower or an enforced guarantor may fail to meet, fully or in part, his monetary obligations towards the Group and its companies. Credit Risk reflects, therefore, the likely loss generated by an unexpected default of the counterparties and the debtors of the insurance and reinsurance companies and the companies belonging to the Group in the 12 subsequent months, as well as the issuers of financial and corporate bond financial instruments already included in spread risk, in the next 12 months.

SCR valuation methodology

The Group was authorised to use the Internal Model to calculate Credit Risk. The methodological system adopted to assess default risk is represented by CreditRisk+. The model produces a closed analytical formula, which describes the entire loss distribution. This allows to identify the VaR measure at a confidence level and time horizon consistent with the calibration standards agreed for the Internal Model. As of 31 December 2023, the Company was also authorised to include bond default risk, on which spread risk is already calculated using the Internal Model, in the Counterparty Default Risk valuation scope.

The types of exposures included in the Internal Model and relevant to the quantification of Counterparty Default Risk are the following:

- bond-type financial instruments: this category includes exposures consisting of bond-type financial instruments relating to corporate, financial and government issuers of non-OECD countries;
- receivables from banks deriving from cash and cash equivalents and derivatives: this category includes short-term liquidity deposits and exposures against OTC derivative hedges present in the investment portfolios of Group companies. The exposure also includes the Risk Mitigating Effect;
- receivables deriving from agreements with reinsurance companies: this category includes receivables resulting from current account balances and the potential receivables represented by the provisions due by the reinsurers (net of the deposits received). The exposure also includes the Risk Mitigating Effect;
- receivables deriving from agreements with insurance companies: this category includes receivables from insurance companies for co-insurance relations and other receivables from insurance companies;
- exposures to policyholders: this category includes receivables for premiums not yet collected against contracts underwritten for settlement of premiums to be settled and for late premiums, as well as disputed receivables;
- other type 1 receivables - identifiable debtors: this category includes all receivables not already included in the previous categories and specifically attributable to a specific counterparty.

The following types of exposure are instead assessed using the Standard Formula:

- loans: this category includes loans to employees, agencies and loans on Life policies;
- sums to be recovered: loans to policyholders or third parties in relation to claims for which payment of the claim has been made (reimbursements and deductibles);
- other type 2 receivables: receivables identified from balance sheet assets that do not fall under the previous categories.

The Internal Model assesses the exposures using risk parameters derived from market information, for listed counterparties, or calibrated on historical data of the Company (exposures to Intermediaries and Policyholders). The exposures valued with the Standard Formula are instead calculated using the weights provided by the Delegated Regulation (EU) 2015/35. The total requirement is calculated by adding the two SCR components calculated separately, making a prudential assumption of full correlation of the risks.

C Risk profile

Exposures

Credit SCR - Exposure

Amounts in €k

Exposure type	Exposure 2024	Total PTF %
Internal Model (IM)	23,822,322	95.6%
Standard Formula (STDF)	1,105,073	4.4%
Total	24,927,394	100.0%

SCR measurement

We provide below the value of the Solvency Capital Requirement for Credit Risk for the year ended 31 December 2024 and the comparison with the value for the year ended 31 December 2023, with a breakdown for the types of exposure covered by the Internal Model and those covered by the Standard Formula ("Excluded from Internal Model").

Credit SCR Partial Internal Model

Amounts in €k

Exposure type	SCR 2024	SCR 2023	Change on 2023
Internal Model (IM)	624,420	674,675	(50,255)
Standard Formula (STDF)	169,621	144,781	24,841
Credit SCR	794,042	819,456	(25,414)

Compared to the solvency requirement at 31 December 2023, the change in the SCR was mainly due to the decrease in liquidity deposited with banks.

Concentration of risks

According to the provisions of Chapter III of IVASS Regulation No. 30 of 26 October 2016, incorporated in the Group-level Risk Concentration Policy, risk concentrations are assessed at Group level.

With regard to the management of Credit Risk, the Group has been applying limits based on both operational exposures (deposits and receivables from Insurance and Reinsurance companies) and financial exposures in securities or derivatives to counterparties or groups of counterparties (as well as traditional limits by individual name and risk category). These limits are monitored on an ongoing basis through a process that involves both operating committees and the administrative body.

Moreover, the Credit Risk assumption practices, defined in specific policies (the Group Credit Policy and the Group Reinsurance and Other Risk Mitigation Techniques Policy), set limits on the assumption of risk towards counterparties with an inadequate credit rating: this credit rating is assessed and constantly monitored, using both external indicators (e.g. market rating or parameters) and indicators specified internally (parameters used also for Partial Internal Model purposes).

With respect to risk concentration, the individual Companies are required to comply with the risk assumption practices, limits and management methods set forth in the above-mentioned Group Credit Policy as well as in the Risk Concentration Policy. In addition, with specific reference to exposures for outwards reinsurance relations with counterparties, the "Group Reinsurance and Other Risk Mitigation Techniques Policy" - containing guidelines for managing reinsurance and additional risk mitigation techniques - defines concentration limits on said exposures for the Companies and for the Group.

The Risk Concentration Policy sets the "Concentration limit on investments and receivables", which includes, for each counterparty or group of related parties, in addition to loans and receivables, any exposure to equity or debt securities. The concentrations are recognised mainly at the level of counterparty or group of related counterparties, sector, geographic area and currency.

Specifically with reference to bonds, the “Investment Policy” establishes, for each company and for the Group, the medium/long-term strategic composition of the investment portfolios, defining limits for individual companies and specific limits at consolidated level, in order to provide for adequate diversification.

At 31 December 2024, the Group was mainly exposed to corporate and financial bonds as well as counterparties operating in the financial sector (liquidity deposited with banks and exposure to reinsurers).

Risk mitigation techniques

The risk mitigation techniques adopted to mitigate the exposures to Credit Risk are the following:

- *exposures to reinsurance companies*: deposits with the Group Companies for the risks ceded and retroceded that are generally moved (placed and repaid) annually or half-yearly. Their duration largely depends on the specific nature of the underlying insurance benefits and on the actual duration of the reinsurance agreements, which are renegotiated at the end of each year. For exposures to reinsurers the Group also makes use of a limited number of guarantees consisting mainly of Letters of credit and Securities. The reinsurance agreements are also subject to downgrade clauses, which specify the obligation to provide additional guarantees if the counterparty fails to meet the minimum credit rating requirements set in the “Group Reinsurance and Other Risk Mitigation Techniques Policy”;
- *exposures in derivatives*: derivative contracts are taken out with counterparties subject to ISDA contracts with corresponding Credit Support Annex, which specify the full collateralisation of the Mark to Market exposures;
- *exposures to intermediaries*: portfolio indemnities are the main form of mitigation for exposures to agencies. These are in fact amounts due to the terminated agent in the case of termination of the relation with the Group Companies (for the broker category, indemnities are specified exclusively at the level of CONSAP fund). The right of the Companies to offset the indemnity due to the terminated agencies against any debit balance is recognised in Art. 34 of A.N.A. Furthermore, paragraph IV addresses the case of withdrawal of the company, in which it is established that the indemnity is paid on the definitive closure of the accounts, no earlier than one year from the dissolution of the agency agreement. The indemnity is therefore used as form of mitigation of the risk to reduce exposure.

C.4 Liquidity risk

Definition

Liquidity Risk represents the risk that the Group may encounter difficulties in meeting its expected or unexpected cash commitments in a reasonable period of time, without having to incur economic losses deriving from forced asset sales that could affect its solvency.

Valuation methodology

Liquidity Risk is the risk of not having the cash needed to meet the commitments taken, on and off-balance sheet, without incurring financial losses deriving from forced sale of assets in the case of adverse developments.

In order to assess the liquidity profile of the Group and its ability to meet commitments without incurring significant losses, also under stressed conditions, specific analyses are carried out; these analyses include the calculation of the liquidity gap between the cash outflows and the cash inflows on maturities up to 12 months, of the cumulated liquidity gap and the liquidity buffer, which includes any contingency instrument, both in normal conditions and in scenarios of stress of the technical variables.

In the period subject to analysis, no substantial changes were made to the measures used to assess risks.

Expected profits in future premiums

The total amount of the expected profits in future premiums calculated pursuant to Art.260, paragraph 2 of the Delegated Regulation (EU) 2015/35 was equal to €705,165k for the Life business and €224,637k for the Non-Life business.

C.5 Operational risk

Definition

Operational Risk is the risk of losses deriving from the inadequacy or malfunctioning of processes, human resources and internal systems, or from external events such as fraud or service providers' activity. Operational Risk includes, from the point of view of the identification and the quantitative evaluation, legal risk, compliance risk (non-compliance with laws and regulations) and IT risk, while it does not include strategic and reputational risk.

The Operational Risk management system is also applied by the Parent Company using risk-based assessments to the unregulated Subsidiaries included within the scope of additional supervision.

The Operational Risk management process involves four macro phases targeting the identification, measurement, monitoring and mitigation of Operational Risk.

The identification of Operational Risk is based on the collection of information on potential or historical events from all significant sources of information and classified in a consistent and coordinated manner, to represent and feed on an ongoing basis a global Operational Risk database, also with a view to increasing awareness of the specific exposure of the different lines of business.

The Operational Risk identification essentially involves carrying out two separate processes:

- Loss Data Collection ("LDC") with a "backward looking" meaning, a process that aims to collect historical Operational Risk events with the relative losses incurred and all other useful information for their measurement and management, including recoveries, both direct and deriving from insurance cover;
- Collection of business expert opinions, through Risk Self Assessment ("RSA") processes and, for the Companies authorised to use the Partial Internal Model, Scenario Analyses on a "forward-looking" basis, a process of gathering business expert opinions, which takes place through interviews of process managers carried out to identify and assess the potential Operational Risk events that may occur within a process, as well as to obtain an assessment of the suitability of the system of controls and identify the best management solutions to any issue identified.

The information gathered through the RSA includes an estimate of the possible financial impact of the risk event and an estimate of the relative expected frequency of occurrence on an annual basis. This estimate also takes into account any historical Operational Risk event that actually occurred, with the corresponding loss incurred.

The information gathered on Operational Risk events is broken down using the cause - event - effect framework, to provide a truthful description of the chain of events that have produced the financial impact and related causes. External loss data is also gathered, which contribute to enhancing the wealth of information on how Operational Risk can arise in similar entities.

After the process to gather the business expert opinions, validation is performed of the data gathered and quality control of the analysis conducted.

The Operational Risk measurement activity is carried out on the basis of the following macro phases:

- quantitative impact, frequency and "worst case" assessment of the risks identified;
- control of risk scenario appropriateness and accuracy;
- calculation of the capital requirement relating to Operational Risk.

Operational Risk relating to outsourced activities is handled in the manner described below:

- the responsibility for risk relating to an outsourced activity always lies with the company that arranged the outsourcing;
- for activities outsourced to outside the Group, the risk analysis and assessment is carried out by also considering the contents of contractual agreements, taking into account the impact on business processes of events associated with an outsourced process;
- for activities outsourced within the Group, on the other hand, a more detailed analysis was carried out at business management process level.

After the Operational Risk identification and measurement activities, the Risk Owners formulate proposals for the mitigation of potential Operational Risk events. These proposals are submitted to the Risk Champions who, with support from the Risk Management Function, make decisions in terms of risk acceptance or the initiation of specific mitigation plans, on the basis of cost-benefit analysis.

The aim of the mitigation plans is to prevent, limit or transfer the effects of any risk event that might arise.

The implementation of mitigation plans is based on decisions made on an ongoing basis during the entire Operational Risk monitoring phase.

SCR valuation methodology

The Group calculates the capital requirement for Operational Risk by using the Standard Formula specified in Delegated Regulation (EU) 2015/35.

In the period subject to analysis, no substantial changes were made to the methodologies used to assess risks.

SCR measurement

We provide below the capital requirement for Operational Risk calculated by using the Standard Formula for 2024 and the comparison with the SCR relating to 31 December 2023.

Operational SCR standard formula

Amounts in €k

Risk module	Operational SCR 2024	Operational SCR 2023	Change on 2023
Operational SCR Remaining part	550,608	542,146	8,462
SCR Ring Fenced Fund	128	69	58
Operational SCR	550,736	542,215	8,520

With respect to the solvency requirement at 31 December 2023, there was a +€8,462k change in the Operational SCR Remaining part, primarily due to the increase in the value of best estimates.

Continuity risk

Within Operational Risk, a significant risk is continuity risk, defined as the risk of a suspension of corporate processes, as a result of disaster.

For this purpose, the Group has acquired a Business Continuity Policy, which sets guidelines on business continuity, to reduce to a minimum the impact of disaster events on the significant services, whether resulting from events at sector, corporate, local or global level (Business Continuity Management System).

For the impact assessments and the adoption of measures to ensure continuity of the business processes, the Group BCMS considers the following crisis scenarios, including prolonged crises, resulting from natural events or caused by human activity:

- destruction or inaccessibility of buildings in which critical operating units or equipment are located;
- unavailability of critical IT systems;
- unavailability of essential personnel for critical business process operations;
- operational disruption of essential infrastructures and services (e.g. power supply, telecommunications networks, interbank networks, financial markets);
- alteration or loss of critical data and documents.

The measures planned - preventive or to be implemented in the Continuity Plans - can in any event help to also mitigate the impact of these scenarios.

Each process is assigned a critical level directly associated with the impact analysis in economic, regulatory or reputational terms, determined by an interruption of the process, based on the time ranges defined in the Policy:

- economic impact: considers the negative economic impact following interruption of the process, in terms of direct and indirect damage and/or missed revenue;
- regulatory impact: considers the effects of failure to comply with regulations or contracts in terms of administrative penalties, investigations by Supervisory Authorities and/or cancellation of authorisations;
- reputational impact: considers the consequences on the company's image in terms of the extent of third parties affected (outward visibility) and the level of their reaction.

The Business Impact Analysis therefore identifies the business critical processes (BCP) which, due to the impact of damages caused by their unavailability, call for prevention measures and business continuity solutions to be implemented in the event of a crisis (Business Continuity Plan).

IT risk

Within Operational risk, IT risk is also relevant (also referred to as Cyber Risk), or the risk that the various functions, activities, products and services, including third-party interconnections and dependencies, may incur in relation to the undue acquisition and transfer of data, their modification or unlawful destruction, or damages, destruction or obstacles imposed on the proper functioning of the networks and IT systems or their constituent elements.

To manage IT risk, the Group has an Information security policy which defines the guidelines on information security, particularly with regard to the protection of information processed through IT systems. This Policy, drafted in

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compliance with regulations in force, sector supervisory guidelines and with reference to international standards, is disclosed and made available by the Parent Company and the Companies in scope to all personnel concerned through adequate communication channels.

The Group also employs an IT risk analysis methodology, with the objectives of i) raising awareness of the level of risk undertaken by the company in the IT domain, ii) establishing a reference organisational and methodological framework for governing IT risks and iii) supporting the management with decisions related to risk governance as part of the risk appetite expressed by the Boards of Directors of the Group companies.

C.6 Other material risks

With regard to the other risk categories, the Group identifies as material the following categories of risk:

Emerging risks, strategic risk and reputational risk

With regard to emerging risks, strategic risk and reputational risk, within the dedicated structure present within the Risk Area of the Parent Company, a dedicated Observatory was created at Group level, called "Reputational & Emerging Risk Observatory", whose key elements are the involvement of an interfunctional Technical Panel and of all the main Business Areas/Departments, the use of a consolidated predictive model and methodologies based on futures studies to ensure a medium/long-term forward-looking view in order to anticipate the risks and future opportunities, and a holistic approach aimed at grasping and governing the interconnections, both in reading the external context for an integrated vision of the different emerging macro trends (social, technological, political and environmental), and in the internal response for a unified view of the different corporate areas and of the different steps of the value chain.

The purpose of the Observatory is to assure effective monitoring of emerging risks, strategic risk and reputational risk, verifying the constant alignment between stakeholders' expectations and the Group's responses and anticipating the most significant phenomena to catch new business opportunities and prepare to handle potential emerging risks.

Strategic risk is controlled at Group level through the monitoring of Strategic Plan drivers to verify any deviation from the defined scenarios, also using long-term scenario analysis with the aim of strengthening the resilience of Group strategy in an external context characterised by accelerating change, with growing levels of complexity and uncertainty.

With specific reference to the reputational risk, within the frame of the Observatory, a Reputation Management framework was developed at the Group level, which operates in the dual mode of construction and protection of the reputational capital, through two work sites that rely on dedicated corporate competencies and structures in a path of constant mutual alignment, under the joint leadership of the "Corporate Communication and Media Relations Department" and the "Risk Area" of the Parent Company, with the goal of stably integrating these assets in the strategic planning processes.

The level of awareness reached within the Group on the growing importance of reputation as leverage for business and distinctive market positioning in 2019 led to the definition of an integrated governance model for Reputation, operational from 2020, which envisages the set-up of corporate bodies dedicated to the proactive management of the Group's reputation in terms of both building and protection, such as the Operational Reputation Management Team and the Reputation Network, and the launch of a widespread system for reporting reputational warnings involving all the Group managers.

Sustainability-related risks or Environmental, Social and Governance (ESG) risks

Sustainability-related risks or ESG risks refer to i) risks suffered, or uncertain environmental, social or governance events or conditions which, should they occur, could cause a potential relevant negative effect on the business model, strategy and sustainability strategy of the company, its assets or liabilities and its capacity to reach the objectives and goals established and create value, as well as ii) risks generated, or the potential negative impacts generated by Group activities on environmental, social or governance factors. As part of the ERM Framework, the Group identifies and monitors the ESG risk factors at the level of impact on underwriting risks, in association with investment-related risks, with a view to focusing on risks emerging on environmental, social and governance aspects and in terms of potential impact at reputational risk level.

ESG risk monitoring is outlined in the individual risk categories, in such a way as to ensure management at all stages of the value creation process and mitigating any reputational risks associated with ESG risks as they arise. These

controls, also designed to prevent exposure concentration to areas and/or sectors significantly exposed to ESG risks, are defined in the management Policies for each risk category, where material.

Starting from 2020, ESG risks were integrated within the Group Risk Appetite Framework. In particular, as regards the ESG risks suffered, identified on the basis of a focus of emerging risks on environmental, social and governance aspects, the RAS refers to the framework for the assessment and monitoring of emerging risks, described previously. For the ESG risks generated, however, the RAS envisages the construction and monitoring of a dashboard dedicated to KRIs (Key Risk Indicators), to assess the degree of risk associated with each of the three areas (Environmental, Social and Governance). The KRIs monitored were identified so as to cover the different risks relating to each area and include both monitoring and listening indicators, in order to integrate the internal vision ("inside-out") with the external one ("outside-in"). In order to assess the materiality of ESG risks, the Group has developed a process for assessing exposure on the main traditional risk categories for emerging and sustainability risks seen as priority. This process made it possible to develop a Heatmap of Emerging and sustainability risks, obtained by defining precise quantitative indicators for estimating exposure and collecting data on the company Unipol Assicurazioni in its capacity as Parent Company. Particularly with regard to climate risks, the Group has mapped the risks and opportunities in accordance with the taxonomy defined by the Task Force on Climate-related Financial Disclosure. This map covers the various stages of the value chain and includes both physical and transitional risks. Stress scenarios linked to the impact of climate change were also integrated within the Group framework.

The analysis of climate change impact on physical risks consists of five levels: (1) identification of the business lines characterised by direct or indirect climate change impacts; (2) "climate change so far" monitoring analysis; (3) impact analysis on the stress scenarios identified; (4) analysis of the different "IPCC-RCP scenario/time horizon" combinations available for the most significant acute physical risks (flood and convective storms), particularly with reference to properties for business use present in the area in question, (5) long-term analysis for chronic risks (sea level rise) and acute risks currently considered secondary perils (wildfire, drought). As instead regards the assessment of the climate change impact on transition risks, the Group quantifies the losses in value of financial investments, in reference to the different asset classes (bonds, shares, funds, etc.), originating from the shocks, segmented by business sector (NACE), calibrated on the basis of scenarios outlined by the Network for Greening the Financial System (NGFS). In addition, with particular reference to the assessment of Transition Risk relating to Properties, their redevelopment cost was estimated using a model that, in relation to the actual or estimated carbon footprint of each building, defines which energy efficiency measures to be applied in terms of the lowest marginal abatement cost (the maximum reduction of emissions at the lowest cost) and estimates the implementation costs and energy cost savings arising from implementation of these measures.

Lastly, with regard to the assessment of the climate change impact on physical risks relating to the financial investments portfolio, the Group quantifies impairment on the basis of the scenarios outlined by the NGFS. The analyses are performed at individual hazard level, in turn classified as acute or chronic and subsequently aggregated and by individual physical asset held by each counterparty in the portfolio. The impacts on the value of financial investments originate from physical damage and business interruptions for acute hazards and business interruptions due to chronic hazards.

Risk of inclusion in a Group

The risk related to the inclusion in a Group, or "contagion" risk, understood as the risk that, because of the relations of the company with the other companies of the Group, difficulties for one of these companies may have negative effects on the solvency of the company itself; it also includes the risk of conflict of interest. This risk is controlled at the Group level through the policies and procedures that regulate the execution of the transactions with "related" parties, pursuant to the current regulations issued by the supervisory authorities of the sector.

Compliance risk

This is the risk of judicial or administrative sanctions, losses or reputational damages resulting from a failure to observe external laws and regulations or internal regulations such as by-laws, codes of conduct or corporate governance codes; also risk of unfavourable developments in the legislative framework or case law decisions.

The Compliance Function evaluates, with a risk-based approach, the adequacy of procedures, processes, policies and internal organisation to prevent the risk of non-compliance with applicable external and internal regulations and the company's internal measures²³. The involvement of the Compliance Function is proportional to the significance of the

²³ As part of the Compliance Function, the "Model 231 Monitoring" Function has the responsibility of monitoring the legislative changes on the matter (Legislative Decree No. 231/2001), ensuring compliance with the regulations and updating the Organisation and Management Model, as well as the management of the related risk mapping.

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individual regulations for the activity carried out and the consequences of violating them, and it is therefore at its maximum for the prevention and management of the risk of violating the most significant rules for purposes of compliance risk in relation to the business sector in which the company operates.

In relation to other regulations, for which specific forms of specialised oversight are already established within the company, the involvement of the Function, again based on a risk-based approach, is accordingly calibrated, and takes place according to different forms also with reference to the applicable supervisory regulations.

The level of compliance risk is estimated, also taking into account the controls put into place, on the basis of the product between Impact and Frequency (probability of the sanction risk occurring) both by individual risk and overall by company, according to the following possible values: Low, Medium, High, Very High.

In the period subject to analysis, no substantial changes were made to the measures used to assess the risks described above.

C.7 Any other information

C.7.1 Sensitivity analysis

To monitor the sensitivity to risk factors and important events, the Group carried out some sensitivity analyses. Sensitivity analyses on the main economic-financial factors of interest are carried out at least once a year and allow the Group to assess the impact on its Solvency Ratio and Solvency Capital Requirement of changes in the main risk factors to which it is exposed.

The sensitivity analyses carried out are listed below, with their description and the results of the analyses in question. The analyses take, as Central Scenario, the capital adequacy and the solvency capital requirement calculated according to the regulatory model adopted by the Group.

Sensitivities

Description	Impact with respect to central scenario	Impact on Solvency II Ratio
Shift upward of the interest yield curve	interest rate: +100 bps	5 p.p.
Shift downward of the interest yield curve	interest rate: -100 bps	-9 p.p.
Sensitivity on credit spread – corporate bonds	industrial and financial credit spreads: +100 bps	-1 p.p.
Sensitivity on equity market	equity market value: -30%	-5 p.p.
Sensitivity on property market	real estate market value: -15%	-9 p.p.
Sensitivity on Italian Government spread	Italian Government spread: +100 bps	-11 p.p.
Sensitivity on inflation	inflation: +100 bps	-4 p.p.
Sensitivity on surrender frequencies	surrender tables: +100%	-6 p.p.
Sensitivity on combined ratio	combined ratio: +100 bps	-1 p.p.

Sensitivities on interest rates curve

To analyse the impact of a (upward/downward) shock to the yield curve, two sensitivity analyses were carried out on the dynamics of the interest rates curve, more precisely, two single financial factor analyses assessing the impact of an upward and downward parallel shift of the entire yield curve, a shift respectively equal to +100 bps and -100 bps.

The +100 bps increase in interest rates resulted in an increase of +5 p.p. in the Solvency II ratio.

The -100 bps decrease in interest rates resulted in a reduction of -9 p.p. in the Solvency II ratio.

Sensitivity on credit spread

To analyse the impact of a shock to the spread, a sensitivity analysis is carried out, by assessing the increase in all industrial and financial credit spreads, for all rating classes, all issuers in the portfolio, and all rankings (senior and sub), equal to +100 bps.

For the purposes of the calculation of the sensitivity in question, we estimated the value of the Volatility Adjustment (VA) following the shock to the spreads, which had a value of 48 bps.

The +100 bps increase in industrial and financial credit spreads resulted in a decrease of -1 p.p. in the Solvency II ratio.

Sensitivity on equity market

To analyse the impact of a shock to equity market prices, a single financial factor sensitivity analysis was carried out, assessing the impact of a downward shock to share prices, equal to -30%.

The decline of -30% in the value of the equity market resulted in a decrease of -5% in the Solvency II ratio.

Sensitivity on property market

To analyse the impact of a shock to property market valuations, a single financial factor sensitivity analysis was carried out, assessing the impact of a downward shock to the value of property and property funds, equal to -15%.

Taking into account the breakdown of the Company's portfolio, the decrease in the value of the property market of -15%, explained by the exposure to the property owned by the Company, resulted in a reduction in the Solvency II ratio of -9 p.p.

Sensitivity on Italian Government spread

To analyse the impact of a shock to the Italian Government spread, a sensitivity analysis is carried out, by assessing the increase in the Italian Government credit spread equal to +100 bps.

The +100 bps increase in the Italian Government spread resulted in a reduction of -11 p.p. in the Solvency II ratio.

For the purposes of the calculation of the sensitivity in question, we estimated the value of the Volatility Adjustment following the shock to the spreads, which had a value of 27 bps, an increase of 3 bps compared to the VA value at 31 December 2024.

The +100 bps increase in the spread does not determine the triggering of the national component of Volatility. Therefore, the loss on Italian government bonds is not offset by the positive effect deriving from the increase in the discount curve due to the Volatility Adjustment following the shock to the spreads (VA=27 bps) applied to all liabilities.

Sensitivity on inflation

To analyse the impact of a shock on inflation, a sensitivity analysis was carried out in which a +100 bps increase in inflation was assessed, with impacts on the repricing of inflation-linked securities, reserves and the main components of general expenses.

The +100 bps increase in inflation resulted in a reduction of -4 p.p. in the Solvency II ratio.

Sensitivity on surrender frequencies

To analyse the impact of a shock on surrender frequencies of the Life portfolio, an analysis was carried out in which an increase of +100% in the surrender tables was assessed.

The +100% increase in the surrender tables resulted in a reduction of -6 p.p. in the Solvency II ratio.

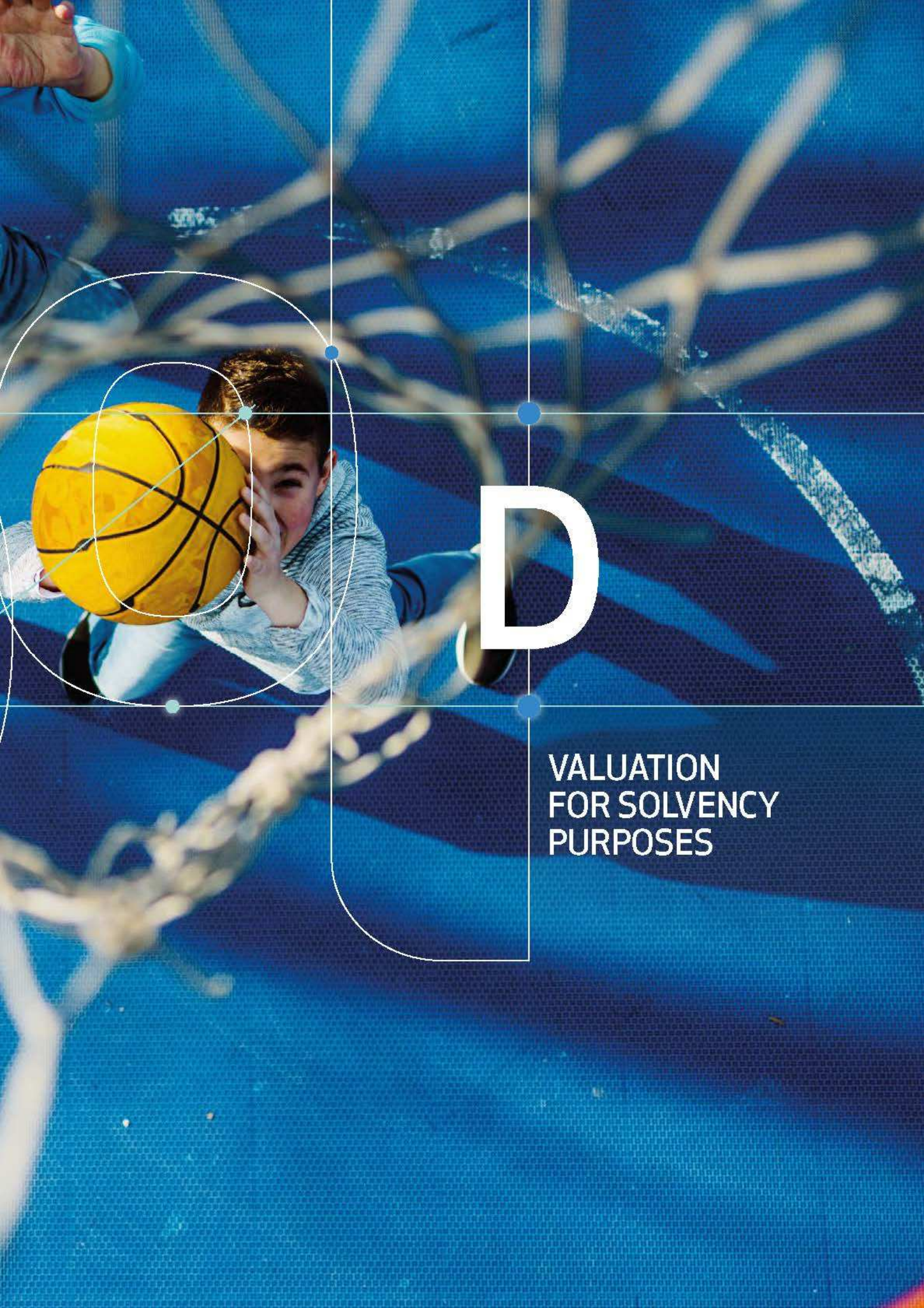
Sensitivity on combined ratio

With reference to Non-Life technical insurance variables, a sensitivity analysis was developed which consists in an unfavourable change in the combined ratio of +100 bps across all lines of business, such as to determine a significant loss in the income statement of the Company. The assessment is carried out net of reinsurance.

The +100 bps increase in the combined ratio resulted in a reduction of -1 p.p. in the Solvency II ratio.

A man with a white beard, wearing a bright blue hoodie and jeans, is captured from a high angle, gesturing with his hands as if explaining something. The background is a vibrant blue with a fine, woven texture. A large, blurred, orange and red circular shape is visible on the left side of the frame. Overlaid on the scene is a white network diagram consisting of interconnected lines and nodes. A central white circle contains the text "Together to enhance value".

Together
to **enhance**
value



D

VALUATION
FOR SOLVENCY
PURPOSES

D Valuation for solvency purposes

Statement of financial position - current values (MCBS)

Assets

<i>Amounts in €k</i>	Solvency II value	Consolidated FS value – Solvency II Scope	Consolidated FS value – IFRS Scope
Goodwill		1,864,757	1,882,524
Deferred acquisition costs			
Intangible assets		652,051	675,611
Deferred tax assets	23,187	297,773	297,862
Pension benefit surplus			
Property, plant & equipment held for own use	4,537,657	4,191,635	4,466,525
Investments (other than assets held for index-linked and unit-linked contracts)	56,916,725	56,209,224	55,662,180
Property (other than for own use)	2,553,678	2,110,693	2,112,265
Holdings in related undertakings, including participations	3,808,539	3,536,390	2,942,058
Equities	1,988,302	1,988,302	2,021,893
Bonds	43,404,317	43,411,950	43,424,075
Collective Investments Undertakings	4,749,017	4,749,017	4,749,017
Derivatives	175,887	175,887	175,887
Deposits other than cash equivalents	236,985	236,985	236,985
Other investments			
Assets held for index-linked and unit-linked contracts	11,981,817	11,980,412	11,980,412
Loans and mortgages	585,416	585,416	572,021
Loans on policies			
Loans and mortgages to individuals	473,901	473,901	470,579
Other loans and mortgages	111,515	111,515	101,442
Reinsurance recoverables from:	682,135	819,614	819,614
Non-life and health similar to non-life	711,130	796,164	796,164
<i>Non-life excluding health</i>	<i>697,321</i>	<i>796,164</i>	<i>796,164</i>
<i>Health similar to non-life</i>	<i>13,809</i>		
Life and health similar to life, excluding health, index-linked and unit-linked	(28,995)	23,450	23,450
<i>Health similar to life</i>			
<i>Life, excluding health, index-linked and unit-linked</i>	<i>(28,995)</i>	<i>23,450</i>	<i>23,450</i>
Life index-linked and unit-linked			
Deposits to cedants	103,206	103,206	103,206
Insurance and intermediaries receivables	1,372,919	1,372,919	1,367,950
Reinsurance receivables	265,204	265,204	265,204
Receivables (trade, not insurance)	374,626	374,626	399,092
Own shares (held directly)	15,665	14,292	14,292
Amounts due in respect of own fund items or initial fund called up but not yet paid in			
Cash and cash equivalents	1,623,512	1,623,512	1,712,668
Any other assets, not elsewhere shown	4,104,216	4,104,216	4,152,511
Total assets	82,586,286	84,458,857	84,371,671

Liabilities

<i>Amounts in €k</i>	Solvency II value	Consolidated FS value – Solvency II Scope	Consolidated FS value – IFRS Scope
Technical provisions – non-life	13,246,903	14,580,359	14,580,359
Technical provisions – non-life (excluding health)	12,091,394	14,580,359	14,580,359
<i>Technical provisions calculated as a whole</i>		14,580,359	
<i>Best Estimate</i>	11,685,810		
<i>Risk margin</i>	405,584		
Technical provisions - health (similar to non-life)	1,155,509		
<i>Technical provisions calculated as a whole</i>			
<i>Best Estimate</i>	1,089,911		
<i>Risk margin</i>	65,598		
Technical provisions - life (excluding index-linked and unit-linked insurance contracts)	37,501,358	39,385,096	39,385,096
Technical provisions - health (similar to life)			
Technical provisions – life (excluding health and index-linked and unit-linked insurance contracts)	37,501,358	39,385,096	39,385,096
<i>Technical provisions calculated as a whole</i>		39,385,096	
<i>Best Estimate</i>	36,974,872		
<i>Risk margin</i>	526,486		
Technical provisions – index-linked and unit-linked	11,723,177	11,738,026	11,738,026
<i>Technical provisions calculated as a whole</i>		11,738,026	
<i>Best Estimate</i>	11,649,135		
<i>Risk margin</i>	74,041		
Other technical provisions			
Contingent liabilities			
Provisions other than technical provisions	702,125	702,125	711,881
Pension benefit obligations	60,913	60,913	63,677
Deposits from reinsurers	137,300	137,300	137,300
Deferred tax liabilities	631,360	60,475	60,143
Derivatives	116,648	116,648	116,648
Debts owed to credit institutions	250,654	250,654	251,264
Financial liabilities other than debts owed to credit institutions	4,096,267	4,219,136	4,017,565
Insurance and intermediaries payables	277,021	277,021	277,020
Reinsurance payables	25,517	25,517	25,517
Payables (trade, not insurance)	408,068	408,068	449,413
Subordinated liabilities	1,749,535	1,280,759	1,280,759
Subordinated liabilities not included in Basic Own Funds			
Subordinated liabilities included in Basic Own Funds	1,749,535	1,280,759	1,280,759
Any other liabilities, not elsewhere shown	1,575,002	1,575,002	1,634,983
Total liabilities	72,501,847	74,817,100	74,729,651
Excess of assets over liabilities	10,084,439	9,641,757	9,642,020

The solvency capital requirement envisaged in the Directive represents the economic capital that insurance and reinsurance companies must hold so as to guarantee that the “default” event does not occur more than once in every 200 cases or, alternatively, that the companies in question will still be able to honour their obligations, with a probability of at least 99.5%, to contracting parties and beneficiaries in the next twelve months. The capital is assessed on the basis of a balance sheet prepared according to the “Market Consistent” criteria specifically identified in the Regulation.

D Valuation for solvency purposes

These criteria generally follow the fair value measurement as defined in international accounting standards (IFRS 13), to be determined on the basis of the following hierarchy:

- I. prices listed on active markets for the same assets and liabilities;
- II. prices listed on active markets for similar assets and liabilities, suitably adjusted to take into account differences compared to the listed assets and liabilities;
- III. values taken from internal "Mark to Model" valuation models. The data used in such models must as far as possible be taken from information implicit in the market assessments referred to in the previous points.

A consolidated balance sheet is therefore prepared using Solvency II criteria, referred to as the Market Consistent Balance Sheet (MCBS), by following the steps below:

- aggregation of the MCBSs of the entities consolidated line-by-line in accordance with the Solvency II scope of consolidation;
- determination of consolidation adjustments;
- preparation of the Group MCBS.

On the previous pages, the values of the Market Consistent Balance Sheet prepared with reference to 31 December 2024 are reported in the "Solvency II Value" column, accompanied by a comparison with:

- the values determined for the Consolidated Financial Statements, reclassified on the basis of the MCBS items ("Consolidated Financial Statements Value - IFRS Scope" column);
- the values determined for the Consolidated Financial Statements, reclassified on the basis of the MCBS items and adjusted to represent a line-by-line consolidation scope uniform with that used to prepare the MCBS ("Consolidated Financial Statements Value - Solvency II Scope" column).

Please recall that, for presentation purposes, non-current assets and liabilities held for sale and discontinued operations were presented in summary form, for the Consolidated Financial Statements, in the items "Non-current assets or assets of a disposal group held for sale" and "Liabilities associated with disposal groups held for sale" in application of IFRS 5. These assets are instead represented, by nature, in the individual items of MCBS reported in the previous pages, irrespective of their allocation for disposal.

The following paragraphs illustrate the main differences in assessments for MCBS purposes and Solvency II scope Consolidated Financial Statement purposes.

Please refer to Chapter A for a description of the Solvency II scope of consolidation and the main differences with the scope of consolidation for the purposes of the Consolidated Financial Statements.

Below, the differences, classified in accordance with the MCBS layout, are described between the values reported in the Consolidated Financial Statements and the values obtained by consolidating, with other international accounting standard criteria remaining the same, the Group companies on the basis of what is set forth in the Regulation for the preparation of the MCBS. This statement makes it possible to identify the effects deriving from the different methods of consolidation of the investee entities of the parent company Unipol adopted to prepare the Consolidated Financial Statements with respect to those used for the preparation of the MCBS. As mentioned previously, such differences derive from the lack of line-by-line consolidation of the subsidiaries belonging to the financial sector and the subsidiary entities that are not ancillary services undertakings within the scope of the Unipol Insurance Group.

The "Consolidated Financial Statements Value - IFRS Scope" column reclassifies the balances based on the scope of consolidation set forth for the Consolidated Financial Statements, reclassified according to the layout required for the MCBS.

The "Consolidated Financial Statements Value - SII Scope" column reclassifies the balances of the Consolidated Financial Statements based on the Solvency II scope of consolidation.

The central column shows the adjustments due to the different consolidation methods.

Assets

<i>Amounts in €k</i>	Consolidated FS value – IFRS Scope	Adjustments for different consolidation methods	Consolidated FS value – Solvency II Scope
Goodwill	1,882,524	(17,767)	1,864,757
Deferred acquisition costs			
Intangible assets	675,611	(23,561)	652,051
Deferred tax assets	297,862	(89)	297,773
Pension benefit surplus			
Property, plant & equipment held for own use	4,466,525	(274,889)	4,191,635
Investments (other than assets held for index-linked and unit-linked contracts)	55,662,180	547,044	56,209,224
Property (other than for own use)	2,112,265	(1,572)	2,110,693
Holdings in related undertakings, including participations	2,942,058	594,332	3,536,390
Equities	2,021,893	(33,591)	1,988,302
Bonds	43,424,075	(12,125)	43,411,950
Collective Investments Undertakings	4,749,017		4,749,017
Derivatives	175,887		175,887
Deposits other than cash equivalents	236,985		236,985
Other investments			
Assets held for index-linked and unit-linked contracts	11,980,412		11,980,412
Loans and mortgages	572,021	13,395	585,416
Loans on policies			
Loans and mortgages to individuals	470,579	3,322	473,901
Other loans and mortgages	101,442	10,073	111,515
Reinsurance recoverables from:	819,614		819,614
Non-life and health similar to non-life	796,164		796,164
Life and health similar to life, excluding health, index-linked and unit-linked	23,450		23,450
Life index-linked and unit-linked			
Deposits to cedants	103,206		103,206
Insurance and intermediaries receivables	1,367,950	4,969	1,372,919
Reinsurance receivables	265,204		265,204
Receivables (trade, not insurance)	399,092	(24,466)	374,626
Own shares (held directly)	14,292		14,292
Amounts due in respect of own fund items or initial fund called up but not yet paid in			
Cash and cash equivalents	1,712,668	(89,156)	1,623,512
Any other assets, not elsewhere shown	4,152,511	(48,295)	4,104,216
Total assets	84,371,671	87,186	84,458,857

D Valuation for solvency purposes

Liabilities

<i>Amounts in €k</i>	Consolidated FS value – IFRS Scope	Adjustments for different consolidation methods	Consolidated FS value – Solvency II Scope
Technical provisions – non-life	14,580,359		14,580,359
Technical provisions - life (excluding index-linked and unit-linked insurance contracts)	39,385,096		39,385,096
Technical provisions - health (similar to life)			
Technical provisions – life (excluding health and index-linked and unit-linked insurance contracts)	39,385,096		39,385,096
Technical provisions – index-linked and unit-linked	11,738,026		11,738,026
Other technical provisions			
Contingent liabilities			
Provisions other than technical provisions	711,881	(9,756)	702,125
Pension benefit obligations	63,677	(2,763)	60,913
Deposits from reinsurers	137,300		137,300
Deferred tax liabilities	60,143	333	60,475
Derivatives	116,648		116,648
Debts owed to credit institutions	251,264	(610)	250,654
Financial liabilities other than debts owed to credit institutions	4,017,565	201,571	4,219,136
Insurance and intermediaries payables	277,020		277,021
Reinsurance payables	25,517		25,517
Payables (trade, not insurance)	449,413	(41,345)	408,068
Subordinated liabilities	1,280,759		1,280,759
Subordinated liabilities not included in Basic Own Funds			
Subordinated liabilities included in Basic Own Funds	1,280,759		1,280,759
Any other liabilities, not elsewhere shown	1,634,983	(59,981)	1,575,002
Total liabilities	74,729,651	87,449	74,817,100
Excess of assets over liabilities	9,642,020	(263)	9,641,757

The differences in the balances of the individual asset and liability items are due to the change in the consolidation method from line-by-line to the equity method for certain Group companies (the “Companies with different consolidation methods”).

In particular, the different consolidation method entailed:

- a) an increase in “Holdings in related undertakings, including participations”, in relation to the shareholders’ equity pertaining to the group of Companies with different consolidation methods²⁴;
- b) the decrease in other asset and liability items, due to the individual assets and liabilities included in the balance sheets of the Companies with different consolidation methods;
- c) the cancellation of the intra-group receivable/payable elimination entries relating to transactions between entities consolidated line-by-line within the scope of Solvency II and the Companies with different consolidation methods.

²⁴ Based on the criteria laid out in IAS 28, consolidation with the equity method constitutes a “synthetic method” that represents the effects on shareholders’ equity of the investor only in the equity investments item, rather than in all asset and liability items as instead is required in the case of line-by-line consolidation in application of IFRS 10. In general, line-by-line consolidation or consolidation with the equity method should not result in changes with reference to the consolidated shareholders’ equity pertaining to the group of the investor company.

With reference to the difference between assets and liabilities (inclusive of the value of own shares²⁵), the effect of the different method of consolidation is equal to €263k, which corresponds to the share of equity pertaining to non-controlling interests of the Companies with different consolidation methods, consisting predominantly of the share pertaining to non-controlling interests of the shareholders' equity of UniAssiTeam Srl, equal to €262k.

The paragraphs below comment on the differences in value deriving from the different valuation of assets and liabilities in the Consolidated Financial Statements and the MCBS with a like-for-like scope of consolidation using method 1 set forth in the Solvency II regulation.

D.1 Assets

D.1.1 Valuation criteria

This section illustrates the criteria, methods and models used by the Group to identify and measure assets in the MCBS. Please note that, when not specified otherwise, no changes were made to such criteria, methods and models with respect to those used in the previous year.

Intangible assets

The valuation criteria defined in the Regulation generally envisage that intangible assets are attributed a zero value. Exceptions are intangible assets that can be sold separately from the rest of the Group's assets and for which a price is available on an active market for similar assets. The Group does not hold any intangible assets of this type.

Financial assets and liabilities (excluding participations) and properties

Financial assets and liabilities are measured at fair value on the basis of the hierarchy defined in the Regulation. The table below summarises the methods to calculate the fair value for the different macrocategories of financial instruments, receivables and property. These methods are consistent with the criteria defined by IFRS 13.

		Mark to Market	Mark to Model and other
Financial Instruments	Bonds	"CBBT" contributor - Bloomberg	Mark to Model
		Other contributor - Bloomberg	Counterparty valuation
	Listed shares, ETFs	Reference market	
	Unlisted shares		DCF DDM Multiples
	Listed derivatives	Reference market	
	OTC derivatives		Mark to Model
	UCITS	Net Asset Value	
Receivables			Other receivables (Carrying amount)
Property			Appraisal value

In compliance with IFRS 13, the market price (Mark to Market) is used to determine the fair value of financial instruments, in the case of instruments traded in an "active market".

²⁵ The total consolidated shareholders' equity (inclusive of the portion attributable to the group and non-controlling interests) resulting from the IFRS consolidated financial statements of the Unipol Group is equal to €9,627,728k, corresponding to the item "Excess of assets over liabilities" net of the amount of own shares. Own shares indeed constitute an identifiable asset in the MCBS but not in the IFRS financial statements.

D Valuation for solvency purposes

“Active market” means:

- the regulated market in which the instrument subject to measurement is traded and regularly listed;
- the multilateral trading facility (MTF) in which the instrument subject to measurement is traded or regularly listed;
- listings and transactions performed on a regular basis, i.e. high-frequency transactions with a low bid/offer spread, by an authorised intermediary (hereinafter “contributor”).

In the absence of available prices on a liquid active market, valuation methods are used which maximise the use of observable parameters and minimise the use of non-observable parameters. These methods can be summarised in Mark to Model valuations, valuations by counterparty or valuations at the carrying amount in connection with some non-financial asset categories.

Mark to Market valuations

With reference to listed shares, ETFs and listed derivatives, the Mark to Market valuation corresponds to the official valuation price of the reference market.

In relation to bonds, the sources used for the Mark to Market valuation of financial assets and liabilities are as follows:

- a) the primary source is the CBBT price provided by data provider Bloomberg;
- b) where the price referred to in the previous point is unavailable, an internal scoring model is used, which makes it possible to select liquid and active contributors on the basis of pre-defined parameters.

For UCITS the Net Asset Value is the source used.

Mark to Model valuations

The Group uses valuation methods (Mark to Model) in line with the methods generally used by the market.

The objective of the models used to calculate the fair value is to obtain a value for the financial instrument consistent with the assumptions that market participants would use to quote a price, assumptions that also concern the risk inherent in a particular valuation technique and/or in the inputs used. To ensure the correct Mark to Model valuation of each category of instrument, adequate and consistent valuation models must be defined beforehand as well as reference market parameters.

The list of the main models used for Mark to Model pricing of financial instruments is provided below:

Securities and interest rate derivatives:

- Discounted cash flows;
- Black;
- Black-Derman-Toy;
- Hull & White 1, 2 factors;
- Libor Market Model;
- Longstaff & Schwartz;
- Kirk.

Securities and inflation derivatives:

- Discounted cash flows;
- Jarrow-Yildirim.

Securities and share, index and exchange rate derivatives:

- Discounted cash flows;
- Black-Scholes.

Securities and credit derivatives:

- Discounted cash flows;
- Hazard rate models.

The main observable market parameters used to perform Mark to Model valuations are as follows:

- interest rate curves for reference currency;
- interest rate volatility surface for reference currency;
- CDS spread or Asset Swap spread curves of the issuer;
- inflation curves for reference currency;

- reference exchange rates;
- exchange rate volatility surface;
- share or index volatility surface;
- share reference prices;
- reference inflation curves.

The main non-observable market parameters used to perform Mark to Model valuations are as follows:

- correlation matrices between exchange rates and risk factors;
- historical volatility;
- benchmark spread curves constructed to assess bonds of issuers for which the prices of the bonds issued or CDS curves are unavailable;
- credit risk parameters such as the recovery rate;
- delinquency or default rates and prepayment curves for ABS-type financial instruments.

With reference to bonds in those cases when, even on the basis of the results of the Scoring Model, it is not possible to measure an instrument using the Mark to Market method, the fair value is obtained on the basis of Mark to Model type valuations. The different valuation models referred to above are chosen according to the specific instrument characteristics.

For OTC derivative contracts, the models used are consistent with the risk factor underlying the contract. The fair value of OTC interest rate derivatives and OTC inflation-linked derivatives is calculated on the basis of Mark to Model type valuations, acknowledging the rules set in IFRS 13.

As regards OTC derivatives for which there is a collateralisation agreement (Credit Support Annex) between the Unipol Group companies and the authorised market counterparties, the EONIA (Euro OverNight Index Average) discount curve is used.

As regards uncollateralised derivatives, CVA (Credit Valuation Adjustment) and DVA (Debit Valuation Adjustment) adjustments are made. It should be noted that at year end almost all derivative positions represent collateralised contracts for which CSA agreements are in place with the counterparties involved in the trading.

With reference to unlisted shares for which a market price or an appraisal drafted by an independent expert is not available, valuations are performed mainly on the basis of:

- equity methods;
- methods based on the discounting of future profit or cash flows, i.e. Discounted Cash Flow (DCF) or Dividend Discount Model (DDM), the so-called "excess capital" version;
- if applicable, methods based on market multiples.

As regards unlisted UCITS, Private Equity Funds and Hedge Funds, the fair value is calculated as the Net Asset Value (NAV) at the recognition date provided directly by the fund administrators. The NAV is constructed on the basis of stringent valuation policies defined by the fund and is based on valuation of the underlying assets using updated inputs and more appropriate measurement approaches. Based on these considerations and taking into account sector market practices, this value was used to express the instrument's fair value.

With reference to properties, the fair value is measured on the basis of the appraisal value provided by independent experts, in compliance with current legal provisions.

Counterparty valuations

For financial assets and liabilities which do not fall into the categories of instruments valued on a Mark to Market basis and for which there are no consistent and validated valuation models available for the purposes of measuring fair value, the valuations provided by the counterparties that could be contacted to liquidate the position are used.

Unique characteristics of the fair value measurement for structured bonds and SPV structured bonds

The measurement of structured bonds makes use of models consistent with the breakdown into elementary components (host contract and embedded derivatives) and with the risk factor underlying said contract.

D Valuation for solvency purposes

For structured bonds, the valuation of elementary components follows the criteria defined above for the calculation of fair value, which makes provision for use of Mark to Market valuation if available, or Mark to Model approach or counterparty price in the case in which the Mark to Market-type price is not available.

Bonds issued by a Special Purpose Vehicle secured by collateral and whose flows paid are generated by an interest rate swap contract in place between the vehicle and the swap counterparty (usually the arranger of the transaction) are considered SPV structured bonds. The measurement of SPV structured bonds requires separate valuation of the following elements:

- collateral issue of the vehicle;
- interest rate swap agreement between the vehicle and arranger;
- any other optional components or CDS agreements included in the vehicle.

For SPV structured bonds the valuation of collateral follows the criteria defined previously for the calculation of the fair value, which make provision for the use of the Mark to Market approach if available, or the Mark to Model approach or the counterparty price in the case in which the Mark to Market type price is not available.

The valuation of the interest rate swap agreement provides for the discounting of future cash flows on the basis of the different discount curves, based on the existence or not of a collateralisation agreement (Credit Support Annex) between the vehicle and swap counterparty. In particular, if the derivative contract is collateralised using available securities included in the SPV's assets, the future cash flows of the interest rate swap agreement are discounted using the EONIA discount curve; while if there is no collateralisation agreement, use is made of CVA (Credit Valuation Adjustment), DVA (Debit Valuation Adjustment) and FVA (Funding Valuation Adjustment), as appropriate.

As regards the valuation of other (non-technical) financial liabilities, the fair value is measured at each reporting date by taking into account the credit rating of the company "at inception", therefore without considering any subsequent changes in the company's credit rating.

Participations

The recognition value of participations²⁶ in the MCBS is determined on the basis of the following hierarchy:

- prices listed on active markets for the same assets and liabilities;
- percentage interest in the investee's equity determined on the basis of MCBS valuation criteria;
- percentage interest in the investee's equity determined on the basis of international accounting standards, taking into account the Solvency II measurement criteria for intangible assets;
- internal valuation models.

In particular, pursuant to the Regulation:

- participations in subsidiaries are measured on the basis of the investor's percentage interest in the equity, determined according to the MCBS preparation criteria adopted by the subsidiary concerned;
- participations in companies such as credit institutions, investment firms and financial institutions, UCITS management companies are measured based on the proportional share of own funds of the company calculated pursuant to the pertinent sector regulations;
- participations in associates are measured on the basis of the investor's percentage interest in the equity, determined according to IFRS (less any intangible assets of the investee).

Based on the criteria for preparing the Consolidated Financial Statements, the participations held are measured based on the share of equity, determined on the basis of the same criteria as those used to prepare the Consolidated Financial Statements.

²⁶ The participations are identified by the Regulation and the Directive as investments in associates or subsidiaries or for which the Group holds at least 20% of the voting rights or capital.

Deferred tax assets and liabilities

The deferred tax calculation recognised in the MCBS was performed by applying the criteria identified in international accounting standards (IAS 12), suitably supplemented with the provisions of Articles 20-22 of IVASS Regulation No. 34 of 7 February 2017.

Please note that deferred tax assets the recovery of which does not depend on future profitability have been classified as "Any other assets, not elsewhere shown". This classification was deemed more appropriate than the classification in Deferred tax assets, as those assets were considered similar to tax receivables due to the specific tax regulations applicable to them.²⁷

Other assets

For all other assets not included in the categories of previous paragraphs, taking into account the related characteristics, the recognition value in the MCBS is consistent with their value determined for the consolidated financial statements and consequently applying IAS/IFRS and any relative updates in such standards with effect in the current year.

D.1.2 Quantitative information on asset valuation

Intangible assets

In line with the regulatory provisions of the Directive, for solvency purposes the Group does not assign a value to goodwill, or to other intangible assets, as a listing of similar assets on an active market is not available.

Intangible assets

<i>Amounts in €k</i>	Solvency II value	Consolidated FS value – Solvency II Scope	Difference
Goodwill		1,864,757	(1,864,757)
Intangible assets		652,051	(652,051)
Total		2,516,808	(2,516,808)

Following the necessary adjustments to the three items indicated above in the MCBS, the Group recorded a decrease in shareholders' equity in the Solvency II scope Consolidated Financial Statements for €2,516,808k, gross of related tax effects.

Land, buildings and other tangible fixed assets

Land and buildings were recognised in the MCBS at fair value, determined on the basis of expert independent appraisal reports. The value recognised in the Consolidated Financial Statements corresponds to the purchase cost systematically amortised over the life of the asset, adjusted if necessary for any impairment losses.

²⁷ The regulations provide a mechanism for the conversion to tax credits of DTAs, booked to the financial statements no later than 31 December 2014, relating:

- a) to value adjustments on receivables and misalignments between the carrying amount and tax value of goodwill and other intangible assets, in the case of a statutory loss; and
- b) to tax losses, to the extent to which they originated from decreases connected to value adjustments on receivables and the amortisation of goodwill and other intangible assets.

The regulations are also applicable in the case of the liquidation of companies. The receivable deriving from the transformation of the above-mentioned DTAs may be used to offset with no quantitative or temporal limits, transferred at nominal value to parties belonging to the same group and a refund may be requested for the residual part after offsetting.

D Valuation for solvency purposes

Tangible assets

<i>Amounts in €k</i>	Solvency II value	Consolidated FS value – Solvency II Scope	Difference
Property, plant & equipment held for own use	4,537,657	4,191,635	346,022
Property (other than for own use)	2,553,678	2,110,693	442,986
Total	7,091,335	6,302,328	789,007

Note that in reference to other owned tangible assets other than property (e.g. equipment, plant, machinery, vehicles, etc.) and the valuation, with the criteria changed by IFRS 16, of the rights of use on tangible assets, the recognition value in the MCBS is consistent with the recognition value in the Consolidated Financial Statements which, given the nature and significance of such assets, was considered an adequate representation of the fair value.

Following the fair value measurement of the owned property, the Group recorded an increase in assets by €789,007k in the MCBS compared to the Consolidated Financial Statements, gross of the related tax effect.

Financial assets for which investment risk is borne by policyholders

The MCBS item "Assets held for index-linked and unit-linked contracts" includes all the financial assets for which investment risk is borne by the policyholders (unit-linked, index-linked and pension funds).

Financial assets when the investment risk is borne by policyholders

<i>Amounts in €k</i>	Solvency II value	Consolidated FS value – Solvency II Scope	Difference
Assets held for index-linked and unit-linked contracts	11,981,817	11,980,412	1,405

These assets were also measured at fair value in the Consolidated Financial Statements. The difference recognised is due to the fact that, in the Consolidated Financial Statements, the fair value measurement method is used for financial instruments classed as unit-linked, consistent with the valuation of liabilities payable to the policyholders and the NAV for unit-linked products. This fair value measurement method for financial assets differs slightly to that used for the purpose of MCBS preparation. Also considering that for preparation of the MCBS the valuation of financial assets classed as unit-linked is in any event fully consistent with the measurement criteria for the corresponding liabilities to the policyholders, the slight differences in fair value measurement methods have no appreciable impact on the total difference between assets and liabilities in the MCBS and in the Consolidated Financial Statements.

Other investments (excluding participations)

As a general principle, all investments are measured at fair value as required by the SII Directive. The value recognised in the Consolidated Financial Statements instead depends on the category in which the financial instruments are classified pursuant to IFRS 9:

- financial assets measured at amortised cost (written down if necessary for any impairment losses);
- financial assets measured at fair value through other comprehensive income;
- financial assets mandatorily measured at fair value through profit or loss.

With reference to investments formed by deposits with financial institutions and by loans and mortgages, the recognition value in the MCBS is consistent with the recognition value in the Consolidated Financial Statements which, given the nature and significance of such assets, is considered an adequate representation of the fair value.

Other financial investments

<i>Amounts in €k</i>	Solvency II value	Consolidated FS value – Solvency II Scope	Difference
Equities	1,988,302	1,988,302	
Bonds	43,404,317	43,411,950	(7,633)
Collective Investments Undertakings	4,749,017	4,749,017	
Derivatives	175,887	175,887	
Deposits other than cash equivalents	236,985	236,985	
Loans and mortgages	585,416	585,416	
Total	51,139,924	51,147,557	(7,633)

The fair value measurement resulted in a decrease in MCBS assets compared to the Consolidated Financial Statements by €7,633k, gross of the related tax effect. This change is due to the negative spread between measurement at amortised cost and the fair value of debt securities classified as Financial assets at amortised cost in the financial statements.

Participations

Participations

<i>Amounts in €k</i>	Solvency II value	Consolidated FS value – Solvency II Scope	Difference
Holdings in related undertakings, including participations	3,808,539	3,536,390	272,149

The different criteria for calculating the value of Participations led to an increase in assets by €272,149k in the MCBS compared to the Consolidated Financial Statements, gross of the related tax effect. This difference was mainly due to:

- for associated financial sector companies, the method of consolidation laid out by the Solvency II regulation, which requires an assessment of participations in credit institutions based on the proportional share of own funds of the investee companies calculated pursuant to pertinent sector rules (Basel III) rather than with the equity method established by IAS 28 applicable to the Consolidated Financial Statements;
- for participations in companies held for sale on the basis of IFRS 5, their valuation in the consolidated financial statements on the basis of book value (if lower than the sale value) rather than on the basis of the portion of shareholders' equity of the investee determined on the basis of SII valuation criteria;
- for the remaining investees, the difference between the shareholders' equity of the investee determined on the basis of international accounting standards and that determined on the basis of MCBS valuation criteria.

Deferred tax assets and liabilities

Deferred tax assets and liabilities are calculated on the temporary differences between the carrying amount of assets and liabilities in the MCBS and their value recognised for tax purposes.

Deferred tax assets and liabilities

<i>Amounts in €k</i>	Solvency II value	Consolidated FS value – Solvency II Scope	Difference
Deferred tax assets	23,187	297,773	(274,586)
Deferred tax liabilities	(631,360)	(60,475)	(570,884)
Net total	(608,173)	237,297	(845,470)

D Valuation for solvency purposes

The differences compared to the Consolidated Financial Statements are associated with the deferred tax effect of temporary differences deriving from adjustments to the asset and liability valuations commented on in paragraphs D.1, D.2 and D.3.

The temporary differences resulting in the recognition of deferred tax assets and liabilities are primarily due to:

- intangible assets, in large part represented by goodwill subject to value realignment pursuant to Decree Law 104/2020, the differences of which will be cancelled out over a period of 50 years starting from 2021, and intangible assets other than goodwill, expected to be reversed on average over 3-5 years;
- financial investments, consisting primarily of bonds. The temporary differences relating to such securities will be cancelled out progressively as maturity approaches or when the securities are disposed of. Please note that the average duration of the Unipol Group's financial investments portfolio is 4.75 years;
- to Life and Non-Life technical provisions. Please note that the duration of the Best Estimates of the Unipol Group is 6.00 years.

Other assets

The differences recognised between other assets in the MCBS and their corresponding valuations in the Consolidated Financial Statements are provided below.

Other assets

<i>Amounts in €k</i>	Solvency II value	Consolidated FS value – Solvency II Scope	Difference
Deposits to cedants	103,206	103,206	
Insurance and intermediaries receivables	1,372,919	1,372,919	
Reinsurance receivables	265,204	265,204	
Receivables (trade, not insurance)	374,626	374,626	
Own shares (held directly)	15,665	14,292	1,373
Cash and cash equivalents	1,623,512	1,623,512	
Any other assets, not elsewhere shown	4,104,216	4,104,216	
Total	7,859,349	7,857,976	1,373

The difference in the value of own shares is attributable to the valuation of the Parent Company's own shares at listed price.

In reference to the other assets in the above table, the recognition value in the MCBS is consistent with the recognition value in the Consolidated Financial Statements which, given the nature and significance of such assets, was considered an adequate representation of the fair value.

Leasing and rental agreements – assets

Please note that at 31 December 2024, the Group does not act as lessor in any finance lease agreements. Some of the Group companies instead act as lessors with reference to operating leases connected to ordinary activity of real estate asset management and the core operations of certain ancillary services undertakings (e.g. lease of vehicles by Unipol/Renta).

D.2 Technical provisions

Please first of all note that, when not specified otherwise, no changes were made to the valuation criteria, methods and models with respect to those used in the previous year.

The valuations for solvency purposes of the Group’s technical provisions were all analogous with those carried out for the same purpose by each individual company. The consolidated values were obtained from the corresponding values resulting from the MCBS drafted on an individual basis, also making the appropriate adjustments to deduct components relating to intra-group transactions.

D.2.1 Valuation criteria

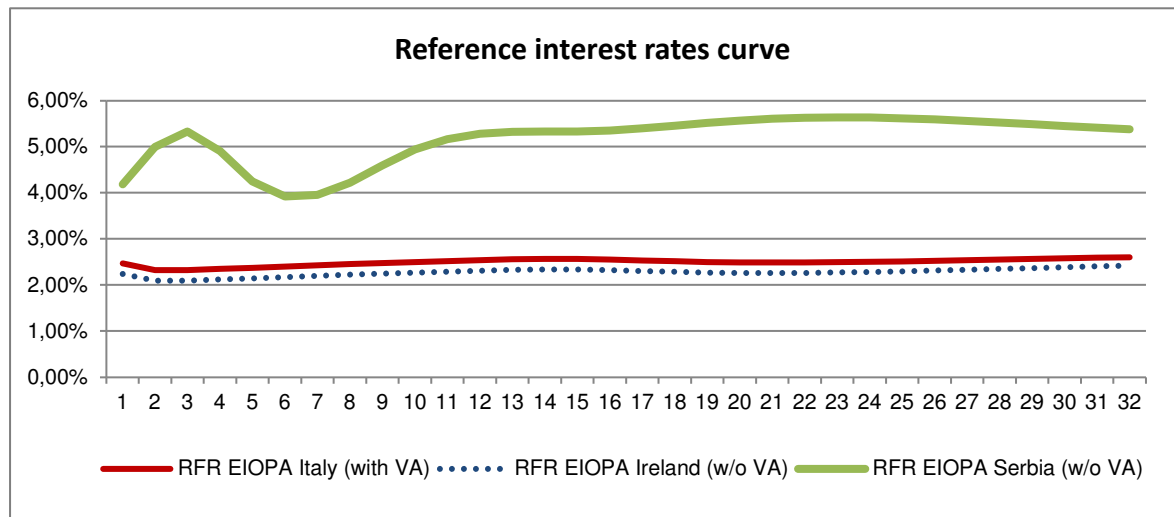
In accordance with the Directive, the Solvency II technical provisions (Life and Non-Life) are calculated for each company within the scope as the sum of the Best Estimate of Liabilities (BEL) and a Risk Margin.

The BEL corresponds to the present estimated value of future cash flows calculated on the basis of the relevant due dates structure of risk-free interest rates, taking into account the volatility adjustment referred to in Art. 77-quinquies of the Directive, when applied.

The structures by maturity of the risk-free interest rates used in calculating the BEL are differentiated based on the country in which each Group company is located.

The volatility adjustment is adopted only for the Italian Companies (equal to 23 bps at 31/12/2024, up compared to 20 bps in the previous year) and is determined on the basis of EIOPA specifications with reference to a benchmark portfolio representing the assets covering the technical provisions in which the insurance and reinsurance companies invest.

The figures below show the rate curves adopted for the assessment of the BELs at 31 December 2024 for each reference country.



Starting from 1 January 2023, IFRS 17 has been adopted for the preparation of the Group’s consolidated financial statements. As specified in more detail in the explanatory notes to the consolidated financial statements, which should be referred to for further information on application methods, this accounting standard establishes that insurance contracts must be measured using updated estimates and assumptions reflecting the timing of cash flows and any uncertainty relating to insurance contracts.

The structure of IFRS 17 and the solvency regulations share several general concepts, such as the valuation of insurance liabilities through the projection of expected and discounted cash flows by means of the adoption of a Discounted Cash Flow (DCF) method for the valuation of the BEL and the application of a correction for the uncertainty relating to the

D Valuation for solvency purposes

insurance activity associated with the estimates and explicitly valued. Given the above, the main differences between the two valuation criteria are:

- the inclusion in insurance assets and liabilities measured according to IFRS 17 for the purposes of the consolidated financial statements, of the expected future profit margin component that will be released to the income statement based on the provision of insurance services by the company. In the case of insurance contracts issued, at the initial recognition date, this component is represented, depending on the accounting model adopted for the different types of insurance contracts, as a separate liability (known as Contractual Service Margin or CSM²⁸) or as part of the assets or liabilities for residual coverage²⁹. The component of expected profitability on insurance services still to be provided instead does not constitute a liability for the purposes of the MCBS, as it contributes directly to SII shareholders' equity at the time of recognition of the insurance contracts.
- the different valuation method, both in terms of percentile and methodology and the scope/type of risks considered, of the concept of risk margin (Risk Margin or Risk Adjustment), aimed at remunerating the associated uncertainty of the expected fulfilment cash flows;
- the method of discounting expected future cash flows which, although sharing a "bottom up" methodology, differ in the estimate of the additional spread component applied (known as the Illiquidity premium under IFRS 17 calculated on the basis of a specific calculation by each company and Volatility Adjustment or VA for SII calculated, with the reference currency remaining the same, in a standardised manner for all companies subject to this regulation).

The table below summarises the main methodological differences in the valuation of the technical provisions for the consolidated financial statements and the MCBS.

	Solvency II	Consolidated Financial Statements
Valuation approach	BE matching adjustment concept through cash flow projection	BE matching adjustment concept through cash flow projection
Risk Margin	Risk Margin - Cost Of Capital method with remuneration on capital and percentile (99,5%) established by law - Including underwriting risks, operational risk and credit risk	Risk Adjustment - Value at Risk method with variable percentile between 75th and 98th - Including underwriting risks and excluding operational and credit risk
Evaluation of Future Profits	Immediate valuation of Future Profits	Suspension of Future Profits ("CSM") for contracts accounted for with BBA or VFA or within the LRC/ARC for contracts accounted for with the PAA (consisting mostly of contracts with a duration equal to or less than 12 months)
Time value of money	Discounted Cost (Risk Free + VA)	Discounted Cost (Risk Free + Illiquidity Premium)

Best Estimate Liability Non-Life

The Best Estimate Liability, equal to the sum of the claims BEL and premiums BEL, was calculated in accordance with the principles stated in the regulation, by applying suitable statistical/actuarial models and net of amounts recovered from the policyholders and from third parties.

The value of the Group's Claims BELs is obtained based on the calculation of the individual Claims BELs for each Company.

Details on their calculation and on the methodologies and models used are described in the reports prepared for the individual companies. For the companies DDOR Novi Sad and DDOR Re, simplified approaches based on financial statement values are adopted.

²⁸ Applicable to insurance contracts accounted for according to the general method (Building Block Approach or BBA) or according to the VFA or Variable Fee Approach.

²⁹ Applicable to insurance contracts accounted for according to the Premium Allocation Approach (PAA).

The amount of the Claims Best Estimates for the Group is based on the sum of the “solo” values adjusted for intra-group transactions:

$$BE^{Group} = \sum_{i=1}^N BE_i^{(No\ Infr)} = \sum_{i=1}^N \frac{BE_i}{RS_i} RS_i^{(No\ Infr)}$$

The adjusted BEs ($BE_i^{(No\ Infr)}$) are determined based on the claims provisions net of intra-group transactions ($RS_i^{(No\ Infr)}$) calculated for the purpose of the Consolidated Financial Statements. Indeed, the incidence of the Claims BEs on the Claims Provision in the financial statements for each stand-alone company is applied to this amount.

The premiums BEL was calculated in a manner fully analogous with the calculation made at individual company level, based on the cash flows obtained from the projection of each Company's historic ratios (loss ratio and expense ratio, estimated by considering in general a weighted average for the last three years and taking into consideration budget estimates) and applied to the existing portfolio values at the time of valuation, separately for each business line, but net of intra-group transactions. The cost of claims is attributed to the settlement period based on the pattern of claims experience estimated for current business to obtain the correct projected cash flow. The total cash flows, the present value of which constitutes the Premiums BE, take into account all the items, incoming and outgoing, generated by the combination of future premiums, claims not yet received, allocated and unallocated settlement expenses, commissions and administrative expenses deriving from existing contracts.

As the Best Estimate Liability is a present value of estimated future cash flows, it is by definition an estimate subject to uncertainty in the final cost projection and in the assumed due dates structure for interest rates. In order to assess the main sources of uncertainty in the BEL calculation, a number of sensitivity analyses were carried out. The following, for example, shows the change in BEL as the interest rate structure changes.

BEL (Net of reins.) Discount curve sensitivity analysis

<i>Amounts in €k</i>	Claims BEL	Premiums BEL	TOTAL
Curve - 2023 - without VA	0.63%	0.57%	0.56%
Curve - 2023 - basic	(0.70)%	(0.94)%	(0.84)%
Curve - 2024 - without VA	0.54%	0.57%	0.56%
Curve - 2024 - basic	9,584,118	2,480,472	12,064,590
Curve - 2024 - basic + 1%	(2.31)%	(2.38)%	(2.33)%

Compared to the curve used, the application of the same structure without a volatility adjustment would lead to an upward change in BELs of around 0.56%. Instead, using the curve with an increase of one basis point, there would be a reduction of 2.33%. By contrast, if the curve remained stable at 31 December 2023, the BEL would be roughly 0.84% lower.

Best Estimate Liability Life

The value of the Group's Life BEL is obtained based on the calculation of the individual BELs for each Company. Details on their calculation and on the methodologies and models used are described in the reports prepared for the individual companies. For the companies Ddor Novi Sad and DDOR Re, simplified approaches based on financial statement values are adopted.

The Life BEL valuation method uses an ALM-type stochastic approach which allows an integrated “fair value” measurement of assets and liabilities.

D Valuation for solvency purposes

The most significant product category within the portfolio of Group Companies, particularly those based in Italy, consists of revaluable products linked to returns of the Segregated Funds. In this case, the typical quantities for the calculation of the Life BELs are projected at “point” level deriving from the non-destructive aggregation of information on individual policies that have the same characteristics, including the individual Company’s technical and actuarial assumptions and also making use of standard stochastic simulation approaches for the financial variables.

ALM logic simulates the actions performed by each individual Company based on the future growth of amounts representing the policies portfolio (liabilities) and the underlying portfolio of financial securities (assets). In the specific case of products with performances that can be revalued in terms of returns of Segregated Funds, ALM logic envisages a circuitry that can be summarised in the following logical steps, repeated for every instant on the reference time horizon (monthly or annual):

- calculation of the returns for every Segregated Fund, according to the rules envisaged in the Segregated Funds regulations;
- revaluation of the benefits provided to the policyholders based on the returns calculated in the previous step;
- calculation of the net balance of liability items: tariff premiums collected - benefits - operating expenses for the period on the securities portfolio.

If the balance is negative, the model draws upon the liquidity in the assets portfolio, and if this is still not sufficient to cover commitments to the policyholders, the sale of financial securities in the portfolio is arranged, with subsequent gains/losses realised with an impact on returns of Segregated Funds for the next instant and therefore on subsequent indexed benefits.

In the projection, the model also makes use of information related to “management actions”, which translates into suitable conditioning factors for the simulation process, the strategic guidelines for financial portfolio management used by each Company.

The process of determining the BELs connected to Segregated Funds takes place through Montecarlo simulation models, i.e. simulating the returns of funds underlying the insurance contract. For this purpose an Economic Scenario Generator (ESG) is used, which makes use of specific projection models for sources of market risk and which is also adopted to measure the Life Underwriting risks. This approach allows the inclusion in technical provisions of a valuation of the cost of financial guarantees and options, if any.

In relation to linked type products, including pension funds belonging to Class VI, for which the value of the Group Companies’ commitments to the policyholders is linked to the market value of the underlying financial portfolios, the characteristic amounts are projected for each policy based on the development of the assets present in the portfolio. As for revaluable products, also for the assessment of Class III and VI policies technical and actuarial assumptions are used for each individual Company and standard techniques are used for the stochastic simulation of the financial variables.

For each portfolio segment, the BEL calculations are also based, aside from on the economic assumptions described above, on a series of operating assumptions relating mainly to:

- Development of biometric risk factors;
- Operating expenses;
- Exercise frequency of options granted to the customer.

These assumptions are determined as the best possible estimate at the valuation date on the basis of the historic experience of the individual Group Companies, if available, or of appropriate market benchmarks.

For many reasons, associated for example with the unavailability of all the necessary detailed and/or series of information which proves inefficient for tariffs with immaterial portfolio volumes, a part of the Group’s Life portfolio is not accurately modelled in the actuarial platform adopted for the projection of cash flows. However, it is included in the overall estimation of the BEL, albeit approximately, through assimilation with products in the same sub-portfolio of reference, accurately assessed by the actuarial platform. The percentage of the portfolio not accurately modelled, subject to simplified valuation, is overall less than 1%.

In order to assess the main sources of uncertainty in the BEL calculation, a number of sensitivity analyses were carried out on the main scenarios affecting the financial and non-financial value. Each valuation was performed by keeping all other scenarios unchanged, including the management actions.

It should be emphasised that the scenarios subject to sensitivity analysis are often correlated, and therefore it is unlikely that the impact of two events occurring simultaneously would be the sum of the impacts of the two respective sensitivities.

The following table illustrates the sensitivity analyses of the Life BEL at 31 December 2024 of the Group's Italian Companies. The BEL considered amounted to €48,180,435k and constituted around 99% of the Group life portfolio; the percentage changes with respect to the basic calculation are reported below.

Sensitivity	Sensitivity description	
IR -100bps	Downward shift of 100 basis points of the risk-free curve	6.65%
IR +100bps	Upward shift of 100 basis points of the risk-free curve	(5.58)%
EQ -20%	20% decrease of equity market value	(3.15)%
EQ +20%	20% increase of equity market value	3.35%
Spread +50bps	Increase of 50 basis points of the spread	(1.55)%
Spread -50bps	Decrease of 50 basis points of the spread	1.91%
Surrenders -50%	50% decrease of redemption rates (multiplier factor, ie 50% of the best estimate redemption assumption)	(0.70)%
Surrenders +50%	50% increase of redemption rates (multiplier factor, ie 150% of the best estimate redemption assumption)	0.54%
Mortality +15%	15% increase in mortality (multiplication factor, i.e. 115% of death probabilities is considered)	(0.01)%
Mortality -20%	20% decrease of mortality (multiplier factor, i.e. 80% of death probabilities is considered)	0.04%
Expenses +10%	10% increase of management costs and 1% increase of the expected inflation rate	0.51%
No volatility adjustment	Reduction of the reference rate curve equal to the amount of volatility adjustment	0.65%
No FS restrictions	Cancellation of the budget constraint (i.e. the reallocation, for each financial portfolio at year end, of the projection of the book value of the securities to the amount of the mathematical reserve)	0.19%
No yield target	The management rule for targeting a performance for each projection year is deactivated	0.71%

Technical Provisions - Reinsurers' share

NON-LIFE

Calculation of the reinsurers' share of provisions for the Non-Life and Health businesses was performed, like the calculation carried out at individual company level, by applying - on direct and indirect business volumes ceded (net of any intra-group components) - the results obtained for the gross direct business, and then estimating expected losses due to reinsurance counterparty default calculated on the basis of the volumes of provisions divided into reinsurer rating classes using the probability of default (PD) and the estimated loss given defaults (LGD).

In particular, for each individual company:

- the claims BEL for premiums ceded was calculated by applying to the corresponding financial statement aggregate the ratios between the UBE and financial statement provisions and the provisions run-off patterns estimated - for each business segment - on the gross premiums figures. For Unipol alone, the methodology described above was applied to the UBEs of the proportional ceded amount; the UBEs deriving from non-proportional treaties were set as equal to the corresponding financial statement aggregate.
- the premiums BEL for premiums ceded was calculated using the loss ratios (net of indirect settlement expenses), withdrawal rates and the time allocation percentages estimated on gross premiums figures.

D Valuation for solvency purposes

LIFE

As regards the calculation of the reinsurers' share of provisions for the Life business, note that in view of the reduced ceding through the reinsurance channel, for the majority of the Group's portfolios a simplified approach was adopted based on the amounts of the reinsurers' share of provisions indicated in the consolidated financial statements.

With regard to the reinsurers' share of provisions referring to the portfolio of tariffs in the event of death of Arca Vita, which are not negligible in size, the amount of the SII provisions was determined using a methodology analogous to the gross BEL methodology.

Methodology of valuation of the Risk Margin

The Risk Margin represents the cost of holding an amount of eligible own funds equal to the Solvency Capital Requirement (SCR) needed to support insurance and reinsurance obligations assumed throughout their contractual life.

The method adopted involves calculating the Risk Margin of each group company separately for Non-Life and Life business, so as to take into account the specific features of the two businesses, and calculating the total Risk Margin as the sum of the figures indicated previously.

The Group's overall Risk Margin is determined as the algebraic sum of the Risk Margins calculated separately for each Company on the basis of the solvency capital requirement of the reference company, determined in accordance with the Standard Formula or the Partial Internal Model when applicable.

The Risk Margin is calculated for each company on the basis of the following input data:

- SCR related to operational risk;
- SCR related to credit risk;
- SCR related to Non-Life and Health underwriting risks (including CAT risk) or Life underwriting risks quantified according to the different risk assessment methods;
- SCR related to Ring Fenced Funds;
- settlement rate estimate for the best estimate component of technical liabilities;
- risk-free rate curve.

To estimate the Solvency Capital Requirement for future instants, the simplified method number 2 described in the EIOPA document "Guidelines on valuation of technical provisions" (no. 62), which envisages the option of approximating the SCR for all future years based on the ratio between the expected residual BEL for each future year and the BEL at the valuation date.

D.2.2 Quantitative information on the valuation of the technical provisions

Non-Life technical provisions

The MCBS recognition value of Non-Life technical provisions is determined on the basis of the methods described above in paragraph D.2.1.

The values of Non-Life technical provisions broken down by line of business (LoB) are illustrated below.

Segmentation of Non-Life technical provisions by Line of Business

<i>Amounts in €k</i>	Best estimate (gross)	Risk Margin	Recoverable amounts from reinsurance	TOTAL
Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)	12,327,916	445,289	(710,383)	12,062,823
1 Medical expense insurance	599,610	33,075	(1,085)	631,601
2 Income protection insurance	488,593	32,237	(12,721)	508,109
3 Workers' compensation insurance				
4 Motor vehicle liability insurance	5,597,968	158,749	(40,665)	5,716,051
5 Other motor insurance	663,099	18,830	(941)	680,988
6 Marine, aviation and transport insurance	316,851	6,909	(193,282)	130,477
7 Fire and other damage to property insurance	1,901,669	66,863	(265,993)	1,702,539
8 General liability insurance	2,304,484	112,613	(37,811)	2,379,285
9 Credit and suretyship insurance	240,207	7,726	(91,724)	156,209
10 Legal expenses insurance	88,435	2,621	(53,490)	37,566
11 Assistance	84,538	2,896	1	87,435
12 Miscellaneous financial loss	42,463	2,771	(12,672)	32,563
Line of business for: accepted non-proportional reinsurance	447,805	25,893	(748)	472,950
13 Non-proportional health reinsurance	1,708	285	(4)	1,990
14 Non-proportional casualty reinsurance	320,340	21,846	(349)	341,837
15 Non-proportional marine, aviation and transport reinsurance	1,482	37		1,519
16 Non-proportional property reinsurance	124,275	3,724	(395)	127,604
Total	12,775,721	471,182	(711,130)	12,535,772

At 31 December 2024 there were no amounts recoverable from SPVs.

The following table summarises the differences in value found between the valuation for Solvency purposes and the valuation for the Group's consolidated financial statements of the Non-Life technical provisions (direct and indirect business), net of amounts ceded to reinsurers.

Non-Life technical provisions

<i>Amounts in €k</i>	Solvency II value	Consolidated FS value - Solvency II Scope	Difference
Technical provisions - Non-life	13,246,903	14,580,359	(1,333,456)
Other technical provisions			
Reinsurance recoverables from: Non-life and health similar to Non-life	(711,130)	(796,164)	85,033
Total	12,535,772	13,784,196	(1,248,423)

For further information on the existing differences between the technical provisions calculation methods for the Non-Life segment for the MCBS and that recorded in the Consolidated Financial Statements, reference should be made to the comments in paragraph D.2.1 above.

The overall difference between the Technical Provisions in the financial statements and the Solvency II value, net of reinsurance, amounted to €1,248m, of which €488m deriving from the different Risk Adjustment calculation methodology with respect to the Solvency II Risk Margin and €688m attributable to the BEL remaining part, in turn mainly attributable to the future profitability component suspended in the consolidated financial statements and, to a residual extent, the effect of the difference in discount rates and other minor adjustments.

D Valuation for solvency purposes

Life technical provisions

The MCBS recognition value of Life technical provisions is determined on the basis of the methods described above in paragraph D.2.1.

The values of Life technical provisions broken down by LoB (line of business) are illustrated below.

Segmentation of Life technical provisions by Line of Business

<i>Amounts in €k</i>	Best estimate (gross)	Risk Margin	Recoverable amounts from reinsurance	Total
Direct business	48,622,054	600,527	29,244	49,251,825
1 Health insurance				
2 Insurance with profit participation	37,107,513	474,570	(5,683)	37,576,399
3 Index-linked and unit-linked insurance	11,649,135	74,041		11,723,177
4 Other life insurance	(134,594)	51,916	34,927	(47,751)
5 Annuities stemming from non-life insurance contracts and relating to health insurance obligations				
6 Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations				
Indirect business	1,953		(249)	1,705
Total	48,624,007	600,527	28,995	49,253,530

The following table summarises the differences in value found between the valuation for Solvency II purposes and the valuation for the Group's Consolidated Financial Statements of the Life technical provisions (direct and indirect business, net of reinsurance). It should be noted that in the table below, in order to allow a comparison on a like-for-like basis with respect to the data represented in the MCBS, the item "Technical provisions - index-linked and unit-linked insurance contracts" also includes liabilities referring to contracts which, in the Consolidated Financial Statements, were classified as financial liabilities accounted for in accordance with IFRS 9 as they fall within the definition of "Investment contracts without discretionary participation features" set forth in IFRS 17.

Life technical provisions

<i>Amounts in €k</i>	Solvency II Value	Consolidated FS value – Solvency II Scope	Difference
Technical provisions - Life (excluding Index-linked and unit-linked)	37,501,358	39,385,096	(1,883,738)
Technical provisions - Index-linked and unit-linked	11,723,177	11,738,026	(14,849)
Recoverables from reinsurance: Life and health similar to Life, excluding Health, Index-linked and unit-linked	28,995	(23,450)	52,445
Recoverables from reinsurance: Life Index-linked and unit-linked			
Total	49,253,530	51,099,672	(1,846,142)

For further information on the existing differences between the technical provisions calculation methods for the Life segment for the MCBS and that recorded in the Consolidated Financial Statements, reference should be made to the comments in paragraph D.2.1 above.

The overall difference between the Technical Provisions in the financial statements and the Solvency II value, net of reinsurance, amounted to €1,846m, of which -€340m deriving from the different Risk Adjustment calculation methodology with respect to the Solvency II Risk Margin³⁰ and €2,186m attributable to the BEL remaining part, in turn mainly due to the future profitability component suspended in the consolidated financial statements and, to a residual extent, the effect of the differences in terms of financial assumptions/discount rates and other minor adjustments.

³⁰ It should be noted that the scope of expected future cash flows taken into consideration for the calculation of the Risk Adjustment under IFRS 17 for the Consolidated Financial Statements was more limited than that taken into consideration for the MCBS since, as mentioned previously, the latter also included Investment contracts without discretionary participation features.

D.2.3 Information on the effects of the application of volatility adjustment

For the measurement of Non-Life and Life technical provisions, the Group has applied the option envisaged in Art. 77-quinquies of the Directive, defined as the volatility adjustment (VA).

The table below summarises the effect that non-application of the VA would have on technical provisions (gross of the effect of reinsurance), on the Solvency Capital Requirement, basic own funds and eligible own funds to cover the Solvency Capital Requirement.

Volatility Adjustment

<i>Amounts in €k</i>	With VA (a)	Without VA (b)	Difference (b)-(a)
Technical provisions	62,471,438	62,857,766	386,328
Basic own funds	7,742,521	7,491,896	(250,626)
SCR	5,116,344	5,203,224	86,880
Eligible amount of own funds to meet SCR	10,839,414	10,588,788	(250,626)
SCR coverage ratio	2.12	2.04	(0.08)

D.3 Other liabilities

D.3.1 Valuation criteria

Please first of all note that, when not specified otherwise, no changes were made to the valuation criteria, methods and models with respect to those used in the previous year.

Financial liabilities

The fair value of other (non-technical) financial liabilities is measured by taking into account the credit rating of the company "at inception", without considering any subsequent changes in that credit rating.

Other liabilities

For all other liabilities not included in the categories of previous paragraphs, taking into account the related characteristics, the recognition value in the MCBS is consistent with their value determined for the Consolidated Financial Statements drafted by the holding company and consequently applying the reference IAS/IFRS.

D.3.2 Quantitative information on the valuation of other liabilities

The differences recognised between other liabilities in the MCBS and their corresponding valuations in the Consolidated Financial Statements are provided below.

D Valuation for solvency purposes

Other liabilities

<i>Amounts in €k</i>	Solvency II value	Consolidated FS value – Solvency II Scope	Difference
Provisions other than technical provisions	702,125	702,125	
Pension benefit obligations	60,913	60,913	
Deposits received from reinsurers	137,300	137,300	
Derivatives	116,648	116,648	
Debts owed to credit institutions	250,654	250,654	
Financial liabilities other than debts owed to credit institutions	4,096,267	4,219,136	(122,869)
Insurance and intermediaries payables	277,021	277,021	
Reinsurance payables	25,517	25,517	
Payables (trade, not insurance)	408,068	408,068	
Subordinated liabilities	1,749,535	1,280,759	468,776
Any other liabilities, not elsewhere shown	1,575,002	1,575,002	
Total	9,399,050	9,053,143	345,907

The difference in the valuation of financial liabilities other than payables to credit institutions derives from the fair value measurement of debt securities issued by the Parent Company Unipol (former Unipol Gruppo SpA), which are valued at amortised cost in the Consolidated Financial Statements.

With reference to subordinated liabilities, as indicated previously, the difference of €468,776k is attributable:

- for €496,161k to the different method of accounting of the Restricted Tier 1 capital instrument for a nominal value of €500m issued by UnipolSai in October 2020 (now merged into Unipol Assicurazioni). In particular, in relation to the features of the Issue, which do not establish an obligation on the part of the issuer to return the capital or pay coupons, for the purposes of the Consolidated Financial Statements drafted on the basis of IAS/IFRS standards, said instrument qualified as a component of shareholders' equity and was consequently recognised in the item "Excess of assets over liabilities". By contrast, said instrument is recognised in the item "Subordinated liabilities" in the MCBS;
- for -€27,385k to their measurement at fair value (without considering the post-issue change in credit rating) for MCBS purposes. Such liabilities were instead measured at amortised cost in the Consolidated Financial Statements.

Total liabilities for defined benefit plans due to employees after termination were €60,913k, consisting primarily of post-employment benefits and obligations deriving from the post-retirement insurance benefits provided to managers. There are no assets serving such defined benefit plans.

Post-employment benefits accrued by 31 December 2006 that were not transferred to external bodies in accordance with the provisions of Italian Legislative Decree 252/05 on supplementary pension schemes come under the category of employee benefits classified as a defined benefit plan. The amount due to employees is therefore calculated using actuarial techniques and discounted at the reporting date, using the "Projected unit credit method" (a method based on benefits accrued in proportion to length of employment).

The same method is used to establish the effects of other defined benefits for employees for the post-employment period.

Future cash flows are discounted on the basis of the market yield curve, recorded at the end of the year, for corporate bonds issued by issuers with high credit standing.

Leasing and rental agreements - liabilities

At 31 December 2024, the Group is lessee in finance lease agreements primarily with reference to the real estate used by Unipol *Rental*. Operating leases in which the Group is lessee are also in place to support the Group's ordinary activity concerning primarily real estate and IT materials.

D.4 Alternative methods for valuation

As reported in the previous paragraphs, with reference to the valuation method for assets, technical provisions and other liabilities, for some of these alternative valuation methods were used, based on the premises stated in Art. 10 of the Regulation.

In particular, alternative valuation methods were used for all assets and liabilities for which the Regulation had not defined other valuation criteria³¹, lacking prices listed in active markets of identical or similar assets and liabilities.

The description of the methods used and the valuation uncertainties is given in the comments on valuation criteria in paragraphs D.1.1 and D.3.1.

Based on past experience, no significant deviations emerged between the estimated valuation based on alternative valuation methods and the corresponding values deduced, for example, from subsequent market transactions involving these assets and liabilities.

D.5 Any other information

Note that there is no significant information to report in addition to that already illustrated in previous paragraphs.

³¹ In particular, these are contingent liabilities (Art. 11 of the Regulation), intangible assets (Art. 12), participations (Art. 13), financial liabilities (Art. 14), deferred taxes (Art. 15) and technical provisions (Chapter III of the Regulation).



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E

CAPITAL
MANAGEMENT

E Capital management

E.1 Own funds

E.1.1 Introduction

Own funds (OF) represent the financial resources steadily acquired by the Group and available to it to absorb losses and to overcome risks generated by business activities on a going concern basis.

The Directive divides available Own Funds into basic OF and ancillary OF.

The basic OF are formed from the surplus of assets over liabilities, both measured at fair value pursuant to Art. 75 of the Directive, and subordinated liabilities. The elements are classified in 3 tiers (Tier 1, Tier 2 and Tier 3) based on the technical characteristics and the objectives of stability and loss absorption.

Note that, among the Tier 1 elements, the reconciliation reserve is equal to the amount representing the total excess of assets over liabilities, less the value of:

- own shares of the parent company;
- expected dividends;
- Tier 2 and Tier 3 own funds;
- Tier 1 elements other than the reconciliation reserve;
- the excess of own funds over and above the notional SCR of Ring Fenced Funds;
- other own funds not available to the Group³².

Pursuant to Art. 330 of the Regulation, subsequent to the identification of basic own funds, it is necessary to evaluate whether specific own funds eligible for covering the solvency capital requirement of an investee company may be made effectively available to cover the group's solvency capital requirement.

The basic own funds which, following this evaluation, are actually unavailable to cover the Group's solvency capital requirement are calculated within the group's own funds for a maximum amount equal to the contribution of the issuing company to the Group's SCR.

The ancillary OF, not present at 31 December 2024, are the elements other than basic that can be used to absorb losses. The above category can include:

- share capital or initial funding not paid and not called;
- letters of credit and guarantees;
- any other legally binding commitment received by the Group Companies.

These elements, whose inclusion among ancillary OF is subject to Supervisory Authority approval, cannot be calculated in Tier 1 and are not eligible for MCR cover.

In order to obtain the own funds eligible to cover the SCR and the MCR, the available own funds are restated in accordance with the eligibility criteria.

The eligibility limits used are those established in Art. 82 of the Regulation, which envisages the following criteria to meet the Solvency Capital Requirement (SCR):

- the Tier 1 percentage must be at least 50% of the SCR;
- the total of Tier 3 elements must be less than 15% of the SCR;
- the sum of Tier 2 and Tier 3 elements cannot be higher than 50% of the SCR.

Within the above limits, Tier 1 subordinated liabilities (defined as "Tier 1 restricted") cannot exceed 20% of the total Tier 1 elements. The elements that should be included in the upper Tiers, but are in excess of the above limits, can be reclassified to the lower Tiers until those lower Tiers are completely saturated.

As regards compliance with the Minimum Capital Requirement (MCR), the eligibility limits used are the most stringent established in the Regulation:

³² This category includes any assets not considered eligible for SCR cover based on specific Supervisory Authority instructions.

- the Tier 1 percentage must be at least 80% of the MCR;
 - the total of Tier 2 elements, therefore, cannot be higher than 20% of the MCR.
- Own funds classifiable as Tier 3 are eligible as MCR cover.

E.1.2 Capital management policy

The capital management strategies and objectives of the Group and of each Company are set out in the “Capital Management and Dividend Distribution Policy”, which describes the reference framework and process for capital management and dividend distribution also in terms of the roles and responsibilities of the players involved. The document also identifies the principles for capital management and dividend distribution or other elements of own funds, consistent with the objectives of return on capital and with the risk appetite defined by the Board of Directors.

The general aims pursued by the “Capital Management and Dividend Distribution Policy” are:

- define in advance the return objectives on allocated capital, consistent with the profitability objectives and in line with the risk appetite;
- maintain a sound and efficient capital structure, considering growth targets and risk appetite;
- outline the capital management process for the definition of procedures to ensure, inter alia, that:
 - the elements of own funds, both at the time of issue and subsequently, satisfy the requirements of the applicable capital regime and are correctly classified;
 - the terms and conditions for each element of own funds are clear and unequivocal;
- define in advance a sustainable flow of dividends, in line with the profit generated, available cash and the risk appetite, also identifying and documenting any situations in which the distributions of elements of own funds can be cancelled or postponed;
- outline the dividend distribution process for the definition of procedures to guarantee a solid and efficient capital structure, considering that growth targets and profitability objectives are in line with the risk appetite;
- define the roles, responsibilities and reporting in relation to capital management and the distribution of dividends or other elements of own funds.

The capital management and dividend distribution process is divided into five steps, in close relation with other corporate processes:

- final measurement of available capital and the capital required;
- formulation of the medium-term capital management plan;
- operating monitoring and reporting;
- management actions on capital;
- distribution of dividends or other elements of own funds.

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E.1.3 Information on available and eligible own funds

The table below illustrates the position for the Group's available and eligible own funds, divided into the Tiers, showing the changes occurring between 31 December 2023 and 31 December 2024.

<i>Amounts in €k</i>	31/12/2023	Issued	Redeemed	Movements in valuation	Regulatory action and other movements	31/12/2024
Total available own funds to meet the SCR	10,064,028	744,398	(1,418,564)	1,449,552		10,839,414
<i>of which tier 1 unrestricted</i>	<i>8,517,011</i>		<i>(653,377)</i>	<i>1,203,154</i>		<i>9,066,788</i>
<i>of which tier 1 restricted</i>	<i>1,082,624</i>		<i>(765,187)</i>	<i>137,693</i>		<i>455,130</i>
<i>of which tier 2</i>	<i>440,428</i>	<i>744,398</i>		<i>109,579</i>		<i>1,294,404</i>
<i>of which tier 3</i>	<i>23,965</i>			<i>(874)</i>		<i>23,091</i>
Adjustments for eligibility restrictions						
<i>of which tier 1 unrestricted</i>						
<i>of which tier 1 restricted</i>						
<i>of which tier 2</i>						
<i>of which tier 3</i>						
Total eligible own funds to meet the SCR	10,064,028	744,398	(1,418,564)	1,449,552		10,839,414
<i>of which tier 1 unrestricted</i>	<i>8,517,011</i>		<i>(653,377)</i>	<i>1,203,154</i>		<i>9,066,788</i>
<i>of which tier 1 restricted</i>	<i>1,082,624</i>		<i>(765,187)</i>	<i>137,693</i>		<i>455,130</i>
<i>of which tier 2</i>	<i>440,428</i>	<i>744,398</i>		<i>109,579</i>		<i>1,294,404</i>
<i>of which tier 3</i>	<i>23,965</i>			<i>(874)</i>		<i>23,091</i>

Taking into account that the Group has no ancillary OF, the own funds available as SCR cover coincide with the basic own funds.

Details are provided below of the annual changes in elements of the basic own funds, broken down by Tier:

Annual movements on basic own funds

<i>Amounts in €k</i>	31/12/2023	Issued	Redeemed	Movements in valuation	Regulatory action and other movements	31/12/2024
Paid-in ordinary share capital	3,365,292					3,365,292
Share premium account related to ordinary share capital	1,345,677					1,345,677
Reconciliation reserve	3,457,568		(608,747)	1,414,700		4,263,521
Other own fund items approved by the supervisory authority as basic own funds						
Minority interests at group level	1,310,144		(44,630)	(848,338)		417,176
Own funds which are not available because of transferability, fungibility and minority interest (insurance sector)	(895,226)			616,046		(279,179)
Deduction of participations in financial and credit institutions	(2,566,458)			(576,134)		(3,142,592)
Total "Tier 1 unrestricted" insurance sector	6,016,999		(653,377)	606,274		5,969,896
Own funds relating to participations in financial and credit institutions	2,500,013			596,880		3,096,892
Total "Tier 1 unrestricted" financial sector	2,500,013			596,880		3,096,892
Total "Tier 1 unrestricted"	8,517,011		(653,377)	1,203,154		9,066,788
Called up but unpaid ordinary share capital						
Subordinated liabilities	1,208,886		(765,187)	11,432		455,130
Minority interests at group level						
Own funds which are not available because of transferability, fungibility and minority interest (insurance sector)	(126,262)			126,262		
Total "Tier 1 restricted"	1,082,624		(765,187)	137,693		455,130
Subordinated liabilities	491,793	744,398		58,214		1,294,404
Minority interests at group level						
Own funds which are not available because of transferability, fungibility and minority interest (insurance sector)	(51,365)			51,365		
Total "Tier 2"	440,428	744,398		109,579		1,294,404
Subordinated liabilities						
Net deferred tax assets	24,729			(1,542)		23,187
Minority interests at group level						
Own funds which are not available because of transferability, fungibility and minority interest (insurance sector)	(764)			668		(96)
Total "Tier 3"	23,965			(874)		23,091
Total basic own funds	10,064,028	744,398	(1,418,564)	1,449,552		10,839,414

On the whole, an increase in basic own funds of €775,386k was recorded, attributable primarily to:

- the increase in the reconciliation reserve for €805,953k, net of the amount of expected dividends (€608,747k) for 2024;
- the increase in subordinated liabilities by a total of €48,856k, due to:
 - o an increase of €744,398k caused by the issue of a new Tier 2 subordinated loan maturing on 23 May 2034 and a decrease of €765,187k attributable to the early repayment of a Tier 1 perpetual subordinated loan, as described in more detail below;

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- a positive change of €69,646k in adjustments due to changes in valuation.

For a description of the breakdown and changes in the main items making up the reconciliation reserve, please refer to the dedicated paragraph.

For more information concerning trends in own funds relating to participations in financial and credit institutions, please refer to the section “Own funds gross of adjustments for transferability and fungibility - financial sector”.

Composition and characteristics of the Group’s own funds

Basic own funds gross of adjustments for transferability and fungibility - insurance sector

The individual elements of the Group’s own funds and the relative classification in Tiers are commented on below.

The ordinary share capital and share premium reserve correspond to the amounts paid in by the shareholders of the parent company Unipol Assicurazioni. Based on their level of stability and their loss-absorbing capacity, they qualify as “Tier 1 unrestricted” own funds.

The reconciliation reserve, based on Art. 69 of the Regulation, represents the residual amount of the Group’s own funds eligible as an element of Tier 1 unrestricted own funds, determined by making suitable adjustments to the total obtained as the difference between assets and liabilities recorded in the MCBS. Details of the calculation of the reconciliation reserve are provided below.

Reconciliation reserve

<i>Amounts in €k</i>	Tier 1 unrestricted 2024	Tier 1 unrestricted 2023
Excess of assets over liabilities from MCBS (A)	10,084,439	9,878,932
Own shares (held directly and indirectly) (B)	15,665	4,794
Foreseeable dividends, distributions and charges (C)	653,377	370,687
Other basic own fund items (D)	5,151,333	6,045,843
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds (E)		
Other non available own funds (F)	544	41
Reconciliation reserve (A-B-C-D-E-F)	4,263,521	3,457,568

To determine the reconciliation reserve, the following components were deducted from the amount obtained as the difference between assets and liabilities set forth in the MCBS:

- the item “Other basic own fund items” (€5,151,333k at 31/12/2024 compared to €6,045,843k at 31/12/2023), which includes:
 - the amount of the paid-in share capital and the share premium reserve, independently classified in the “Tier 1 - unrestricted” category (€4,710,970k at 31/12/2024);
 - own funds for minority interests (€417,176k at 31/12/2024 compared to €1,310,144k at 31/12/2023), also classified in the “Tier 1 - unrestricted” category. The significant change during the year was attributable to the effects deriving from the purchase by the parent company of all the UnipolSai shares previously held by non-controlling shareholders;
 - the amount of own funds qualifying as “Tier 3” (€23,187k at 31/12/2024 compared to €24,729k at 31/12/2023), corresponding to the value of deferred tax assets whose recoverability depends on future profitability;
- the total of own shares held directly and indirectly by the parent company (€15,665k at 31/12/2024, compared to €4,794k at 31/12/2023);
- the amount of foreseeable dividends, distributions and charges (€653,377k at 31/12/2024, of which €44,630k corresponding to the share of dividends pertaining to non-controlling shareholders distributed by the Group’s other subsidiaries);

- D. the amount of other non available own funds. This category (€544k at 31/12/2024 compared to €41k at 31/12/2023) includes the assets present in the MCBS which, in application of regulatory provisions, were not considered for the coverage of the Solvency Capital Requirement.

Included in the available Tier 1 restricted own funds are the subordinated liabilities detailed in the table below, totalling €455,130k.

Subordinated liabilities - Tier 1

<i>Amounts in €k</i>	Issue date	Maturity date	Next call date	Further call dates	Nominal issue value	SII Value (accrued interests included)
RT1 6,375% UNIPOLSAI PERP. - CALL 2030	27.10.2020	undated	27.04.2030	Every 6 months	500,000	455,130
Total					500,000	455,130

In June 2024, the Board of Directors of UnipolSai resolved the exercise by the Company of the early repayment option, already authorised by IVASS, of the "Euro 750,000,000 Fixed/Floating Undated Subordinated Notes" (ISIN XS1078235733), classified in Tier 1 basic own funds.

The Group's Tier 2 available own funds amounted to €1,294,404k and are composed of two subordinated loans, whose characteristics are summarised in the following table.

Subordinated liabilities - Tier 2

<i>Amounts in €k</i>	Issue date	Maturity date	Next call date	Further call dates	Nominal issue value	SII Value (accrued interests included)
SUBORDINATED 4,9% UNIPOLSAI 2034	23.05.2024	23.05.2034	-	-	750,000	793,303
SUBORDINATED 3,875% UNIPOLSAI 2028	01.03.2018	01.03.2028	-	-	500,000	501,102
Total					1,250,000	1,294,404

In May 2024, the UnipolSai Board of Directors authorised the Company's issue of a Tier 2 subordinated equity instrument denominated in Euros, at a fixed rate, for a nominal amount of €750m, named Subordinated 4.9% UNIPOL 2034 (ISIN IT0005596207).

All subordinated and hybrid loans noted above were issued by UnipolSai Assicurazioni SpA (now merged into Unipol Assicurazioni SpA) and constitute the total amount of the item "Subordinated liabilities in basic own funds" recognised in the Group's MCBS.

The amount of net deferred tax assets in "Tier 3" was equal to €23,187k at 31 December 2024 with respect to a value of €24,729k in the previous year.

Own funds gross of adjustments for transferability and fungibility - financial sector

As illustrated in chapter A, in order to calculate the capital adequacy, the Group uses method 1 (standard method based on the consolidated financial statements) as defined in Art. 230 of the Solvency II Directive and Art. 335 of the Regulation.

In application of this methodology, financial sector entities are consolidated synthetically based on the interest held by the Parent Company in the own funds of such companies calculated by applying the relative reference regulation.

At 31 December 2024, the financial entities in the Unipol Group are the subsidiaries Unipol Investimenti Sgr and UnipolPay SpA and the associates BPER Banca SpA and Banca Popolare di Sondrio SpA.

The fraction pertaining to the Unipol Group of the own funds relating to BPER Banca SpA (determined on a sub-consolidated basis) was equal to €2,237,226k (€1,786,626k at 31/12/2023). The change can be primarily attributed to the evolution in the own funds of the investee due to profit for the year and the increase in the share pertaining to the Unipol Group due to the finalisation of the Merger.

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The fraction pertaining to the Unipol Group of the own funds relating to Banca Popolare di Sondrio SpA (determined on a sub-consolidated basis) was equal to €864,719k (€748,712k at 31/12/2023). The change can be primarily attributed to the evolution in the own funds of the investee due to profit for the year and the increase in the share pertaining to the Unipol Group due to the finalisation of the Merger.

The portion pertaining to the Unipol Group of own funds relating to Unipol Investimenti Sgr and UnipolPay SpA (determined on an individual basis) was equal to €16,936k (€14,969k at 31/12/2023) and €23,711k (€16,152k at 31/12/2023) respectively.

Taking into account the fact that the participations held by the Group in such entities refer exclusively to Common Equity Tier 1 instruments (CET1, based on applicable sector regulations - "Basel III"), the relative own funds were classified in the corresponding "Tier 1 unrestricted" category set forth in the Solvency II regulation.

Adjustments for limits of transferability and fungibility and for minority interests

As mentioned above, subsequent to the identification of basic own funds described in the previous paragraph, it is necessary to evaluate whether specific own funds eligible for covering the solvency capital requirement of an investee insurance or reinsurance company or an insurance holding company or a mixed financial holding company may be made effectively available to cover the group's solvency capital requirement (Art. 330 of the Regulation).

The Unipol Group determines the unavailable own funds at consolidated level by adding, for each investee, the positive difference between:

- i) the amount of own funds of the individual investees that do not meet the conditions of free transferability and fungibility pursuant to par. 1 of Art. 330 of the Regulation. In particular, the unavailable own funds of the individual investee insurance companies were determined by deeming the own funds consisting of subordinated liabilities and net deferred tax assets not transferable/interchangeable;
- ii) the contribution of each investee entity to the group's solvency requirement determined pursuant to paragraph 6 (a) of Art. 330 of the Regulation.

Lastly, Art. 330, paragraph 4 of the Regulation establishes that the following is deducted from consolidated own funds:

- i) an amount equal to the minority interests held by third parties in subsidiary insurance or reinsurance companies, insurance holding companies or mixed financial holding companies that are subsidiary companies of the parent company exceeding the contribution of each subsidiary company to the group's solvency capital requirement;
- ii) all minority interests in subsidiary ancillary services undertakings.

With reference to the investee entities in the financial sector, the sum of the following elements was considered available at the level of the holding company Unipol Assicurazioni:

- i) minimum level of the capital requirement of the financial entities, determined on a sub-consolidated basis (with reference to BPER Banca SpA and Banca Popolare di Sondrio SpA) and an individual basis (with reference to Unipol Investimenti Sgr and UnipolPay SpA) on the basis of the applicable regulations;
- ii) excess share of own funds of the individual entities with respect to the minimum limits pursuant to point 1) within the limits in which such excess amounts consist of own funds that are actually transferable within the Unipol Group.

The table below summarises, with reference to 31 December 2024, the results of the calculation steps completed to determine the share of own funds deducted due to the lack of transferability and fungibility requirements as well as with reference to the minority interests not eligible for calculation described just above.

Own funds which are not available because of transferability, fungibility and minority interest

<i>Amounts in €k</i>	Basic own funds before adjustments for transferability and fungibility	Adjustments for transferability, fungibility and minority interest	Own funds ("available") 2024
Tier 1 unrestricted	6,249,075	(279,179)	5,969,896
Tier 1 restricted	455,130		455,130
Tier 2	1,294,404		1,294,404
Tier 3	23,187	(96)	23,091
Total OF Insurance Sector	8,021,797	(279,275)	7,742,521
Tier 1 unrestricted	3,142,592	(45,699)	3,096,892
Total OF Financial Sector	3,142,592	(45,699)	3,096,892
Total OF	11,164,388	(324,974)	10,839,414

Eligible own funds

As stated in the introduction, in order to identify the total eligible own funds to cover the Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR), it is necessary to apply the rules of Art. 82 of the Regulation to the available own funds relating to the insurance sector.

The following table illustrates the structures and amount of OF to meet SCR and MCR, determined for 2024, in comparison with the same data for the year ended at 31 December 2023.

Available and eligible own funds to meet the SCR

<i>Amounts in €k</i>	Available own funds	Adjustments for eligibility	Eligible own funds 2024	Eligible own funds 2023
Tier 1 unrestricted	5,969,896		5,969,896	6,016,999
Tier 1 restricted	455,130		455,130	1,082,624
Tier 2	1,294,404		1,294,404	440,428
Tier 3	23,091		23,091	23,965
Total OF Insurance sector	7,742,521		7,742,521	7,564,015
Tier 1 unrestricted	3,096,892		3,096,892	2,500,013
Total OF Financial Sector	3,096,892		3,096,892	2,500,013
Total OF	10,839,414		10,839,414	10,064,028
Total SCR			5,116,344	4,687,566
Surplus/(shortage)			5,723,070	5,376,462

Available and eligible own funds to meet the MCR

<i>Amounts in €k</i>	Available own funds	Adjustments for eligibility	Eligible own funds 2024	Eligible own funds 2023
Tier 1 unrestricted	5,969,896		5,969,896	6,016,999
Tier 1 restricted	455,130		455,130	1,082,624
Tier 2	1,294,404	(877,607)	416,798	326,355
Total OF	7,719,430	(877,607)	6,841,824	7,425,978
Total MCR			2,083,988	1,631,774
Surplus/(shortage)			4,757,836	5,794,203

E Capital management

As shown in the above tables, own funds available at 31 December 2024 are fully eligible to cover the SCR. With regard to the MCR cover, however, for which the Regulation imposes stricter eligibility rules, there was a decrease in eligible own "Tier 2" funds.

The amount of net deferred tax assets recognised as own funds eligible to cover the SCR is equal to €23.091k.

Reconciliation with shareholders' equity from the consolidated financial statements

The MCBS at 31 December 2024 shows that assets exceeded liabilities by €10,084,439k (€9,878,932k at 31/12/2023), €456,712k higher (€80,076k higher at 31/12/2023) than the shareholders' equity recorded in the consolidated financial statements at the same date. This difference is due:

- to the different methods for treating, between MCBS and the consolidated financial statements, own shares and the RT1 regulatory capital instrument issued in October 2020;
- to the different methods of consolidation of the investee entities of the parent company Unipol Assicurazioni SpA adopted to prepare the consolidated financial statements with respect to those used for the preparation of the MCBS, as already reported in chapter D;
- the different valuation of assets and liabilities as described in more detail in chapter D.

The table below provides the reconciliation between consolidated shareholders' equity in the IFRS financial statements and shareholders' equity in the MCBS.

Statement of reconciliation between Financial Statements and MCBS Shareholders' equity

	2024	2023
A Shareholders' equity (Financial Statements)	9,627,728	9,798,856
B Adjustments for reclassification of shareholders' equity items	(481,869)	(491,830)
Own shares qualified as asset in the MCBS and as an adjustment to shareholders' equity in the IFRS Consolidated Financial Statements	14,292	4,331
RT1 capital instruments qualified as shareholders' equity in the IFRS Consolidated Financial Statements and as liabilities in the MCBS	(496,161)	(496,161)
C Adjustments for different consolidation methods	(263)	(240)
D Adjustments by assets/liabilities type	938,844	572,146
Intangible assets	(2,516,808)	(2,445,556)
Properties and tangible assets for investment and for own use	789,007	704,118
Other financial investments	265,921	(36,003)
Non-life technical provisions	1,333,456	1,296,827
Non-life reinsurance recoverables	(85,033)	(95,784)
Life technical provisions	1,898,588	1,747,672
Life reinsurance recoverables	(52,445)	(43,755)
Financial Liabilities	150,254	266,188
Other assets	1,373	463
Deferred taxes	(845,470)	(822,025)
E=A+B+C+D Shareholders' equity (MCBS)	10,084,439	9,878,932

Section D above illustrates the valuation criteria adopted for preparation of the MCBS, as well as more detailed quantitative information on the comparison with financial statements values.

Methods for eliminating intra-group transactions for the calculation of Own Funds

The Group determines the Consolidated MCBS in compliance with Art. 335 of the Regulation which, particularly with reference to the Unipol Group companies, establishes that the consolidated figures include:

- i. full consolidation of the data of all participations in insurance or reinsurance companies, non-EU insurance or reinsurance companies, insurance holding companies, mixed financial holding companies and ancillary services undertakings;
- ii. the consolidation with the Solvency II equity method of insurance companies that are not subsidiaries of the parent company pursuant to Art. 335 paragraph 1 (d) of the Regulation;
- iii. synthetic consolidation, based on the proportional share of own funds of the company calculated pursuant to the pertinent sector regulations, relating to participations in credit institutions and financial institutions;
- iv. synthetic consolidation in compliance with Art. 13 of the Regulation, of all investee companies other than those mentioned in the previous points.

The methods of eliminating intra-group transactions were applied in line with ordinary consolidation techniques adopted to prepare the Consolidated Financial Statements (IFRS 10 and IAS 28), taking into consideration the different scope of consolidation as described above.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

As already mentioned, the Group calculates its Solvency Capital Requirement on the basis of the Partial Internal Model, without adopting the simplified calculations permitted by regulations.

The valuations were performed by applying the Volatility Adjustment (VA) as the long-term measurement envisaged in the Solvency II regulations, the precise value of which as communicated by EIOPA at the reference date of 31 December 2024 was 23 basis points.

The SCR total for the Group at the end of the reference period was €5,116,344k, up by €428,778k compared to the SCR relating to 31 December 2023. In addition to what was already reported in chapter C with reference to the individual risk modules, the change is explained by:

- Capacity to absorb losses deriving from technical provisions, increase attributable to i) the positive effect deriving from the increase in volume relating to new business and ii) market changes;
- Conservative Margin, which considers i) the component relating to Dynamic Policyholder behaviour (€53,105k), ii) the component relating to NatCat Risk (€22,037k) and iii) the component relating to Government Bonds (€58,298k, valued starting from 2024);
- Financial Sector Capital Requirement: there was an increase in the capital requirement deriving nearly exclusively from the capital requirement of BPER and Banca Popolare di Sondrio, calculated in compliance with sector rules.

The MCR total for the Group at the end of the reference period was €2,083,988k; this amount is calculated according to the specifications defined in Art. 248 of the Regulation.

The amount of the SCR for each risk category established for the Partial Internal Model is shown below along with a comparison with the data relating to 31 December 2023:

E Capital management

SCR - Partial Internal Model

Amounts in €k

Risk Modules	2024	2023	Change on 2023
Non-life and health underwriting risk	1,880,304	1,886,124	(5,819)
Life underwriting risk	869,534	712,923	156,611
Market risks	3,031,564	2,714,853	316,711
Credit risk	794,042	819,456	(25,414)
Diversification	(2,396,404)	(2,348,635)	(47,770)
Basic Solvency Capital Requirement (BSCR)	4,179,041	3,784,721	394,319
Operational risk	550,736	542,215	8,520
Adjustment for loss-absorbing capacity of technical provisions (ALAC TP)	(1,417,170)	(1,056,830)	(360,340)
Adjustment for loss-absorbing capacity of Deferred Taxes (ALAC DT)	(634,486)	(739,886)	105,400
SCR of unregulated companies not belonging to the insurance group	124,100	120,504	3,596
Out of scope undertakings's SCR	79,384	67,822	11,562
Non-controlled participation SCR ³³	52,548	59,603	(7,054)
Conservative margin	133,440	54,358	79,082
Solvency Capital Requirement - Insurance Sector	3,067,593	2,832,507	235,085
Solvency Capital Requirement - Credit and financial sector	2,048,751	1,855,059	193,692
Totale Solvency Capital Requirement (SCR)	5,116,344	4,687,566	428,778

E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

The Group does not use the equity risk sub-module pursuant to Art. 304 of the Regulation to calculate the SCR.

E.4 Differences between the standard formula and any internal model used

Following the authorisation received from the Supervisory Authority, the Group calculates its Solvency Capital Requirement using a Partial Internal Model (PIM) in order to more adequately assess the real risk profile of the Group with respect to the standard formula.

To provide a more complete representation of the risk profile, the Group has adopted risk classification criteria somewhat different from those proposed by the Standard Formula, which is the method used to calculate the Solvency Capital Requirement ("SCR") for companies that have not developed an internal model. In particular, with regard to market risk, as part of the PIM, the Group also considers the risks relating to the volatility of share prices and interest rates.

Within the Partial Internal Model the Group assesses the following risks using the Standard Formula (Market Wide):

- Market Concentration risk;
- the Credit risk exposure to residual counterparties for which no information has at present been obtained for PIM modelling;
- Life business catastrophe risk;
- Operational risk;

³³ The amount of the non-controlled participation SCR represents the proportional share of the solvency capital requirement of Cronos Vita Assicurazioni SpA.

- all Market risks and all Life underwriting risks in reference to index-linked policies, unit-linked policies and pension funds.

The risk aggregation process calls for a bottom-up approach and may be broken down into two phases:

- aggregation of the risk sub-modules that make up the Market, Non-Life and Health, Life and Credit risks;
- aggregation of the Market, Non-Life and Health, Life and Credit risk modules.

The aggregation of the sub-modules involves three distinct approaches:

- joint sampling of risk factors;
- aggregation by means of the Var-Covar method with a posteriori determination of the Probability Distribution Forecast ("PDF");
- aggregation of multiple marginal distributions through copula functions.

More specifically:

- the joint sampling is a risk aggregation method involving the direct calculation of PDF values subject to the occurrence of scenarios with multiple variations of the risk factors in question. This approach allows projection of the Group's MCBS against the set of joint scenarios identified, and subsequent determination of the distribution of the probability of profit and losses aggregated over a time horizon consistent with the holding period of the risk assessment;
- the Var-Covar method is used to aggregate the components of the model adopting the Standard Formula with the components valued using the Internal Model. The main objective is to aggregate the Standard Formula component with the Internal Model component, preserving the PDF-related information;
- when at one point in the PIM aggregation hierarchy two or more empiric distributions meet, these distributions are aggregated using the copula functions. This aggregation method allows the determination of a joint distribution formed by two or more marginal distributions, and to subsequently sample the variable sum distribution.

After determining the PDFs for each risk model (Market PDF, Non-Life PDF, Credit PDF, Life PDF), they are aggregated through:

- determination of a Proxy PDF through scenario-to-scenario association of empiric margins;
- determination of the PDF by means of a Gaussian copula.

This process determines the joint PDF for the four risk modules, considered indispensable in order to adequately capture the Group's risk profile taking into account the dependencies between the various risks.

The loss recorded at the 99.5th percentile of the joint PDF represents the BSCR value of the Group.

The Solvency Capital Requirement is obtained by adding the components relating to Operational risk, the risk relating to Ring Fenced Funds, the components relating to adjustments for loss-absorbing capacity of technical provisions and deferred tax assets and liabilities, the capital requirement of companies not belonging to the insurance group and not regulated, the capital requirement of out of scope undertakings, as well as the model adjustment defined by the Supervisory Authority and the capital requirement of the financial sector to the BSCR.

The reasons for which it is considered that the PIM offers a more suitable representation of the Group's risk profile than the Standard Formula are provided below.

Life underwriting risk

The Internal Model measures Life business underwriting risk more accurately than the Standard Formula, as:

- it makes it possible to determine the maximum loss on the basis of scenarios calibrated on the specific portfolio of the Group, through a precise analysis of the performance of the Life Underwriting Risk factors. In particular, while the valuation approach defined by the SF is scenario-based, with pre-established scenarios calibrated on the European market situation, the Internal Model estimates the maximum loss to which the Group is exposed based on the variability of its specific risk factors;
- it uses more granular and specific actuarial scenarios, defined on the basis of the risk characteristics of the Group's policy portfolio. Specifically, unlike the SF, in which scenarios for the individual Life Underwriting Risk factors are unambiguous for all product classes, in the Internal Model the scenarios that determine the Group's maximum loss are differentiated on the basis of standardised product classes;
- allows for a periodic update of scenarios relating to each risk factor. In fact, the Internal Model scenarios that result in the maximum loss are updated on a quarterly basis;
- it allows a more suitable valuation of the effects of mitigation deriving from the management strategies of financial portfolios underlying the Life insurance policies;
- it facilitates the use test, guaranteeing consistency with the assumptions and models used in the Business Function valuations.

E Capital management

Market risks

The Internal Model measures the market risks of the Group's financial instruments more accurately than the Standard Formula, mainly for the following reasons:

- it allows more accurate measurement of the market risks, determining the maximum loss on the basis of effective changes in the total portfolio value against a combination of risk factors and not through the parameter-based approaches defined in the Standard Formula;
- it uses more granular and specific risk factors, defined on the basis of the risk characteristics of the financial instruments portfolio currently held by the Group;
- it allows constant calibration updating of the models that generate stochastic financial scenarios relating to risk factors identified on the basis of market developments, whilst these scenarios remain static in the Standard Formula;
- it allows calculation of the property risk on the basis of scenarios calibrated on indices representing the Italian real estate market, rather than indices calibrated on the European-UK markets, given the diversity characterising the different markets;
- it allows benefits of diversification between the market risk factors to be captured, based on historically verified correlations. For example, with reference to equity risk, the Internal Model considers the values of sector indices representing individual shares as risk factors, allowing benefits deriving from a diversified portfolio to be captured;
- from a use test point of view, it allows a risk measurement tool to be used that allows continuous comparison with the operating departments that manage the investment portfolios, using logics shared with the lines of business. It combines the need for strict capital at risk measurement with the need to have an operating decision-making support tool to optimise the risk/return parameters of the portfolio.

Credit risk

The Internal Model quantifies the maximum loss of all exposures for which specific financial information can be identified or the degree of risk determined based on historical information obtained internally. For such counterparties it is therefore possible to identify the specific risk parameters. Vice versa, the weighted averages envisaged in the Standard Formula do not allow the use of accurate information that distinguishes the counterparties analysed.

The decision to adopt the Internal Model to calculate the capital requirement for credit risk was, in addition to the purpose of accurately capturing the risk profile of exposures, also dictated by the need - for certain types of exposure - to envisage weightings in line with the effective level of risk detected.

The Internal Model provides the results necessary to fully characterise the Group's risk profile. In particular, the model calculates the entire distribution of losses, highlighting any concentration effects. These aspects are also set out on the basis of the business segment (Life, Non-Life) and the types of credit making up the Group's exposure: exposure to banks, insurance companies, co-insurers, reinsurers, insurance intermediaries (agencies and brokers), policyholders and other receivables.

Non-Life underwriting risk

The Non-Life Internal Model measures the Group's risk profile more accurately than the Standard Formula, with regard to:

- level of granularity: with particular reference to premium risk, it should be noted that the level of granularity used by the Standard Formula, focusing on the Lines of Business (LoB), is not adequate to represent the different risk profiles present within certain LoBs, such as Property & Third Party Liability. The Internal Model, on the other hand, employs a level of granularity based on a segmentation that takes into account business use requirements and risk standardisation criteria. In particular, the classification adopted by the Internal Model is consistent with the Homogeneous Risk Groups (HRG) identified as part of the project for the implementation of IFRS 17;
- possibility of explicitly modelling reinsurance: particularly with reference to premium and reserve risks, the Standard Formula highlighted significant distortions in the assessment of the risk mitigation effects deriving from non-proportional treaties, such as Stop Loss, Excess of Loss per risk and Adverse Development Cover. These distortions led to clear limitations in the definition of reinsurance strategies, in a market context (reinsurance, ILS) characterised by the presence of instruments that are constantly evolving. Otherwise, the architecture of the Non-Life Internal Model is defined in such a way as to guarantee precise modelling of all of the main types of risk transfer instruments;
- business use: the valuation limits of the Standard Formula, mentioned above, have also entailed limitations in use in support of business processes, such as product risk-adjusted pricing which, in the process of determining the premium, provides the possibility of taking into consideration the relative cost of capital. In

this regard, it is believed that transitioning to the Internal Model may favour the use of risk-adjusted metrics in business processes.

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

At no time during the year did the Group fail to meet its Solvency Capital Requirement or its Minimum Capital Requirement.

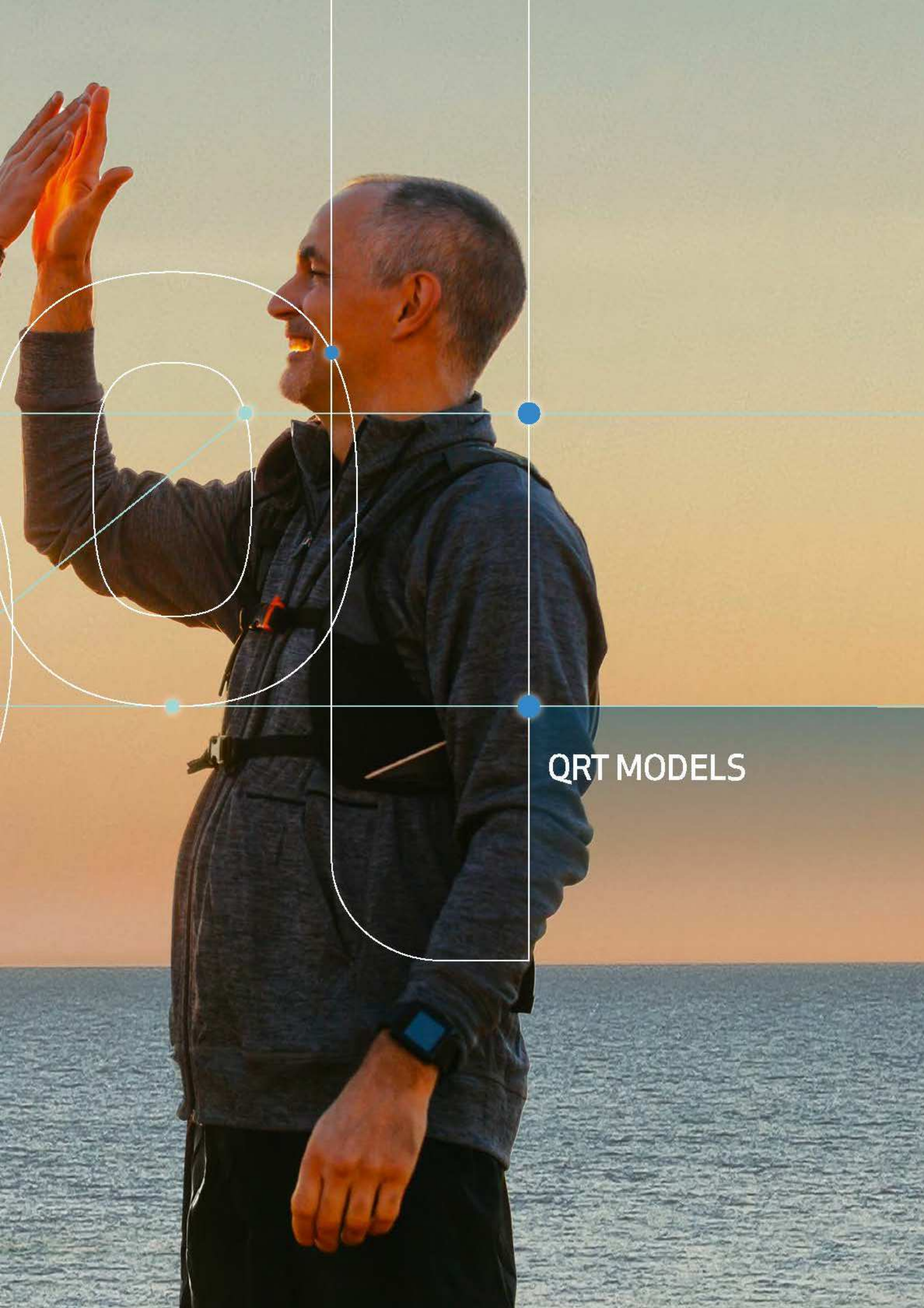
E.6 Any other information

There is no significant additional information to report on the Group's capital management.

Milan, 27 March 2025

The Board of Directors

Together
to **enhance**
value



QRT MODELS

S.02.01.02
Balance sheet

	Solvency II
Assets	
Goodwill	R0010
Deferred acquisition costs	R0020
Intangible assets	R0030
Deferred tax assets	R0040
Pension benefit surplus	R0050
Property, plant & equipment held for own use	R0060
Investments (other than assets held for index-linked and unit-linked contracts)	R0070
Property (other than for own use)	R0080
Holdings in related undertakings, including participations	R0090
Equities	R0100
Equities - listed	R0110
Equities - unlisted	R0120
Bonds	R0130
Government Bonds	R0140
Corporate Bonds	R0150
Structured notes	R0160
Collateralised securities	R0170
Collective Investments Undertakings	R0180
Derivatives	R0190
Deposits other than cash equivalents	R0200
Other investments	R0210
Assets held for index-linked and unit-linked contracts	R0220
Loans and mortgages	R0230
Loans on policies	R0240
Loans and mortgages to individuals	R0250
Other loans and mortgages	R0260
Reinsurance recoverables from:	R0270
Non-life and health similar to non-life	R0280
Non-life excluding health	R0290
Health similar to non-life	R0300
Life and health similar to life, excluding health and index-linked and unit-linked	R0310
Health similar to life	R0320
Life excluding health and index-linked and unit-linked	R0330
Life index-linked and unit-linked	R0340
Deposits to cedants	R0350
Insurance and intermediaries receivables	R0360
Reinsurance receivables	R0370
Receivables (trade, not insurance)	R0380
Own shares (held directly)	R0390
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400
Cash and cash equivalents	R0410
Any other assets, not elsewhere shown	R0420
Total assets	R0500

	Solvency II	
Liabilities		
Technical provisions – non-life	R0510	13,246,903
Technical provisions – non-life (excluding health)	R0520	12,091,394
Technical provisions calculated as a whole	R0530	
Best Estimate	R0540	11,685,810
Risk margin	R0550	405,584
Technical provisions - health (similar to non-life)	R0560	1,155,509
Technical provisions calculated as a whole	R0570	
Best Estimate	R0580	1,089,911
Risk margin	R0590	65,598
Technical provisions - life (excluding index-linked and unit-linked)	R0600	37,501,358
Technical provisions - health (similar to life)	R0610	
Technical provisions calculated as a whole	R0620	
Best Estimate	R0630	
Risk margin	R0640	
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	37,501,358
Technical provisions calculated as a whole	R0660	
Best Estimate	R0670	36,974,872
Risk margin	R0680	526,486
Technical provisions – index-linked and unit-linked	R0690	11,723,177
Technical provisions calculated as a whole	R0700	
Best Estimate	R0710	11,649,135
Risk margin	R0720	74,041
Other technical provisions	R0730	
Contingent liabilities	R0740	
Provisions other than technical provisions	R0750	702,125
Pension benefit obligations	R0760	60,913
Deposits from reinsurers	R0770	137,300
Deferred tax liabilities	R0780	631,360
Derivatives	R0790	116,648
Debts owed to credit institutions	R0800	250,654
Financial liabilities other than debts owed to credit institutions	R0810	4,096,267
Insurance & intermediaries payables	R0820	277,021
Reinsurance payables	R0830	25,517
Payables (trade, not insurance)	R0840	408,068
Subordinated liabilities	R0850	1,749,535
Subordinated liabilities not in Basic Own Funds	R0860	
Subordinated liabilities in Basic Own Funds	R0870	1,749,535
Any other liabilities, not elsewhere shown	R0880	1,575,002
Total liabilities	R0900	72,501,847
Excess of assets over liabilities	R1000	10,084,439

5.05.01.02

Premiums, claims and expenses by line of business

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	
Premiums written										
Gross	R1410		4,166,324	2,013,127	266,556				417	6,446,424
Reinsurers' share	R1420		90		22,704				62	22,856
Net	R1500		4,166,234	2,013,127	243,852				355	6,423,568
Premiums earned										
Gross	R1510		4,174,791	2,013,127	261,197				417	6,449,532
Reinsurers' share	R1520		90		22,704				62	22,856
Net	R1600		4,174,701	2,013,127	238,493				355	6,426,676
Claims incurred										
Gross	R1610		3,588,083	1,344,254	60,521				715	4,993,573
Reinsurers' share	R1620		1,660		6,731				33	8,424
Net	R1700		3,586,423	1,344,254	53,789				683	4,985,149
Expenses incurred	R1900		281,514	81,067	89,278				132	451,991
Balance - other technical expenses/income	R2510									(62,029)
Total expenses	R2600									389,962

QRT Models

5.22.01.22

Impact of long term guarantees measures and transitionals

		Amount with LTG measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	62,471,438			386,328	
Basic own funds	R0020	7,742,521			(250,626)	
Eligible own funds to meet SCR	R0050	10,839,414			(250,626)	
SCR	R0090	5,116,344			86,880	

S.23.01.22
Own funds

Basic own funds before deduction

Ordinary share capital (gross of own shares)
 Non-available called but not paid in ordinary share capital to be deducted at group level
 Share premium account related to ordinary share capital
 Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings
 Subordinated mutual member accounts
 Non-available subordinated mutual member accounts to be deducted at group level
 Surplus funds
 Non-available surplus funds to be deducted at group level
 Preference shares
 Non-available preference shares to be deducted at group level
 Share premium account related to preference shares
 Non-available share premium account related to preference shares at group level
 Reconciliation reserve
 Subordinated liabilities
 Non-available subordinated liabilities to be deducted at group level
 An amount equal to the value of net deferred tax assets
 The amount equal to the value of net deferred tax assets not available to be deducted at the group level
 Other items approved by supervisory authority as basic own funds not specified above
 Non available own funds related to other own funds items approved by supervisory authority
 Minority interests
 Non-available minority interests to be deducted at group level

Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds

Deductions

Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities whereof deducted according to art 228 of the Directive 2009/138/EC
 Deductions for participations where there is non-availability of information (Article 229)
 Deduction for participations included via Deduction and Aggregation method (D&A) when a combination of methods are used
 Total of non-available own fund items to be deducted

Total deductions

Total basic own funds after deductions

Ancillary own funds

Unpaid and uncalled ordinary share capital callable on demand
 Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand
 Unpaid and uncalled preference shares callable on demand
 A legally binding commitment to subscribe and pay for subordinated liabilities on demand
 Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC
 Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC
 Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC
 Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC
 Non available ancillary own funds to be deducted at group level
 Other ancillary own funds

Total ancillary own funds

	Total	Tier1 - unrestricted	Tier1 - restricted	Tier 2	Tier 3
	C0010	C0020	C0030	C0040	C0050
R0010	3,365,292	3,365,292			
R0020					
R0030	1,345,677	1,345,677			
R0040					
R0050					
R0060					
R0070					
R0080					
R0090					
R0100					
R0110					
R0120					
R0130	4,263,521	4,263,521			
R0140	1,749,535		455,130	1,294,404	
R0150					
R0160	23,187				23,187
R0170	96				96
R0180					
R0190					
R0200	417,176	417,176			
R0210	279,179	279,179			
R0220					
R0230	3,142,592	3,142,592			
R0240					
R0250					
R0260					
R0270	279,275	279,179			96
R0280	3,421,867	3,421,771			96
R0290	7,742,521	5,969,896	455,130	1,294,404	23,091
R0300					
R0310					
R0320					
R0330					
R0340					
R0350					
R0360					
R0370					
R0380					
R0390					
R0400					

QRT Models

S.25.05.22

Solvency Capital Requirement - for groups using an internal model (partial or full)

Component - specific information

Risk type	Solvency Capital Requirement	Amount modelled	USP	Simplifications
	C0010	C0070	C0090	C0120
Total diversification	R0020	(5,917,029)		
Total diversified risk before tax	R0030	4,943,456		
Total diversified risk after tax	R0040	3,789,052		
Total market & credit risk	R0070	4,553,291	4,297,537	
Market & Credit risk - diversified	R0080	3,094,080		
Credit event risk not covered in market & credit risk	R0190	805,566	624,420	
Credit event risk not covered in market & credit risk - diversified	R0200	805,566		
Total Business risk	R0270			
Total Business risk - diversified	R0280			
Total Net Non-life underwriting risk	R0310	3,663,644	1,880,304	
Total Net Non-life underwriting risk - diversified	R0320	1,905,259		
Total Life & Health underwriting risk	R0400	1,146,955	893,644	
Total Life & Health underwriting risk - diversified	R0410	876,721		
Total Operational risk	R0480	557,589		
Total Operational risk - diversified	R0490	557,589		
Other risk	R0500	133,440		

Calculation of Solvency Capital Requirement

		C0100
Total undiversified components	R0110	7,372,655
Diversification	R0060	(2,429,198)
Adjustment due to RFF/MAP nSCR aggregation	R0120	10,653
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency Capital Requirement calculated on the basis of Art. 336 (a) of Delegated Regulation (EU) 2015/35, excluding capital add-on	R0200	2,890,944
Capital add-ons already set	R0210	
of which, Capital add-ons already set - Article 37 (1) Type a	R0211	
of which, Capital add-ons already set - Article 37 (1) Type b	R0212	
of which, Capital add-ons already set - Article 37 (1) Type c	R0213	
of which, Capital add-ons already set - Article 37 (1) Type d	R0214	
Consolidated Group SCR	R0220	5,116,344
Other information on SCR		
Amount/estimate of the overall loss-absorbing capacity of technical provisions	R0300	(1,417,170)
Amount/estimate of the loss absorbing capacity for deferred taxes	R0310	(645,995)
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	5,073,421
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	42,923
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	
Minimum consolidated group solvency capital requirement	R0470	2,083,988
Information on other entities		
Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500	2,048,751
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	2,048,751
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	R0520	
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated undertakings carrying out financial activities	R0530	
Capital requirement for non-controlled participation	R0540	52,548
Capital requirement for residual undertakings	R0550	124,100
Capital requirement for collective investment undertakings or investments packaged as funds	R0555	
Overall SCR		
SCR for undertakings included via D&A method	R0560	
Total group solvency capital requirement	R0570	5,116,344

5.32.01.22

Undertakings in the scope of the group

Country	Identification code of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form
C0010	C0020	C0040	C0050	C0060
ITALY	SC/815600E31C4E7006AB54IT0U133	Midi Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	LEI/81560007899BA7947774	Immobiliare C.S. Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	SC/815600E31C4E7006AB54IT0U679	Marina di Loano Spa	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società per azioni
ITALY	SC/81560066ED58493ED764IT0U051	SiSalute Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	SC/8156000B8C045F2E6397IT0U086	Pegaso Finanziaria Spa	Other	Società per azioni
ITALY	SC/8156000B8C045F2E6397IT0U964	Assicoop Emilia Nord Srl	Other	Società a responsabilità limitata
ITALY	SC/815600E31C4E7006AB54IT0U688IT0U669	Consorzio Castello	Other	Società consortile a responsabilità limitata
ITALY	SC/8156000B8C045F2E6397IT0U722	UniAssiTeam Srl	Other	Società a responsabilità limitata
ITALY	LEI/81560008C81E431B3E772	UnipolPay Spa	Credit institutions, investment firms and financial institutions	Società per azioni
ITALY	SC/81560080C81E39927641IT0U750	Consorzio tra Proprietari Centro Commerciale Porta Marcolfa	Other	Consorzio tra Proprietari
ITALY	SC/815600E31C4E7006AB54IT0U740	BeRebel Spa	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società per azioni
ITALY	SC/815600E31C4E7006AB54IT0U742	I.Car Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	LEI/9845002B5D8A1BD9B472	Cronos Vita Spa	Life undertakings	Società per azioni
ITALY	LEI/8156004869BDC1B75210	Gruppo UNA Spa	Other	Società per azioni
ITALY	SC/815600DF2A01122A9547IT0U503	Arca Direct Assicurazioni Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	LEI/815600E0FCD4D94E9A53	UnipolAssistance Scrl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società consortile a responsabilità limitata
ITALY	SC/81560077B9B548CABA42IT0U741	NUOVE TERME PETRIOLO Srl	Other	Società a responsabilità limitata
ITALY	LEI/8156005CE5E7340CCA86	Unipol Assicurazioni Spa	Composite insurer	Società per azioni
ITALY	LEI/815600A09A8AC2BD9279	Assicoop Modena & Ferrara Spa	Other	Società per azioni
ITALY	SC/815600E31C4E7006AB54IT0U071IT0U749	Gratia et Salus Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata

Category (mutual/ non mutual)	Supervisory Authority	Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
		% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportion al share used for group solvency calculation	Yes/No	Date of decis ion if art. 214	Method used and under method 1, treatment of the undertaking
		C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		98.99%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		45.00%	45.00%	45.00%		Significant	45.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		50.00%	50.00%	50.00%		Significant	50.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		99.57%	99.57%	99.57%		Dominant	99.57%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		65.00%	65.00%	65.00%		Dominant	65.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Sectoral rules
Non-mutual		68.46%	68.46%	68.46%		Dominant	68.46%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual	Istituto per la Vigilanza sulle Imprese di Assicurazione	22.50%	22.50%	22.50%		Dominant	22.50%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		63.39%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		99.95%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		89.59%	89.59%	100.00%		Dominant	89.59%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual	Istituto per la Vigilanza sulle Imprese di Assicurazione	100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		43.75%	43.75%	43.75%		Significant	43.75%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation

QRT Models

Country	Identification code of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form
C0010	C0020	C0040	C0050	C0060
ITALY	LEI/815600DF2A01122A9547	Arca Vita Spa	Life undertakings	Società per azioni
LUXEMBOURG	SC/815600E31C4E7006AB54LU0U634	Finsai International Sa	Other	Societe' anonyme
ITALY	SC/81560031C45C5270EA82IT0U754	Santagostino Servizi e Prodotti Srl	Other	Società a responsabilità limitata
IRELAND	LEI/635400WSNBUMPRJT153	Arca Vita International Dac	Life undertakings	Designated Activity Company
ITALY	SC/815600E31C4E7006AB54IT0U745	WelBee SpA	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società per azioni
ITALY	LEI/81560092D4267A9B8C84	Compagnia Assicuratrice Linear Spa	Non-Life undertakings	Società per azioni
ITALY	LEI/815600B88882F8585A94	Fondo Oikos	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	OICR
ITALY	LEI/815600374934F0B2A761	UnipolService Spa	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società per azioni
ITALY	SC/8156000B8C045F2E6397IT0U963	Assicoop Romagna Futura Srl	Other	Società a responsabilità limitata
ITALY	SC/815600E31C4E7006AB54IT0U751	DaVinci Healthcare Srl	Other	Società a responsabilità limitata
ITALY	LEI/815600B1F73218939F93	Tantovsago Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	LEI/81560042583426635187	Fondazione Unipolis	Other	Fondazione
SERBIA	SC/815600E31C4E7006AB54R50U610	Ddor Novi Sad	Non-Life undertakings	Akcionarsko drustvo-a.d.o.
ITALY	LEI/8156000B8C045F2E6397	Unipol Finance Spa	Other	Società per azioni
SERBIA	SC/815600E31C4E7006AB54C50U610R50U661	Ddor Garant	Other	Akcionarsko drustvo-a.d.
ITALY	LEI/815600C82E2986907010	UnipolTech Spa	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società per azioni
ITALY	LEI/815600FDIC2C2E80F866	Siat-Societa' Italiana Assicurazioni e Riassicurazioni - per Azioni	Non-Life undertakings	Società per azioni
ITALY	SC/815600E31C4E7006AB54IT0U643	Centro Oncologico Fiorentino Casa di Cura Villanova Srl in Liquidazione	Other	Società a responsabilità limitata
ITALY	SC/8156005CE5E7340CCA86IT0U725	UnipolReC Spa	Other	Società per azioni
ITALY	LEI/81560080C81E39927641	Fondo Emporion Immobiliare	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	OICR

Category (mutual/ non mutual)	Supervisory Authority	Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
		% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 ls applied	Method used and under method 1, treatment of the undertaking
C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
Non-mutual	Istituto per la Vigilanza sulle Imprese di Assicurazione	63.39%	100.00%	63.39%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual	Central Bank of Ireland	63.39%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual	Istituto per la Vigilanza sulle Imprese di Assicurazione	100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		50.00%	50.00%	50.00%		Significant	50.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		80.26%	80.26%	80.26%		Dominant	80.26%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		75.00%	100.00%	75.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual	National Bank of Serbia	100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		40.00%	40.00%	40.00%		Significant	40.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual	Istituto per la Vigilanza sulle Imprese di Assicurazione	94.69%	100.00%	94.69%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation

QRT Models

Country	Identification code of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form
Co010	Co020	Co040	Co050	Co060
ITALY	LEI/81560077B9B548CABA42	Athens R.E. Fund	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	OICR
ITALY	SC/815600E31C4E7006AB54IT0U642	Casa di Cura Villa Donatello - Spa	Other	Società per azioni
ITALY	SC/815600E31C4E7006AB54IT0U642IT0U646	Florence Centro di Chirurgia Ambulatoriale Srl	Other	Società a responsabilità limitata
ITALY	SC/815600E31C4E7006AB54IT0U737	Cambiomarcia Srl	Other	Società a responsabilità limitata
ITALY	LEI/81560002724EFB774819	Tikal R.E. Fund	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	OICR
ITALY	SC/815600E31C4E7006AB54IT0U641IT0U639	UnipolGlass Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	SC/815600E31C4E7006AB54IT0U635	Fin.Priv. Srl	Other	Società a responsabilità limitata
ITALY	SC/815600E31C4E7006AB54IT0U743	Unipol Motor Partner Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	SC/815600E31C4E7006AB54IT0U649	Tenute del Cerro Spa - Societa' Agricola	Other	Società per azioni
ITALY	LEI/8156008E49FB656B5E36	Fondo Landev	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	OICR
SERBIA	SC/635400UQ9HQGZGZ2MH31RS0U611	Ddor Re	Reinsurance undertakings	Akcionarsko drustvo-a.d.o.
ITALY	LEI/81560031C45C5270EA82	Società e Salute Spa	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società per azioni
ITALY	LEI/815600D8EB46528C7569	Unipol Rental Spa	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società per azioni
ITALY	SC/8156000B8C045F2E6397IT0U941	Assicoop Bologna Metropolitana Spa	Other	Società per azioni
ITALY	SC/815600DF2A01122A9547IT0U504	Arca Inlinea Scarl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società consortile a responsabilità limitata
ITALY	SC/815600E31C4E7006AB54IT0U744IT0U748	Unicasa Italia Spa	Other	Società per azioni
SERBIA	SC/815600E31C4E7006AB54CS0U610RS0U653	Ddor Auto - Limited Liability Company	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Drustvo sa ogranicenom odgovornou-d.o.o
ITALY	LEI/81560028CC4BF3E31324	Leithà Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	LEI/815600D523F9906A1566	Arca Assicurazioni Spa	Non-Life undertakings	Società per azioni
ITALY	SC/815600E31C4E7006AB54IT0U744	UnipolHome Spa	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società per azioni

Category (mutual/ non mutual)	Supervisory Authority	Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
		% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
Non-mutual		89.59%	100.00%	89.59%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		70.00%	100.00%	70.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		28.57%	28.57%	28.57%		Significant	28.57%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual	National Bank of Serbia	100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		97.78%	100.00%	97.78%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		49.19%	49.19%	49.19%		Significant	49.19%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		62.92%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		70.00%	70.00%	70.00%		Dominant	70.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual	Istituto per la Vigilanza sulle Imprese di Assicurazione	62.20%	100.00%	98.12%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation

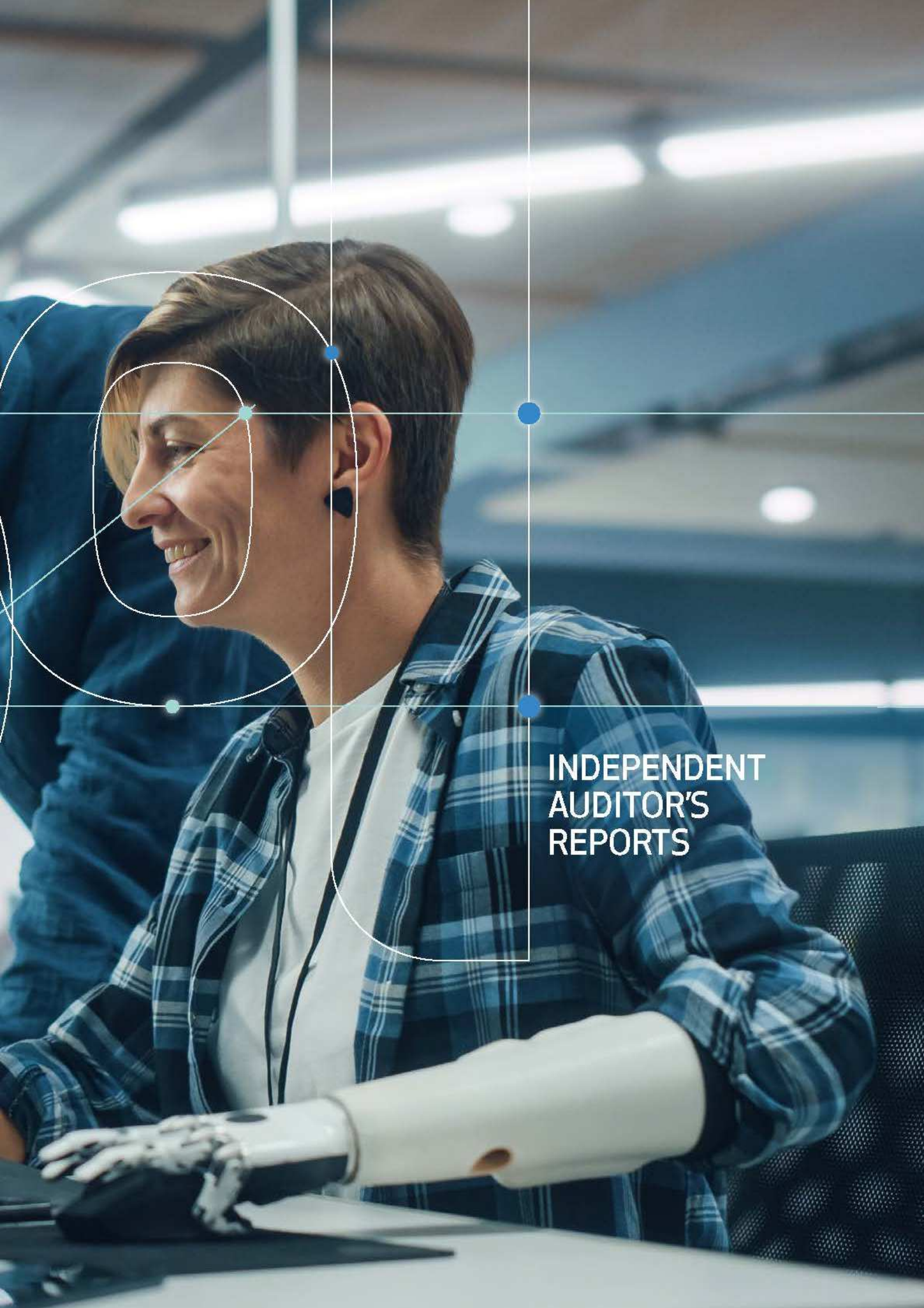
QRT Models

Country	Identification code of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form
C0010	C0020	C0040	C0050	C0060
ITALY	SC/815600DF2A01122A9547IT0U506	Arca Sistemi Scarl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società consortile a responsabilità limitata
ITALY	SC/815600E31C4E7006AB54IT0U651	IRMA Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	SC/815600E31C4E7006AB54IT0U685	Meridiano Secondo Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	SC/815600B8C045F2E6397IT0U084	Assicoop Toscana Spa	Other	Società per azioni
ITALY	LEI/N7470I7JINV7RUUH6190	BPER Banca Spa	Credit institutions, investment firms and financial institutions	Società per azioni
ITALY	SC/815600E31C4E7006AB54IT0U688	Nuove Iniziative Toscane - Società a Responsabilità Limitata	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	LEI/815600ACFFD4FB173182	Unipol Welfare Solutions Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	LEI/81560066ED58493ED764	UniSalute Spa	Non-Life undertakings	Società per azioni
ITALY	LEI/8156005E316B69E09270	BIM Vita Spa	Life undertakings	Società per azioni
ITALY	SC/81560092D4267A9B8C84IT0U757	LinearNext Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	SC/815600E31C4E7006AB54IT0U756	Tenute del Cerro Wines Srl	Other	Società a responsabilità limitata
ITALY	LEI/J48C8PCSJVUBR8KCW529	Banca Popolare di Sondrio	Credit institutions, investment firms and financial institutions	Società per azioni
ITALY	SC/815600E31C4E7006AB54IT0U703	Borsetto Srl	Other	Società a responsabilità limitata
ITALY	LEI/8156007979D979406675	Uci - Ufficio Centrale Italiano	Other	Società consortile a responsabilità limitata
ITALY	LEI/815600FB8FC9D781EB88	Unipol Investimenti Sgr Spa	Credit institutions, investment firms and financial institutions	Società per azioni
ITALY	SC/815600E31C4E7006AB54IT0U677	Ital H&R Srl	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Società a responsabilità limitata
ITALY	SC/815600E31C4E7006AB54IT0U656	Funivie del Piccolo San Bernardo Spa	Other	Società per azioni
ITALY	SC/815600B8C045F2E6397IT0U231	SCS Azioninova Spa	Other	Società per azioni

Category (mutual/ non mutual)	Supervisory Authority	Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
		% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
Non-mutual		63.19%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		49.77%	49.77%	49.77%		Significant	49.77%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual	European Central Bank	19.86%	19.86%	19.86%		Significant	19.86%	Included into scope of group supervision		Method 1: Sectoral rules
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual	Istituto per la Vigilanza sulle Imprese di Assicurazione	98.99%	100.00%	98.99%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual	Istituto per la Vigilanza sulle Imprese di Assicurazione	50.00%	100.00%	50.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual	European Central Bank	19.88%	19.88%	19.88%		Significant	19.88%	Included into scope of group supervision		Method 1: Sectoral rules
Non-mutual		44.93%	44.93%	44.93%		Significant	44.93%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		38.35%	38.35%	38.36%		Significant	38.35%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual	Banca d'Italia	100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Sectoral rules
Non-mutual		100.00%	100.00%	100.00%		Dominant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
Non-mutual		23.55%	23.55%	23.55%		Significant	23.55%	Included into scope of group supervision		Method 1: Adjusted equity method
Non-mutual		42.85%	42.85%	42.85%		Significant	42.85%	Included into scope of group supervision		Method 1: Adjusted equity method

A man in a blue shirt is leaning over a desk, looking at a computer monitor. He is wearing a lanyard with an ID badge. The background shows an office environment with other computer monitors and desks. A white network diagram with blue and red nodes and connecting lines is overlaid on the image. The text "Together to enhance value" is centered within a white circle in the diagram.

Together
to **enhance**
value



**INDEPENDENT
AUDITOR'S
REPORTS**



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Unipol Assicurazioni S.p.A. (formerly Unipol Gruppo S.p.A.)

Solvency and Financial Condition Report as at December 31, 2024

Independent auditor's report pursuant to article 47-septies,
paragraph 7 of Legislative Decree n. 209, dated 7 September 2005,
and article 5, paragraph 1, letters a) and b) of IVASS Regulation n. 42,
dated 2 August 2018



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Independent auditor's report pursuant to article 47-septies, paragraph 7 of Legislative Decree n. 209, dated 7 September 2005, and article 5, paragraph 1, letters a) and b) of IVASS Regulation n. 42, dated 2 August 2018

(Translation from the original Italian text)

To the Board of Directors of
Unipol Assicurazioni S.p.A. (formerly Unipol Gruppo S.p.A.)

Opinion

We have audited the following elements of the Solvency and Financial Condition Report (the "SFCR") of the Unipol Group (the "Group") as at December 31, 2024, prepared pursuant to article 47-septies of Legislative Decree n. 209, dated 7 September 2005:

- reporting templates "S.02.01.02 Balance sheet" and "S.23.01.22 Own funds" (the "reporting templates");
- sections "D. Valuation for solvency purposes" and "E.1 Own funds" (the "disclosures").

Our procedures do not extend to:

- the components of technical provisions related to Risk Margin (items R0550, R0590, R0640, R0680 and R0720) of the reporting template "S.02.01.02 Balance sheet";
- the group total Solvency Capital Requirement (item R0680) and to the Minimum consolidated group capital Requirement (item R0610) of the reporting template "S.23.01.22 Own funds", consequently, they are excluded from our opinion.

The reporting templates and the disclosures, with the exclusions abovementioned, constitute "the MVBS and OF reporting templates and related disclosures" as a whole.

In our opinion, the MBVS and OF reporting templates and related disclosures included in the SFCR of the Unipol Group as at December 31, 2024 have been prepared, in all material respects, in accordance with the applicable European Union regulations and the national sectoral regulation.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the MVBS and OF reporting templates and related disclosures* section of our report.

We are independent of Unipol Assicurazioni S.p.A. (the "Parent Company" or the "Company") in accordance with the regulations and standards on ethics and independence of the Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants applicable to the audit of MVBS and OF reporting templates and related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Emphasis of matter – Basis of preparation, purpose and restriction on use

We draw attention to section “D. Valuation for solvency purposes” which describes the basis of preparation. The MVBS and OF reporting templates and related disclosures have been prepared for solvency supervision purposes in accordance with the applicable European Union regulations and the national sectoral regulation, which results in a special purpose framework. As a result, they may not be suitable for other purposes. Our opinion is not modified in respect of this matter.

Other matters

The Company has prepared the consolidated financial statements as at December 31, 2024 in accordance with International Financial Reporting Standards as adopted by the European Union and the Regulation issued to implement article 90 of Legislative Decree n. 209, dated 7 September 2005, governing the criteria for their preparation, on which we issued our independent auditor’s report dated April 7, 2025.

The Company has prepared the reporting templates “S.25.05.22 Solvency Capital Requirement – for groups using an internal model (partial or full)” and the related disclosure presented in section “E.2 Solvency Capital Requirement and Minimum Capital Requirement” included in the SFCR in accordance with the applicable European Union regulations, the national sectoral regulation and the Partial Internal Model of the Unipol Group, which are reviewed by us pursuant to article 5 paragraph 1, letter c) of IVASS Regulation n. 42, dated 2 August 2018, following which we issued today a limited review report attached to the SFCR.

Other Information included in the SFCR

The Directors are responsible for the preparation of the other information included in the SFCR in accordance with the applicable laws and regulations governing the basis of preparation.

The other information included in the SFCR are:

- reporting templates “S.05.01.02 Premiums, claims and expenses by line of business”, “S.22.01.22 Impact of long term guarantees measures and transitionals”, “S.25.05.22 Solvency Capital Requirement – for groups using an internal model (partial or full)” and “S.32.01.22 Undertakings in the scope of the group”;
- sections “A. Business and Performance”, “B. System of governance”, “C. Risk profile”, “E.2 Solvency Capital Requirement and Minimum Capital Requirement”, “E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement”, “E.4 Differences between the standard formula and any internal model used”, “E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement” and “E.6 Any other information”.

Our opinion on the MVBS and OF reporting templates and related disclosures does not cover the other information.



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In connection with our audit of the MBVS and OF reporting templates and related disclosures, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the MVBS and OF reporting templates and related disclosures or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify possible inconsistencies or material misstatement, we are required to determine if there is a material misstatement in the MVBS and OF reporting templates and related disclosures or in the other information. If, based on the work performed, we conclude that there is a material misstatement, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the MVBS and OF reporting templates and related disclosures

The Directors are responsible for the preparation of the MVBS and OF reporting templates and related disclosures in accordance with the applicable laws and regulations governing the basis of preparation, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of MVBS and OF reporting templates and related disclosures that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the MVBS and OF reporting templates and related disclosures, for the appropriateness of the use of the going concern and for disclosing related matters. The Directors use the going concern basis of accounting in the preparation of MVBS and OF reporting templates and related disclosures unless they either intend to liquidate the Parent Company or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the MVBS and OF reporting templates and related disclosures

Our objectives are to obtain reasonable assurance about whether the MVBS and OF reporting templates and related disclosures as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the MVBS and OF reporting templates and related disclosures.



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As part of an audit in accordance with International Standards on Auditing (ISAs), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the MVBS and OF reporting templates and related disclosures, whether due to fraud or error; have designed and performed audit procedures responsive to those risks and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit of the MVBS and OF reporting templates and related disclosures in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Parent Company to cease to continue as a going concern;
- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the MBVS and OF reporting templates and related disclosures. We are responsible for the direction, supervision and performance of the MBVS and OF reporting templates and related disclosures audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided Those Charged with Governance with a statement that we complied with the regulations and standard on ethics and independence applicable in accordance with the Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants a communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and were applicable, related safeguards.

Milan, 9th May 2025

EY S.p.A.

Signed by: Paolo Ancona, Auditor

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.



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Unipol Assicurazioni S.p.A. (formerly Unipol Gruppo S.p.A.)

Solvency and financial condition report as at December 31, 2024

Independent auditor's review report pursuant to article 47-septies,
paragraph 7 of Legislative Decree n. 209, dated 7 September 2005
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(Translation from the original Italian text)

To the Board of Directors of
Unipol Assicurazioni S.p.A. (formerly Unipol Gruppo S.p.A.)

Introduction

We have reviewed the accompanying reporting template "S.25.05.22 Solvency Capital Requirement – for groups using an internal model (partial or full)" (the "SCR and MCR reporting template") and the related disclosures presented in section "E.2 Solvency Capital Requirement and Minimum Capital Requirement" (the "disclosures" or the "related disclosures") included in the Solvency and Financial Condition Report (the "SFCR") of the Unipol Group (the "Group") as at December 31, 2024, pursuant to article 47-septies of Legislative Decree n. 209, dated 7 September 2005.

The SCR and MCR reporting template and related disclosures have been prepared by Management in accordance with the applicable European Union regulations, the national sectoral regulation and the Partial Internal Model of the Group, as described in the disclosures included in the SFCR and as approved by IVASS.

Management's Responsibility

Management is responsible for the preparation of the SCR and MCR reporting template and related disclosures in accordance with the applicable European Union regulations, the national sectoral regulation and the Partial Internal Model of the Group, as described in the disclosures included in the SFCR and as approved by IVASS, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of SCR and MCR reporting template and related disclosures that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on SCR and MCR reporting template and related disclosures. We conducted our review in accordance with International Standard on Review Engagements (*ISRE*) 2400 (*Revised*), *Engagements to review Historical Financial Statements*. *ISRE* 2400 (*Revised*) requires us to conclude whether anything has come to our attention that causes us to believe that the SCR and MCR reporting template and related disclosures are not prepared, in all material respects, in accordance with the applicable European Union regulations, the national sectoral regulation and the Partial Internal Model of the Group, as described in the disclosures included in the SFCR and as approved by IVASS. This Standard also requires us to comply with relevant ethical requirements.

The review of SCR and MCR reporting template and related disclosures in accordance with *ISRE 2400 (Revised)* is a limited assurance engagement. The auditor performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (ISAs). Accordingly, we do not express an audit opinion on SCR and MCR reporting template and related disclosures.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that SCR and MCR reporting template and related disclosures included in the SFCR of the Unipol Group as at December 31, 2024, are not prepared, in all material respects, in accordance with the applicable European Union regulations, the national sectoral regulation and the Partial Internal Model of the Group as described in the disclosures included in the SFCR and as approved by IVASS.

Basis of preparation, purpose and restriction on use

Without modifying our conclusion, we draw attention to section “E.2 Solvency Capital Requirement and Minimum Capital Requirement” included in the SFCR, which describes the basis of preparation of SCR and MCR reporting template. The SCR and MCR reporting template and the related disclosures are prepared, for solvency supervision purposes, in accordance with the applicable European Union regulations, the national sectoral regulation and the Partial Internal Model of the Group, as described in the disclosures included in the SFCR and as approved by IVASS, which results in a special purpose framework. As a result, as required by the article 13 of IVASS Regulation n. 42 dated 2 August 2018, the approvals, derogations or other decisions by IVASS, included the structure of the Partial Internal Model, are considered by us as part of the standard framework for our review and the reporting template and related disclosures may not be suitable for any other purposes. In particular, in accordance with articles 46-bis and 46-ter of Legislative Decree n. 209, dated 7 September 2005, the Partial Internal Model briefly described in the disclosures included in the SFCR has been approved by IVASS in the discharge of its supervisory functions and it could differ from internal models approved for other Groups.

Milan, 9th May 2025

EY S.p.A.

Signed by: Paolo Ancona, Auditor

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Unipol Assicurazioni S.p.A.

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€3,365,292,408.03 fully paid-up
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Tax No. 00284160371
VAT No. 03740811207
R.E.A. No. 160304

Company entered in Section I
of the Insurance and Reinsurance Companies List
at No. 1.0083
and parent company of the
Unipol Insurance Group, entered in the
Register of the parent companies
No. 046

