

2026
Emerging Risks Report

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It is important to maintain a future-oriented outlook and adopt a vision that continuously drives innovation, while also contributing to the country's long-term growth

Carlo Cimbri

Chairman



In this **highly uncertain** time, it is important to maintain a **future-oriented outlook** and adopt a vision that continuously **drives innovation**, while also contributing to the **country's long-term growth**.

At Unipol Group, we believe that building the future requires more than addressing today's needs, calling for the development of culture and tools that enable us to **think about the future in an open, pluralistic and non-linear way**. Rather than seeking to predict the future, our aim is to **help building** it by preparing for disruption, strengthening our ability to manage risks and delivering adaptive responses to an evolving environment.

It is increasingly evident that risks no longer emerge as isolated events, but **as interconnected and systemic dynamics**. Addressing growing complexity therefore requires **innovative approaches** that can help identify the key **priorities** requiring most attention, while also offering an **integrated view** to detect potential accelerations and cascading effects at an early stage.

In this journey, **intergenerational cooperation** plays a central role. Building the **Unipol of tomorrow** means training today the people who will carry its legacy forward, passing on not only **skills**, but also **values** and **responsibilities**. It also means recognizing that the future is not simply an extension of the present, but a **space of possibilities** where the path ahead is shaped through a forward-looking vision.



Integrating a systemic analysis of macro trends and emerging risks into strategic planning means strengthening business sustainability in a context where uncertainty has become a structural condition

Matteo Laterza

Chief Executive Officer

Integrating a systemic analysis on macro trends and emerging risks into **strategic planning** means strengthening **business sustainability** in a context where volatility, interdependencies and sudden disruptions continually redefine the boundaries of risks and opportunities, making **uncertainty** a **structural reality** that organizations must deal with.

For **Unipol Group**, this entails a dual transformation: on the one hand, **evolving the internal organization** to enhance its ability to respond effectively to a continuously changing context; on the other, **transforming the business** to anticipate emerging needs and develop solutions aligned with a rapidly evolving economic and social landscape.

Promoting an **anticipatory culture**, grounded in a structured approach to the management of emerging risks, enables us to develop **transformative resilience**: a capability that goes beyond simply absorbing the shocks of an increasingly turbulent world, but that allows us to navigate uncertainty and proactively adapt in order to be prepared for disruption and seize new opportunities.

Our commitment is to **turn this vision into tangible solutions** by strengthening our ability to identify emerging needs at an early stage and developing innovative products and services capable of supporting customers and stakeholders through social, technological, environmental and geopolitical transformations, providing effective and sustainable responses to their fundamental needs for security and care.

Unipol's response is grounded in a core belief: families seek tailored protection that evolves with them over time. A form of security that spans life and its interconnections: between mobility and home, health and family, present and future

Enrico San Pietro

Group Insurance General Manager



Demography, climate change, technology and new health protection needs are converging into a single, **profound transformation of Italian society**.

Unipol's response is grounded in a core belief: families seek **tailored protection that evolves with them over time**. A form of security that spans life and its interconnections: between mobility and home, health and family, present and future. This is what the Report refers to as systemic security: the ability to anticipate risks and build a **modular response, capable of adapting to the diverse needs of a constantly evolving society**.

Unica, which has already reached over 500,000 families, represents the concrete expression of this vision in the non-life segment: **a single modular, omnichannel policy that grows with the household and can be managed like a subscription. UniSalute Per Te** brings the same logic to the health sector: a **customizable solution for every stage of life**, accessible through a network of over 9,800 affiliated providers.

This is where the **insurance model designed for a changing Country** takes shape.

OSSERVATORIO

REPUTATIONAL & EMERGING RISK

Gruppo Unipol

The Observatory was established in January 2014 with the purpose of managing emerging and reputational risks with a strategic and proactive approach, considering both risks and opportunities, with the aim of protecting and strengthening the Group's strategy and reputation.

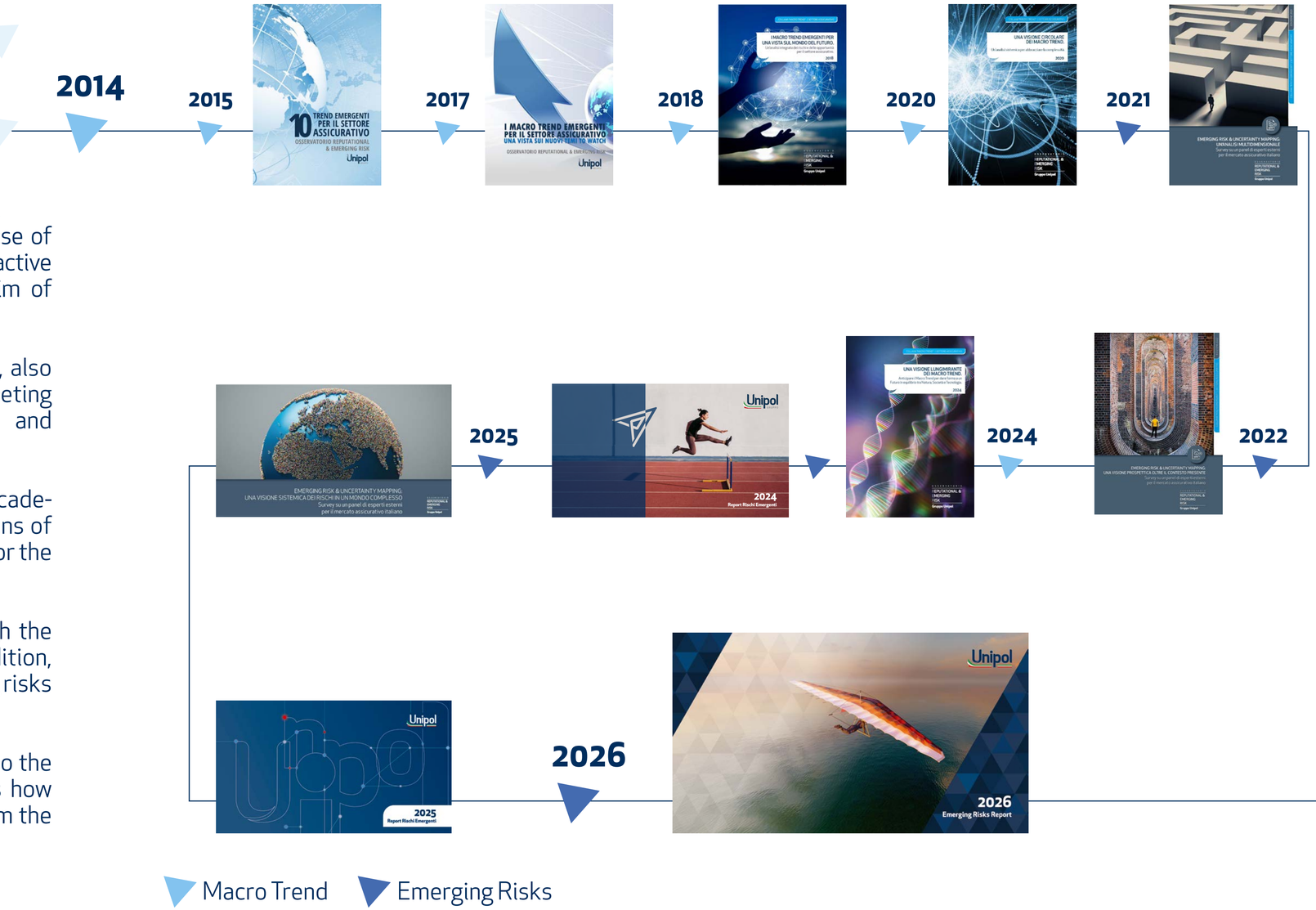
A forward-looking vision was adopted from the very beginning, also through the collaboration with academia, by leveraging the Meeting Point predictive model, together with strategic foresight and anticipation methodologies.

The Observatory's work has continuously evolved, from the decade-long study of Macro Trends, illustrated within the several editions of the **Paper of Macro Trends**, to the development of a framework for the management of Emerging Risks.

Emerging Risks are analysed with an «outside-in» view through the **Survey** conducted on a panel of external esperts, now at its 3rd edition, and with an «inside-out» view of the potential impact of emerging risks on traditional risk categories through the Heatmap of Exposure.

The integration and the exchange of these two visions result into the development of the **Emerging Risks Report**, which illustrates how the Group has equipped itself to face the challenges arising from the evolution of the external context.

Learn More



From Macro Trends to the Emerging Risks

In a world where change is increasingly accelerated and interconnected, it is important to extend the view in order to anticipate the shifts of the external context and evaluate risks in advance, so that they can be turned into opportunities.

Unipol Group has established, within the Risk Management function, a dedicated Observatory, developing a structured framework for the management of emerging risks, which is based on an anticipatory approach and integrates the "Outside-In" and "Inside-Out" views.

Learn More

1. Anticipation and Monitoring of Macro Trends

- Identification and Monitoring of Macro Trends
- Risks -opportunities Analysis

2. Identification of Emerging Risks

- Identification of Emerging Risks based on an integrated analysis of Macro Trends
- Creation of the Interconnections Map between Macro Trends and Emerging Risk Areas

3. Emerging Risks Assessment

- **Outside-in** evaluation of impact, probability and time horizon of Emerging Risks, as well as their interconnections through a Survey on a panel of external experts
- **Inside-out** evaluation of the potential exposure level to prioritary emerging risks and construction of a heatmap of exposure

4. Analysis of relevance and scenarios

- Analysis of relevance and identification of the top 10 emerging risks and related actions taken
- Analysis of most relevant risks, also through scenario analysis

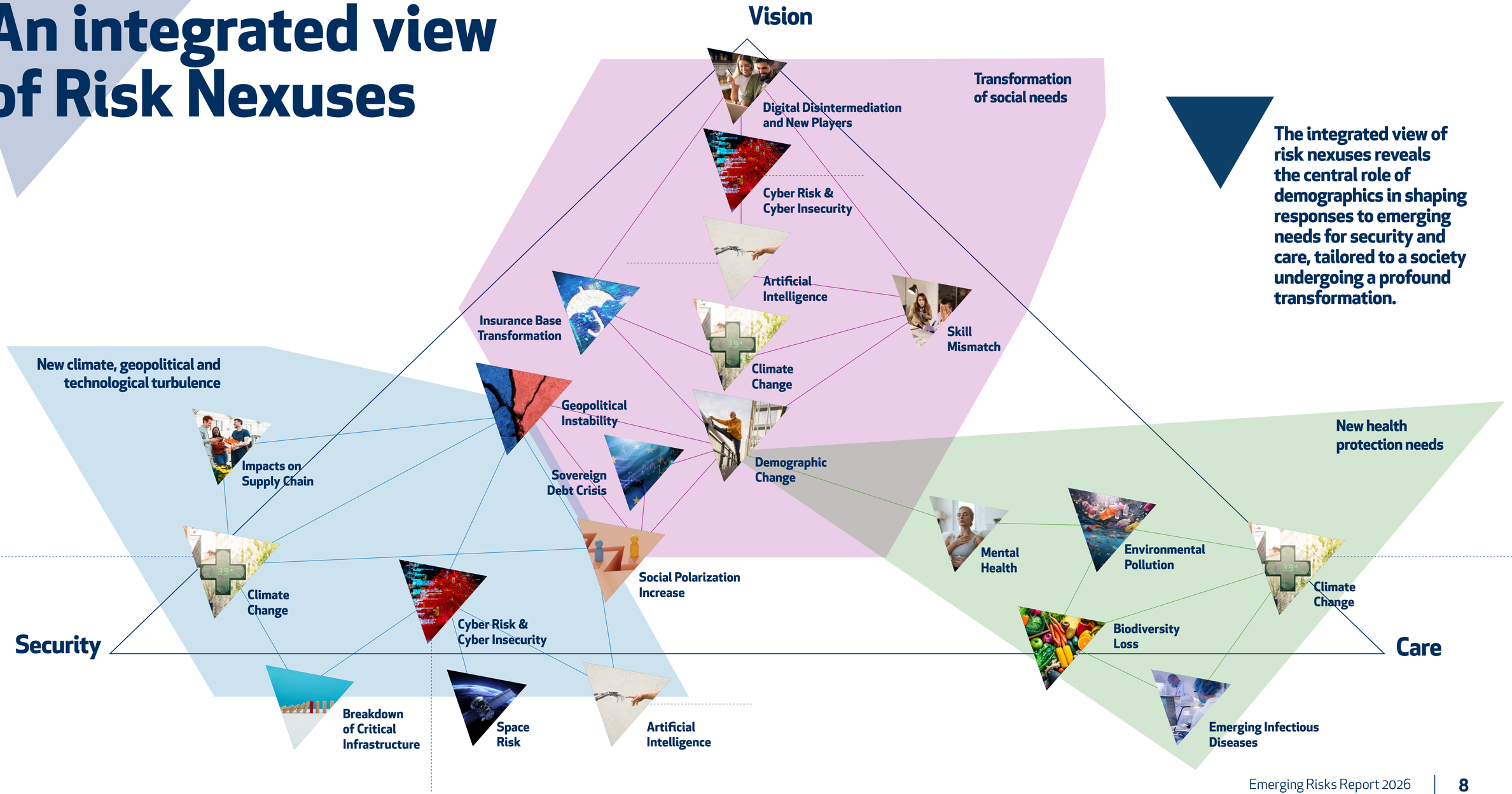
In this third edition of the Report, we have further developed the systemic view of risks introduced in the previous edition, presenting an **integrated view of risk nexuses**.

The objective is to build emerging risk management strategies that are increasingly capable of **capturing the complexity** of today's context, by considering risks within their network of interconnections and identifying their accelerating and cascading effects.

Another key development in this edition of the Report is the activation of a dialogue with our current and prospective customers, aimed at comparing the emerging risks that are prioritary for the Group with those perceived as priorities by them.

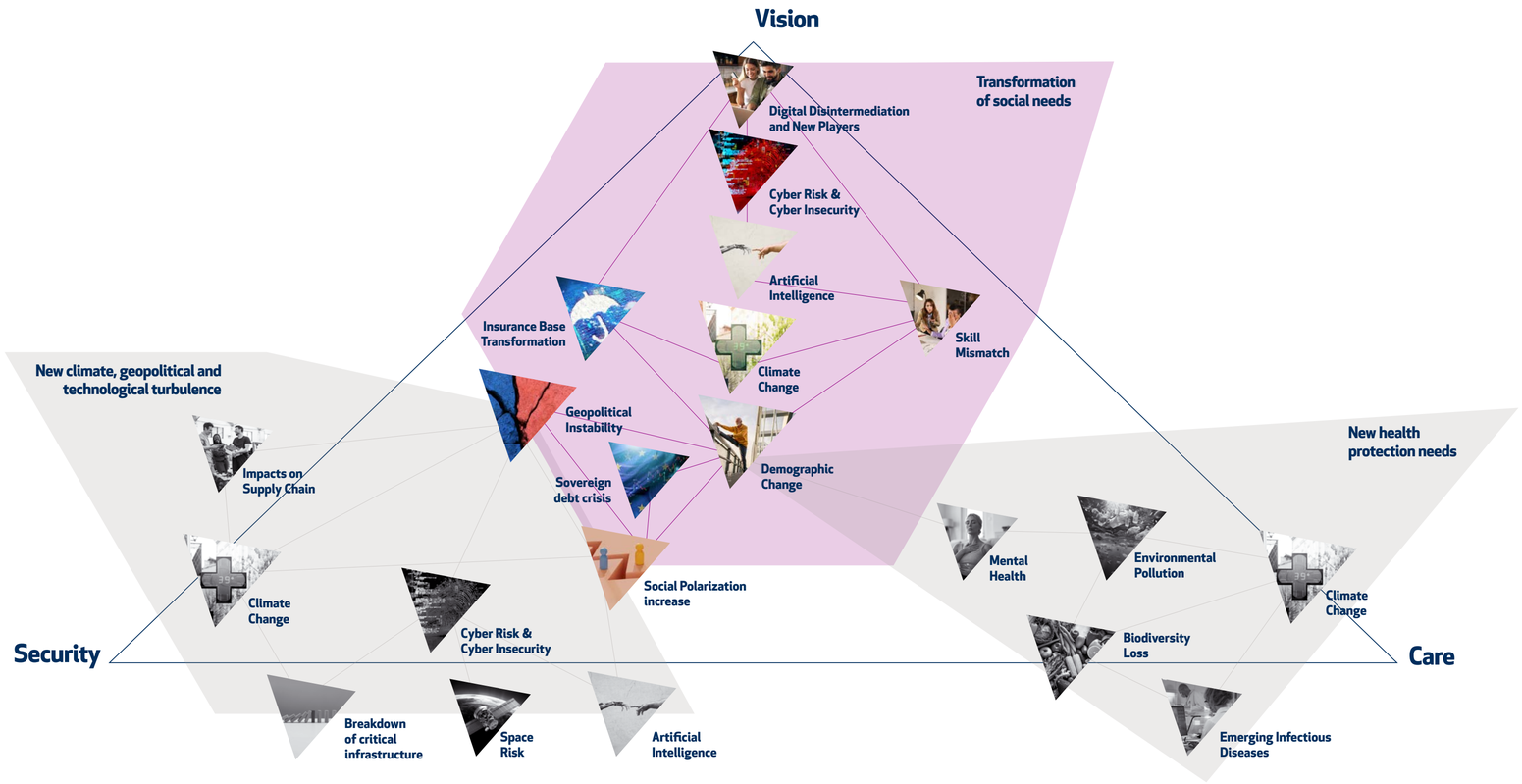
This dialogue enriches our perspective by **extending the focus from the Group to the Italian population**, enabling an assessment of the Group's ability to anticipate emerging needs, while positioning itself alongside individuals to support them in the proactive and effective management of new risks.

An integrated view of Risk Nexuses



The integrated view of risk nexuses reveals the central role of demographics in shaping responses to emerging needs for security and care, tailored to a society undergoing a profound transformation.

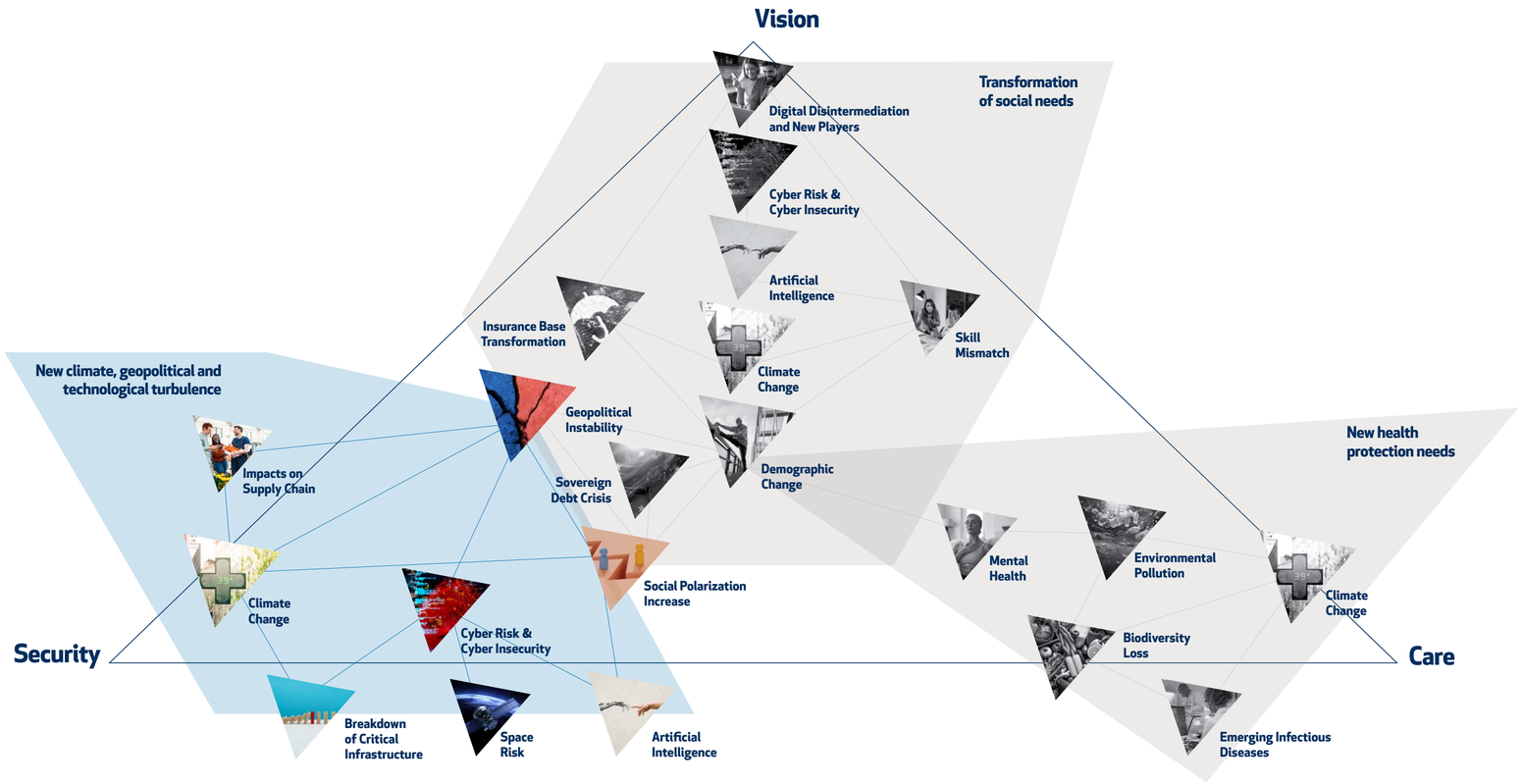
Nexus Transformation of social needs



The nexus Transformation of social needs highlights the importance for insurance companies of developing the ability to **anticipate trends of change and to evolve their offering models, organizational structures and capabilities**, in order to effectively respond to new needs for security and care arising from the evolution of an increasingly accelerated, unstable and interdependent world.

Insurance companies will need to be able to **support society in navigating the multiple transitions under way - demographic and generational, technological and ecological** - both in their role as institutional investors and as drivers of innovation, focusing on people, whether customers or employees, and developing an enhanced offering of products and services delivered through increasingly integrated platforms.

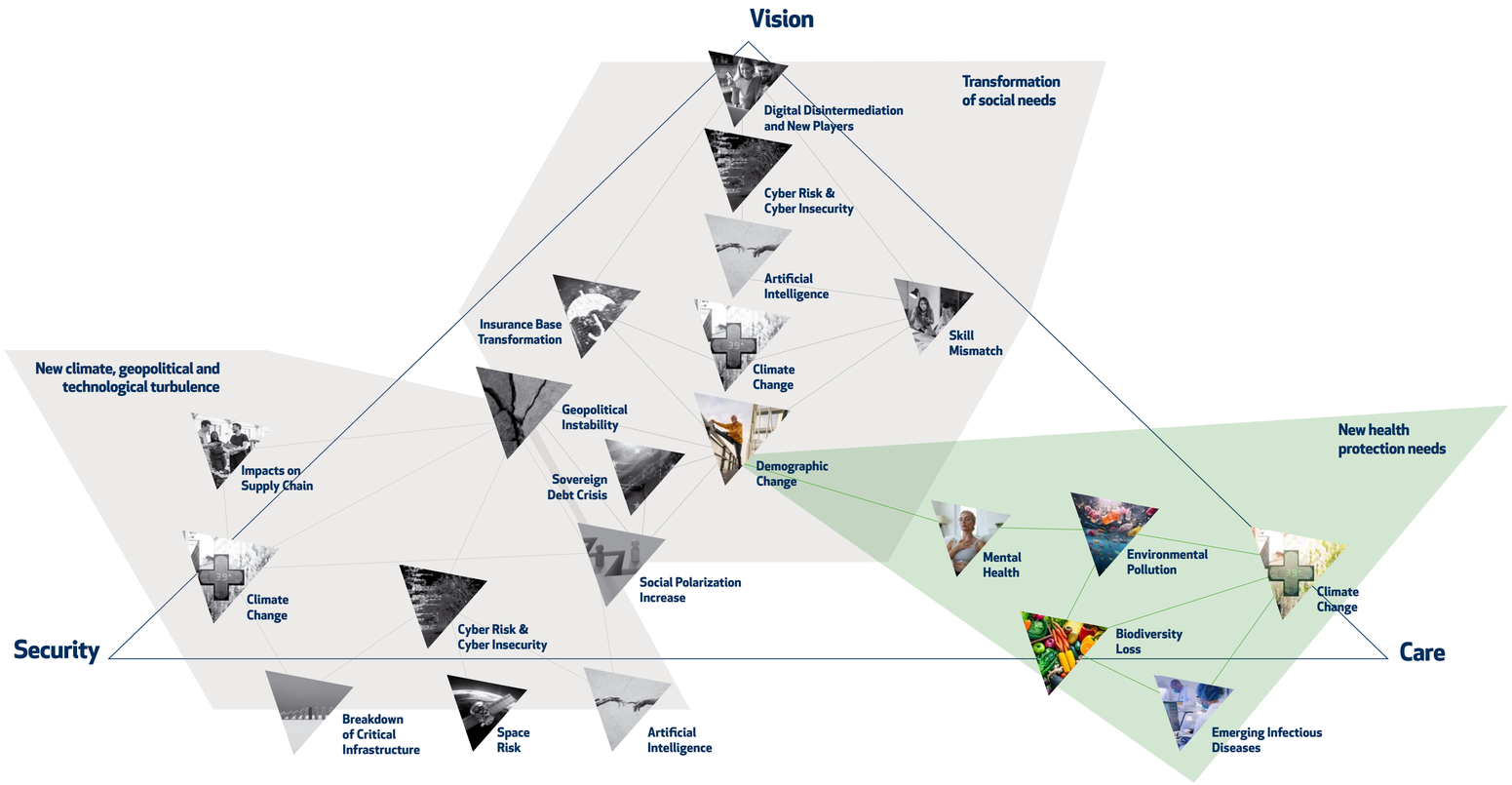
Nexus New climate, geopolitical and technological turbulence



The nexus New climate, geopolitical and technological turbulence describes the interactions, reinforcing effects and interdependencies between extreme climate events and geopolitical imbalances. These dynamics not only influence one another, but also generate **new forms of turbulence** that undermine business continuity and create inflationary pressures, further amplified by rapid technological evolution. This, in turn, gives rise to new forms of insecurity for individuals, such as misinformation, as well as additional pressures on business continuity, including cyberattacks.

Insurance companies will be required to evolve their business models and develop **ecosystems of offerings capable of addressing the new and increasingly complex security needs of customers**, while **promoting insurance awareness in risk prevention and mitigation**. At the same time, they play a key role in supporting businesses across the territory by enabling the timely **restoration of operational continuity**.

Nexus New health protection needs



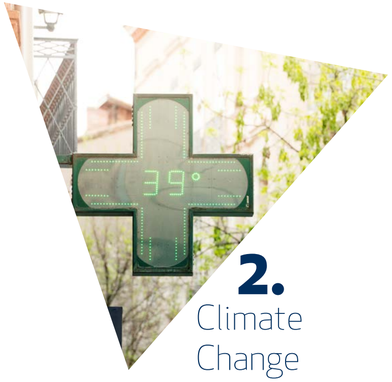
The nexus New health protection needs highlights how the negative outcomes generated by unsustainable human activity are profoundly altering the balance and well-being of natural systems. Environmental pollution, biodiversity loss and climate change are creating a vicious cycle of natural resources depletion and are producing favourable conditions for the emergence of infectious diseases. The progressive degradation of ecosystem services, followed by the declining availability of nutrient-rich foods and the growing prevalence of ultra-processed products, is exposing individuals to increasing deterioration of physical and mental well-being, introducing **new health risk factors** and exacerbating the vulnerabilities of a population already undergoing a profound demographic transition.

Insurance companies will need to evolve in their **role as social protectors, supporting individuals throughout all stages of the life cycle** while actively **promoting prevention and balanced lifestyles**. This also implies providing widespread and accessible services across the territory to **support physical, mental and relational well-being**.

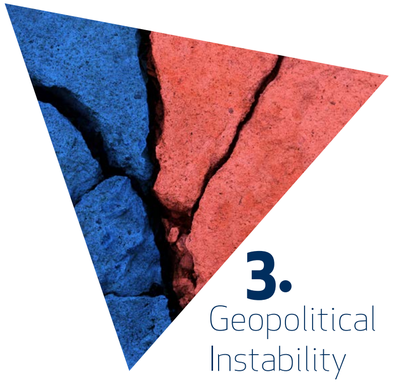
Top **10** | Emerging Risks



1. Demographic Change



2. Climate Change



3. Geopolitical Instability



4. Artificial Intelligence



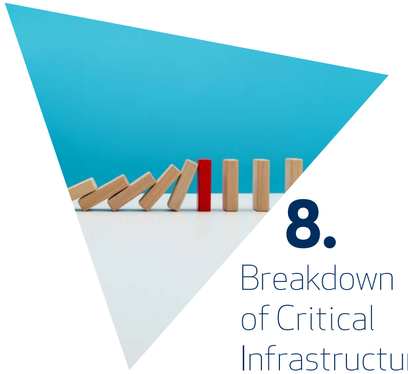
5. Cyber Risk & Cyber Insecurity



6. Biodiversity Loss



7. Environmental Pollution



8. Breakdown of Critical Infrastructure



9. Insurance Base Transformation



10. Social Polarization Increase

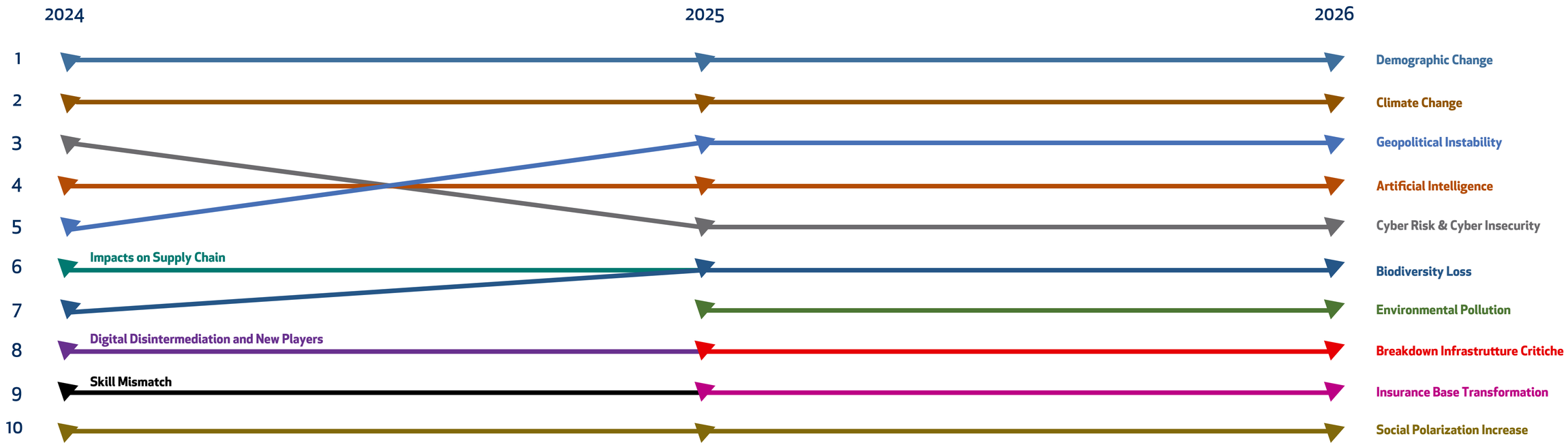
Evolution of Emerging Risks ranking

Top 10 2024 - 2026

The Group's Top 10 emerging risks identified in the previous edition remain confirmed.

Demographic Change and Climate Change have consistently ranked in the top two positions over the three-year period. Geopolitical Instability, which entered the Top 3 risks last year, remains on the podium.

The monitoring of the external context KPIs indicates a growing trend in the underlying factors of Top 3 risks.



Overview

Vision and security in an increasingly interconnected and fragmented world

In 2025 **61.6%** of Italians would not feel comfortable relying on a fully AI-generated media source, mainly due to concerns about misinformation and fake news[1]

+781%
Cyber war: increase in the number of cyber attacks with political dimension between 2020 and 2025[2]

95.1%
Of catastrophe-related losses in Italy are uninsured*

Top 3 Emerging Risks: A dialogue between Group and Customers

Vision and care in partnership with Customers and Public Institutions

15.5%
Of Italian population lives in the 20 most polluted cities in 2025[3]

41.5%
Chronicity rate in 2024[4] .
Moreover, more than **1 in 5 people** suffer from at least **two chronic conditions**

48.8% of Italians eat vegetables at least once a day in 2025[4]

(1): Rapporto Censis 2026
(2): European repository of Cyber Incidents
(3): Reputational & Emerging Risk Observatory elaboration on ISTAT and Legambiente data: Mal'Aria di città Legambiente 2026
(4): ISTAT. The chronicity rate is based on the latest available data
*Calculated as the ratio of uninsured losses to total losses from natural catastrophes over the period 1980–2024. Losses related to earthquakes are not included

Top 3 Emerging Risks

A dialogue between Group and Customers



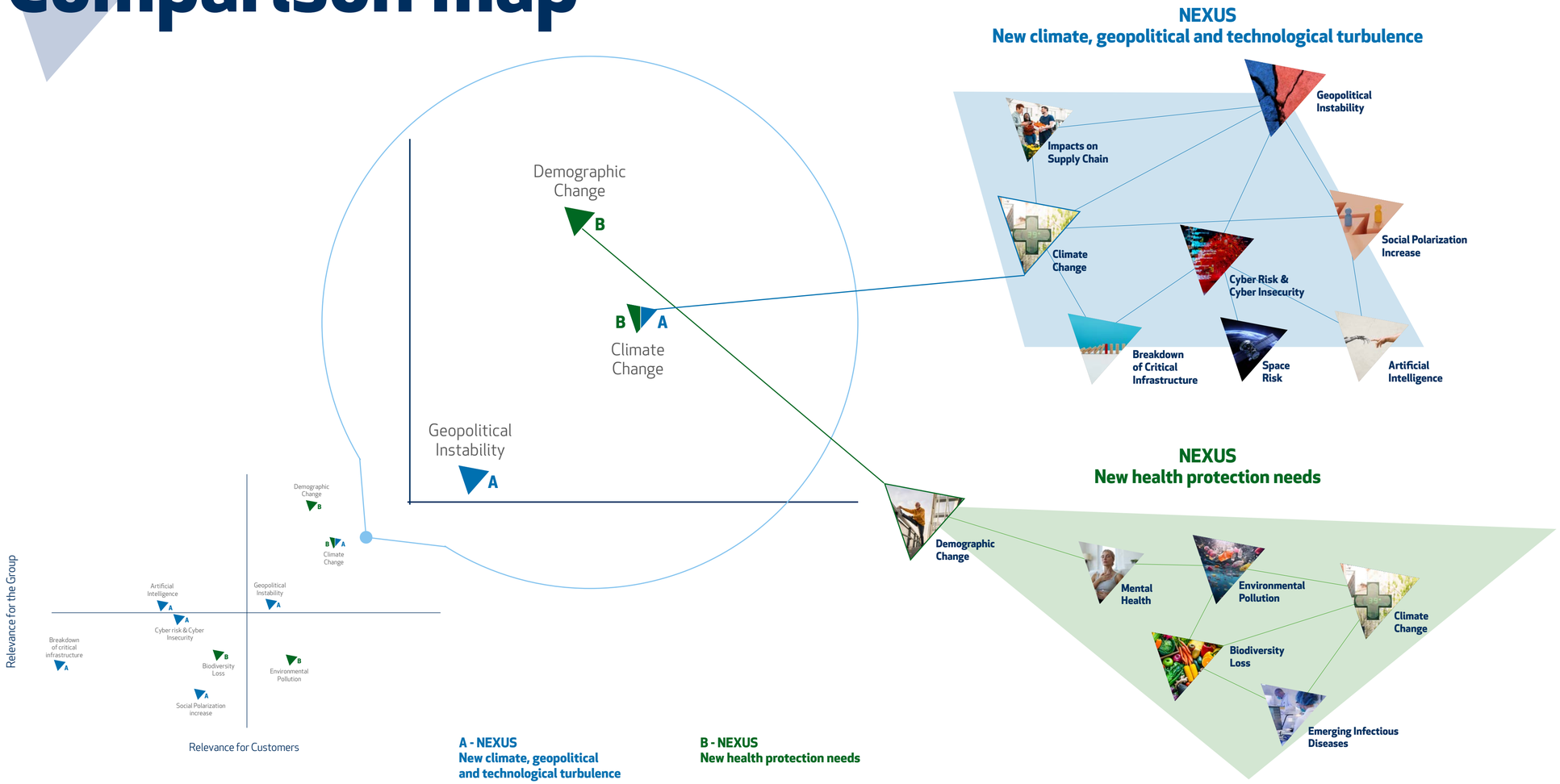
Both the Group and its Customers identify demographic and climate transformations as the main challenges to prepare for.

Starting from the relevance analysis conducted by the Reputational & Emerging Risk Observatory to identify the Group's priority risks and map the actions undertaken, the **Marketing Department, in coordination with the Observatory and in collaboration with Ipsos**, launched a structured customer listening initiative on a representative sample of potential customers within the Italian population, with the aim of capturing their perceptions in terms of risk priorities and their level of preparedness in managing them.

The comparison between the two perspectives shows an overall alignment between the risks identified as priorities by the Group, and on which it has long been focusing its actions, and those perceived as priorities by customers, **confirming the Group's ability to remain attuned to the country's emerging needs**.

These findings reinforce the importance for the Group to remain proactive in anticipating the evolution of the external context and in identifying emerging needs, so as to be prepared to continuously evolve its products and services offering, **to support customers in effectively addressing new risks and new related security needs**.

A dialogue between Group and Customers: Comparison map



The comparison between the Group's and Customers' perspectives shows that both are **aligned** in considering Demographics and Climate as the two priority risks.

The systemic view of risks highlights how **Demographics and Climate occupy a central position within the nexuses**, shaping new security and care needs relevant to Customers.



The alignment between the Group's priorities and those of the general population is particularly meaningful. It confirms that Unipol is closely connected to its customers.

Alberto Federici

Chief Marketing & Commercial Communication Officer

The idea of the Marketing Direction was to complement the assessment of the Group's priority emerging risks with a customer-side perspective, to analyse customer's view on new threats and the protection needs that they perceive. The aim was to define targeted communication and marketing strategies that support both risk mitigation and business development.

We have, therefore, conducted a quali-quantitative survey among insured individuals aged between 18 and 70, which allowed us to measure not only risk perception in terms of likelihood and perceived impact, but also the level of preparedness that people believe they have in addressing them.

It was interesting to learn that the most relevant risks for the clients are also those identified as most relevant by the Group. In particular, regarding climate change and demographic change, it is on the latter that people feel particularly unprepared.

The alignment between the Group's priorities and those of the general population is particularly meaningful. It confirms that Unipol is closely connected to its customers and that it needs to continue to stay by their side every day, providing products and services that help them feel more secure from all risks, including emerging ones.

Live longer, live better. Longevity is built over a lifetime.

Giovanna Gigliotti

Deputy Insurance General Manager - Life & Health



Live longer, live better.

The increase in life expectancy is one of the greatest achievements of our society, but also one of the most significant challenges for the welfare system. Living longer means having more years available for personal projects, but it also requires **greater awareness when planning for the future**.

Longevity is built over a lifetime. Investing in prevention, **adopting healthy lifestyles** and taking **care of one's own physical and mental well-being** are choices that help improve the **quality of life** and reduce the risk of developing chronic conditions.

Alongside the health dimension, it is essential to foster a **culture of financial and retirement planning**: preparing in advance for economic security enables individuals to face the different stages of life more peacefully and to preserve autonomy even in later years.

For Unipol Group, **supporting** this transition means **taking an active role in developing innovative responses to the needs of longevity**. In an ageing society, it is essential to move beyond the traditional concept of protection and develop an **integrated ecosystem that brings together prevention, assistance, healthcare services, insurance coverage and pension solutions**. This is the vision that guides our commitment: **providing people with practical tools to live longer** and, above all, **to live better**. Because the real challenge is not only to add more years to life, but to add quality, peace and autonomy to those years.



The Natural Risk Index is a key tool for building a more resilient national system, where reducing the protection gap and preventing risks become shared priorities among the insurance sector, institutions and local communities.

Daniela D'Agostino

Chief Property & Casualty Officer

Over the last twelve years, earthquakes, floods and convective storms have generated costs in Italy exceeding €100 billion. What was once considered exceptional is becoming structural, impacting people's safety, economic continuity and public finances. A protection gap of 79% confirms that the majority of losses is borne by households, businesses and the State.

In this context, the Natural Risk Index (NRI) - developed within the Natural Risk Forum promoted by Unipol with the modelling support of Gallagher Re - represents a significant methodological contribution to the measurement and communication of catastrophic risk. The index brings together, within a single, synthetic framework, hazard, economic exposure and the vulnerability of the real estate stock, providing a comparable risk indicator to support decision-making in the insurance market.

This tool provides insurers with a granular knowledge base, enabling pricing and product solutions that are better aligned with the composite nature of catastrophic risk and with territorial peculiarities. For customers, it translates into a more transparent and understandable insurance offering, better tailored to the context in which they live and operate. It also supports the design of concrete prevention and mitigation measures, guiding investment priorities towards the most exposed areas.

The NRI, therefore, serves a broader objective: to build a more resilient national system, where reducing the protection gap and preventing risks become shared priorities among the insurance market, institutions and local communities.

In the new landscape of catastrophic risks, the value of insurance is no longer measured solely by its ability to compensate for losses, but by its capacity to accelerate recovery for people and businesses, truly becoming a «kept promise» for our customers.

Vittorio Corsano

Deputy Insurance General Manager - Claims



In a context characterized by the increasing frequency and intensity of extreme weather events, the introduction of mandatory insurance coverage against natural catastrophes for businesses represents a significant evolution in risk management at national level. The expansion of insurance coverage helps reduce the vulnerability of industries, strengthening their capacity to recover from events that may disrupt business continuity, employment and competitiveness.

However, resilience does not depend only on the availability of financial resources to compensate for losses. The ability of individuals and businesses to quickly resume their activities is an equally critical factor. For this reason, the role of insurance is gradually evolving from a purely compensatory function to that of an enabler of recovery.

In this scenario, Unipol Group can leverage an integrated ecosystem of insurance expertise, assistance services, claims management capabilities and specialized intervention network across the territory, capable of supporting customers throughout all phases of an emergency. For example, through Unipol Home, the Group has developed the tools, people and processes required for rapid damage assessment, with the aim of reducing downtime, accelerating the restoration of damaged assets and ensuring business continuity, through a flexible and responsive model able to adapt to critical situations.

The same approach can become a reference model for addressing other emerging risks that threaten the operational continuity of households and businesses. In a world increasingly exposed to climate, technological and geopolitical shocks, the ability to combine protection, assistance and recovery represents one of the key drivers of resilience for the country's economic and social system.



1. Demographic Change

Risks associated with demographic change are confirmed as the most important emerging risks across the entire insurance value chain, also due to their strong interconnectedness with other risks.

Ageing, the shortage of young people, population decline, particularly among working-age population, and the transformation of family structures and social networks are giving rise to new vulnerabilities, including increasing loneliness, now widely recognised as one of the major public health challenges alongside the rise in chronic conditions, even among younger age groups. These elements affect the sustainability of the welfare system, reducing the Country's capacity to generate innovation and growth, while contributing to new challenges for the sustainability of public debt. These risks unfold over different time horizons, and the effects of mitigation measures are often delayed. Addressing them requires the development of structured action plans which take into account not only the direct impacts of demographic transition, but also the amplifying effects arising from interconnected risks, which may further compromise population health and create additional vulnerabilities. In this context, education is becoming increasingly important for well-being, both in terms of health and financial awareness.

The insurance sector is highly exposed to the risks deriving from demographic change across its entire value chain, while at the same time, playing a crucial role in supporting public institutions, ensuring adequate access to services and contributing to the development of welfare plans that are sustainable in the long run.

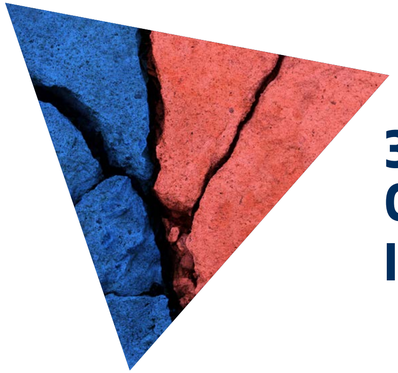


2. Climate Change

Climate change-related risks continue to keep a high ranking, both in terms of impact and likelihood over the short to medium term. They are strongly interconnected with other risks, like Geopolitical Instability and the Breakdown of Critical Infrastructure, whose resilience is being increasingly challenged by growing exposure to extreme weather events.

The physical risk component includes both acute risks, which manifest themselves through the increasing frequency and severity of extreme weather events, causing immediate physical damage to insured property and infrastructure, and chronic risks, which occur as long-term changes in climatic conditions. Another relevant component of climate risks is transition risk, which requires insurance companies, as well as the whole market, to adapt to a context characterized by regulatory and technological change, as well as reputational challenges associated with the transition to a low-emission economy.

Climate change-related risks can potentially affect the entire insurance value chain, in particular the Physical Risk component, which has significant implications for underwriting activities, due to the increasing frequency and severity of claims, as well as for strategic activities, given the need to respond to the growing demand for protection across the country. This highlights how narrowing the protection gap, which remains significantly wider in Italy than in the rest of Europe, requires an effective and coordinated shared responsibility between the public and private sectors.



3. Geopolitical Instability

Geopolitical Instability remains among the most relevant emerging risks, given its significant impacts across the value chain and its high degree of interconnectedness with other risks, acting as an amplifier of Cyber Risk & Cyber Insecurity, Breakdown of Critical Infrastructure, and Impacts on the supply chain due to the blockage of major trade corridors, resulting in pressures on food supply systems and rising prices.

Armed and economic conflicts, as well as alliances, polarization and other political dynamics, give rise to social unrest, tensions in financial markets and business interruptions, while also generating inflationary pressures and driving shifts in public spending, including military expenditure. These risks, while manifesting with a fragmented distribution across the globe, can escalate rapidly and unexpectedly, with potentially far-reaching and unpredictable outcomes.

The insurance sector is highly exposed to this risk, primarily through financial market volatility, with impacts on investment portfolios, as well as due to the potential loss of relevance of Italy and Europe in an increasingly fragmented geopolitical environment, causing a shift in strategic investment priorities. In addition, this risk creates new forms of vulnerability, including those arising from Cyber War, with repercussions for business operations in the form of an increased risk of business interruption.



Demographic Change

Demography and Health

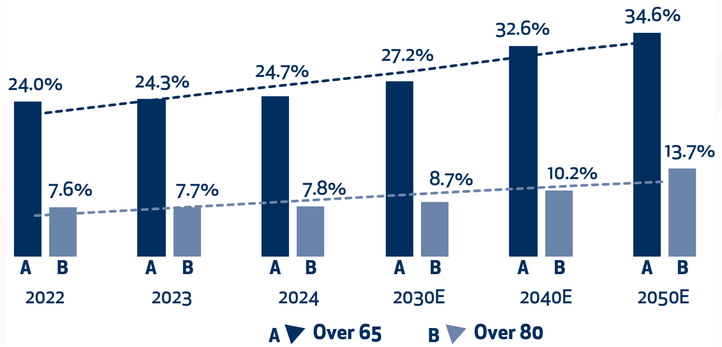
Main Macro Trends connected

Risk deriving from **variations in size, composition and territorial distribution of population**, which can manifest through elements such as birth rate, mortality, social mobility (changes of social status) movements across the territory (migration). This may generate (i) **unsustainability of existing business models**, also due to the rise of new insurance needs, with different characteristics for the coexisting generations (youth, active population, retirees) with exposure to longevity risk and transformation of social relationships patterns, (ii) a significant **increase in life expectancy, with implications for the sustainability of risks taken**, also due to the high disease rate among older population groups, and (iii) impact on **people management** in terms of attractivity and retention of new skills.

Demographic Change



Share of over 65 (blue) and over 80 (light blue) Italian population



The 2025 data confirms the expected trend reflecting the progressive ageing of the Italian population, with a further acceleration. The increasing longevity requires an enhancement of prevention practices and of well-ageing in general.

355 k

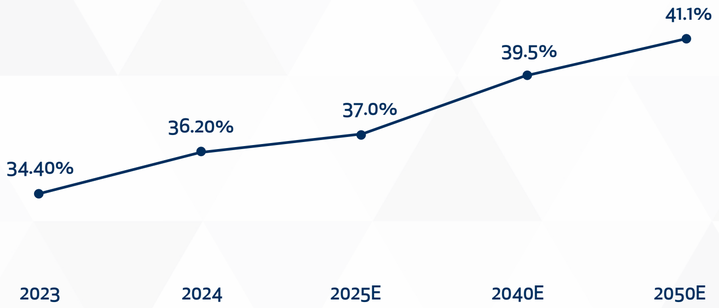
Number of births in 2025,
▼ -3.9% compared to 2024

68.7

Mental Health Indicator*

Based on the expected demographic dynamics the incidence of the Italian population on the world population will decrease from 0.72% in 2025 to 0.57% by 2050

Share of single-person families



The rising trend is confirmed by the estimate for 2025 and by projections to 2050. This particular social transformation also draws attention to the potential negative impacts on physical and mental well-being associated with loneliness, depression and delayed access to healthcare and assistance, particularly among older people and vulnerable individuals.

* A measure of psychological distress referring to four main dimensions of mental health (anxiety, depression, loss of behavioural or emotional control and psychological well-being). The indicator is on a 1-100 scale, with better psychological well-being conditions as the average value of the index increases.
Data Source: ISTAT
Note: all data refers to Italy

Demographic Change



83.7 years
Life expectancy at birth in 2025

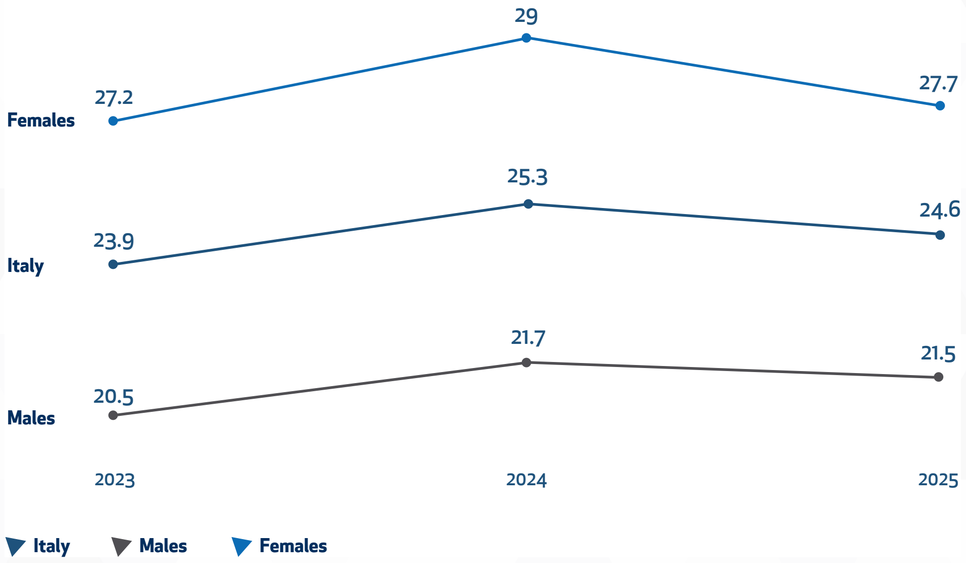
81.7 years | 85.7 years

59.1 years
Healthy life years in 2025

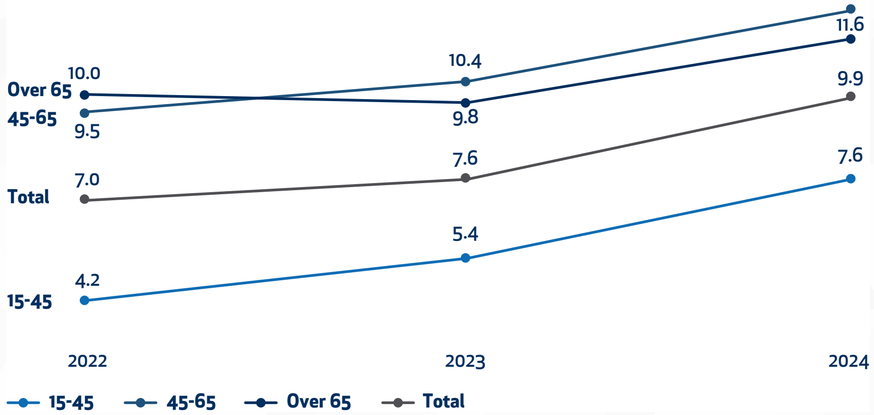
60.2 years | 58.0 years

In 2025, given a slight increase in life expectancy at birth, from 83.4 to 83.7 years, the expected number of years lived not in good health declined by 0.7 years, reaching 24.6 years. A gender gap of 6.2 years is particularly evident, with healthy life expectancy remaining lower among women, although showing a slight improvement compared with 2024, also due to a higher life expectancy at birth.

Years expected not in good health



Forgone medical care by age group



In 2024*, around one in ten Italians forwent healthcare services, a 2.9 p.p increase compared with 2022. The rise was observed across all age groups, with the highest increase among people aged 15–45 (+3.4 p.p), while the 45–65 age group recorded the highest rate of forgone care. The phenomenon also displays a gender gap, with women consistently experiencing higher rates of unmet healthcare needs than men.

Data Source: ISTAT
Note: all data refers to Italy
* Last available ISTAT data

Demographic Change



Impacts

Potential risk impacts

- **Increase of chronic and multi-chronic diseases** due to population ageing and pollution of urban areas, with impacts on the strategy and loss ratio of health policies
- **Increase of mental illnesses**, also connected with higher levels of urbanization and the consequent impacts in terms of pollution
- **Increase of longevity risk**, relevant for annuity products
- **Reduction of the spending capacity** linked to the increasing share of single-person families
- **Loss of attractiveness both in terms of offering competitiveness and people management** resulting from a failure to adapt to the needs of different generations and cultural backgrounds
- **Risks linked to sustainability, relevance and potential growth of public debt**, as well as the **loss of strategic position on the global market** due to the decrease and ageing of population, with impacts on strategy and investments
- **Increased reputational risk** due to the failure or inadequacy in **addressing the country's emerging protection needs and evolving social expectations**
- **Increased reputational risk** in case of failure to promote values of inclusion

Demographic Change



Actions 1/2

Main actions taken by the Group

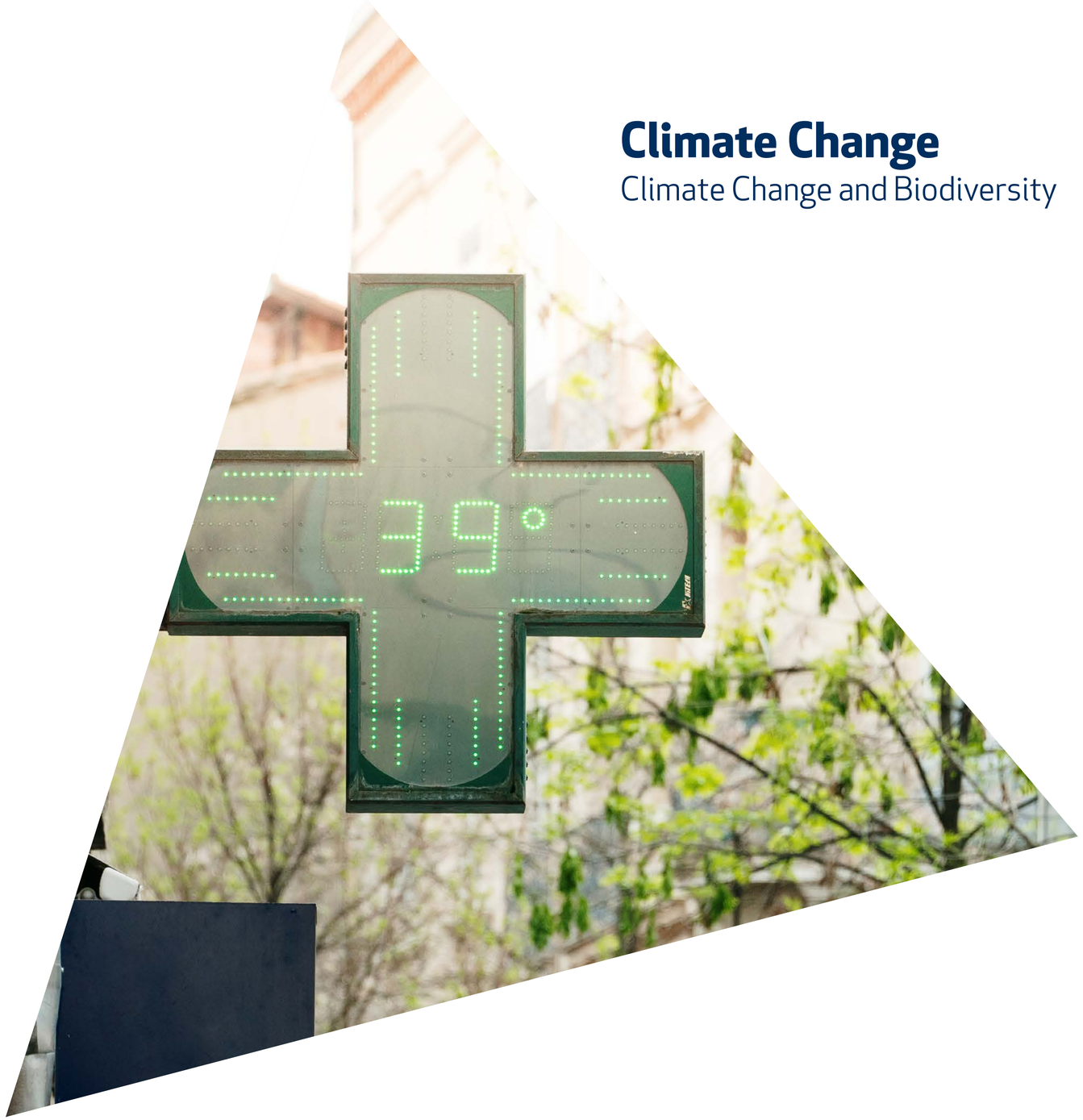
- Strenghtening **of UniSalute centre of excellence** as focus point for the management of health policies, supported by an enhancement of digital channels (UniSalute Per Te)
- Consolidation of the **welfare ecosystem** through an integrated and complementary service offering, enhancing synergies between prevention and protection through non-insurance healthcare services and corporate welfare solutions
- Enhancement of the **integrated Health offering**, omnichannel, modular, digital and customizable combined with healthcare services (including psychological counselling, care and online pediatric consultations) to address the growing demand while supporting a sustainable growth of the Health business and contributing to the business mix boost strategy
- Futures exploration through **strategic foresight methodologies**, to strengthen the long-term resilience of the Group's strategy and business model
- Wide range of digital services offering to support and promote **corporate welfare** (Wellbee, Tantosvago, GoWelfare)
- **Expansion of UNICA**, innovative and data-driven offering that delivers an integrated insurance ecosystem for families, supporting customers' protection needs across their entire life cycle
- Evolution of **Life solutions** in a **Life Cycle** perspective to incentivize the adoption of complementary pension schemes by younger generations

Demographic Change



Azioni 2/2

- **Omnichannel distribution model** focused on the Network of agencies and enhanced through **technology and specialized expertise**, leveraging the role of the Family Welfare Specialist
- Reduction of exposure to sovereign issuers, in particular to Italian government bonds
- Approval of the **People Management Policy**, defining commitments in terms of skills valorization and meritocracy, respect for people, integration of diverse backgrounds, capabilities and attitudes; a management approach that values differences and ensures equal opportunities for professional growth
- **Generational change** in the People Management area and support in the development of a new generation of Agents, through medium- to long-term workforce and skills planning
- Promotion of structured advocacy activities leveraging the "Welfare, Italia" think tank as a discussion and good practice sharing platform, with the aim of providing a contribution to the definition of a new concept of welfare for the Italian context



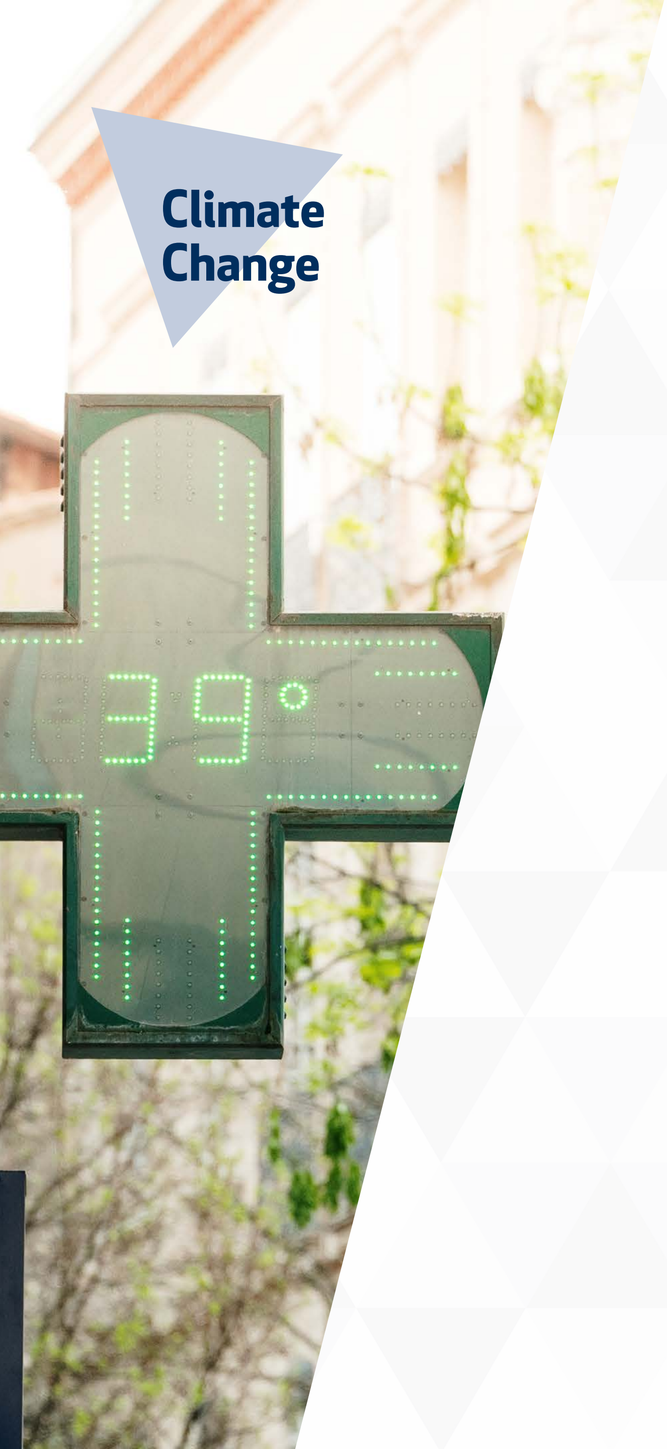
Climate Change

Climate Change and Biodiversity

Main Macro Trends connected

The risks connected to climate change include the increase in frequency and severity of extreme natural events deriving from climate change, resulting in an increase damages for the Group and its policyholders. It also includes risks deriving from the transition to a low greenhouse gasses emissions economy, including changes in regulation, technology and market preferences.

Climate Change



Risks connected to climate change include **acute and chronic physical risks and transition risks**.

Physical risks are risks deriving from physical changes of climate change including:

- **Acute physical risks**, deriving from particular weather phenomena such as storms, floods, fires or heatwaves;
- **Chronic physical risks**, deriving from long-term climate changes such as average temperature variations, sea-level rise, lower water availability and changes in soil properties and productivity.

Transition risks arise from the shift to a low greenhouse gas emissions economy and can have different causes:

1) **regulatory**, which can derive from political decisions aiming at the increase of fossil fuel prices and encouraging the sustainable soil use and energetic efficiency;
2) **legal**, deriving from legal controversies due to activities that produce negative impacts on climate;
3) **technological**, which can derive from the introduction of new low CO_2 emissions and energy-efficient technologies, considering the whole product lifecycle;
4) **changes in market preferences**, deriving from a variation in the customers behavior and consumer preferences;
5) **reputational**, related to the difficulty in attracting and retaining customers, employees, business partners and investors if the company has a reputation of conducting environmentally-harming activities.



Climate Change

The European Extreme Events Climate Index provides a tool for the evaluation of the frequency and severity of extreme weather events by analysing the ERA5 dataset of Copenicus Climate Change Service (C3S). In the index data, extreme events are identified with values above 1 and it is possible to observe how the average number of months per year characterised by extreme events increased from 4.2 in the 1996–2005 decade to 7.8 in the 2016–2025 decade.

Looking at annual trends, the number of months per year characterized by extreme events shows significant variability, declining from 10 months in 2024 to 5 in 2025, although the trend has continued to increase over the past 30 years. In 2025, all extreme events recorded were related to episodes of extreme maximum temperatures.

Frequency of months per year with significant anomalies of extreme weather events in Italy

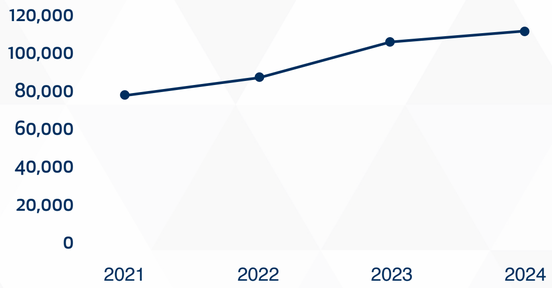


5 out of 12 months in 2025 have been characterized by extreme weather events, compared with 10 months in 2024.

Climate Change

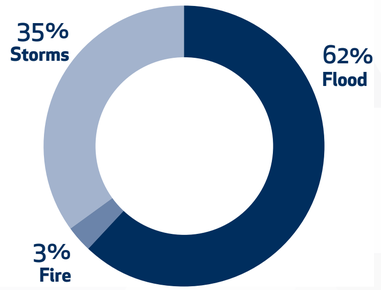


Cumulated catastrophic losses in Italy since 1980
(mln)



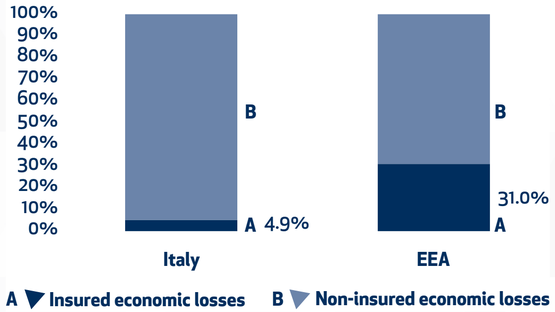
Catastrophe losses increased by 44% over the 2021–2024 period. Italy remained the third-most affected country in terms of economic losses from climate-related catastrophes in 2024, after Spain and Germany.

Distribution of losses by peril in Italy in 2024



A comparison between historical losses over the 1980–2023 period and those recorded in 2024 shows that floods and storms continue to account for the majority of economic losses in Italy.

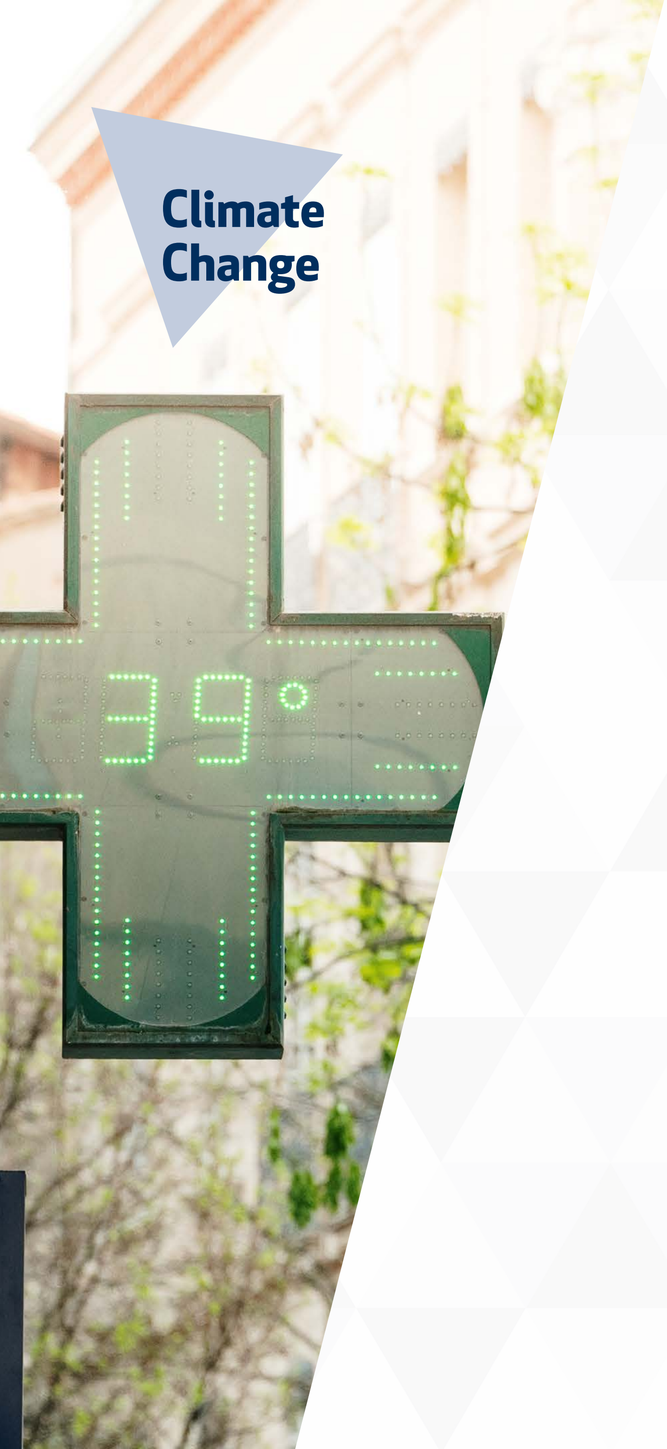
Protection gap Italy vs EEA 1980 – 2024*



Italy remains in the group with the lowest levels of insurance coverage among European countries, with protection rates below 5% (alongside countries such as Romania, Bulgaria, Malta, Croatia and Slovenia), while in the most advanced countries coverage exceeds 60% (Denmark, France and Iceland).

Sources: Dashboard on insurance protection gap for natural catastrophes, EIOPA (updated in December 2025). Data does not include losses from earthquakes
*Calculated as the ratio of uninsured losses to total losses from natural catastrophes over the period 1980–2024, excluding losses resulting from earthquakes.

Climate Change

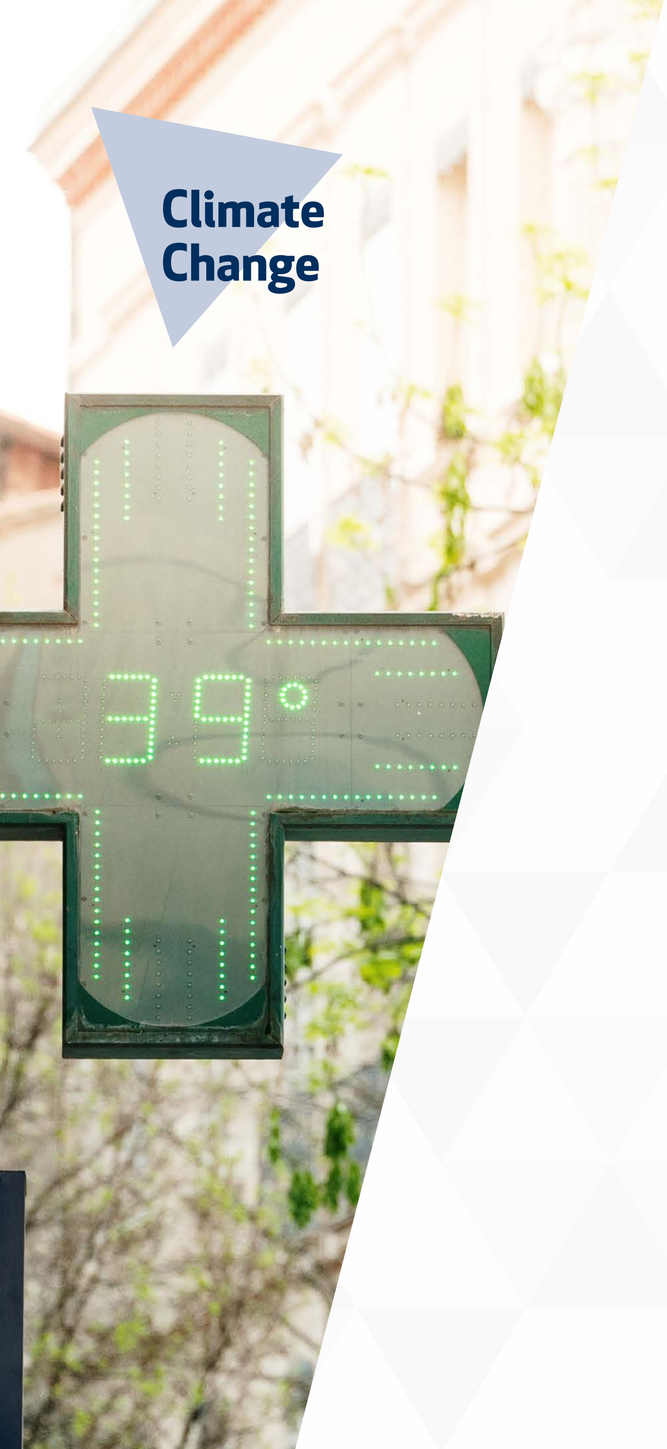


Impacts

Potential risk impacts

- **Increase of claims** due to an exacerbation of extreme weather events
- **Increase of mortality rates**, hospitalization and morbidity due to heatwaves, especially affecting the most vulnerable population groups
- **Hardening of the reinsurance market**
- **Potential reduction of circulating vehicles** due to the transformation of mobility
- **Increased claims management costs** associated with electric mobility and sectors characterized by inherent risks, such as photovoltaic energy and hydrogen production
- **Higher number of claims** linked to an increase in climate litigation
- **Loss in value of financial investments** in sectors exposed to physical risks, and in real estate investments located in coastal areas
- **Loss in value of financial investments** in Climate Policy Relevant Sectors and/or with low ESG rating
- **Increased risk of business interruption**
- Regulatory restrictions and limited response capacity in the management of events linked to **mandatory coverage** for natural catastrophes
- **Increased reputational risk** due to an inadequate or insufficient ability to respond to the Country's **emerging** protection needs
- **Increased reputational risk** due to negative impacts on climate, lack of support to the **climate transition** and **greenwashing** practices

Climate Change



Actions 1/2

Main actions taken by the Group

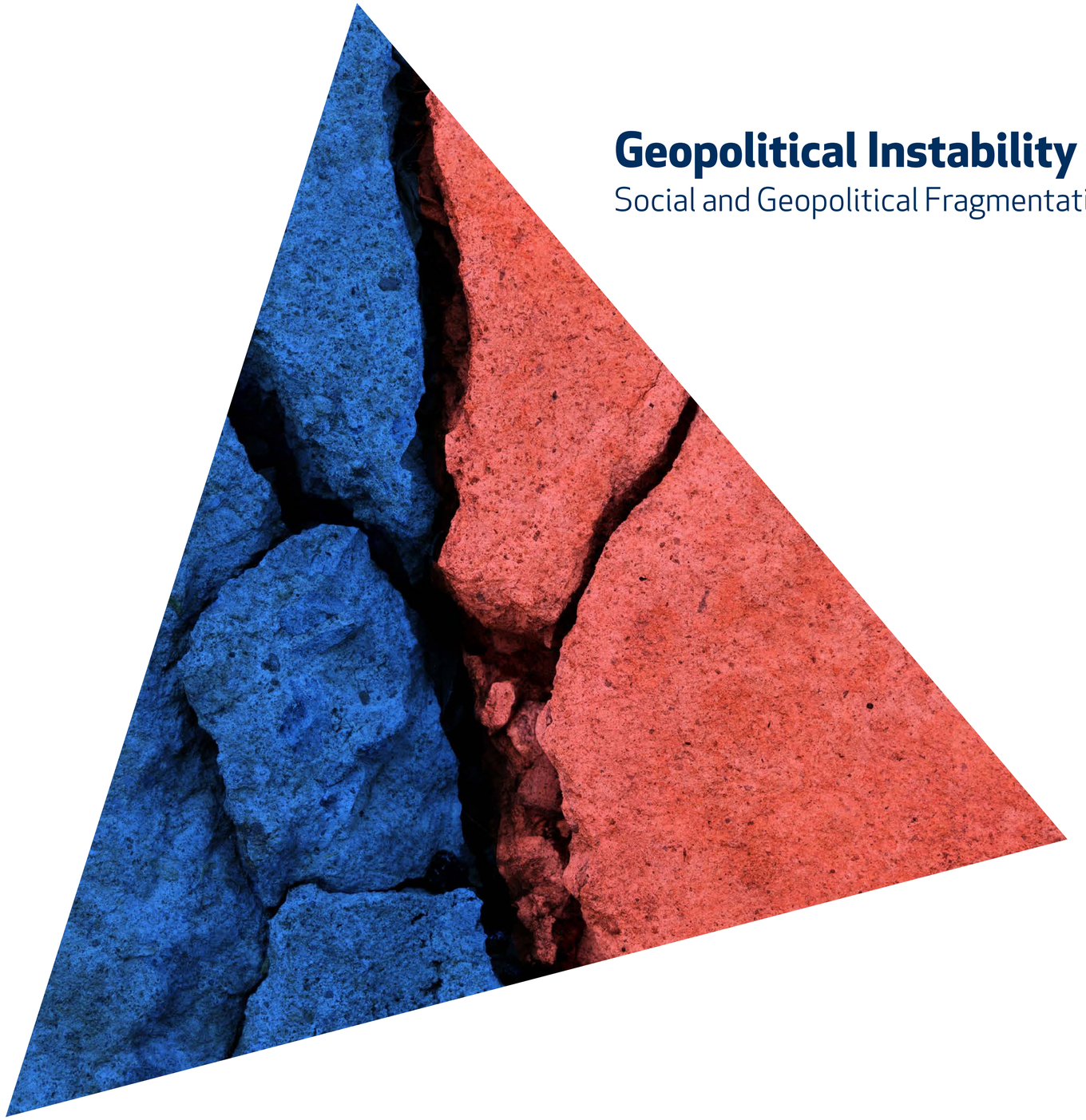
- Improved **pricing** and **underwriting** by leveraging **higher granularity** and integrating **new pricing variables** (e.g. presence of solar panels) and **additional levels of coverage and controls**
- Enhancement of **dynamic pricing** models
- **Implementation of policies** aimed at reducing the emissions associated with financial investments through portfolio performance monitoring, engagement with the most impactful companies, and thematic investments
- **Specific insurance solutions for natural catastrophes**, combined with a proactive catastrophe claims management approach
- Increased **portfolio agility** through the removal of automatic policy renewals across all protection areas of the Unica Unipol product, combined with the de-risking of exposures to catastrophic risks
- Strengthening of **reinsurance strategies** through dedicated natural catastrophe coverages aimed at mitigating the volatility associated with catastrophic events
- Use of **data analytics tools** and the development of natural hazard and vulnerability indicators to support **risk prevention** (through the Alert Meteo service), enhance **pricing** capabilities (through E3CI for monitoring and managing the impact of extreme weather events), and improve **claims management**
- Development of **public-private partnership projects** to raise awareness about climate risks among small and medium-sized enterprises (SMEs) and agricultural businesses through climate risk self-assessments and the definition of adaptation plans (LIFE DERRIS and LIFE ADA), as well as among homeowners and apartment buildings
- Promotion, through "The Urban Mobility Council", of a dialogue with institutions aimed at defining fairer, more inclusive and behaviour-based environmental policies and compensatory measures, in line with the European regulatory framework
- Adoption of a **Climate Strategy** including the definition of medium to long-term greenhouse gas emissions reduction targets to support the Group's decarbonisation pathway across its three main areas of activity: (i) own operations; (ii) investments; and (iii) underwriting activities

Climate Change



Actions 2/2

- Adoption of a **Business Continuity Management Policy** and identification of infrastructures exposed to catastrophic risks
- Definition of **event management procedures** based on different levels of severity, in response to events related to mandatory natural catastrophe (Nat Cat) coverage
- Directing real estate activities towards the achievement of environmental quality certifications for both own-use and third-party-use properties
- Promotion of the **Natural Risk Forum Think Tank** as a platform for collaboration among public institutions, the scientific community and the private sector, with the aim of enhancing national resilience
- Development of the **Natural Risk Index**, an original indicator providing a synthetic and comparable measure of the economic impact of natural catastrophes (earthquakes, floods and convective storms) in Italy, combining hazard, vulnerability and exposure
- Participation in the **Forum for Insurance Transition to Net Zero (FIT)** a United Nations-led initiative that promotes insurance strategies and practices aimed at accelerating and strengthening a just transition towards a resilient net-zero economy
- Implementation of **tools for the early identification** of potential claims and the preliminary assessment of the financial exposure resulting from catastrophic events
- Establishment of a **coordination task force with the major insurance companies to monitor events** and ensure the **coordinated management** of operational activities during emergency situations
- Creation of **Unipol Home**, a dedicated company designed to ensure **rapid damage assessment** during emergencies, including through the deployment of mobile units equipped to operate in areas affected by infrastructure and operational disruptions
- Definition of dedicated **claims settlement processes** for the management of catastrophic events, aimed at **ensuring operational continuity and timely response**, including the provision of **advance indemnity payments** in accordance with applicable legislation and implementing regulations



Geopolitical Instability

Social and Geopolitical Fragmentation

Main Macro Trends connected

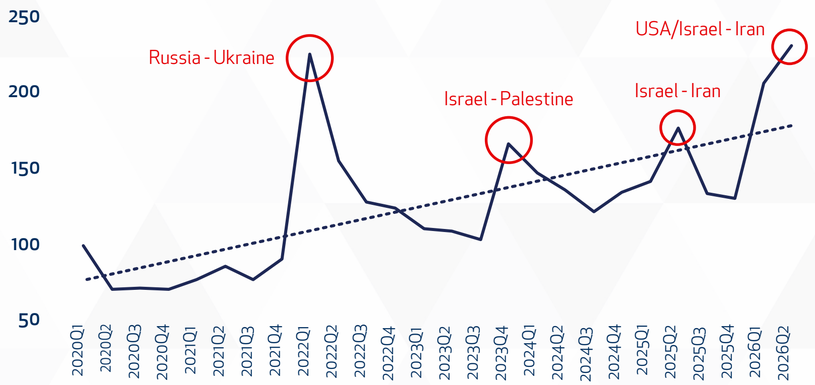
Geopolitical instability risks include **armed** conflicts between States, also involving the use of mass destruction weapons (such as nuclear, chemical, biological and radiological weapons), terrorist attacks and internal socio-political conflicts. **Economic conflicts** are also encompassed, aimed at weakening another country's economic and political stability by leveraging trade policies or other means such as cyber-attacks targeting critical infrastructure (Cyber War). **Alliances, polarizations and other political dynamics are considered, including elections, which can influence geopolitical order**. Such events may result from changes in the international order and from an increasingly multipolar world, with macroeconomic, microeconomic, social and environmental implications.

Geopolitical Instability

The **Geopolitical Risk Index**, a measure based on the number of news articles covering adverse geopolitical events, shows a rapidly rising trend driven by the growing number of conflicts worldwide. Following the peak recorded in the first quarter of 2022 after Russia's invasion of Ukraine, conflicts in the Middle East pushed the index higher once again, culminating in a further increase, with the new tensions involving Iran in the second quarter of 2026. These conflicts fuel uncertainty and geoeconomic fragmentation, contributing to military and trade tensions among competing blocs, disrupting trade routes and driving up energy prices.

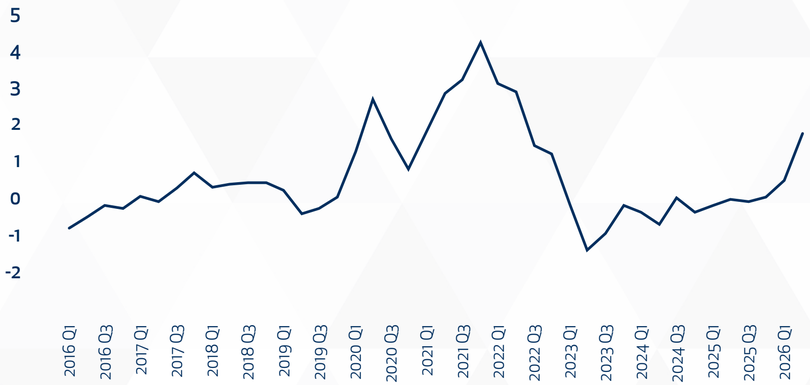
These developments are reflected in the trend of the **Global Supply Chain Pressure Index**, a composite indicator measuring pressures on global supply chains. After the peak during the pandemic, the index entered a phase of normalization in 2022–2023. Since 2024, however, it has shown a renewed rising trend, which intensified in 2025–2026 following the escalation of conflicts in the Middle East and the persistence of international tensions. The intensification of geopolitical shocks has once again undermined the smooth functioning of global supply chains through disruptions to key trade routes, increased instability in logistics flows, and indirect effects on energy costs.

Geopolitical Risk Index



The index is expressed as a quarterly average

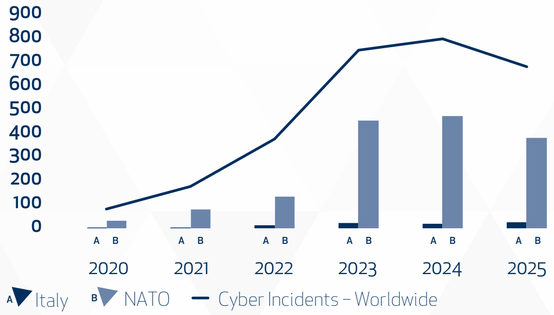
Global Supply Chain Pressure Index



The quarterly index is calculated as the average of standardized monthly values (expressed as standard deviations from the historical mean)

Geopolitical Instability

Cyber incidents with a political dimension



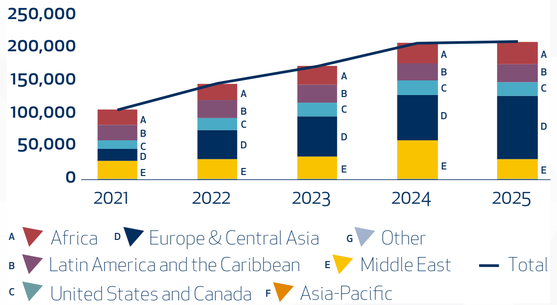
Source: European Repository of Cyber Incidents - *www.eurepoc.eu*. Annual data

Modern conflicts are increasingly assuming the form of so-called «hybrid warfare»: between 2020 and 2024, the number of politically motivated cyber security incidents increased almost tenfold, rising from 80 to 799 cases. In 2025, the threat level remained elevated, with 681 incidents recorded.

NATO countries are the primary targets of such attacks. Incidents involving the Alliance increased from 32 in 2020 to 380 in 2025, confirming the central role of the Euro-Atlantic area in cyber competition among states.

Italy has also become a persistent target of these threats. After the first incidents recorded in 2020 and 2021, the phenomenon accelerated significantly from 2022 onwards, with incidents attributed to Italy increasing from 12 in 2022 to 25 in 2025.

Number of political violence events by geographic area



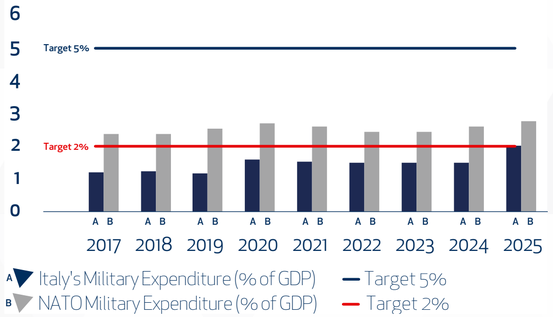
Source: ACLED (Armed Conflict Location and Event Data) – *www.acleddata.com*. Annual data

Political violence encompasses various forms of conflict and instability, including battles, explosions and remote attacks, violence against civilians, excessive use of force against protesters, and mass violence.

Between 2021 and 2025, the number of such events nearly doubled globally, rising from 105,655 to 208,686 incidents (+98%). The most significant increase was recorded in Europe and Central Asia, where the number of events grew more than fivefold, from 17,995 to 94,745 (+426%).

The Middle East continues to represent one of the main epicentres of global instability, while Africa is also showing a growing trend.

Defence spending in % of GDP



Source: NATO - *www.nato.int*. Annual data

Between 2017 and 2025, Italy's military spending as a share of real GDP followed a steadily upward trend, accelerating in recent years, with a further rise in 2024–2025, ultimately reaching NATO's 2% target in 2025. This reflects a shift in defence policy, with closer alignment to international commitments. However, there is still a gap compared to the average levels of Italy's main partners, suggesting further room for growth, also in light of new political agreements setting a revised spending target of 5% of GDP. This trend may divert public resources away from other strategic priorities, such as infrastructure, education, healthcare and the ecological transition.



Geopolitical Instability

Impacts

Potential risk impacts

- **Increase in claims** associated with business interruption and with damages resulting from vandalism, social unrests and acts of terrorism
- **Expected increase of claims** on life products arising from acts of terrorism, riots, and social unrests as well as of **surrender requests** for life insurance policies driven by periods of heightened uncertainty
- **Financial market tensions** caused by geopolitical instability (loss of value in government bonds, rise of interest rates, inflation caused by the supply-chain shocks, equity markets shocks)
- **Loss of significant market position** at global level due to new geopolitical dynamics, with impacts on strategy and investments
- **Increased risks of supply-chain interruption** and inflationary pressures
- **Increase of cyber-risk vulnerability** due to geopolitical developments
- **Increased risk of Business Interruption**
- **Reputational risk** arising from **investment and underwriting activities** involving counterparties operating in sectors linked to production of controversial weapons and/or their transport and trade to conflict zones or areas affected by civil war



Geopolitical Instability

Actions

Main actions taken by the Group

- Implementation of **technical controls** aimed at mitigating exposure of the insured portfolio
- **Diversification of investments**
- **Supplier diversification** for key supplies
- **Leveraging** Group companies in the claims management processes in order to ensure high service standards, timely handling and favourable conditions for policyholders
- **Evolution of IT security controls** based on emerging threats and identification of new threats
- **Exclusion** from underwriting in P&C and Life coverage of companies involved in developing and manufacturing of controversial weapons, their distribution and/or transport to conflict zones, areas affected by civil war or to countries systematically violating human rights
- **Exclusion** of direct investments in: (i) corporate issuers involved in the production of controversial weapons that fail to meet minimum ESG performance thresholds or do not have adequate safeguards in place on human rights, use of natural resources and anti-corruption practices; and (ii) sovereign issuers from countries that do not meet minimum ESG performance thresholds or are associated with serious human rights violations or environmentally harmful resource exploitation practices with global impacts
- Establishment of a ***new institutional representation office*** in Brussels as part of the Group's public affairs activities, aimed at fostering dialogue at the European level among institutions, insurance industry representatives and stakeholders from the broader business community

Vision and security
in an increasingly interconnected and fragmented world



In an increasingly uncertain and turbulent environment, affecting the Italian society that is becoming increasingly interconnected yet fragmented, the insurance sector, by strengthening its ability to anticipate risks, can play a key role in fostering systemic security and developing modular solutions capable of adapting to diverse protection needs.

The concept of security is shifting from being primarily associated with physical protection to a broader and more complex concept that encompasses **economic stability** and the **resilience of critical infrastructure** to extreme weather events and cyberattacks. It also includes the ability to address the new technological threats arising from the rapid development of increasingly pervasive technologies that are becoming ever more embedded in everyday life, as well as the capacity to manage the outcomes of geopolitical tensions, which affects the whole of society, from businesses to individual citizens.

This **increasingly uncertain and turbulent environment** is pushing on the Italian **population** that is undergoing profound demographic changes. While it is becoming **increasingly interconnected** through the spread of new technologies and the growing interdependence of systems, it is also becoming **increasingly fragmented** as a result of rising levels of loneliness and social polarization.

These transformations require the **insurance sector** to **evolve its capabilities** in order to provide timely and effective responses, while also **promoting greater insurance awareness** as a tool for prevention and risk understanding. This new dimension can be described as **systemic security**, where emerging pressures arise from the interconnections and interdependencies among different external threats, and where **citizens' well-being depends** also on the ability to anticipate risks and develop **modular responses** capable of adapting to diverse protection needs.



Technological advances and AI are reshaping the cyber threat landscape. As a result, organizations are being required to strengthen their Cyber Risk Management frameworks by adopting an integrated approach that combines technological, organizational and cultural measures.

Gian Luca De Marchi

Chief Risk Officer

Technological advances and AI are reshaping the cyber threat landscape, increasing both the frequency and sophistication of cyberattacks. While AI is a powerful driver of innovation and operational efficiency, it also provides cybercriminals with new **offensive capabilities**, lowering the technical barriers to carrying out **complex attacks** and significantly increasing their **scalability**.

One of the main emerging risk factors in the technological domain is the growing availability of advanced **generative AI models**, such as Claude Mythos, which may have significant implications for cybersecurity.

Mythos can identify **multiple critical vulnerabilities** within an IT system and **autonomously chaining them together into a novel** and highly dangerous attack, **operating 24/7 and across multiple targets simultaneously**. The model can perform many of the same tasks typically carried out by cybersecurity experts, but at a **scale and speed that no human team can match**. As a result, the time gap between the discovery of a vulnerability and its exploitation is shrinking significantly, requiring increasingly frequent software patching updates and potentially leading to an actual patch storm.

In response to this evolving threat landscape, organizations need to strengthen their **Cyber Risk Management frameworks** by adopting an integrated approach that combines **technological, organizational and cultural measures**.



Artificial Intelligence

Technology and Data

Main Macro Trends connected

Artificial intelligence risk refers to the **possibility of suffering potential losses resulting from the use of artificial intelligence from two different perspectives**:

1. **Technological perspective**, which includes the following risk drivers:

- **Data and input**, including risks related to:
  (i) confidentiality and (ii) data inaccuracy, (iii) cyber attacks and data poisoning;
- **Artificial intelligence models**, which includes risks related to:
  (i) transparency of AI algorithms and (ii) misuse;
- **Activities** and **outputs**, which include risks of:
  (i) overdependence and (ii) reliability of models;

2. **Economic, social and environmental context perspective**, which includes the following risk drivers:

- **People and Planet**, including risks of:
  (i) changes in labour market dynamics and (ii) governance, data ethics and litigation;(iii) environmental sustainability threats;
- **Economic Context**, including risks related to:
  (i) loss of strategic advantage (ii) supply chain changes and (iii) implications of systemic nature.

Artificial Intelligence



Impacts

Potential risk impacts

- Issues arising from the **failure to adopt *responsible AI*** principles, also in terms of transparency and potential biases that may lead to discriminatory practices
- **Evolution and growing sophistication** of cyber risk threats
- **Loss of strategic advantage** resulting from the lack or inadequate use of AI
- **Transformation of work organization** and **processes** resulting from human-machine interaction requiring new skills and work-force reskilling

Artificial Intelligence



Actions

Main actions taken by the Group

- Adoption of a **Policy on the Responsible Development and Use of Artificial Intelligence Systems**, aimed at defining the Group's strategic guidelines for the development and use of AI
- Definition of a risk-based process for the responsible development and use of AI systems
- **Evolution of IT security controls** in reaction to emerging threats and identification of new threats
- **Strategic initiative to develop AI solutions** aimed at evolving the operating model through process automation and productivity enhancement (e.g coding automation)
- Definition of the principles adopted by the Group for the **protection and responsible use of personal data**, including commitments related to Artificial Intelligence Systems (Unipol Data Vision)
- Definition of a **training programme aimed at evolving internal digital capabilities**, while promoting the democratization and responsible use of Artificial Intelligence.



Cyber Risk & Cyber Insecurity

Technology and Data

Main Macro Trends connected

Cyber Risk and Cyber Insecurity refer to the **breach**, primarily intentional but also accidental, of the **properties of confidentiality, integrity or availability of digital data and information and/or information systems** (hardware and software), and reflect the potential negative impacts on organizational operations (e.g. goals, processes, image or reputation), assets, individuals, other organizations and the Country.
These risks can originate externally or internally and can result from vulnerabilities present in the ICT area, but also from inadequate internal processes and/or controls, including physical security.

The rise and transformation of cyber risk are driven by technological advances (e.g. increasing use of AI in cyber attacks, new information technologies such as quantum computing), **the pervasiveness of its deployment, and the increasing level of dependency across different domains, as well as limited awareness and training among end users, with broader social implications**.



Cyber Risk & Cyber Insecurity

Impacts

Potential risk impacts

- **Increased underwriting risk** for cyber affirmative policies
- **Increase in frequency and sophistication of cyber** attacks with potential impacts on the Group's operations and on companies in which it invests, with also potential reputational repercussions
- **Increased risk of business interruption**
- **Increased privacy risk** with possible sanctions from the Authority

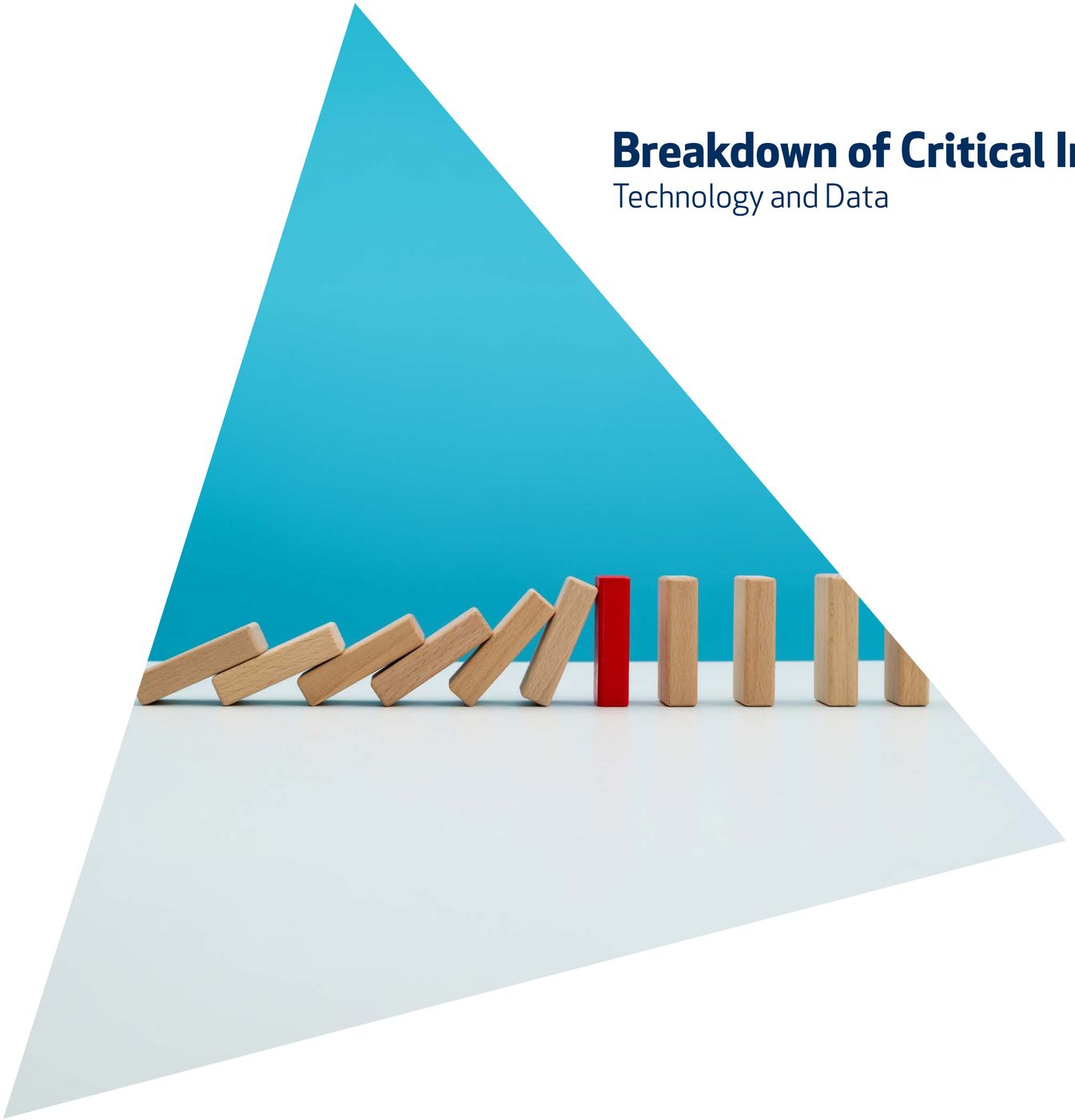


Cyber Risk & Cyber Insecurity

Actions

Main actions taken by the Group

- Offering of **specific cyber insurance products** to meet growing protection needs, supported by preventive risk assessment and **structured monitoring** of cyber affirmative exposures
- Definition of an Information Security Policy establishing the **Group's guiding principles for information security and cyber risk management**
- **Definition of cybersecurity guidelines** providing directives on the adoption of physical, logical and procedural security measures aimed at ensuring the protection of information throughout the entire lifecycle of information systems
- Adoption of **technological solutions and monitoring activities** (e.g., SIEM, SOC, Vulnerability Assessment, Penetration Testing, periodic review of internal/external user accounts, threat intelligence, access tracking, phishing campaign simulations)
- **Cyber awareness initiatives** for employees and intermediaries aimed at mitigating human-related risks, including dedicated training programmes and regular phishing simulation and awareness campaigns
- **Ongoing compliance activities with the European DORA Regulation including the completion of the first TLPT exercise**.
- **Third-party verification activities conducted according to risk-based criteria** (e.g. due diligence, risk assessment, audit)
- Establishment of the **ICT Risk Management Function** reporting directly to the Chief Risk Officer
- Adoption of a **Digital Operational Resilience Strategy**



Breakdown of Critical Infrastructure

Technology and Data

Main Macro Trends connected

Critical infrastructure breakdown risk refers to the **failure of physical and digital infrastructure**, which may be caused by a wide range of factors, including **natural disasters, cosmic threats, large-scale failures, human activities** (such as cyberattacks, geopolitical conflicts, and intentional or unintentional physical or cyber damage), or insufficient investment.

Such failures can produce severe consequences, including business interruptions, economic losses, risks to public safety and human health, remediation costs, and environmental impacts.

Given the high degree of interconnectedness of modern systems, the failure of a single infrastructure asset or service can trigger **cascading and systemic effects**.

Breakdown of Critical Infrastructure



Impacts

Potential risk impacts

- **Increase in Life and P&C claims**, including compensation requests related to business interruption
- **Impacts on claims settlement capacity** in terms of speed, cost increases, and reputational repercussions
- **Financial markets shocks** and potential cascading effects with medium – to long- term impacts on growth potential of strategic enterprises and on the whole Country in the event of prolonged systemic events
- **Increase of social unrests** with potential effects on claims related to acts of vandalism
- Immediate or long-term **impacts** on **human health**, for example during electricity and water outages, or as a result of environmental disasters
- **Loss in value of investments** in securities issued by entities linked to affected infrastructure
- **Increased risk of Business Interruptions**

Breakdown of Critical Infrastructure



Actions

Main actions taken by the Group

- Adoption of the **Digital Operational Resilience Strategy**
- **Business Continuity Plan** including the Disaster Recovery Plan to be activated in the event of catastrophic incidents or emergencies.
- **Compliance activities with the European DORA Regulation**
- **Monitoring of extreme natural events** through indicators from the European Extreme Events Climate Index (E3CI) to estimate their impact on Life and P&C insurance business in terms of costs arising from business interruption, and to trigger dedicated alerts
- Development of the **Natural Risk Index**, an original indicator providing a synthetic and comparable measure on the impact of natural catastrophes at regional level
- **Redundancy within the Group Data Center**, in line with Tier IV certification requirements, as well as towards a secondary Disaster Recovery Data Center
- Adoption of **cloud-based solutions** through a **multicloud approach** to ensure diversification in the use of Cloud Service Providers
- **Diversification of investments** and **operational locations**



Social Polarization and social tensions increase

Geopolitical and Social Fragmentation

Main Macro Trends connected

Social polarization refers to the **growing division of society into opposing groups**, leading individuals to **move away from the centre of the economic and social life towards more extreme or marginal positions**.

The risk of social polarization and social tensions increase is driven by **widening economic, geographic, demographic and social disparities**. This risk also encompasses inadequate financial inclusion, namely the ability to make products and services accessible, understandable and financially affordable for all segments of the population which, in turn, may lead to a **decline in social cohesion, potentially undermining trust in institutions**.

Social Polarization and social tensions increase



Impacts

Potential risk impacts

- **Underinsurance** and reduced demand for insurance products
- **Increased risk of** insurance **fraud**
- **Focus on low prices** and competitive pressure from low-cost distribution channels such as direct channels and price comparison websites
- **Rising social fragmentation**, amplifying the risk of social unrest
- **Inaccessibility of healthcare and welfare** services for the most vulnerable segments of population
- **Increased reputational risk due to the failure or inadequacy in addressing the emerging social expectations**

Social Polarization and social tensions increase



Actions

Main actions taken by the Group

- **Introduction of monthly premium instalments** for Motor insurance and the main standard P&C products, with the aim of supporting customers' purchasing power
- Adoption of 'smart' insurance solutions, that can be accessed quickly and easily, designed to meet the needs of different income segments and provide affordable coverage options, including products tailored to micro-enterprises and start-ups
- Offering **fully customizable** Motor insurance products, allowing **on-demand adaptation** of coverage options and suspension periods and giving customers control over the insurance protection they need based on their driving habits (BeRebel)
- Provision of insurance tools designed to **safeguard living standards**
- Development of **anti-fraud tools and processes** to mitigate negative impacts on pricing
- Promoting **insurance literacy and risk management** as tools to foster economic growth and reduce inequalities (through educational initiatives in high schools and the 'Assicurati di saperlo' awareness campaign)
- **Leveraging** Group companies and affiliated partner networks in the **claims management processes** and promoting direct repair solutions to reduce policyholders' out-of-pocket costs, thereby supporting **financial inclusion**
- Development of **services designed to facilitate access to healthcare** (SiSalute) and encourage **well-being awareness (InSalute)**
- Health insurance offering consisting in three solutions tailored to different population segments to **address policyholders' specific needs**: young adults, parents and seniors (UniSalute al tuo fianco)
- Projects by **Fondazione Unipolis aimed at supporting efforts to reduce inequalities**, promoting equitable mobility and strengthening welfare systems (Bando ACT – Aspirare. Coinvolgere. Trasformare)

Vision and care
in partnership with Customers and Public Institutions



The growing vulnerability of society and the increasing uncertainty about the external context highlight the need to develop care as a system of active partnerships, in which the insurance sector can play a key role as both a promoter of prevention and an innovator for the development of a holistic approach to well-being.

We are witnessing a progressive **increase in external factors that adversely affect people's health**, including new forms of emerging diseases, declining environmental quality, rising consumption of ultra-processed foods and new types of mental health disorders.

These negative pressures on public health are affecting an **Italian society undergoing profound transformation**, marked by significant **population ageing** and **rising rates of chronic conditions** which are no longer confined to older age groups but are extending across generations, **including younger cohorts**. At the same time, growing demand for healthcare services is placing additional strain on a **national healthcare system that is struggling to provide timely and effective responses**.

The **growing vulnerability of our society** and the **increasing uncertainty of the external environment** highlight the **need to develop care** as a system of **active partnerships** among citizens, the State and the **insurance sector**, where the State retains its role as the universal provider and funder of healthcare, while the insurance sector can act both as a **promoter of prevention** and as an **innovator for the development of a holistic approach to well-being**. Such approach considers individuals in their complexity and uniqueness, encouraging Customers to play an active role in their own health and well-being journey, being able to rely on services that address their physical, mental and social needs.

The culture of prevention is one of the cornerstones of the "Welfare, Italia" vision, as it is closely linked to quality of life, active ageing and the ability of human capital to fulfil its potential throughout the different stages of life.

Stefano Genovese

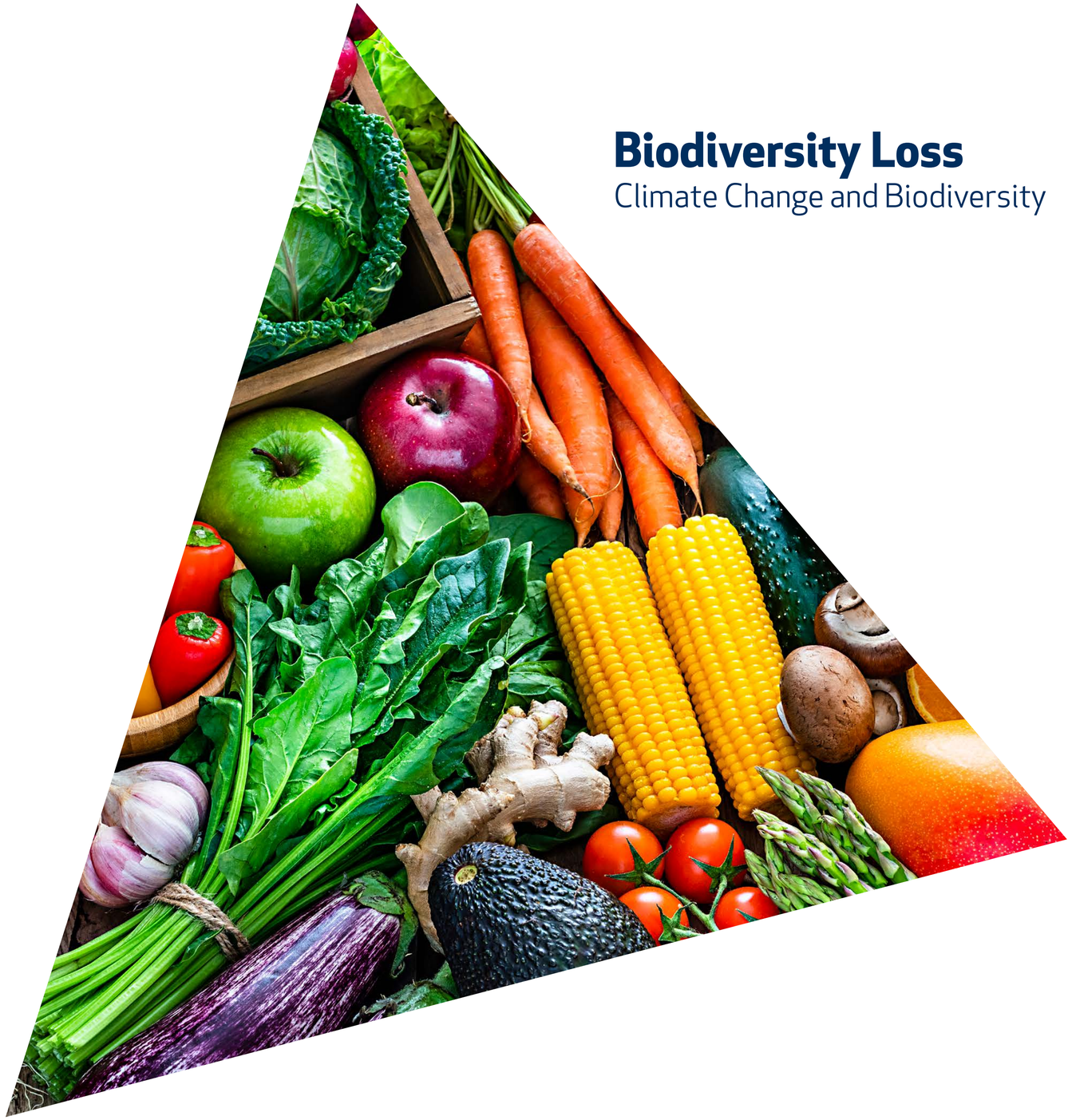
Responsabile Institutional & Public Affairs



Italian society is on track to becoming **one of the longest-living** in Europe and worldwide. Ageing and increasing life expectancy should be considered as both a **value and an achievement** reflecting healthier **lifestyles** and the **quality of care** provided by our national healthcare system. At the same time, demographic decline and the fall in birth rates are raising questions about the long-term **sustainability of the welfare system**: as the needs for care of an ageing population continue to grow, **the pool of potential workers**, whose incomes support the social protection system, **is shrinking**.
It's on this critical transition that the "**Welfare, Italia**" **Think Tank, established by Unipol in 2010**, has been focusing for years, looking for integrated public-private solutions as a national strategy. Welfare cannot be sustained by a single actor alone, but requires **collaboration among institutions, the education system, healthcare providers, businesses and the broader labour market**.

The **culture of prevention** is one of the cornerstones of the "Welfare, Italia" vision for addressing population ageing and the growing and the rise of chronic conditions. Prevention is closely linked to the **quality of life**, active ageing and the ability of human capital to fulfil its potential throughout the different stages of life.

Welfare is not only defined in terms of skills and productivity: **physical well-being** depends on health and prevention; **mental well-being** on education, lifelong learning and workplace well-being; while **social well-being** on social inclusion, civic participation, territorial cohesion and support for employment.



Biodiversity Loss

Climate Change and Biodiversity

Main Macro Trends connected

Risk of significant biodiversity loss, degradation of species' abundance and collapse of natural ecosystems (terrestrial and aquatic, marine and freshwater) resulting in significant impacts on ecosystem services, human health and psychophysical well-being, food security and profitability of economic activities over time. Risks arising from the transition to a "Nature-positive" economy are also included, namely changes in regulation, technological developments and market preferences.



Biodiversity Loss

Impacts

Potential risk impacts

- **Increase in mental and physical health** risks resulting from environmental degradation and the loss of the positive effects that nature provides to human well-being
- **Loss in the value of financial investments** in sectors that are highly dependent on, and/or have significant impact on nature, or that fail to promote Nature-positive transition
- **Loss in value of real estate assets located** in exposed areas
- **Increased reputational risk** arising from negative impacts on biodiversity and failure to support the transition to a Nature-positive economy, as well as to greenwashing practices



Biodiversity Loss

Actions

Main actions taken by the Group

- Development of solutions dedicated to **protecting both physical and mental health throughout the life cycle** (integration of healthcare and services with a life-cycle approach)
- **Offering of targeted prevention programmes**, customized by age and gender
- Adoption of Biodiversity Guidelines aimed at contributing to the protection and restoration of natural ecosystems across the key areas of the Group's value chain (insurance activities and investments)
- **Participation in working groups** with peers and stakeholders to continuously improve understanding of the insurance sector's potential positive and negative impacts on nature (**UNEP FI PSI**)
- Initiatives supporting **real estate redevelopment** to enhance Italy's architectural heritage (UrbanUp)
- **Collaboration with Legambiente** on the project "Bellezza Italia" to assess the impacts of climate change on Italy's natural ecosystems and support the restoration of degraded areas



Environmental Pollution

Climate Change and Biodiversity

Main Macro Trends connected

Risk of a significant increase in **contamination** or **disruption of environmental and natural homeostasis** due to the introduction of harmful materials or actions into the environment. There are various forms of environmental pollution that can be classified based on the affected environment (for example, air, water, and soil pollution) or the source (including, but not limited to, light, noise, and plastic pollution). All different forms of environmental pollution have **implications for human health, nature, and biodiversity**.



Environmental Pollution

Impacts

Potential risk impacts

- **Increase in physical and mental illnesses** with impacts on claims frequency in the Health business
- **Increase of claims arising from environmental liability**
- **Increased reputational risk linked to the management of properties** with low environmental performance, or to **underwriting or investments** in highly polluting corporate issuers

Actions

Main actions taken by the Group

- Controls within the **P&C business underwriting policy** aimed at minimizing exposure to high-risk sectors and implementing guidelines for ESG-sensitive sectors
- Provision, as part of the underwriting activities, of environmental protection coverage, **risk assessment services** aimed at increasing customers' awareness of preventive measures, and **emergency response** services designed to contain damages
- **Evaluation and certification process of the environmental performance** of key operational sites and analysis of the sustainability performance of the real estate portfolio according to international standards
- Continuation of the **evaluation and certification process of the environmental performance** for major operational sites, together with the analysis of the sustainability performance of the real estate assets in line with international standards



Insurance base Transformation

Business Transformation

Main Macro Trends connected

The risk of "insurance base and insurable assets transformation" refers to the challenges associated with **managing structural changes of insurable assets** driven by trends such as the shift from the concept of ownership to access (sharing economy), the circular economy, and the growing importance of intangible assets (e.g. reputation, data). This risk is amplified by the **declining relevance of physical insurable assets and by technological developments**, such as autonomous vehicles, which are reshaping traditional risk profiles. The implications for the insurance sector include a **contraction of traditional business lines** (motor, property) and the need to **adapt risk management strategies** to an evolving risk landscape.



Insurance base Transformation

Impacts

Potential risk impacts

- **Contraction of the demand** for traditional insurance products and rise of **new customer needs**
- **Increased management complexity** arising from a shift in customer base from B2C to B2B
- Increased reputational risk due to the **inability to provide an adequate offering** for new customer needs

Actions

Main actions taken by the Group

- Offering **pay-per-use insurance solutions**
- **Evolution of the offering** for the **fleet segment**
- **Expansion of beyond-insurance products and services** to complement the insurance offering and **address increasingly diverse customer needs**
- Launch of UNICA, a **personalized offering** that covers multiple needs
- Continuous market research activities conducted in partnership with research institutes to gain insights into customer needs and expectations, understand priorities, and **support product development and updating processes**



Annex

Anticipation and Monitoring of Macro Trends

SOCIAL

- Sharing Economy
- Hybrid Consumer
- Precariousness and Polarization
- Human Society
- Wellbeing
- New skills
- Intangibles

TECHNOLOGICAL

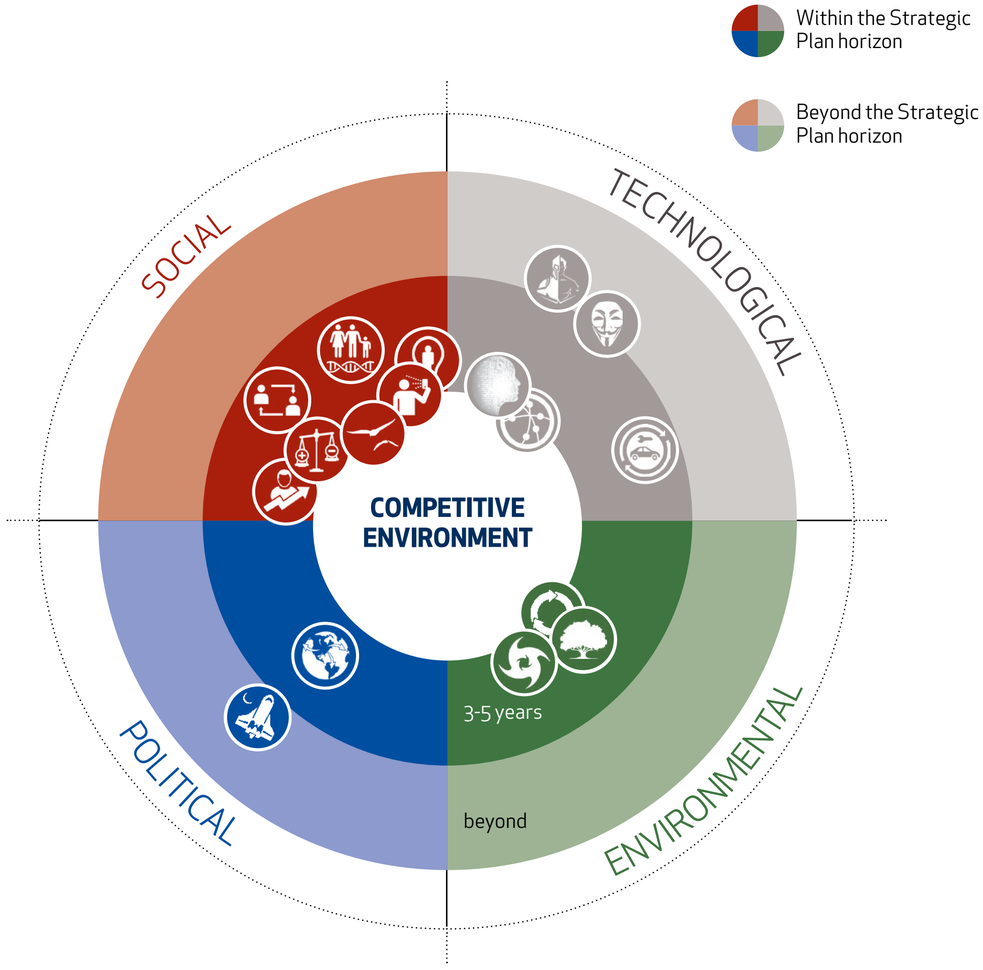
- Internet of Everything
- New Mobility
- Artificial Intelligence and Robotics
- Dark side of Technology
- Augmented Humans - Cyborgs

ENVIRONMENTAL

- Climate Change
- Circular Economy
- Nature and Biodiversity

POLITICAL

- New Frontiers
- Space Economy



Meeting Point model

To guarantee a **forward-looking** vision, the Reputational & Emerging Risk Observatory adopts a predictive model based on the Meeting Point methodology, which anticipates future trends according to different time spans. The documentary sources are the starting point that generate communication flows influencing the evolution of the Meeting Point and enables quali-quantitative evaluations of trends and their persistency and spread across a 5-years time span.

The Group **Emerging Trend Radar** maps the Macro Trends of changes in the external context identified by the Reputational & Emerging Risk Observatory.

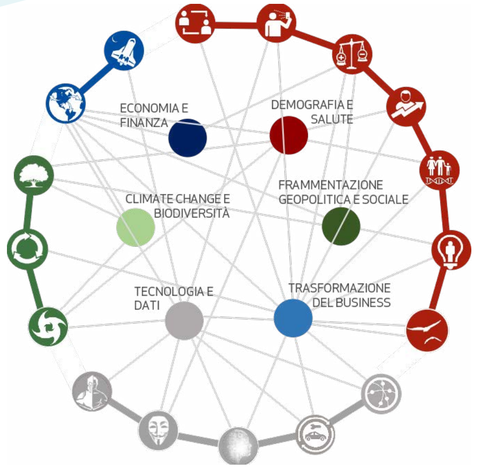
In the context of the Radar each topic is classified based on:

- **Its predominant component**: the radar is divided into four quadrants corresponding to the four dimensions of the external context: Social, Technological, Environmental and Political (STEP)
- **Level of maturity:** in its innermost circle the radar includes the Macro Trends resulting to be material for the insurance sector in the time span of the Strategic Plan, and in the outer circle the Macro trends that will become material in a wider time span.

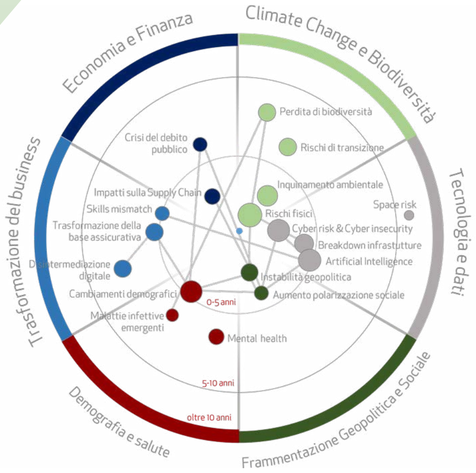
The Observatory has developed a **KPI**-based monitoring system of the evolution of Macro Trends which allows to verify their **relevance over time**

From Macro Trends to a Framework
for Anticipatory Management of Emerging Risks

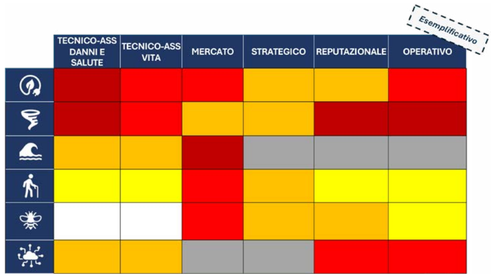
Macro Trends map and Risk Domains



Emerging Risk Radar



Heatmap of Exposure to Emerging Risks





Identification of Emerging Risks

The integrated analysis of Macro Trends results in the identification and definition of the Emerging Risks Map by grouping risks into six main risk domains.

The Macro Trend and Risk Area Map highlights the interconnections that help capture the driving and transformative effects of Macro Trends on emerging risk domains.

Outside-in evaluation

The assessment is carried out through **a survey conducted on a panel of external experts** where, for each emerging risk identified, time horizon, likelihood of occurrence, and potential impact on the **insurance** sector are evaluated, along with the **interconnections** between risks.

Inside-out evaluation

Estimation of the Group's exposure to major emerging risks within traditional risk categories, through the identification of risk drivers, analysis of transmission channels, and data collection for the development of an **exposure heatmap**.

Analysis of relevance and scenarios

Analysis of relevance and identification of the **10 priority emerging risks** for the Group that require **action plans**. Further assessment of the most significant risks are also conducted through scenario analyses.

Map of Emerging Risks by Risk Domains

Climate Change and Biodiversity

- Climate Change - Physical Risks
- Climate Change - Transition Risks
- Biodiversity Loss
- Environmental Pollution

Technology and Data

- Cyber Risk & Cyber Insecurity
- Artificial Intelligence
- Breakdown of Critical Infrastructure
- Space Risk

Geopolitical and Social Fragmentation

- Geopolitical Instability
- Social Polarization and Social Tensions Increase

Demography and Health

- Emerging Infestious Diseases
- Demographic Change
- Mental Health

Business Transformation

- Insurance Base and Insurable Assets Transformation
- Skill Mismatch
- Digital Disintermediation and New Players

Economy and Finance

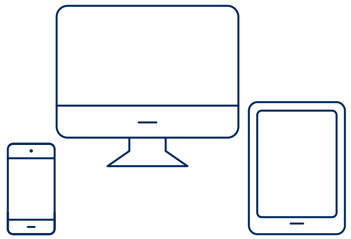
- Sovereign Debt Crisis
- Impacts on the Supply Chain

Sustainability Risks

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