

Always one step ahead



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INNOVATIVE AND DISTINCTIVE SOLUTIONS

- > Product catalogue updated with over **50 new Motor, Property and Life Insurance products**
- > **~ 55.0 € mln in cumulative benefits** by using Telematics in Motor business
- > **~ 40 € mln in benefits** from **claims channelling** towards Auto Presto&Bene garage network and MyGlass, and **expansion of repair and assistance services**



SIMPLIFIED CUSTOMER AND AGENT EXPERIENCE

- > **4 new digital touch points released** (App, reserved area, website, agency intranets)
- > New **mobile sales model** available for the entire agency network
- > **Integrated multichannel project launched: ~ 100,000 calls managed** by the contact centre in 2018 to support the agency network



MORE EFFECTIVE PHYSICAL DISTRIBUTION

- > **New 'UnipolSai 2.0 Agreement'** signed with the **entire agency distribution network**
- > **Number of Agencies reduced** from 3,140 (FY 2015) to 2,615 (FY 2018) with an **increase in the average Non-Life portfolio from ~2.0 € mln to ~2.5 € mln**
- > Program launched to specialise the agency network by introducing **~ 1,100 professionals specialised in Family Welfare and SME**



EXCELLENCE OF THE BUSINESS OPERATING ENGINE

- > **~ 46% of Motor claims settled using Telematics**
- > **Medical networks supporting claim settlement** expanded (69 Medical Booking Centres and 99 Medical Booking Services)
- > Investment in data and analytics skills (**100 new professionals hired**)

Leading Italian insurer in Non-Life with a market share of 25% in Motor TPL and 23% in Health



1,847 € mln cumulative net profit

on a consolidated normalized basis (vs. target 1,500 € mln - 1,700 € mln)

386 € mln cumulative dividends

(vs. target ~ 400 € mln)

Solvency ratio at 163%

(vs. target 120% - 160%)



1,866 € mln cumulative net profit

on a consolidated normalized basis (vs. target 1,400 € mln - 1,600 € mln)

1,173 € mln cumulative dividends

(vs. target ~ 1,000 € mln)

Solvency ratio at 202%

(vs. target 150% - 200%)



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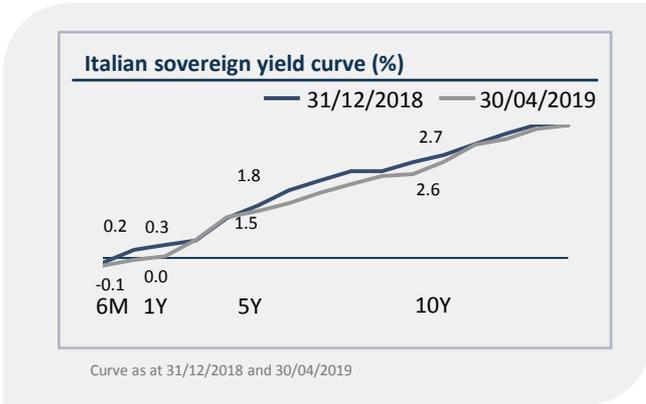
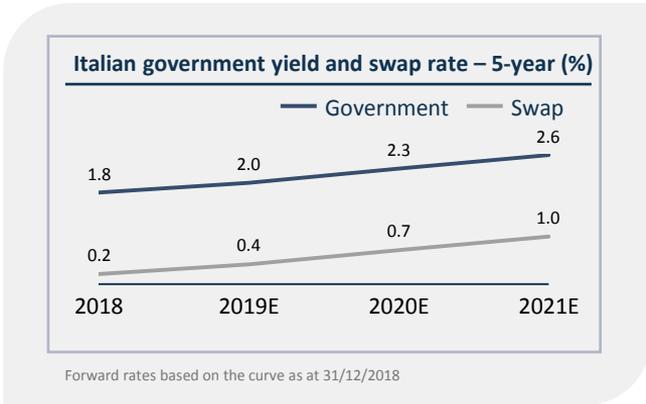
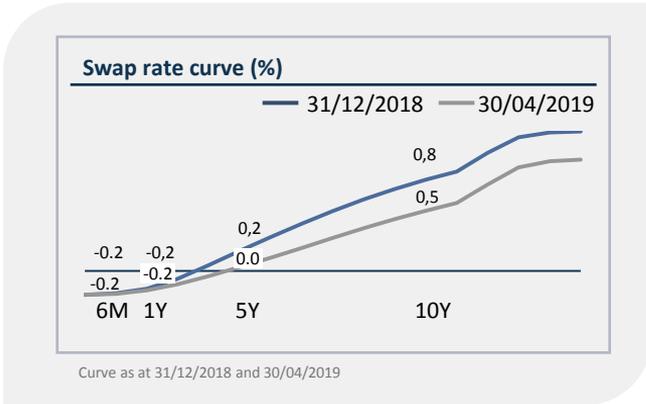
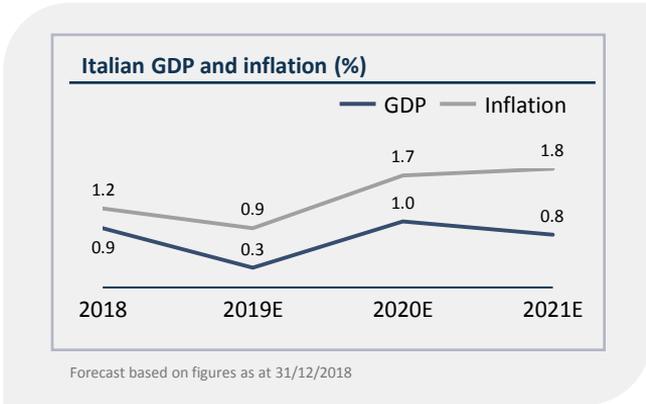
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Source: estimates of Unipol Group Research and Economic Department

	PREMIUMS	PROFITABILITY	DISTRIBUTION CHANNELS
MOTOR	↔	↔	<ul style="list-style-type: none"> > The agency channel will continue to grow and remain leader in the Non-Life market
NON-MOTOR	➔	↔	<ul style="list-style-type: none"> > Growth in banking channel, especially in Non-Motor
LIFE	➔	↔	<ul style="list-style-type: none"> > Leadership of the banking channel confirmed in the Life business > The agency channel will benefit from the overall growth in the Life market

Source: estimates of Unipol Group Research and Economic Department



CUSTOMERS

- **Very high user experience standards** set by digital leaders (e.g. Amazon, Apple, etc.)
- **New forms of asset ownership and use** (sharing economy)
- Access to **services 24/7 and from different channels** (hybrid Customer)



DIGITAL AND TECHNOLOGY

- **Internet of Things**
- **Artificial Intelligence**
- **Advanced Analytics and Big Data**
- **Robotization** of business processes
- **Blockchain**



COMPETITORS

- Strong growth in the **bancassurance** channel
- New tech players in the market (e.g. GAFA, InsurTech, etc.)



REGULATION

- **Distribution** (IDD/POG)
- **Payments** (PSD 2)
- **Privacy** (GDPR)
- **Accounting** (IFRS 17)

The insurance sector can still be profitable in today's decelerating macroeconomic environment but will have to deal with an evolving business



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INSURANCE LEADER

for market position in terms of both non-life Customer base and market share

1ST Italian Non-Life insurance Group

✓ Leading Italian Group in the Motor business
✓ Leading Italian Group in the Health business

1ST Agency Network

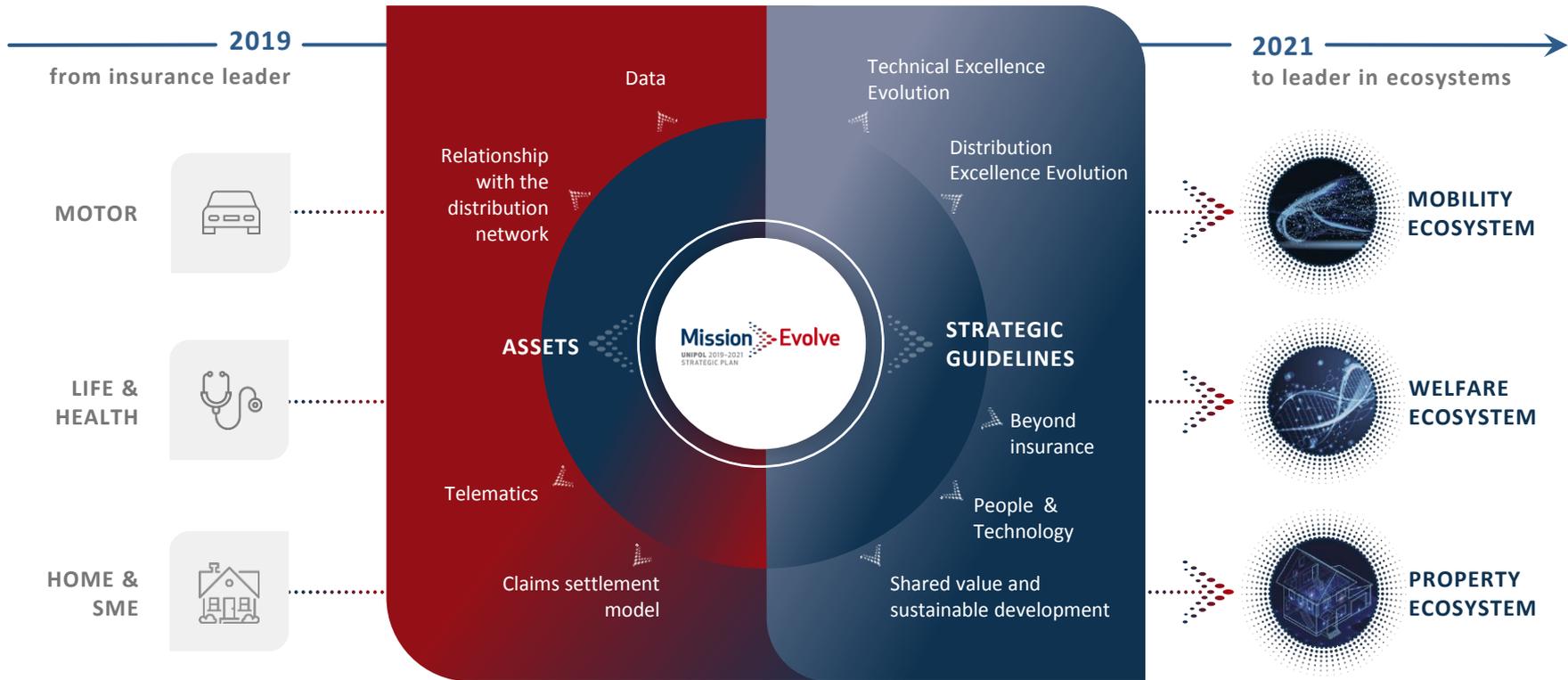
✓ 16 million Customers

1ST Group in technology applied to insurance

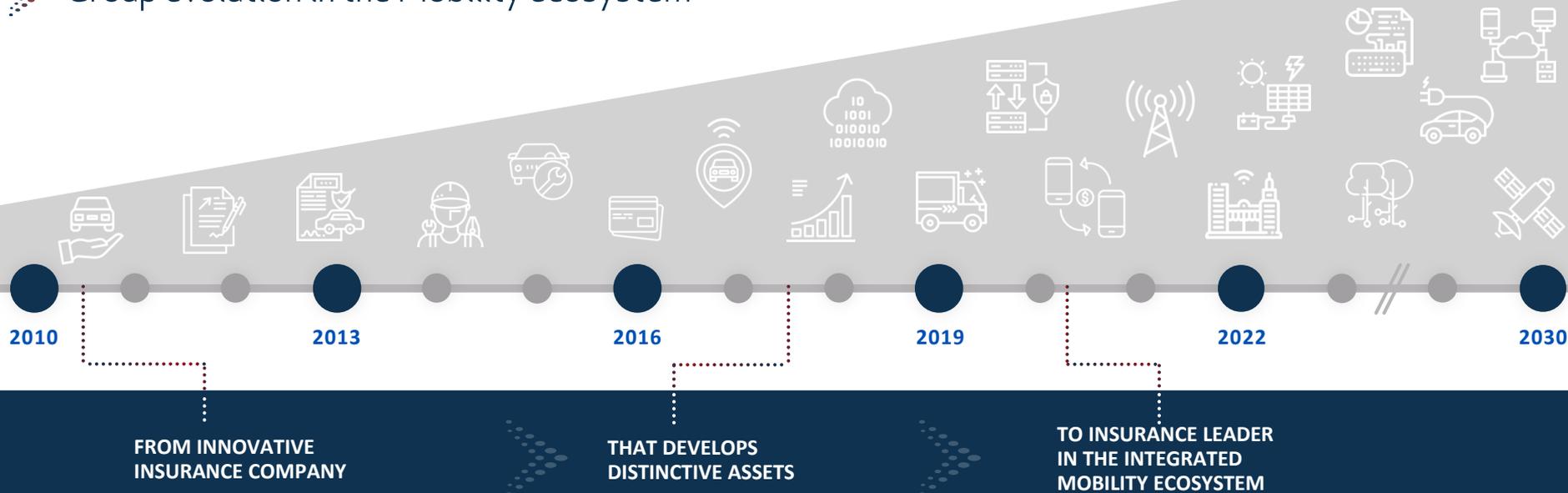
✓ European leader in telematics with over 4 million black boxes



Leadership in insurance also based on Unipol's best-in-class reputation



Group evolution in the Mobility ecosystem



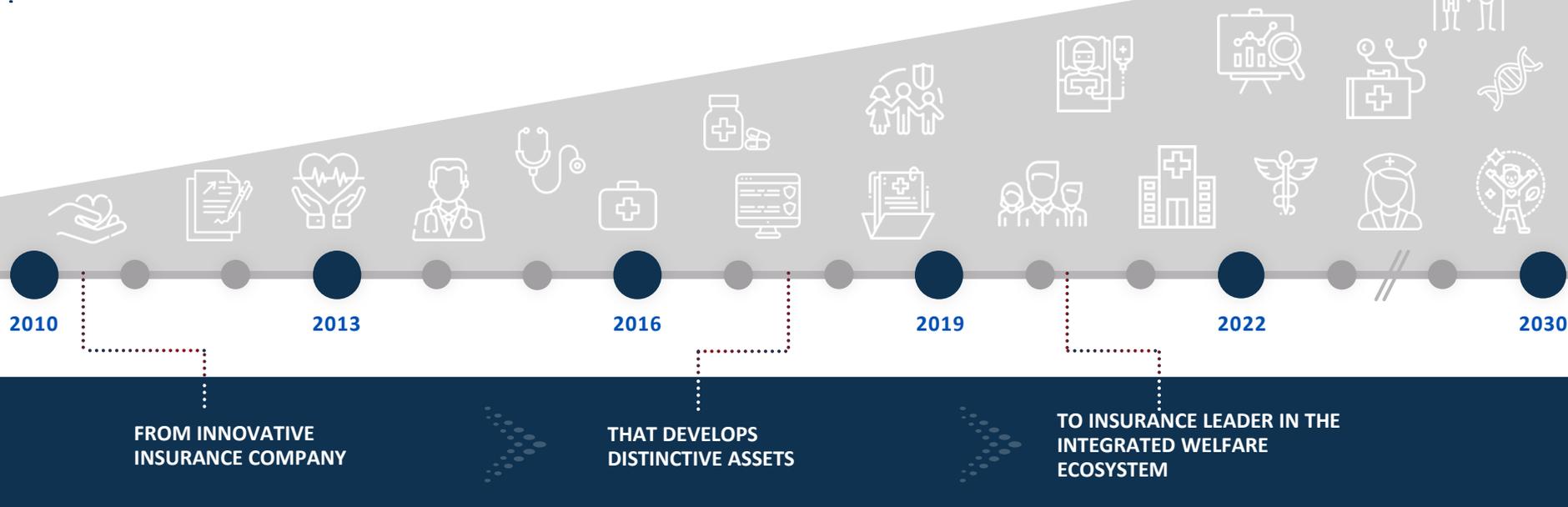
- Leader in telematics
- Prompt assistance services
- Auto body repair and glass repair services
- Financial services

- Telematics claims settlement
- Big Data
- TSP (Telecommunications Service Provider)
- Digital analytics

- Long-Term Rental
- Car broker
- Digital Payments
- New devices

**INTEGRATED
MOBILITY
ECOSYSTEM**

Group evolution in the Welfare ecosystem



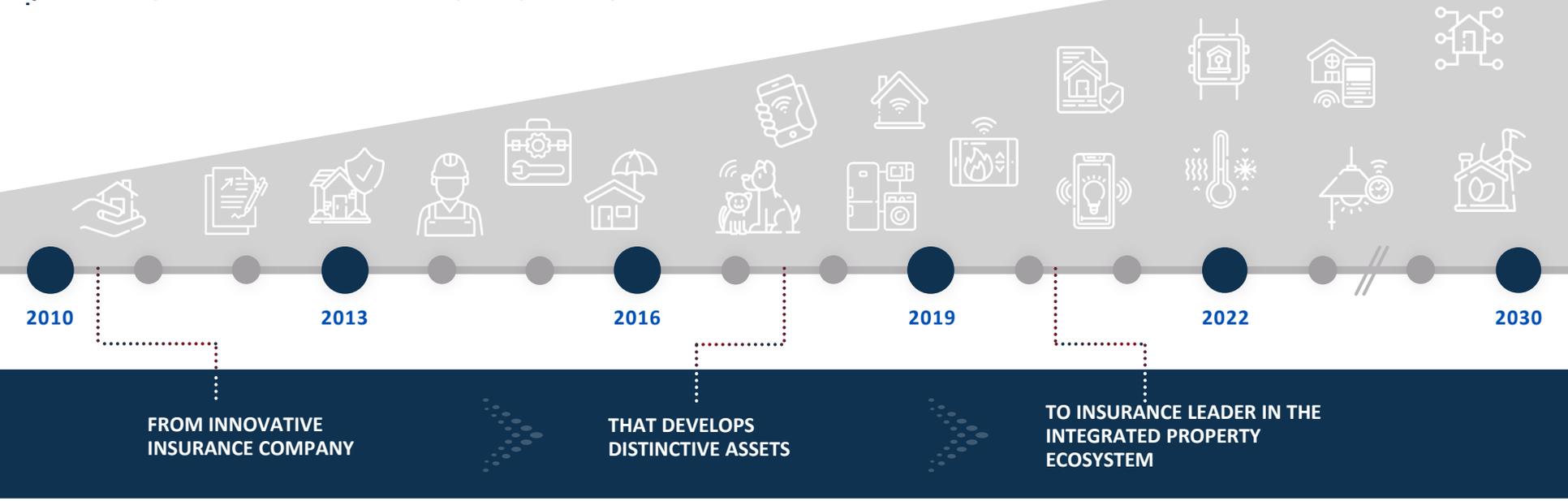
- Consolidation of UniSalute's leadership position
- Management of third-party healthcare funds
- Development of a network of affiliated public and private facilities

- Establishment of SiSalute
- Commercial proposition to manage chronic illnesses
- Creation of modular customised prevention packages
- Proprietary specialist medical centres

- Flexible benefits
- Medical centres development
- Expansion of industrial relations for welfare
- Support for non self-sufficiency

INTEGRATED WELFARE ECOSYSTEM

Group evolution in the Property ecosystem



- First Italian company to offer retail coverage for catastrophic events (earthquakes and flooding)
- Introduction of a product line with a flat rate for entry level coverage

- Telematics and home automation services for Homes, Businesses and Companies
- Direct repair service along with assistance
- Pet product with GPS device

- Energy Home Automation
- Personal Home Automation
- Anti-pollution air/ electrical Home Automation
- Utilities

INTEGRATED PROPERTY ECOSYSTEM



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Leader in terms of geographic coverage and professional competence of the Group distribution network, also thanks to the innovative “UnipolSai 2.0 Agreement”

Sales points
> 8,500
Insurance intermediaries
> 30,000



Settlement speed
> 86% Motor TPL
Property damage
> 52% Motor TPL
Bodily injury

Leader in terms of quality and settlement speed

Technological leadership in data management allowing the development of distinctive solutions in terms of products and services, pricing, claims management and sales targeting

Managed data
~ 350 TB



Black Boxes
> 4,0 mln

Telematics leader as a distinctive element of Customer service, claim settlement processes efficiency and evolution of pricing models

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UNIPOL 2019-2021 STRATEGIC PLAN

EVOLUTION LEADERSHIP

Source: managerial figures 2018



Leader in geographic coverage and professional competence of the distribution network



➤ Strategic partnership with the leading agency Network in Italy

also thanks to of the signing of the most **innovative agreement**
between an insurance company and an agency Network:
the UnipolSai 2.0 Agreement

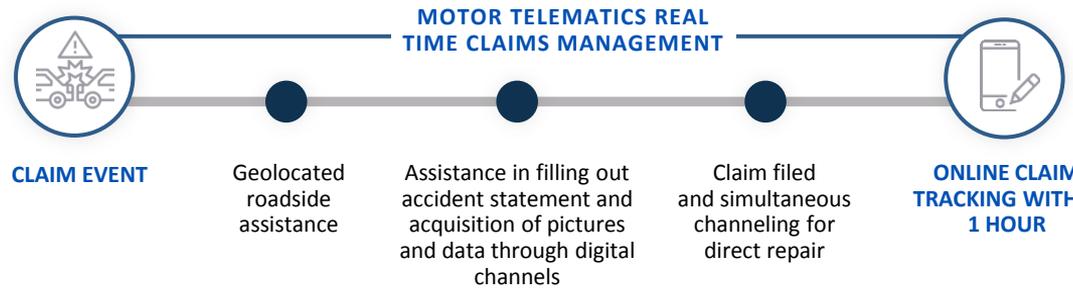
➤ Significant investments to support the Network by the company

- ~ 400 managers supporting the Network
- ~ 30 € mln cumulative IT investments in 2016-18
to digitalize processes



An UnipolSai sales point on average only 10 minutes from home

Development of a distinctive settlement service model in the Motor business



Average saving for Customer compared to traditional process timeframe

Property damages
– 15 days

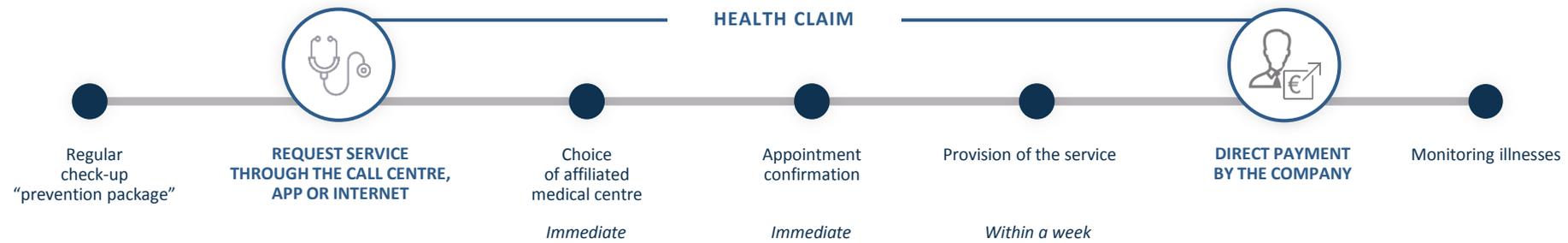
Bodily Injuries
– 26 days

- 
DIGITALIZATION
- 
SERVICES
- 
PROCESS OPTIMIZATION

- > Real time and mobile assistance in filing the accident statement
- > Proprietary predictive models for validation/crash reconstruction and data interpretation
- > Multichannel approach integrated with Agencies to assist the Customer at all stages of the claims management process
- > Direct repair

Double signature claims within the CARD agreement

Development of a distinctive settlement service model in the Health business



SERVICE ACCESSIBILITY

EVOLUTION OF PROCESSES

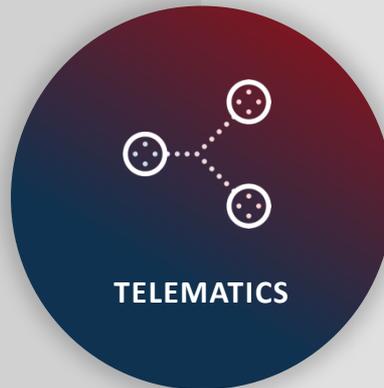
DEVELOPMENT OF AN AFFILIATED MEDICAL CENTRE NETWORK

- > Innovative 'caring' models for Customers with chronic or long-term illnesses, including through IoT and Telemedicine
- > Specific support centres specialised by Customer type, with over 20,000 calls managed every day
- > ~ 10,000 participating facilities to offer increasingly better direct access to the services

Telematics at the service of the Customer and the Company

Customer benefits

- **“Pay-as-you-drive” tariff** with up to 30% discount
- **Customer services**
 - Real time assistance to Customers in case of claim event
 - Geolocation of the vehicle and information on the journey
 - Finding vehicle in case of theft
 - Implementation of new services (house, health, agriculture, animals)
- **Better awareness of the real needs of Customers through:**
 - Analysis of big data
 - Use of data to develop specific proposals



Company benefits

- **Pricing sophistication** thanks to the portfolio risk size
- **Highly competitive tariffs** when UniBox is installed
- **High Customer retention rate** (+3 pp vs. market)
- **Reduction in the cost of claims**
 - Fraud reduction
 - Improvement of the claims mix (property vs injury)
 - Increase in settlement speed

 Use of data to develop solutions with strong impacts on the business

EXAMPLES	INVESTMENTS	IMPACTS ON THE BUSINESS
Anti-fraud tool using graphs	<ul style="list-style-type: none"> ➤ 100 data professionals hired 	<ul style="list-style-type: none"> ➤ ~ 6 € mln per year in savings from additional detected frauds
Assessment of potential Customer value and propensity to purchase	<ul style="list-style-type: none"> ➤ ~ 50 € mln in IT investments for data in 2016-2018 	<ul style="list-style-type: none"> ➤ ~ 20% of high value Customers identified and segmented, to approach with a specific offer
Renewal bonus based on churn risk algorithm and expected profit margins	<ul style="list-style-type: none"> ➤ Set-up of Leithà as the Group's competence centre in data analytics 	<ul style="list-style-type: none"> ➤ Further increase of 1.0 pp in the Motor retention rate (already market-leading)
Georeferencing for flood risks		<ul style="list-style-type: none"> ➤ Greater ability to innovate in terms of products and services ➤ Sophisticated pricing techniques

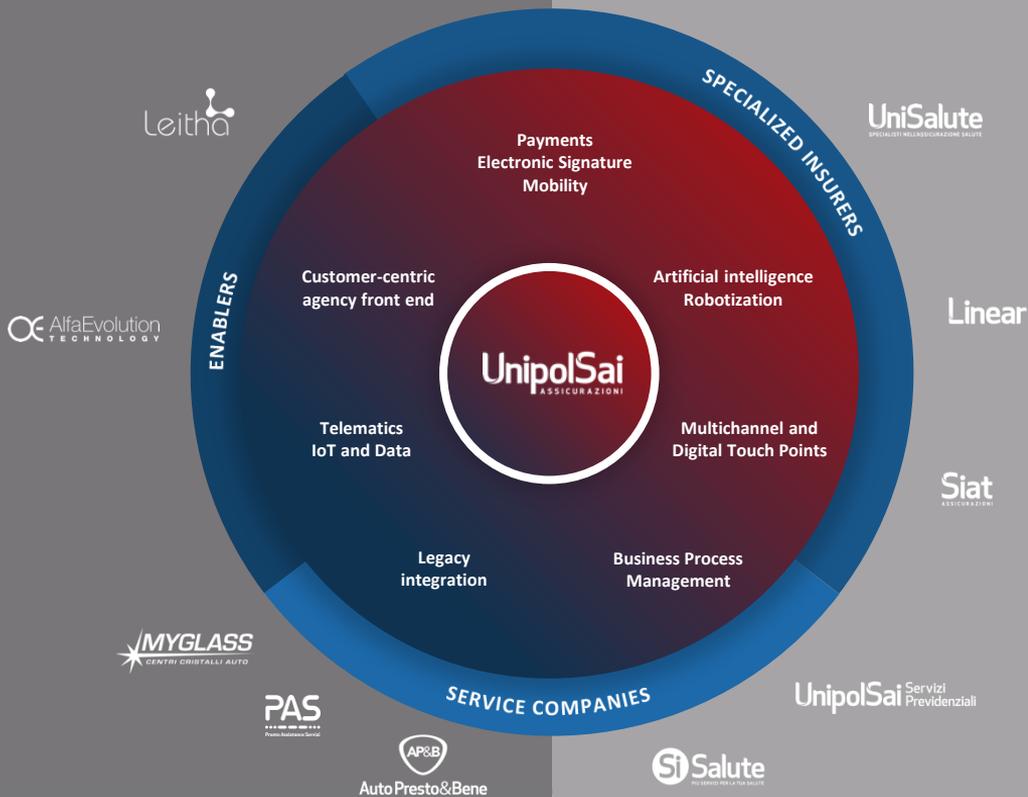


We invest in data with a concrete return for the business



Distinctive assets and technology leveraged for the integrated management of insurance ecosystems

INTEGRATED FRAMEWORK BASED ON THE GROUP'S SKILLS AND DISTINCTIVE ASSETS



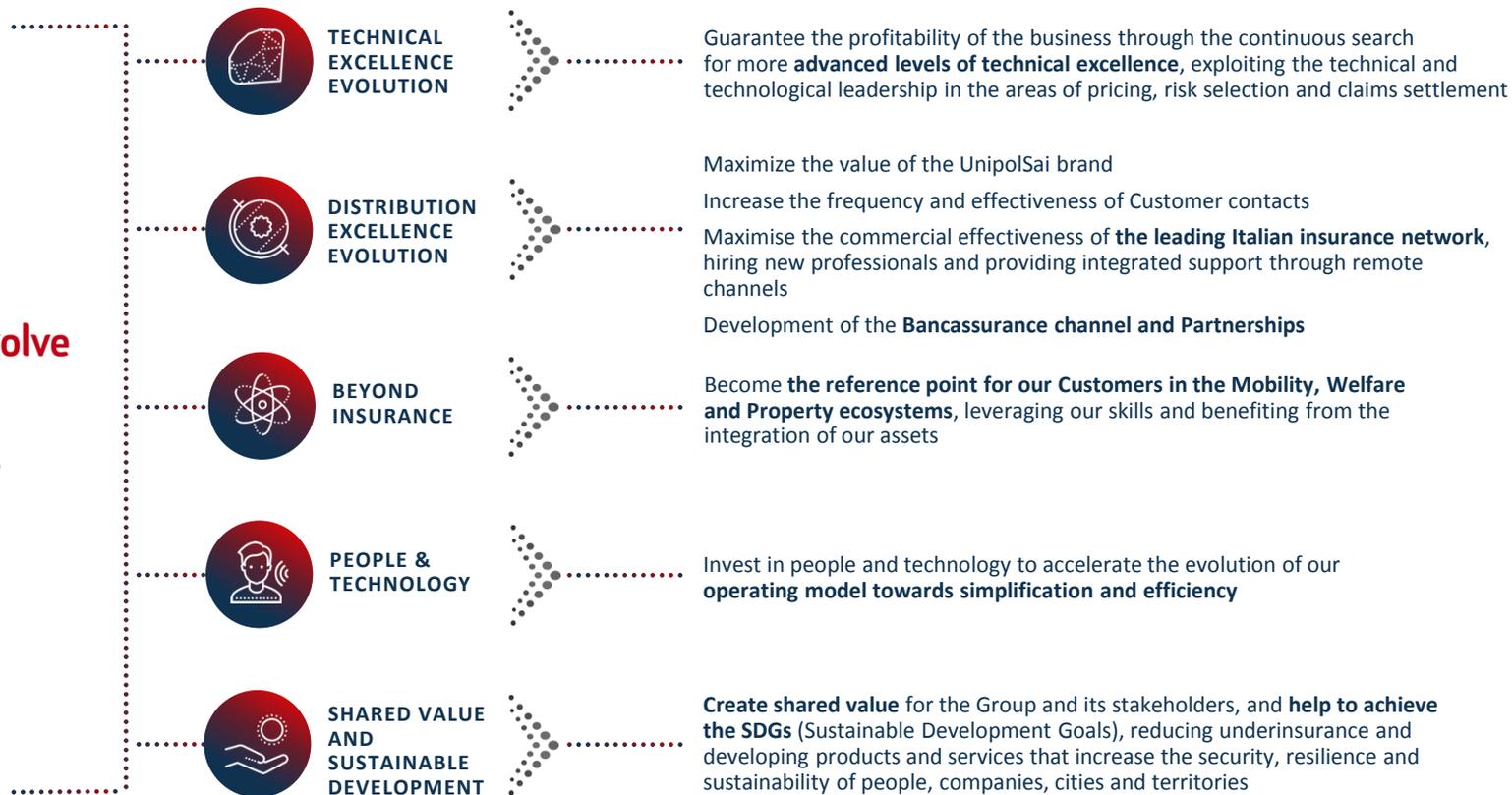
TECHNOLOGY AS THE KEY ELEMENT TO DEVELOP THE BUSINESS MODEL AND FACILITATE THE CREATION OF INTEGRATED ECOSYSTEMS

Strategic guidelines

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EVOLUTION LEADERSHIP





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Beyond Insurance



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Insurance



Beyond Insurance

- Motor third party liability
 - **Further pricing model innovation** leveraging new technical variables (e.g. micro geographical segmentation) and machine learning techniques
 - **Innovative settlement processes** thanks to technology and internalisation of the Telematics margin
 - **Promotion of best practices and convergence of the network's performance on settlements** for physical and material losses
- Motor other damages
 - **Pricing sophistication** in specific Motor OD guarantees and Assistance cover **repricing**
 - Increase in **claim channelling** and evolution of **telematic settlements in Motor OD**

Target: CoR Motor	
2018	94.9%
2021	~ 92.5%

Combined Ratio Motor TPL and Motor OD Direct Business Unipol Group

Confirm our leadership in a competitive, challenging environment also using Telematics and Data

- Pricing and reforms

 - Strong focus on **developing the high-margin retail segments**
 - Dynamic pricing management of the **in-force business** to improve cover of the effective insured risk
- Excellence in settlement processes

 - Greater use of **direct repair techniques for Property and management of electrical event claims**
- Innovative risk mitigation techniques

 - **Innovative protection** of P&L from frequent **medium-level natural events, including through capital markets** (e.g. Atmos RE)

Target: CoR Non-Motor	
2018	93.8%
2021	~ 90.0%

Combined Ratio Non-Motor Direct Business Unipol Group



Strengthen our leadership by integrating protection, technology and services

Integrated Welfare and Life proposition

Welfare and Life proposition

- **Integrated view of the Customer across Life and Welfare** (specific BU has been established)
- **Integrated business model for the SME segment**, integrating corporate insurance services and products with Welfare services
- Development of the **Welfare model for the retail segment** through new products and services
- **New services** offered to generate further revenue areas and capture value of Customers' out-of-pocket healthcare expenditure
- **Digital** evolution of the Customer service model with a focus on **assistance, chronic illnesses and prevention**
- **Growth of Life income** by boosting distribution through the agency network and Family Welfare specialists
- Focusing on **Life income in the protection and pension segment**

Target: UnipolSai Life premium income

2018	3,129 € mln
2021	~ 3,400 € mln

Target: UniSalute premium income

2018	410 € mln
2021	> 500 € mln

Direct business income at UnipolSai S.p.A. solo level

Evolve towards an integrated proposition across Life and Welfare in SME and Retail

New business management

- **Evolution of advisory model** 'from product to portfolio'
- **Development of a pure risk range of products and services** with additional cover for illness and non self-sufficiency risks

In-force management

- Development of home insurance and payment system platform to **intensify Customer relations**
- Systematic **monitoring** of the product catalogue and **dynamic pricing**
- Agency network remuneration systems that reward **portfolio persistency**
- **Review of collective agreement** /pre-existing **pension fund conditions** at renewal

**Target:
Present Value
Future Profit Margin**

2018	2.2%
2021	~ 3.0%

Methodology for calculation of the Present Value Future Profit Margin aligned with Solvency II

Central role of the Agency Network

- Brand positioning**
 - Increase **investments in communication** to:
 - maximize the value of the UnipolSai brand as an innovation and service leader
 - generate commercial leads that allow significant growth
- Targeting and multichannel**
 - **Intensification of commercial Customer contacts**, improving quality and effectiveness of proposals, based on:
 - **advanced Customer profiling**
 - use of **remote contact channels** (contact centre, Apps) integrated around the **centrality of the agency network**
- Development of agency network structure**
 - **Strengthen territorial coverage** by promoting agency aggregations to increase size and presence across the country
- Sales effectiveness of the agency network**
 - **Enhancement** of the agencies' commercial engine through the development and specialisation of the **sales force** (e.g. **Family Welfare, Business Specialist**) and of the **operating model**

**Target:
Non-Life premium
income UnipolSai**

2018	6,898 € mln
2021	~ 7,300 € mln

- > **2.5 mln leads** generated over the course of the plan
- ~ **50 mln Customer contacts** per year
- ~ **2,000 salesforce specialists added** over the course of the plan
- **Over 1 mln caring calls** to support the activities of the agency network per year

Direct business income at UnipolSai S.p.A. solo level

Confirm the central role of the leading Italian distribution network and support its evolution

Development of Bancassurance and Partnerships

Bancassurance Arca

- Maximize the value of distribution agreement with BPER, Popolare di Sondrio and the other Banking partners
- Integration of insurance and banking products and services
- Multichannel development supporting sales and marketing campaign to increase product penetration
- Creation of specific technical departments to support BPER, Popolare di Sondrio and the other Banking partners

Bancassurance Incontra

- Maximize the value of the distribution agreement with UniCredit
- Strong ambition to expand the range of distinctive products (Individual Health Affluent, Mass and SME)
- Investments to update the Company's operating engine in terms of resources and information systems in order to support the banking channel

Partnerships Linear

- Development of distribution agreements with players operating in other sectors to maximize the value of mutual Customer bases
- Development of a technological platform with a plug-and-play approach to sell insurance products

Target: Premium income

Non-Life	
2018	2021
120 € mln	~ 160 € mln

Life	
2018	2021
1,077 € mln	~ 1,600 € mln

Non-Life	
2018	2021
136 € mln	~ 300 € mln

Non-Life	
2018	2021
180 € mln	~ 220 € mln

Direct business income

Distinctive positioning in Bancassurance and Partnership channels' growth path

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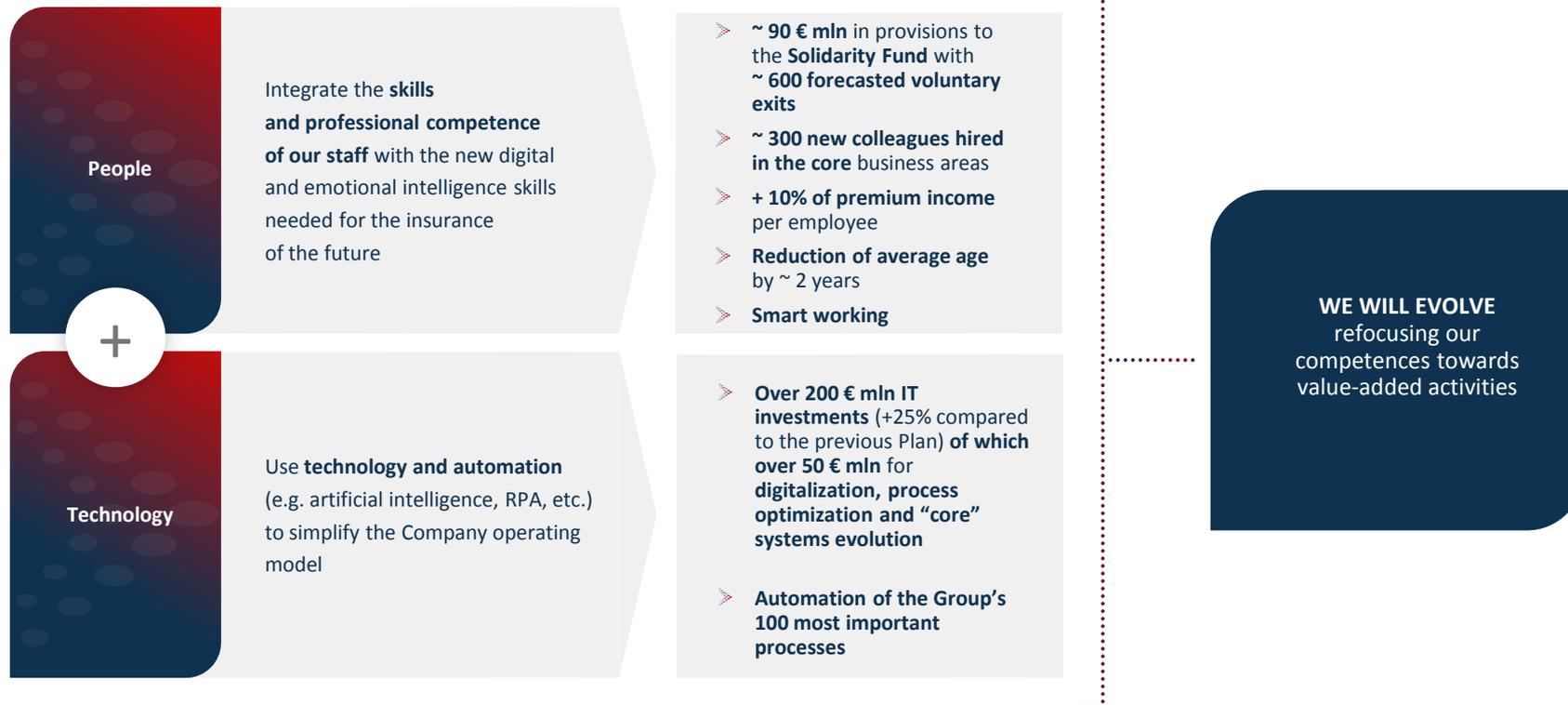
Development of Mobility, Welfare and Property ecosystems



Establish ourselves as leader in the Mobility, Welfare and Property ecosystems



People and Technology evolution



Invest in people and technology to accelerate the evolution towards an operating model increasingly focused on simplicity and efficiency

The impact on sustainable development and shared value

Contribution towards reaching the UN 2030 Agenda Sustainable Development Goals

<p>3 GOOD HEALTH AND WELL-BEING</p> 	<ul style="list-style-type: none"> ➢ Accessible solutions that integrate with public welfare, extending protection to a broader public and taking action in prevention ➢ Widening distribution channels to reach new underinsured segments
<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<ul style="list-style-type: none"> ➢ Support for boosting the business and resilience of the agencies ➢ Development of predictive models for climate risk for companies to increase the resilience of various sectors
<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> 	<ul style="list-style-type: none"> ➢ Integrated mobility products and services for individuals and companies, for greater security and sustainability of towns and people, also by exploiting the value of data generated through public-private partnerships

Creation of concrete and measurable value

<p>Share of products with environmental and social value</p>	<p>Increase the penetration of products with social and environmental impact on the overall insurance portfolio</p> <p><i>Premiums for products with a social and environmental impact on the total of the corresponding product families</i></p>
<p>Finance for the SDGs</p>	<p>Increase in thematic investments for the SDGs</p> <p><i>Invested in support of Agenda 2030, in accordance with the upcoming EU Taxonomy rules</i></p>
<p>Reputational index</p>	<p>Public perception of the company in the various sectors in which it operates</p> <p><i>Reputation score among general public, according to RepTrak® methodology</i></p>

2018	2021
22.7%	30%
326 € mln	600 € mln
69	> average insurance business



Asset class	2018	2018	2021	Investment strategy
Government Bonds	60.4%	61.4%	➔	Slight increase in the government component over the course of the Plan
Corporate Bonds	23.6%	24.4%	↔	Stable with selective approach, characterized by high diversification
Equity	3.2%	3.1%	↔	Stable with focus on companies with high market cap and steady dividend yield
Real Estate	7.5%	7.7%	➔	Maximize the value of the non-instrumental real estate assets
Real Assets and Alternative Investments	1.6%	1.7%	➔	Increase in Real Assets investments with a liability driven approach and with considerable risk-adjusted return
Liquidity	3.7%	1.7%	➔	More efficient use of liquidity at Group level



Income stability combined with long-term value creation, while protecting the Solvency II ratio and reducing Own Funds volatility

The contribution of Gruppo UNA and UnipolReC

UNA Group

Development strategy

- **Leading Italian hotel chain**, with over 5,000 rooms in 40 hotels, resorts and aparthotels across 22 destination in 10 regions
- **Property portfolio to be expanded, through both direct management and management /franchising contracts** in prestigious metropolitan areas and leading tourist destinations
- **Overall investments** over the life of the Plan of **~ 28 € mln** for further **improvements in service and product quality standards**



Target

Ebitda

2018	2021
~ 4	~ 15

UnipolReC

Search for value

- **Maximize and internalize the value of the NPL portfolio** under management
- **Run-off expected in the Gross Book Value** over the plan of **~ 1,500 € mln**
- **Differentiated recovery strategies** in accordance with the type of loan (secured or unsecured), the size (large, medium and small), the type of counterparty (companies, private individuals) and the recovery methods (internal management, sale, repossession)
- **Operating model that integrates skills in credit management, real estate, intelligence information and transactions**



Target

Coverage ratio

2018	2021
84% ¹	~ 85%

Recovery ratio

2018	2021
31%	~ 30%

¹ Pro-forma coverage ratio including the purchase of the NPL portfolio from BPER Banca Group with a gross book value of 1.3 € bn

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	Target 2021	Δ vs 2018
Non-Life premiums	~ 8,700 € mln	~ +750 € mln
<i>of which Motor</i>	~ 4,400 € mln	~ +220 € mln
<i>of which Non-Motor</i>	~ 4,300 € mln	~ +530 € mln
CoR Non-Life (net of reinsurance)	~ 93%	~ -1.2%
Life premiums	~ 5,000 € mln	~ +750 € mln
Present Value Future Profit Margin	~ 3.0%	~ +0.8%

	Unipol GRUPPO	UnipolSai ASSICURAZIONI
Cumulative consolidated net profit	~ 2,000 € mln ¹	~ 2,000 € mln
Cumulative dividends ²	~ 600 € mln	~ 1,300 € mln
Solvency II ratio	140% - 160%	170% - 200% ³

1 Considering the consolidation of BPER Banca based on equity method with a share of around 20% and without the positive accounting impact coming from goodwill valuation

2 Implicit dividend yield on the basis of current market prices over 6% for both Unipol Gruppo and UnipolSai

3 Consolidated Solvency II ratio based on economic capital



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In an increasingly
CHALLENGING
insurance industry

counting on
our **ASSETS**

and our ability
to **EXECUTE**

we will strengthen
our **LEADERSHIP**

also extending
towards new
integrated **ECOSYSTEMS**

- Low economic growth
- More demanding Customers with changing requirements
- New competitors
- Innovative agreement with Agents
- Integrated management of proprietary data
- Best reputation in Italy among insurance companies and banks
- Capacity to achieve the targets set out in the Business Plans
- Non-life insurance leader in Italy
- Leader in number of agents and non-life insurance Customers in Italy
- Black box leader in Europe
- Leader in sustainability
- Evolution in the Mobility ecosystem
- Evolution in the Welfare ecosystem
- Evolution in the Property ecosystem

Unipol
GRUPPO

ALWAYS ONE STEP AHEAD



This presentation contains information and data, expectations, estimates, forecasts of results and events reflecting the current views and assumptions of Company Management.

The content of the presentation may differ significantly from what may actually occur as a result of events, risks, economic conditions and market factors that are not known or foreseeable at present or that are beyond the control of management.

Furthermore, the Company shall have no obligations with respect to any subsequent updating of the content of the presentation.

The company perimeter covered by the information contained herein should be understood as the current one, except for Unipol Banca, for which the effects of the sale, currently being finalised, have already been taken into account.

Pursuant to Article 154-bis, second paragraph, of the “Consolidated Law on Financial Intermediation”, Maurizio Castellina, financial reporting manager of Unipol Gruppo S.p.A. and UnipolSai Assicurazioni S.p.A., hereby declares that the information relating to the Company’s financial statements in the presentation corresponds to the accounting records.

**Adriano Donati**

Head of Investor Relations

Tel +39 051 507 7933

investor.relations@unipol.it
investor.relations@unipolsai.it

Giancarlo Lana

Tel +39 011 665 7088

Eleonora Roncuzzi

Tel +39 051 507 7063

Carlo Latini

Tel +39 051 507 6333

Giuseppe Giuliani

Tel +39 051 507 7218

Silvia Tonioli

Tel +39 051 507 2371

Colm Begley

Tel +39 051 507 7837

Mission Evolve

UNIPOL 2019-2021
STRATEGIC PLAN