CREDIT OPINION
19 February 2026

Update

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RATINGS

Unipol Assicurazioni S.p.A.

Domicile	Italy
Long Term Rating	Baa1
Type	Insurance Financial Strength - Dom Curr
Outlook	Stable

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Unipol Assicurazioni S.p.A.

Update to credit analysis

Summary

The credit profile of Unipol Assicurazioni S.p.A. (Unipol, the result of the merger between Unipol Gruppo S.p.A. and UnipolSai Assicurazioni S.p.A.), rated Baa1 for insurance financial strength, is supported by a strong business profile, characterized by its leading position in the Italian non-life market, strong control of its distribution thanks to its tied agent network, and a relatively low product risk thanks to a focus on retail business and a low average guaranteed rate in the life segment. Other strengths of the group include a good profitability (RoC of 7.7% in 2024) and a very good capitalization, as evidenced by a consolidated Solvency II ratio of 220% as of 30 September 2025. In addition, Unipol announced its intention not to replace outstanding senior bonds, which will improve the group's financial flexibility.

These strengths are partially offset by a concentration of assets and liabilities in Italy (Baa2 stable) which impacts the group's asset quality, capitalization and financial flexibility. Unipol's exposure to Italian government bonds represented 29% of its investments and 172% of its shareholders' equity as of 30 September 2025.

The group's new 2025-2027 strategic plan targets further digitalization and distribution enhancement, while maintaining a focus on capital and earnings discipline.

Credit strengths

» A strong business profile, characterized by its leading position in the Italian non-life market

» Strong control of the group's distribution thanks to its tied agent network, and a relatively low product risk thanks to a focus on retail business and a low average guaranteed rate in the life segment.

» Solid underlying profitability of the insurance operations, in particular in P&C with a relatively low net combined ratio of 93.6% (average for the period 2020-2024)

» Strong level of capitalisation as evidenced by a consolidated Solvency II ratio of 220% as of 30 September 2025.

Credit challenges

» Concentration of assets and liabilities in Italy, which constrains the group's asset quality, capitalization and financial flexibility.

Rating outlook

The stable outlook is in line with the sovereign rating of the government of Italy.

Factors that could lead to an upgrade

Unipol's ratings could be upgraded:

» in case of improvement in Italy's credit quality, as evidenced by an upgrade of the sovereign rating, or

» if Unipol continued to strengthen its resilience to Italian assets, for example through consistently higher Solvency II ratios.

Factors that could lead to a downgrade

Unipol's ratings could be downgraded:

» in case of a deterioration in the credit quality of Italy, as evidenced by a downgrade of Italy's sovereign rating, would likely result in a downgrade of Unipol's ratings.

Downward pressure could also result from a:

» significant weakening of the group's market position,

» material and sustained lower earnings, in particular if this should be driven by lower property and casualty underwriting performance, and

» lower capital adequacy.

Key Indicators

Exhibit 1

Unipol Assicurazioni S.p.A. - Key Financial Indicators (2024-2022)

Unipol Assicurazioni S.p.A. [1][2]	2024	2023	2022
As Reported (Euro Millions)			
Total Assets	83,425	79,458	73,025
Shareholders' Equity	9,628	9,799	8,578
Net Income (Loss) Attributable to Common Shareholders	1,074	1,101	525
Moody's Adjusted Ratios			
High Risk Assets % Shareholders' Equity	139%	138%	155%
Reinsurance Recoverable % Shareholders' Equity	10%	11%	10%
Goodwill & Intangibles % Shareholders' Equity	38%	40%	43%
Shareholders' Equity % Total Assets	11%	11%	10%
Return on Average Capital (ROC)	8%	9%	5%
Adjusted Financial Leverage	27%	24%	28%
Total Leverage	30%	30%	33%
Earnings Coverage	8.2x	9.8x	5.9x

[1] Information based on IFRS 17 financial statements as of the fiscal year ended December 31; [2] Previous years' financial statements were prepared under IFRS 4, which are not comparable to IFRS 17 and not included in the exhibit.
Sources: Company filings and Moody's Ratings

Detailed credit considerations

Our Baa1 insurance financial strength rating (IFSR) on Unipol is one notch below the A3 outcome of Moody's insurance financial strength rating adjusted scorecard, but one notch above the Italian sovereign rating. This reflects our view that (1) Unipol's key credit fundamentals (asset quality, capitalization, liquidity and financial flexibility) are somewhat correlated with - and thus linked to - the economic and market conditions in Italy, where the group is domiciled and almost exclusively operates and (2) that Unipol has increased its resilience to potential Italian sovereign stress scenarios.

Market position and brand: Strong, particularly in P&C

Through Unipol and its specialized subsidiaries, Arca Assicurazioni (non-life bankinsurer), Arca Vita (life bankinsurer), Linear (direct insurance), SIAT (marine and transport) and UniSalute (health),Unipol is the leader in the Italian P&C market and held a market share of 19% in 2024. We consider the Unipol brand to be very strong in Italy, evidenced by very strong retention rates. The group's market leadership is particularly pronounced in the motor segment where Unipol developed modern products and offers a high quality of services. For example, Unipol has successfully established the use of telematics in its portfolio with around 4 million blackboxes installed in policyholders' cars, enabling improved underwriting, better and quicker claims management, and ancillary customer services. Unipol's 2025-2027 business plan aims to deepen Unipol's position through enhanced data-driven pricing, portfolio rebalancing and an omnichannel strategy

Unipol is also growing in non-motor lines. The strategy notably places strong emphasis on expanding the health business, capitalising on rising demand for private healthcare solutions and an aging population.

In life, Unipol has a smaller market share than in P&C, standing at 5% in 2024, but is growing notably thanks to the bancassurance channel.

Distribution: good diversification and strong control

Unipol's distribution is a key competitive advantage, combining strong control and a multichannel distribution approach. Unipol's tied agent network is the largest in Italy, which continues to generate the majority of the group's premium volumes. This channel remains central to Unipol's commercial strategy, especially in the motor, health and SME segments.

In parallel, Unipol has expanded its reach through bancassurance joint ventures with BPER through Arca Vita and Arca Assicurazioni.

Growth in bancassurance channel has been further reinforced by UniSalute (the group's health insurance company), whose products are distributed via both agents and bank networks since January 2023. Consequently, UniSalute reported a 27% growth in 2024 mainly driven by the banking channel.

Other distribution channels include direct distribution, via internet and brokers, which remain secondary in terms of volume and strategic control but provide complementary access, especially in niche and corporate segments.

We believe that Unipol has strong control over its tied agent organization and its direct distribution, less so over the broker channel. As far as the bank channel is concerned, Unipol holds majority shares in the joint venture companies. It also holds a minority stake in BPER (19.9% stake) and is the largest shareholder in this company, which contributes to improve Unipol's control over this distributor.

Product focus and diversification: mostly retail focus with good diversification

Unipol's product focus and diversification is strong, benefitting from good diversification between P&C (59% of gross direct premiums written in 2024) and life business (41%).

In P&C, the group benefits from its focus on retail and short-term lines of business, with over 91% of gross written premiums classified in low-risk lines providing predictable cash flows and limited reserving risk. This is partially offset by its concentration on the motor business which accounted for 48% of direct gross premiums written in 2024. Nonetheless, we expect the share of motor business to decrease going forward given Unipol's focus on growing the non-motor business, especially the health segment.

Furthermore, we understand that Unipol has limited appetite to materially increase its exposure to natural catastrophe risk, despite the new legislation which make coverage for natural disasters compulsory for corporates. The group has also strengthened its protection against climatic events following the severe hailstorms that hit Italy in 2023.

In the life segment, Unipol has successfully shifted its book to more capital-efficient products with no or lower guaranteed rates over recent years and as a result the average guaranteed rate has decreased to 0.8% at the end of 2024 from 1.6% at year-end 2016. Life volumes have been mostly driven by guaranteed products in the last two years (62% of life premiums in 2023 and 67% in 2024), while unit-linked volumes (10% of life premiums in 2024) contracted significantly, as a result of (1) the company's efforts to improve the attractiveness of traditional products and to reduce lapses, and (2) equity markets volatility and customer aversion to risk. Nonetheless, unit-linked still represented around 10% of life reserves at YE2024 and we view Italian traditional business as moderately risky.

In terms of geographic diversification, the group is mainly a domestic player and has limited exposure beyond Italy, stemming from small premiums by its Serbian subsidiary DDOR.

Asset quality: Concentration in Italian government bonds, despite recent reduction

Unipol's asset allocation is heavily weighted towards fixed income investments which represented 80% of total invested assets (market value) as of 30 September 2025. The remainder of the portfolio is invested in equities and funds (5%) and real estate (8%), broadly stable relative to prior years. The rest is held in cash and real assets.

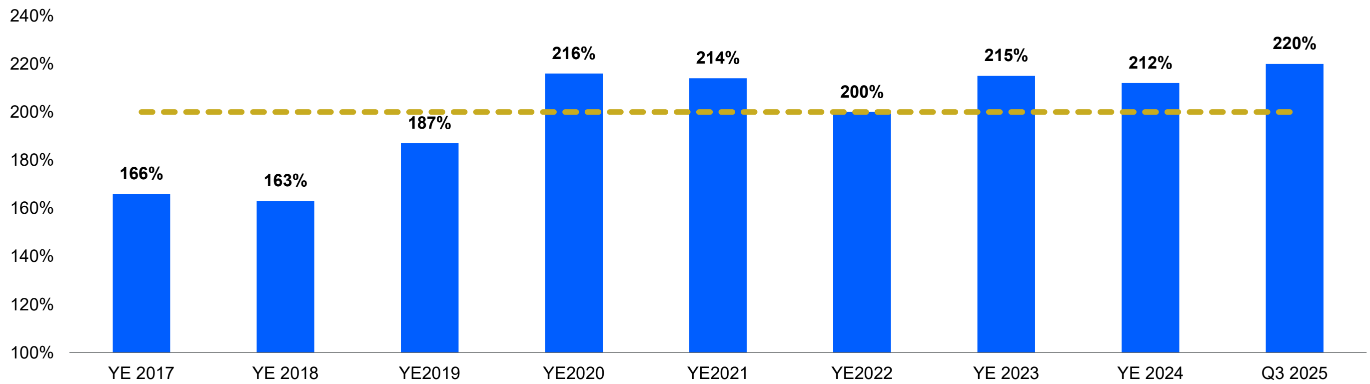
Unipol's portfolio main concentration risk lies in its exposure to Italian assets. Since 2020, Unipol has materially reduced its exposure to Italian sovereign bonds, which represented 29% of total invested assets as of 30 September 2025, and reallocated invested assets to other European sovereign bonds and corporate bonds, thus reducing its sensitivity to movements in credit spreads on Italian sovereign bonds, a credit positive.

The group's corporate bond portfolio, accounting for 31% of investments, is diversified, however with concentrations in both foreign and domestic banks- a common feature of insurers' investments.

Capital adequacy: Strong solvency coverage, reduced sensitivity to spreads on Italian government bonds

Unipol reports a strong and relatively stable capital position, supported by robust earnings and prudent risk management. The group calculates its consolidated Solvency II ratio using a partial internal model approved in 2017. As of year-end 2024, the group's consolidated Solvency ratio stood at 212% (and 220% as of 30 September 2025). We expect Unipol to maintain a high solvency ratio in the coming years.

Exhibit 2
Consolidated Solvency II ratios of Unipol



Sources: Company's filings and Moody's Ratings

The group's solvency remains sensitive to movements in credit spreads on Italian government bonds. As at year-end 2024, a 100 bps increase in the spread would lower the solvency ratio by 11 points, being the largest single risk. The group's solvency is also sensitive to inflation and surrender shocks. In a scenario of an increase in inflation of 100bps the ratio would fall by 4% pts, as well as an increase in the surrender resulted in a reduction of 6 ppts in the solvency ratio (sensitivities at year-end 2024).That said, the group's strong absolute solvency level provides a buffer against these shocks. Nonetheless, given the asset concentration to Italian bonds, the group's capitalization remains somewhat constrained by the credit quality of Italy's sovereign rating.

Profitability: Strong P&C underwriting results drive earnings

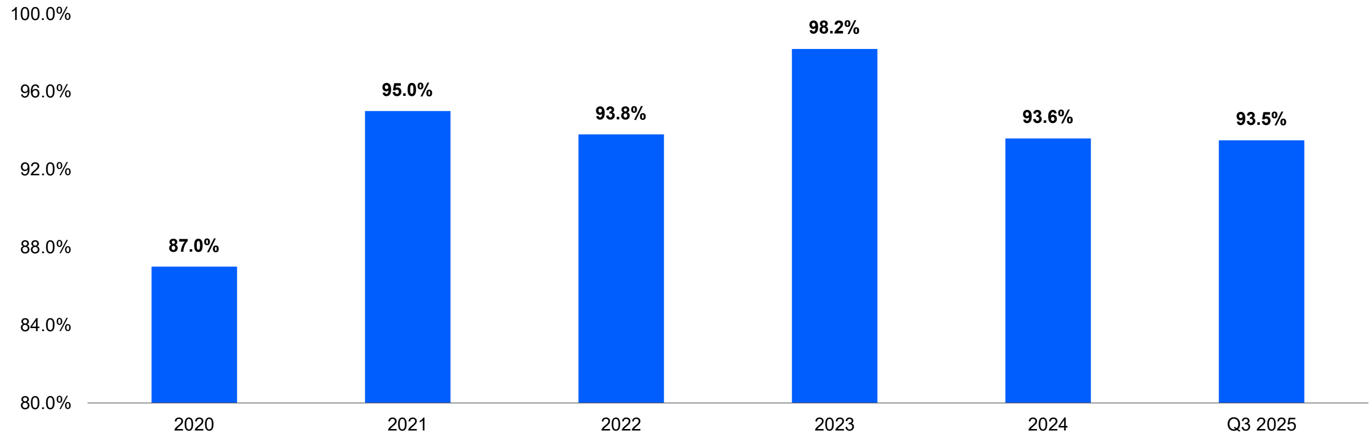
Unipol's profitability is good with net income ranging from €0.7 billion to €1.3 billion and return on capital oscillating between 5% and 9% in the last five years. For 2024, Unipol reported a consolidated net profit of €1,119 million, compared to €1,331 million in 2023.

Profitability is mostly driven by the P&C business. The group's combined ratio for 2024 stood at 93.6%, which would translate into more than €500 million of non-life insurance service result. The technical result remained well diversified with all core ecosystems (mobility, welfare, property) contributing positively to underwriting margins.

While combined ratio has been higher in 2022 (93.8%) and 2023 (98.2%) because of inflation and high nat cat losses (in 2023), Unipol's prompt repricing strategy, together with the implementation of measures to contain claims costs (e.g., spare parts stocking, increased use of affiliate repair shops, claims settlements in cash) have enabled the group to reduce the motor combined ratio (94% in the first nine months of 2025). Unipol also strengthened its reinsurance program, notably to protect the motor segment's profitability in case of hailstorms events. Going forward, we expect Unipol to increase prices broadly in line with claims inflation and the combined ratio to remain at a good level.

Investment returns have also been a key contributor to non-life profitability with an increase in ordinary investment income (coupons and dividends yield went up to 4.1% in 2024 from 3.8% in 2023).

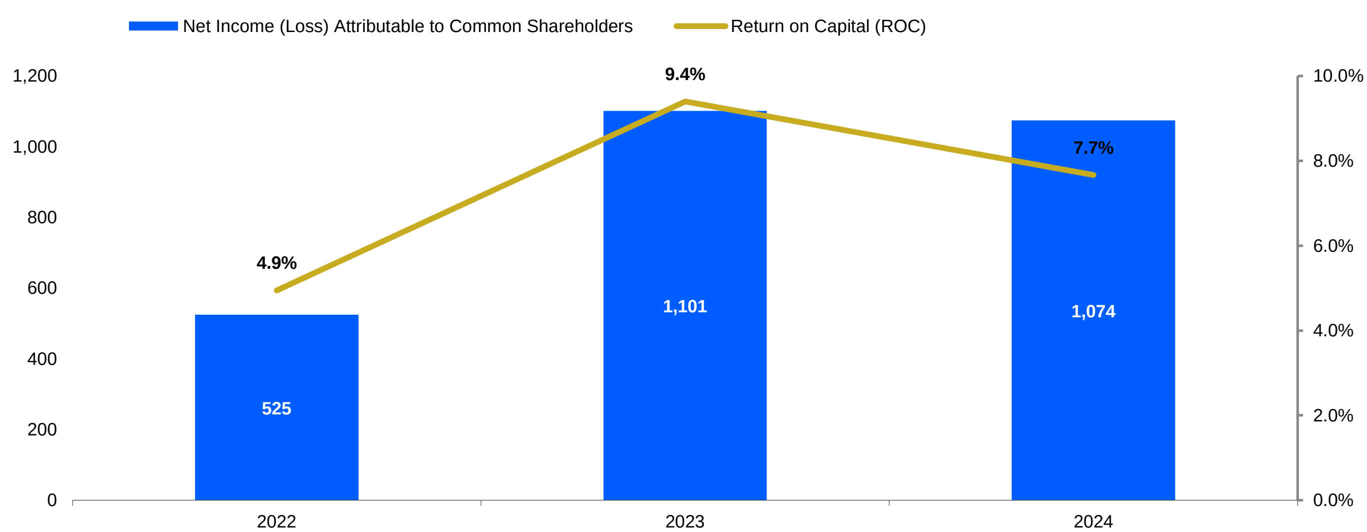
Exhibit 3
Reported net combined ratio



Note: 2024, 2023 net combined ratio calculated under IFRS 17, previous years figures reported under IFRS 4
Sources: Company's filings and Moody's Ratings

The life segment is also a key contributor to earnings (around 20% of net income). Life earnings will be relatively stable, mostly driven by the release of the CSM from existing business (€2.4 billion as at YE 2024), and will slowly grow as new business is growing.

Exhibit 4
Net income (€ million, left axis) and return on capital (right axis)



Information based on IFRS 17 financial statements as of fiscal year ended 31 December 2024
Sources: Company reports and Moody's Ratings

Liquidity and ALM: Substantial level of liquid assets but partially constrained by asset concentration

The vast majority of Unipol's assets is highly liquid and comfortably covers the liquidity needs of its liabilities. The company has also been able to maintain relatively stable spreads between guaranteed rates and investment yields.

One of the main ALM risks that the group faces is the surrender risk in times of sharp increase in interest rates, as evidenced by the increase in lapse rates in 2022 and 2023. Nonetheless, the strong control that Unipol has over its distribution channels act as a mitigant. Unipol is also a shareholder of Cronos Vita, a company managing the run-off business of Eurovita, a life insurer which experienced a high level of lapses and went bankrupt in 2022. Some of the liabilities of this company have been transferred to Unipol. Nonetheless, potential liquidity risk arising from surrenders on this portfolio are borne by banks which distributed Eurovita's policies, hence protecting Unipol's financial strength.

Overall, Moody's regards Unipol's liquidity and ALM as very good, only partially constrained by the concentration risk to Italian government bonds.

Reserve adequacy: Strong track record of conservative reserving and healthy run-off results but some pressure from claims inflation expected

Unipol is exposed to some reserving risk, mainly from its motor and general third party liability. For example, in 2024, Unipol had to strengthen motor insurance reserves following an update of the Milan tables used to assess the claims for bodily injury claims. However we recognize that the company holds strong levels of claims reserves relative to premium levels and has a conservative reserving approach. Run-off results have been consistently positive since 2014.

Financial flexibility: Improving earnings coverage, constrained by the sovereign rating

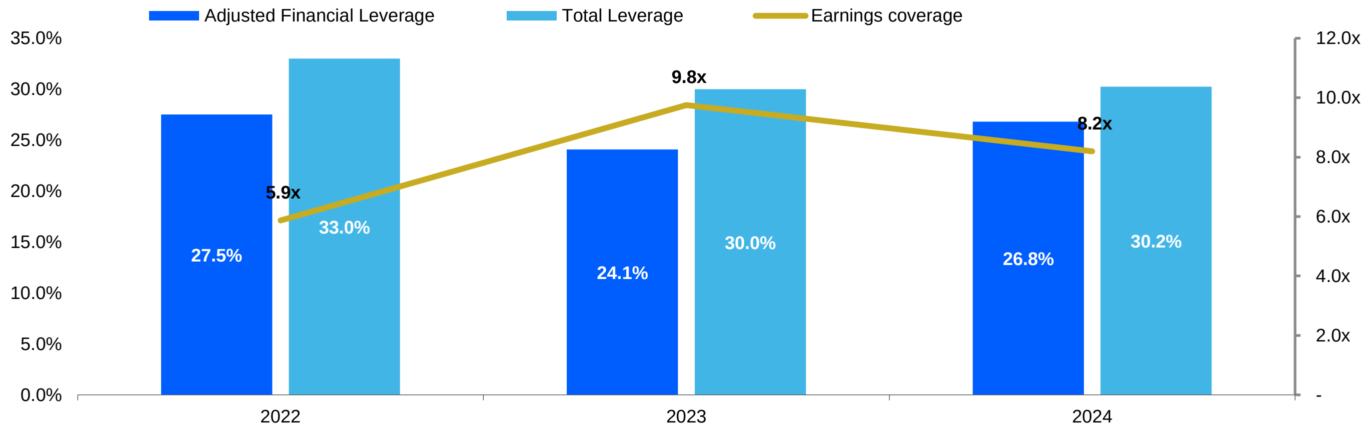
Unipol is not a frequent issuer in the capital market but maintains a moderate level of financial leverage. As of year-end 2024, adjusted leverage stood at 27% (taking into account hybrid features of subordinated debt) and total leverage was 30%, broadly stable year-on-year.

1-year earnings coverage was 8.2x in 2024. In line with the anticipated trend in earnings, we would expect longer-term earnings coverage to gradually improve from the current level going forward if profitability is sustained.

Following the completion of the group's legal and operational merger in 2024, Unipol has announced its intention not to refinance outstanding senior debts. €1 billion of senior debt matured in March 2025 and another €1.5 billion will mature between 2027 and 2030. This will further reduce the group's financial leverage (that we estimate at around 21% following the March redemption on a pro forma basis) and improve the earnings coverage. The group issued €1 billion of RT1 in January 2026, which will deteriorate the group's total leverage and earnings coverage, but Unipol's financial flexibility metrics remain strong for Unipol's current rating level. This notwithstanding, we cap the financial flexibility assessment at the Baa level to reflect our view of the group's high dependence on the Italian financial market.

Exhibit 5

Financial flexibility metrics (leverage on left axis and coverage on right axis)



Information based on IFRS 17 financial statements as of fiscal year ended 31 December 2024

Sources: Company filings and Moody's Ratings

Rating methodology and scorecard factors

Exhibit 6
Unipol Assicurazioni S.p.A.

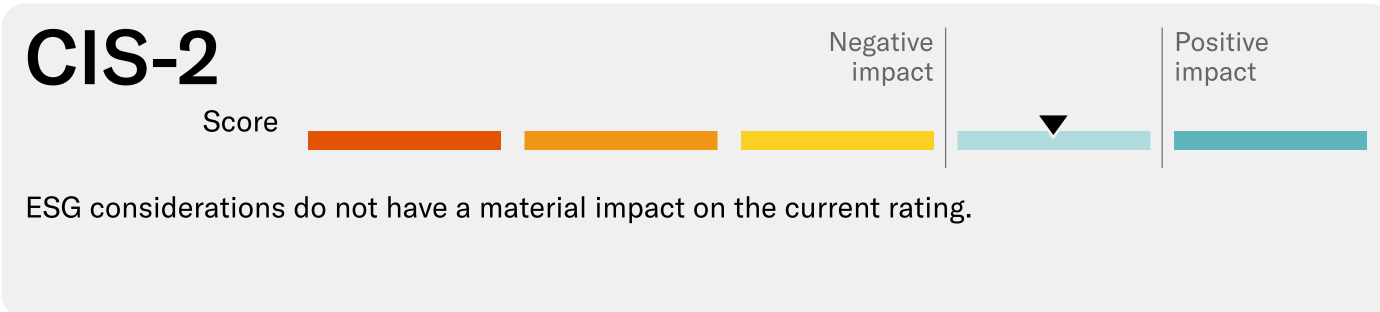
Financial Strength Rating Scorecard [1][2]	Aaa	Aa	A	Baa	Ba	B	Caa	Score	Adj Score
Business Profile								Aa	A
Market Position and Brand (20%)								Aa	A
-Relative Market Share Ratio		X							
Distribution (5%)								Aa	A
-Distribution Control		X							
-Diversity of Distribution			X						
Product Focus and Diversification (10%)								A	A
-Product Risk - P&C		X							
-Product Risk - Life				X					
-Product Diversification	X								
-Geographic Diversification					X				
Financial Profile								A	Baa
Asset Quality (10%)								Baa	Baa
-High Risk Assets % Shareholders' Equity				X					
-Reinsurance Recoverables (or Reinsurance Contract Assets) / Shareholders' Equity	X								
-Goodwill & Intangibles % Shareholders' Equity			X						
Capital Adequacy (15%)								Aa	Baa
-Shareholders' Equity % Total Assets		X							
Profitability (15%)								Aa	A
-Return on Capital (5 yr. avg.)		X							
-Sharpe Ratio of ROC (5 yr.)									
Liquidity and Asset/Liability Management (5%)								Aa	A
-Liquid Assets % Liquid Liabilities		X							
Reserve Adequacy (5%)								Aa	A
-Net Loss Reserves Development / Beginning Net Loss Reserves (5 yr. wtd. avg.)		X							
Financial Flexibility (15%)								Baa	Baa
-Financial Leverage			X						
-Total Leverage			X						
-Earnings Coverage (5 yr. avg.)			X						
Operating Environment								Aaa - A	Aaa - A
Preliminary Standalone Outcome								A1	A3

[1] Information based on IFRS17 financial statements as of fiscal year ended December 31, 2024. [2] The Scorecard rating is an important component of the company's published rating, reflecting the standalone financial strength before other considerations (discussed above) are incorporated into the analysis.
Source: Moody's Ratings

ESG considerations

Unipol Assicurazioni S.p.A.'s ESG credit impact score is CIS-2

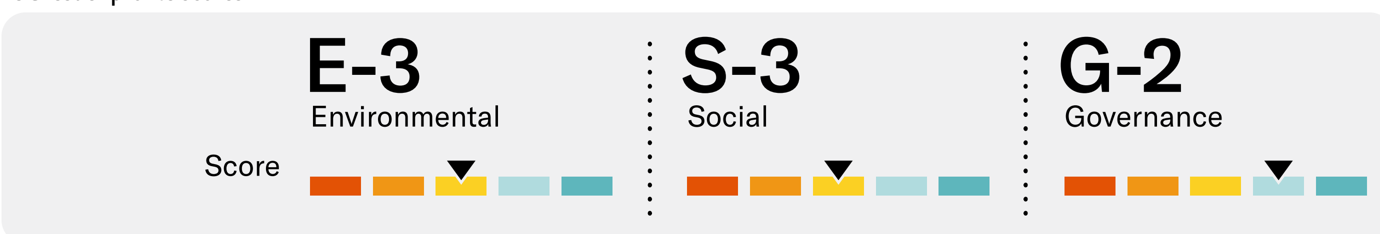
Exhibit 7
ESG credit impact score



Source: Moody's Ratings

Unipol's **CIS-2** indicates that ESG considerations do not have a material impact on the current rating. Unipol's strong risk management and effective governance, along with strong capitalization, mitigate its exposure to environmental and social risks, in particular carbon transition risk and customer relations risk.

Exhibit 8
ESG issuer profile scores



Source: Moody's Ratings

Environmental

Unipol has moderate exposure to environmental risk. The group's exposure to physical climate risk is moderate given its P&C business has limited exposure to natural catastrophes, compared to some other European peers. The group manages this risk via reinsurance and its ability to re-price exposures. The insurer is exposed to carbon transition risk through the assets held in its investment portfolio, the majority of which are linked to its traditional life insurance book with high asset gearing. Unipol has a long-standing track record of integrating ESG considerations into its investment policies and risk management practices.

Social

Unipol is exposed to moderate social risks, driven mainly by customer relation risk based on its interaction with its retail customers and the risk of unfavorable changes in the regulatory and legislative environment. Customer privacy and data security risk is high, given the digitization of Unipol's business model. Demographic and societal trends also pose risks for Unipol, driven by its concentration on the domestic market, with an aging population that will likely limit growth potential in its main business of motor insurance over time, albeit that Unipol is strengthening its presence in non-motor lines of business, for example in health insurance.

Governance

Unipol faces neutral-to-low governance risks. The group follows a clear financial strategy and has recently turned more cautious, as reflected in higher Solvency II capital adequacy targets and the reduction in exposure to Italian sovereign bonds. Over recent years, the group's management, where the former CEO and current chairman plays a dominant role as a key decision maker, has built a sound track record of achieving its objectives. The group is in the process of simplifying its structure, which currently comprises two separate publicly listed entities, as well as its investments in non-insurance subsidiaries results.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

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