

FY20 Preliminary Consolidated Results

Bologna - 12 February 2021

This document has been prepared by Unipol Gruppo S.p.A. and by UnipolSai Assicurazioni S.p.A. solely for information purposes in the context of the presentation of its FY20 preliminary results.

The FY20 data contained herein are preliminary in nature and refer to the date hereof and, therefore, may be subject to further variations.

Please note that these preliminary data are subject to review by the Independent Auditors that still have to complete the necessary analysis in order to release their report.

The FY20 final results will be approved by the Board of Directors scheduled on 18 March 2021 and will be disclosed to the market according to, and in the terms set forth by, the applicable laws and regulations.

Maurizio Castellina, Senior Executive responsible for drawing up the corporate accounts of Unipol Gruppo S.p.A. and UnipolSai Assicurazioni S.p.A., declares, in accordance with Article 154-bis, para 2, of the 'Consolidated Finance Act', that the accounting information reported in this document corresponds to the document contents, books and accounting records.

The content of this document does not constitute a recommendation in relation to any financial instruments issued by the companies or by other companies of the Group, nor it constitutes or forms part of any offer or invitation to sell, or any solicitation to purchase any financial instruments issued by the companies or by other companies of the Group, nor it may be relied upon for any investment decision by its addressees.

Unless otherwise specified, all figures reported in this presentation refer to the Unipol Group.





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Appendix

Key Messages

IMPROVED RESULTS

- ✓ Unipol pre-tax result ^a +11% yoy
- ✓ UnipolSai pre-tax result +15% yoy

SOLID SOLVENCY 2

- ✓ Unipol cons. PIM +27 p.p. yoy
- ✓ UnipolSai cons. EC +25 p.p. yoy

ENHANCED DIVERSIFICATION IN ASSET ALLOCATION

- ✓ Italian Govies -8 p.p. yoy on tot. portfolio
- ✓ Equity -30% yoy

PROPOSED DIVIDENDS

- ✓ Unipol DPS 0.280 €, +56% vs FY18
- ✓ UnipolSai DPS 0.190 €, +19% yoy

^a Normalised figure

Mission Evolve

UNIPOL 2019-2021
STRATEGIC PLAN



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Results by Sector – Normalised and Actual

FY20 Preliminary Consolidated Results



€m

UNIPOL

	FY19 Norm. ^a	FY20 Norm. ^b	Adj.	FY20 Act.
Consolidated pre-tax result	962	1,066	-41	1,026
<i>Non-Life</i>	810	1,124	-20	1,104
<i>Life</i>	236	71		71
<i>Holding and other</i>	-84	-128	-21	-149
Consolidated net result	732	905	-41	864
Group net result	569	745	-38	707

UNIPOLSAI

	FY19 Norm. ^c	FY20 Norm.	Adj.	FY20 Act.
Consolidated pre-tax result	969	1,119	--	1,119
<i>Non-Life</i>	782	1,105	--	1,105
<i>Life</i>	239	73	--	73
<i>Other</i>	-52	-60	--	-60
Consolidated net result	721	853	---	853
Group net result	694	820	--	820

^a Normalised figures excluding the impact of the first consolidation of BPER (176 €m in *Non-Life* and 244 €m in *Holding and other* sectors) and of the Solidarity Fund

^b Normalised figures excluding the impact of the realignment of the badwill on BPER shareholding following the Unipol Group's stake dilution after the Bank capital increase (partial reversal of the gain on the first consolidation of BPER)

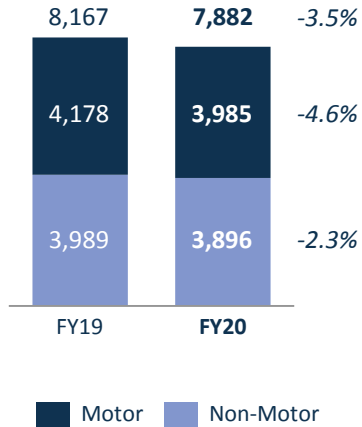
^c Normalised figures excluding the Solidarity Fund impact

Non-Life Premiums – Direct Business

FY20 Preliminary Consolidated Results

€m

Premiums



Premiums by Business Line

	€m	%	var%
Mobility	4,303	55	-4.2
Motor	3,985	51	-4.6
Other	318	4	+1.3
Welfare	1,403	18	-2.0
Health	720	9	-2.0
Accident	683	9	-1.9
Property	2,176	28	-3.0
Fire&Other dam. to prop.	1,209	15	-0.1
General TPL	704	9	-3.2
Other	262	3	-14.3
Total	7,882	100	-3.5

Premiums by Company

	€m	%	var%
UnipolSai S.p.A.	6,772	86	-3.1
UniSalute	483	6	+7.7
Linear	185	2	+0.6
Arca Assicurazioni	140	2	+3.0
Siat	129	2	-5.7
DDOR	88	1	+3.6
Incontra	84	1	-54.4
Total	7,882	100	-3.5

Premiums by Distribution Channel

	€m	%	var%
Agents	6,381	81	-3.1
Brokers/Head Off.	997	13	+1.6
Bancassurance	225	3	-30.0
Direct and other	279	3	+1.0
Total	7,882	100	-3.5

Operating figures

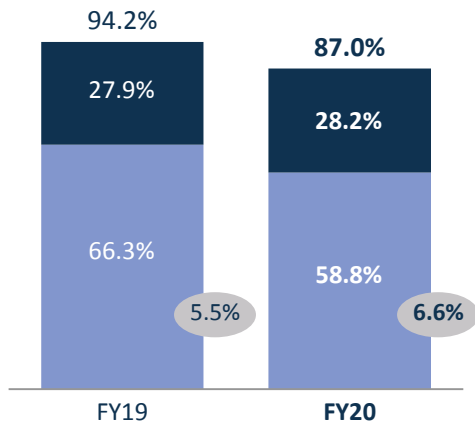


Non-Life Combined Ratio

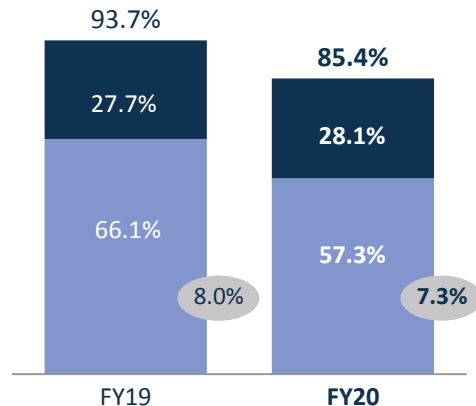
FY20 Preliminary Consolidated Results



Net of Reinsurance



Direct Business



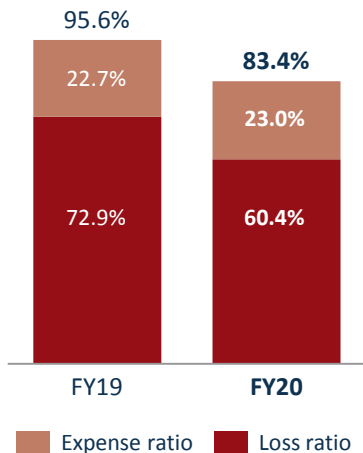
■ Expense ratio ■ Loss ratio ● Atm. Events + Heavy Losses

Combined ratio net of reinsurance: operating expenses/earned premiums after reinsurance + claims charges/earned premiums after reinsurance

Combined ratio direct business: operating expenses/written premiums direct business (before reinsurance) + claims charges /earned premiums direct business (before reinsurance)

Operating figures

Motor TPL Combined Ratio Direct Business



Key Figures

Motor TPL	var. vs FY19
Portfolio average premium	-7.3%
N. of claims reported ^a	-29.2%
Frequency	-1.5 p.p.
Bodily injury/Tot. followed-up claims	-1.4 p.p.

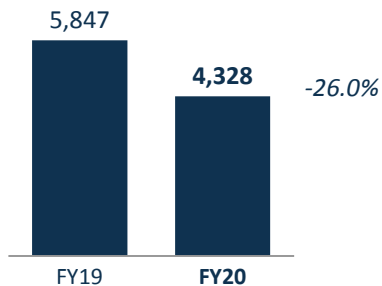
Motor and General TPL	FY20
% savings on settled claims ^b	
<i>Motor TPL</i>	45.9%
<i>General TPL</i>	67.3%

^a Followed-up managed claims

^b Savings on settled claims of previous years / amount provisioned
Operating figures

€m

Direct Premium Income



Premiums by Line of Business

	€m	%	var%
Traditional	2,738	63	-26.4
Unit linked	522	12	+39.2
Pension funds	707	16	-44.2
Capitalization	361	8	-25.0
Total	4,328	100	-26.0

Premiums by Company

	€m	%	var%
UnipolSai S.p.A.	3,099	72	-24.0
Arca Vita + AVI	1,140	26	-32.0
Other companies	90	2	-1.9
Total	4,328	100	-26.0

Premiums by Distribution Channel

	€m	%	var%
Agents	1,673	39	-14.1
Bancassurance	1,260	29	-36.2
Head office	1,245	29	-31.5
Other	150	3	+43.3
Total	4,328	100	-26.0

Operating figures



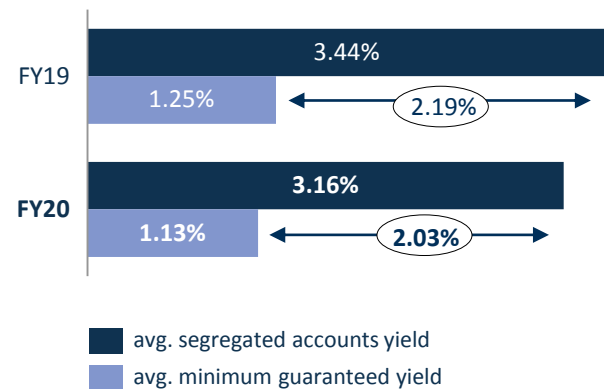
Life Segregated Accounts and Minimum Guaranteed Yields

FY20 Preliminary Consolidated Results



€m

Segregated Accounts and Minimum Guaranteed Yields



Technical Reserves by Minimum Guarantee ^a

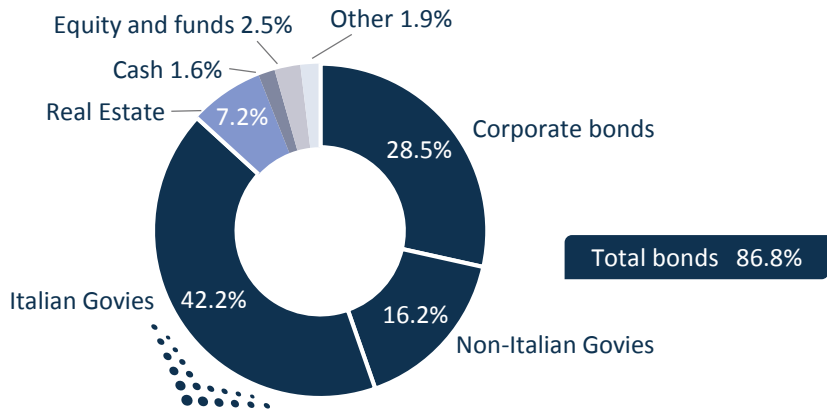
Min. guar. yield	FY19		FY20	
	€bn	%	€bn	%
0%	10.3	32	12.1	36
0%-1%	7.3	22	8.0	24
1%-2%	7.5	23	6.5	19
2%-3%	5.4	17	5.0	15
>3%	2.2	7	2.1	6
Total	32.7	100	33.7	100

^a Class 1 and Class 5 technical reserves.
Operating figures

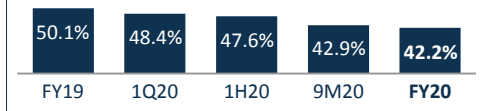
Investments

FY20 Preliminary Consolidated Results

Total Investments 62.2 €bn



Reducing Italian Govies



Financial Investment Yields

	Total		Non-Life		Life	
	€m	Yield	€m	Yield	€m	Yield
Coupons and dividends	1,470	3.0%	344	2.8%	1,116	3.2%
Realized/unrealized gains/losses	-44	-0.1%	-24	-0.2%	-23	-0.1%
Total	1,425	2.9%	320	2.6%	1,093	3.1%

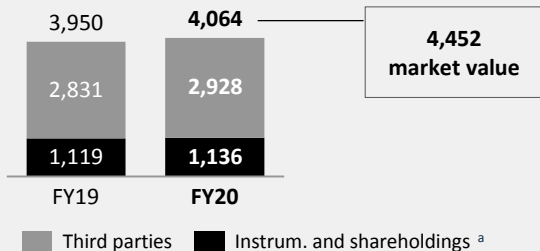
Total Investments Duration (years)

	Total	Non-Life	Life
Assets	6.8	3.5	8.4
Liabilities	7.7	2.8	9.6
<i>Mismatch</i>	-0.2	1.4	-0.6

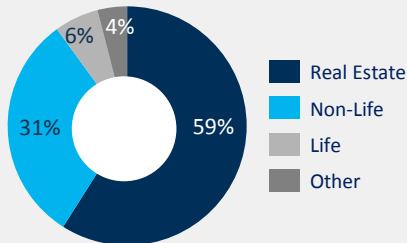
Market value – Operating figures. Investment yields on a yearly basis

€m

Total Portfolio 4.1 €bn



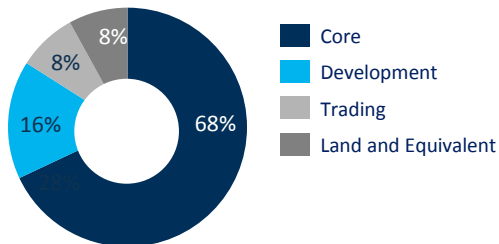
Total Portfolio - by Sector



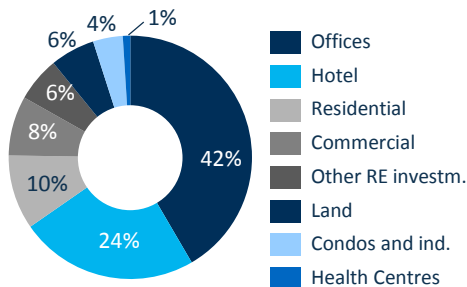
Third Parties Portfolio – Gross Yield

	FY19		FY20	
	€m	Yield	€m	Yield
Ord. yield	101	3.6%	103	3.5%
Covid-19 impact	--	--	-28	-1.0%
Extraord. yield ^b	-23	-0.8%	10	0.4%
Total	79	2.8%	85	2.9%

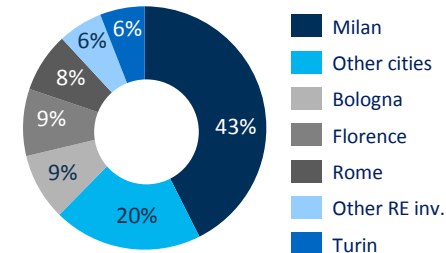
Third Parties Portfolio - by Cluster



Third Parties Portfolio - by Use



Third Parties Portfolio - by Area



^a Shareholdings refer to Tenute del Cerro (105 €m) and Marina di Loano (64 €m)

^b Extraordinary yields include gains, losses and net write-downs
Operating figures, book value



€m

Bad Loans Stock

	FY19	FY20
Gross loans	3,465	3,046
Net loans	516	423
Coverage ratio	85%	86%

Bad Loans Collection

	FY19	FY20
Collections	110	116
Bad Loans reduction (GBV)	366	419
Collections/GBV	30%	28%

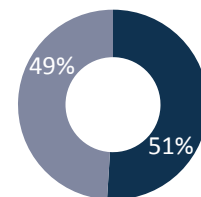
KPIs

	FY19	FY20
Net result	12	6

	FY19	FY20
Debt	155	73
Total Equity	434	440

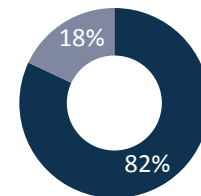


Portfolio Breakdown



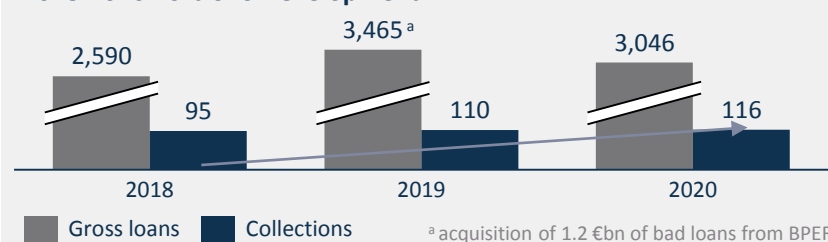
- Secured loans
- Unsecured loans

Collections Breakdown



- Secured loans
- Unsecured loans

2018-2020 Portfolio Development



^a acquisition of 1.2 €bn of bad loans from BPER



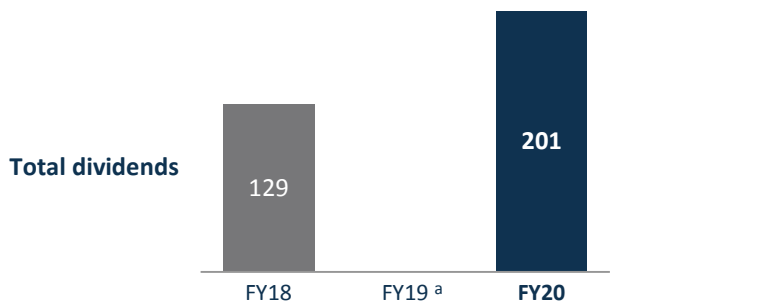
Dividend Proposal

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€m

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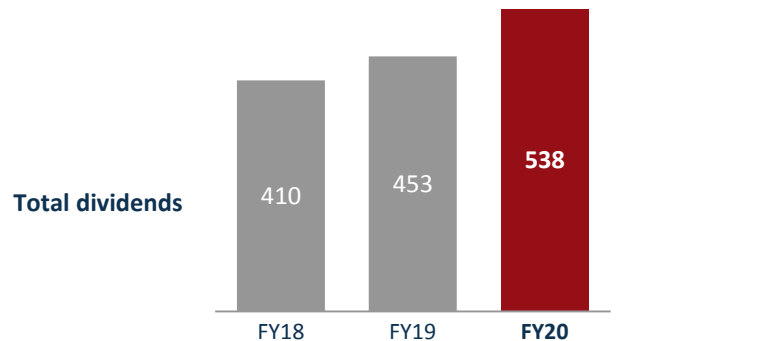
DPS (€)	0.180	-- ^a	0.280	+56% vs FY18
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			Payout ratio
Local GAAP Net result (est.)	316	63.5%	

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DPS (€)	0.145	0.160	0.190	+19% vs FY19
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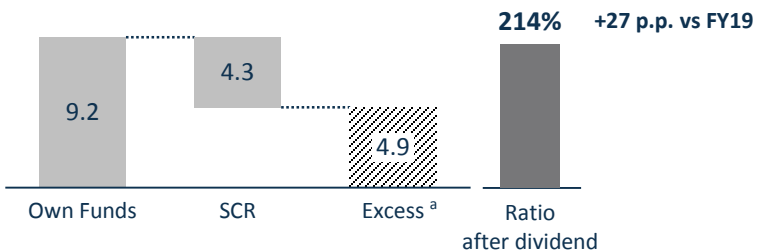
			Payout ratio
Local GAAP Net result (est.)	814	66.0%	

^a The BoD of Unipol initially approved 0.28 € DPS and then proposed to the AGM (which executed) to suspend dividend payment to comply with the recommendation of the Supervisory Authorities following the Covid-19 pandemic

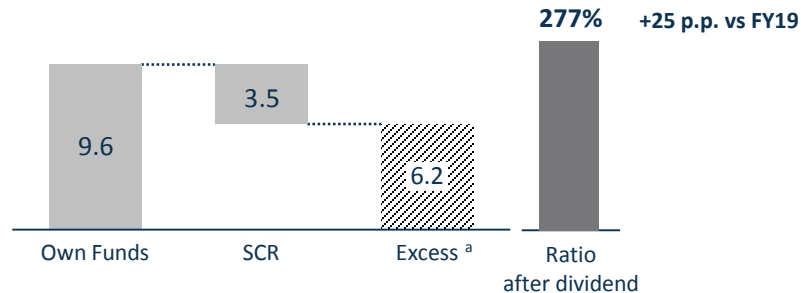


€bn

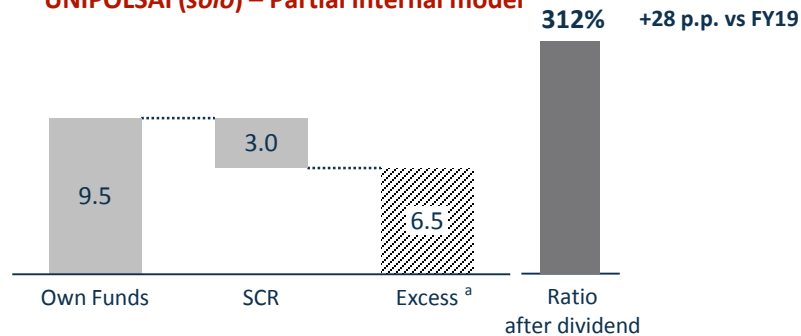
UNIPOL (consolidated) – Partial internal model



UNIPOLSAI (consolidated) – Economic capital



UNIPOLSAI (solo) – Partial internal model



^a Eligible Own Funds in excess of Solveny Capital Requirements

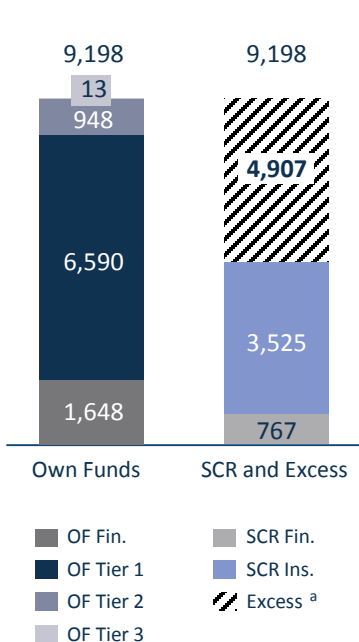
Solvency 2 - Own Funds and SCR Details

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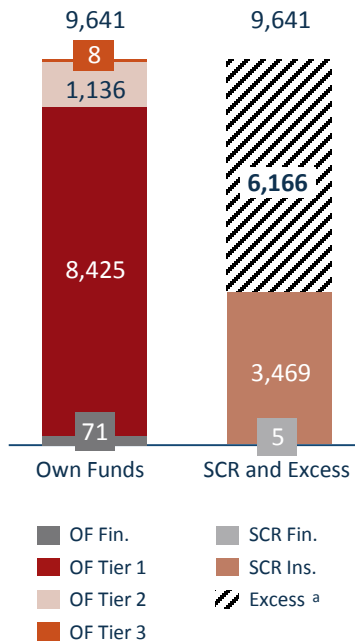
€m



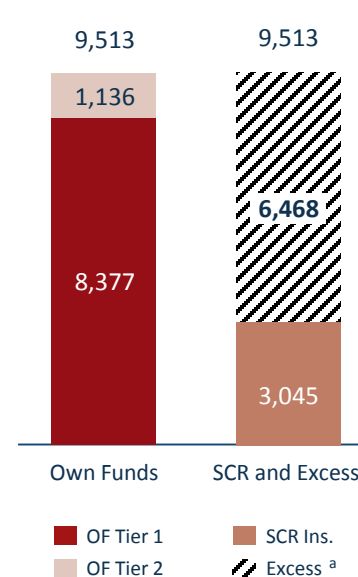
UNIPOL (consolidated) – Partial Internal Model



UNIPOLSAI (consolidated) – Economic Capital



UNIPOLSAI (solo) – Partial Internal Model



^a Eligible Own Funds in excess of Solvency Capital Requirements



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COVID-19 Actions for the benefit of the stakeholders

Strategic Plan - Business Update



Support to the Community



- **Donations for 20 €m to the community** to help combat the emergency, namely to increase the number of beds in hospitals (especially in intensive care units) and purchase healthcare equipment

Support to the Customers



- Extension of premium **payment deadlines** for Group customers holders of Life and Non-Life policies
- Free of charge extension of **health guarantees** for Covid patients and dedicated health coverage, 24/7 medical consult through UniSalute
- **#UnMesePerTe** campaign: 1 month discount on MV policies at renewal, conceived as a strategic, commercial and reputational initiative
- Covid-dedicated coverage, with targeted **welfare products**: #AndràTuttoBene (SME), #AndràTuttoBene Premium (Retail), #AndràTuttoBeneFree (free Covid-19 insurance coverage for policies expiring in March, April and May 2020)
- **#SicuriRipartiamo**, a package of services – such as medical services at lower tariffs – dedicated to enterprises willing to resume business in all safety, ensuring the protection of their employees' health
- Renewal payments through **Reserved Area and App** and activation of electronic payment methods
- **Più3** campaign: for new policies dedicated to business activities, 3 additional months of free coverage, up to 20% discount and premium payment from the fourth month
- **#UniSalutePerTe**: UnipolSai 10 million customers are offered UniSalute healthcare cover to deal with the possible consequences of Covid: 24/7 medical consult, 100 €/day compensation for admission to hospital of up to 14 days and 2,000 € in compensation after coming out from intensive care hospitalisation

Support to the Agency Network



- Advance payment of **incentives**, suspension of recoveries and interest-free financial lending program
- Extension of **digital tools** (e.g. digital signature), fully digital sales processes and centralised task force providing continuity for agencies forced to suspend operations
- Distribution of personal protective equipment and **dedicated health cover**, 24/7 medical consult through UniSalute

Business continuity Employee safety



- **Remote working** for almost all employees
- Distribution of personal protective equipment and increased sanitization of the premises
- Dedicated **health coverage**, 24/7 medical consult through UniSalute



Ecosystems – Status Update

Strategic Plan - Business Update



Ecosystem	Key Facts 2020
MOBILITY	<ul style="list-style-type: none">➤ Long term rental: re-branding of Car Server as Unipol<i>Rental</i>. New Business Plan with the target to become leader in the retail segment and reference point in the corporate segment for companies already customers of UnipolSai➤ Car-selling platform: acquisition of Cambiomarcia and start of the integration into the Mobility Ecosystem➤ Mobility payments: car tax and fines payment integrated with PagoPA; parking booking and payment in affiliated premises➤ Electronic toll service: completion of the process to obtain approval and to attain the AISCAT certificate➤ Roadside assistance: Tow Truck Unipol Assistance project launched including vertical service integration➤ Technology for the customers: Qshino, the new infant car seat with anti-abandonment device
WELFARE	<ul style="list-style-type: none">➤ Medical consult services:<ul style="list-style-type: none">- free and 24/7 in case of Covid-19 infection for all Group customers- specialised consult through remote interaction with competent doctors➤ Medical centers: launch of a new diagnostic surgical center and rebranding of all Group health premises as DYADEA
PROPERTY	<ul style="list-style-type: none">➤ Building refurbishment services: SuperBonus 110%, acquisition of the tax credit and insurance coverage for the building and the work in progress➤ Support to the agricultural sector: LIFE ADA (ADaptation in Agriculture) to enhance climate resilience➤ Identify extreme weather events: co-development of the European Extreme Events Climate Index (E3CI)➤ Utilities supply services : +900 agencies enabled to sell contracts to supply electricity and gas



ESG: Shared Value and Sustainable Development

Strategic Plan - Business Update



Creation of concrete and measurable value		Target 2021	2020
Share of products with environmental and social value	Increase the penetration of products with social and environmental impact on the overall insurance portfolio <i>Premiums for products with a social and environmental impact on the total of the corresponding product families</i>	30%	~26% ✓
Finance for the SDGs	Increase in thematic investments for the SDGs <i>Invested in support of Agenda 2030, in accordance with the upcoming EU Taxonomy rules</i>	600 €m	~600 €m ✓
Reputational index	Public perception of the company in the various sectors in which it operates <i>Reputation score among general public, according to RepTrak® methodology</i>	> average insurance business	73.6 vs. 67.3 sector avg. ✓

Emission of the 1st Unipol Green Bond

Allocation of ~ 250 €m of proceeds, mostly on renewable energy and energy efficiency categories

Coal phase-out

The Group is committed to complete divestment from coal (extraction and generation of electricity from thermal coal) by 2030



Financial Targets and Results

Strategic Plan - Business Update

€m



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	Target 2019-2021	Results	% vs. target
Consolidated net profit	2,000 cumulated	1,637 ^a	82% ✓
Dividends	600 cumulated	201 ^b	34% ✓
Solvency 2 ratio ^c	140%-160% (comfort range)	214%	✓

201 €m not paid in 2020 allocated to equity reserve and available for distribution to shareholders, according to the indications of the Supervisory Authorities

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	Target 2019-2021	Results	% vs. target
Consolidated net profit	2,000 cumulated	1,574 ^a	79% ✓
Dividends	1,300 cumulated	991 ^b	76% ✓
Solvency 2 ratio ^d	170%-200% (comfort range)	277%	✓

^a 2019-2020 cumulated normalised consolidated results

^b 2019-2020 cumulated dividend

^c Cons. Partial Internal Model ^d Cons. Economic Capital



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KPIs

Appendix

€m

UNIPOL	FY19	FY20
Premium income ^a	14,014	12,210
Non-Life	8,167	7,882
Life	5,847	4,328
Combined Ratio ^b	94.2%	87.0%
Consolid. Net Result	1,087	864
Group Net Result	903	707
EPS (€) ^c	1.26	0.99
Cons. Net Result (norm.)	732	905
Group Net Result (norm.)	569	745
EPS (norm., €) ^c	0.79	1.04
Dividends	--	201
DPS (€)	--	0.280
Total Equity	8,305	9,525
Shareholders' Equity	6,687	8,110
BVPS (€) ^c	9.32	11.3

^a Direct business. ^b Net of reinsurance. ^c Calculated on the total number of shares.
Ref. p. 6 for details on normalisation



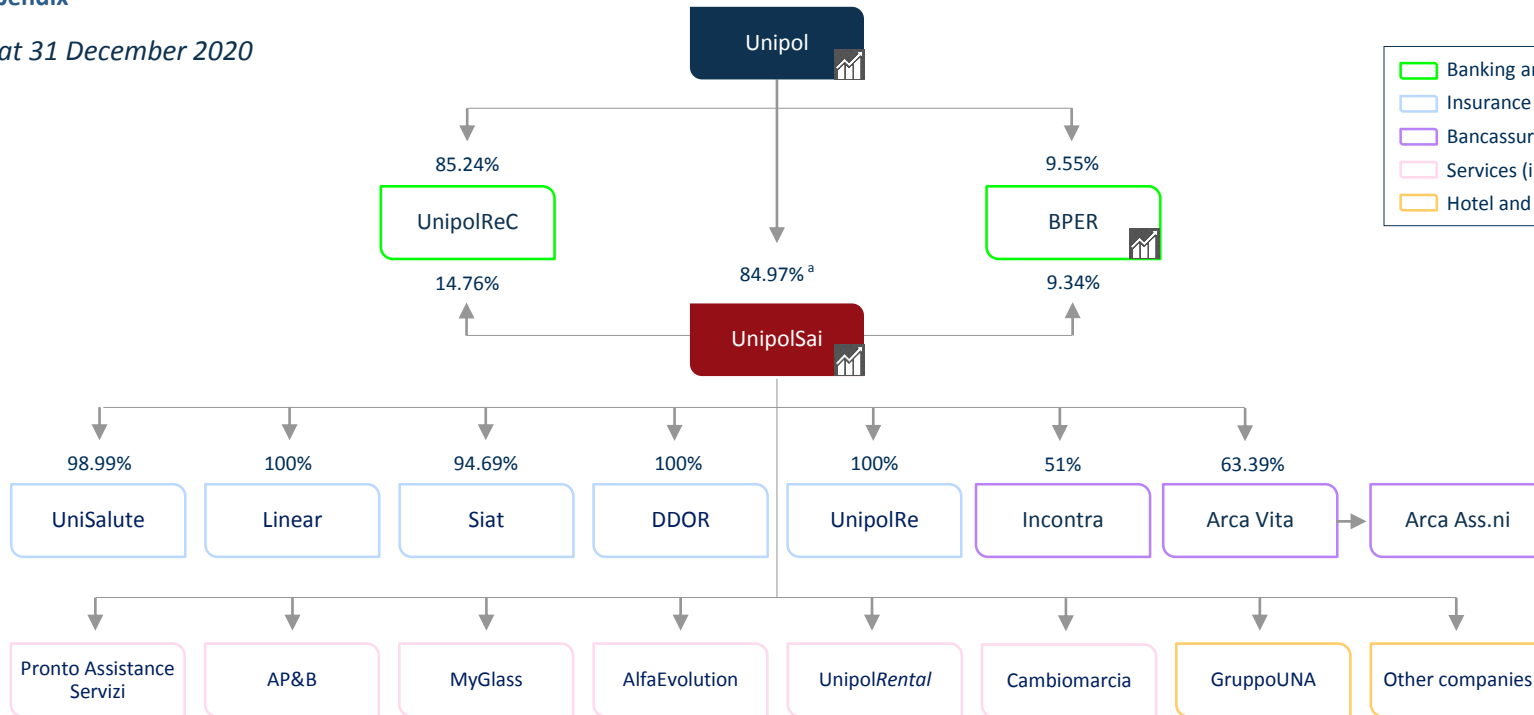
UNIPOLSAI	FY19	FY20
Premium income ^a	14,014	12,210
Non-Life	8,167	7,882
Life	5,847	4,328
Combined Ratio ^b	94.2%	87.0%
Consolid. net result	655	853
Group net result	628	820
EPS (€) ^c	0.22	0.29
Cons. Net Result (norm.)	721	853
Group Net Result (norm.)	694	820
EPS (norm., €) ^c	0.25	0.29
Dividends	453	538
DPS (€)	0.160	0.190
Total Equity	7,153	8,144
Shareholders' Equity	6,878	7,881
BVPS (€) ^c	2.43	2.79



Group Structure

Appendix

As at 31 December 2020



Companies listed on the Italian Stock Exchange

^a Including the shares held by Unipol Investment, UnipolPart I and Unipol Finance



Outstanding Debt Instruments - Unipol S.p.A. and UnipolSai S.p.A.

Appendix

€m

As at 31 December 2020

Issuer	Listed ^a	Nominal amount	Sub./Sen./Hyb.	Tier	Maturity	Coupon	
UnipolSai	✓	300	Sub.	Tier II	Jun, 2021	Eur3M+2.5%	early redemption planned
UnipolSai	✓	262	Sub.	Tier II	Jul, 2023	Eur3M+2.5%	
UnipolSai		240	Hyb.	Tier I	Jul, 2023	Eur6M+2.5%	
UnipolSai	✓	500	Sub.	Tier II	Mar, 2028	3.88%	
UnipolSai	✓	750	Hyb.	Tier I	Perpetual ^b	5.75%	
UnipolSai	✓	500	Hyb.	Tier I	Perpetual ^c	6.38%	issued 2020
Total UnipolSai S.p.A.		2,552				4.40% avg. ^e	
Unipol	✓	231	Sen.	--	Mar, 2021	4.38%	
Unipol	✓	1,000	Sen.	--	Mar, 2025	3.00%	
Unipol	✓	500	Sen.	--	Nov, 2027	3.50%	
Unipol (Green Bond)	✓	1,000	Sen.	--	Sep, 2030	3.25%	issued 2020
Total Unipol S.p.A.		2,731				3.30% avg. ^e	
Total UnipolSai S.p.A. + Unipol S.p.A.^d		5,283					

^a Listed on the Luxembourg Stock Exchange

^b 1st call date Jun, 2024

^c 1st call date Apr, 2030

^d Excluding intercompany debt

^e Calculated on the basis of interests for 2020

Unipol S.p.A. – Net Financial Position

Appendix

€m



As at 31 December 2020

	Assets		Liabilities
Liquid financial assets ^a	1,829	Financial debt to UnipolSai	568
		Senior debt 2021	231
		Senior debt 2025	1,000
		Senior debt 2027	500
		Senior green bond 2030	1,000
Liquid financial assets	1,829	Financial debts ^b	3,299
Net Financial Position	-1,470		

^a Including liquid financial assets of Unipol Gruppo and its subsidiaries 100% directly controlled

^b Nominal value

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