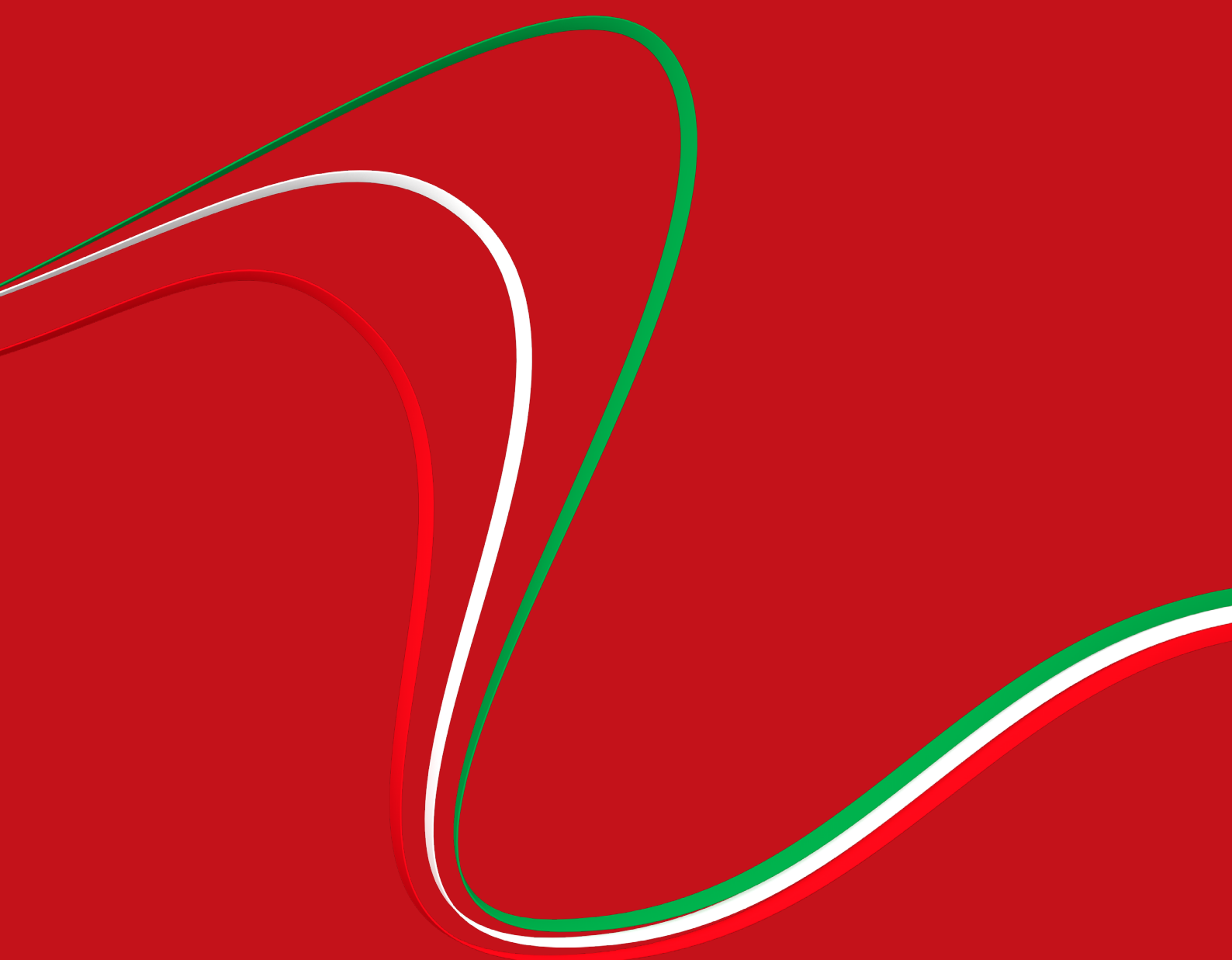




**UnipolSai**  
ASSICURAZIONI



**2020**

**Directors' Reports and proposals on the items of the agenda  
of the Shareholders' Meeting of April 28, 2021**



**ORDINARY AND EXTRAORDINARY SHAREHOLDERS MEETING**

**28 APRIL 2021 ON A SINGLE CALL**

**REPORTS OF THE BOARD OF DIRECTORS**

**(prepared pursuant to Art. 125-ter of Italian Legislative Decree no. 58 of  
24 February 1998 and**

**Arts. 72, 73 and 84-ter of CONSOB Issuers' Regulation)**

## AGENDA

### ORDINARY SHAREHOLDERS' MEETING

#### 1. 2020 Financial Statements.

- a) Approval of the Financial Statements as at 31 December 2020; Directors' Report; Board of Statutory Auditors' and Independent Auditors' Report. Related and consequent resolutions.
- b) Allocation of the profit for the year 2020 and distribution of the dividend. Related and consequent resolutions.

#### 2. Composition of the Board of Directors.

- a) Proposed appointment of a Director pursuant to article 2386 paragraph 1 of Italian Civil Code. Related and consequent resolutions.
- b) Resignation of a Director. Related and consequent resolutions.

#### 3. Appointment and remuneration of the Board of Statutory Auditors and its Chairman for financial years 2021, 2022 and 2023.

- a) Appointment of the Board of Statutory Auditors and its Chairman for financial years 2021, 2022 and 2023. Related and consequent resolutions.
- b) Determination of the remuneration of the Board of Statutory Auditors for financial years 2021, 2022 and 2023. Related and consequent resolutions.

#### 4. Report on the remuneration policy and on compensation paid. Related and consequent resolutions.

- a) Approval of the first section of the Report on the remuneration policy and on compensation paid, pursuant to Art. 123-ter, paragraph 3 of Italian Legislative Decree 58/1998 (TUF) and Arts. 41 and 59 of IVASS Regulation no. 38/2018
- b) Resolution on the second section of the Report on the remuneration policy and on compensation paid, pursuant to Art. 123-ter, paragraph 6 of Italian Legislative Decree 58/1998 (TUF).

#### 5. Purchase and disposal of treasury shares and shares of the holding company. Related and consequent resolutions.

#### 6. Approval of the settlement of proceedings pending before the Court of Milan - Specialised Business Section, concerning the liability actions lodged in 2013 and 2014 by UnipolSai Assicurazioni S.p.A. and other Unipol Group companies against members of the Ligresti family, former directors and former statutory auditors of Fondiaria-SAI S.p.A., Milano Assicurazioni S.p.A. and several subsidiaries of the latter and other defendants.

## EXTRAORDINARY SHAREHOLDERS' MEETING

### 1. Amendments to the By-Laws. Related and consequent resolutions.

- a) Amendment of Art. 6 ("Share capital") in order to update the shareholders' equity elements of the Non-Life and Life businesses pursuant to Art. 5 of ISVAP Regulation no. 17 of 11 March 2008.
- b) Amendment of Arts. 23 ("Statutory Auditors") and 24 ("Appointment and remuneration"), with reference to the number of Alternate Auditors on the Board of Statutory Auditors.

**REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETING ON AGENDA ITEM NO. 3 OF THE ORDINARY MEETING**

**Appointment and remuneration of the Board of Statutory Auditors and its Chairman for financial years 2021, 2022 and 2023..**

- a) Appointment of the Board of Statutory Auditors and its Chairman for financial years 2021, 2022 and 2023. Related and consequent resolutions.
- b) Determination of the remuneration of the Board of Statutory Auditors for financial years 2021, 2022 and 2023. Related and consequent resolutions.

Dear Shareholders,

With the approval of the financial statements at 31 December 2020, the mandate granted to the Board of Statutory Auditors, appointed by the Ordinary Shareholders' Meeting of UnipolSai S.p.A. (also the "Company") of 23 April 2018, comes to an end, the term of office having expired.

We invite you, therefore, to resolve – in compliance with the relevant laws and regulations, as well as By-Laws, in force – on the appointment of the Board of Statutory Auditors and its Chairman for the years 2021, 2022 and 2023 and, therefore, until the Shareholders' Meeting for the approval of the financial statements at 31 December 2023.

To this purpose, the Shareholders' Meeting must also set the remuneration due to the Board of Statutory Auditors for each year in office.

It should be remembered, with regard to this, that the current By-Laws provide for the Board of Statutory Auditors to include three Statutory Auditors and three Alternate Auditors.

Pursuant to Art. 24 of the By-Laws, the selection of the Board of Statutory Auditors takes place on the basis of lists, in which the candidates are listed in sequential order, to ensure, as provided for in current laws and regulations, that one Statutory Auditor and one Alternate Auditor is elected by the minority and that the Chairman of the Board is the Statutory Auditor elected by the minority.

The list consists of two sections: one for candidates for the post of Statutory Auditor and the other for candidates for the post of Alternate Auditor.

The first two candidates of the first section of the list which has obtained the highest number of votes and the first candidate of the first section of the list which has obtained the second highest number of votes and that is not connected, not even indirectly, to those who have presented or voted for the list which has obtained the highest number of votes, are elected as Standing Auditors. The first two candidates of the second section of the list which has obtained the highest number of votes and the first candidate of the second section of the list which has obtained the second highest number of votes are elected as Alternate Auditors.

The composition of the Board of Statutory Auditors must ensure the balance between the genders as most recently governed by Law no. 160 of 27 December 2019. The lists must submit a number of candidates from the least represented gender to guarantee, within each list, the respect of said balance; in particular, at least two-fifths of the members of the Board of Statutory Auditors must belong to the least represented gender, rounding down if (as in the case of the Company) the control body consists of three members. Therefore, each list that, considering both sections, has a number of candidates equal to or exceeding three must include parties of different genders in the first two items in the section(s) where at least two candidates are indicated.

The Statutory Auditors must meet the requirements of eligibility for office set forth in Ministerial Decrees no. 220/2011 and 162/2000.

Without prejudice to what is set forth in Art. 148, paragraph 3 of Italian Legislative Decree no. 58/1998 (Consolidated Law on Finance, the “TUF”), the Corporate Governance Code for listed companies (the “Code”) establishes that all members of the control body must meet the independence requirements established by the Code for directors.

In this regard, please recall that, pursuant to Recommendation no. 7 of the Code, a director (and therefore, as a result of what is referred to above, a statutory auditor) is not generally considered independent, amongst other cases:

- i) if, directly or indirectly (for example through subsidiaries or companies of which he is executive director or as a partner of a professional practice or a consulting company) has, or has had in the three prior financial years, a significant commercial, financial or professional relationship:
  - with the company or companies it controls, or with the relative executive directors or top management;
  - with a party which, also along with others through a shareholders' agreement, controls the company; or, if the holding company is a company or entity, with the relative executive directors or top management;
- ii) if he receives, or has received in the three prior financial years, from the company, its subsidiary or the holding company, significant remuneration in addition to the fixed compensation for the office and that established for participation in the committees recommended by the Code or established by regulations in force.

In this regard, the policy on the requirements of suitability for office approved by the administrative body of UnipolSai, most recently on 18 March 2021, establishes that, for the assessment of significance pursuant to points i) and ii) above, it is necessary to take into consideration, insofar as of specific interest here:

- the annual consideration for any professional services and/or other services provided to the company and/or the holding company and/or subsidiaries, if this represents more than 5% of the annual turnover of the Statutory Auditor, or of the company or the entity of which the Statutory Auditor has the control or is executive director or of the professional practice or consulting company of which he is a partner or shareholder or,

- in any case, if it exceeds Euro 500,000 on an annual basis;
- any compensation received for the offices also in the holding company and/or subsidiaries, or overall exceeding Euro 200,000 on an annual basis;
  - any personal and financial situations which could result in conflicts of interest and also potentially hinder the independent judgement of the Statutory Auditor, in any event with the performance of corporate management in the interest of UnipolSai remaining ensured, consistent with the objectives of sound and prudent management.

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

We also note – referring, for anything not specifically mentioned here, to the aforementioned provision of the By-Laws – that:

- the lists must be filed at the Company's registered office, as indicated in the notice of the Shareholders' Meeting, by the twenty-fifth day before the date of the Shareholders' Meeting (by 3 April 2021) and UnipolSai must make them available to the public at the registered office, on its website and with any other procedures required by current legal and regulatory provisions in force, at least 21 days before the date set for the Shareholders' Meeting (and therefore by 7 April 2021). The documentation proving the entitlement to submit lists must also be received within this term;
- according the provisions of the CONSOB Executive Decision no. 44 of 29 January 2021, the Shareholders who, alone or with others, represent at least 1% of ordinary share capital have the right to submit the lists; the ownership of the stake required for the submission of the lists is established considering the shares that are recorded to the shareholder(s) in question at the time the lists are deposited at the Company;
- each Shareholder, the Shareholders belonging to a relevant shareholders' agreement under Art. 122 of the TUF, the holding company, the subsidiaries and joint ventures pursuant to Art. 93 of the TUF, cannot submit or take part in the submission of, even through an intermediary or trust company, more than one list and cannot vote for lists other than the one that they have submitted or participated in submitting, even through an intermediary or trust company. Any support and votes cast in breach of such provision shall not be attributed to any list;
- a candidate can appear on only one list, on pain of ineligibility.

If by the term set for the filing of the lists only one list has been submitted, or else only lists presented by Shareholders who are related to each other pursuant to Art. 144-quinquies of the Issuers' Regulation issued by the CONSOB, lists may be presented until the third day after the term indicated above (by 6 April 2021); in this case, the threshold for the submission of the list is lowered to 0.50% of the share capital with voting rights.



Pursuant to the combined provisions of the aforementioned Art. 24 of the By-Laws and the applicable laws, the Shareholders who plan to submit a list must file, simultaneously and jointly with each list, the following at the Company's registered office:

- i) declarations by the individual candidates in which these accept their nomination for office and state, under their own responsibility, that they are eligible and compatible and fulfil the requirements for appointment to the different positions, and also comply with the limits to the plurality of offices set by legal and regulatory provisions in force;
- ii) a curriculum vitae of each candidate, with a full description of their personal and professional characteristics;
- iii) any additional information required by legal and regulatory provisions, which will be indicated in the notice of Meeting.

Lists that are submitted without these provisions being observed are deemed not to have been submitted.

Shareholders who submit a "minority list" must also be recipients of the recommendations issued by CONSOB with communication no. DEM/9017893 of 26 February 2009. Specifically, the Shareholders who submit a "minority list" must file, with the list, a statement of the absence of affiliation, even indirectly, as provided by Art. 144-quinquies, mentioned above, of the Issuers' Regulation with the controlling Shareholder.

In the event that only one list is submitted or no list is submitted, the Shareholders' Meeting resolves with the majorities required by the law, ensuring, at any rate, the respect of the balance between the genders required by legal and regulatory provisions in force.

Shareholders who intend to submit proposals on the compensation due to the Board of Statutory Auditors are invited to submit them, as specified in the Shareholders' Meeting notice, by 12 April 2021; they will be published on the Company's website by 13 April.

Bologna, 18 March 2021

The Board of Directors

## REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETING ON AGENDA ITEM NO. 6 OF THE ORDINARY MEETING

**Approval of the settlement of proceedings pending before the Court of Milan - Specialised Business Section, concerning the liability actions lodged in 2013 and 2014 by UnipolSai Assicurazioni S.p.A. and other Unipol Group companies against members of the Ligresti family, former directors and former statutory auditors of Fondiaria-SAI S.p.A., Milano Assicurazioni S.p.A. and several subsidiaries of the latter and other defendants.**

Dear Shareholders,

the Board of Directors of UnipolSai Assicurazioni S.p.A. ("**UnipolSai**" or the "**Company**") has called an Ordinary Shareholders' Meeting to discuss and resolve, among other things, on the agreement (the "**Settlement Agreement**") settling two sets of proceedings pending before the Court of Milan (the "**Proceedings**"), concerning the liability actions brought in 2013 and 2014 by UnipolSai - which was the successor in title of the merger between, among others, Fondiaria-SAI S.p.A. and Milano Assicurazioni S.p.A., as well as Campo Carlo Magno S.p.A., UnipolSai Real Estate S.r.l. (the successor in title of the merger between UnipolSai Servizi Immobiliari S.p.A., formerly Immobiliare Lombarda S.p.A., and Immobiliare Fondiaria-SAI S.r.l.), - and other Unipol Group companies (together, the "**Claimants**") against members of the Ligresti family (Salvatore Ligresti, Jonella Ligresti, Giulia Maria Ligresti and Giocchino Paolo Ligresti), former directors and former statutory auditors of Fondiaria-SAI S.p.A., Milano Assicurazioni S.p.A. and some of their subsidiaries, as well as other defendants.

This Shareholders' Meeting is entitled to resolve on the Settlement Agreement since such agreement deals with certain former directors and former statutory auditors of the Company, with the result that the provisions of Article 2393, last paragraph, of the Italian Civil Code are applicable thereto. This is because the aforementioned provisions reserve to the Shareholders' Meeting the power to approve and accept settlements with directors and statutory auditors (this is the so for the latter, pursuant to Article 2407 of the Italian Civil Code makes reference thereto).

More specifically, the Proceedings refer to:

- a) the **Major Claim** (proceedings General Docket No. 42294/2013, joined with proceedings General Docket No. 71026/13, No. 88481/13, No. 88470/13, No. 78467/13, No. 25787/14, No. 30996/2015, No. 31130/2015, No. 32791/2015, No. 32976/2015, pending before the Court of Milan, Specialised Business Section B – Judge Angelo Mambriani), brought on 28 May 2013 at the instance of the acting commissioner Professor Matteo Caratozzolo, who was appointed by the private insurance supervisory body (IVASS, which was previously called ISVAP) on 12 September 2012, following the resolution passed by the Claimants' shareholders' meetings. More specifically, Fondiaria-SAI S.p.A., Milano Assicurazioni S.p.A., Immobiliare Lombarda S.p.A., and Immobiliare Fondiaria-SAI S.r.l., in its capacity as sole shareholder and, therefore, in the interest of Meridiano Secondo S.r.l., Sai

Investimenti S.G.R. S.p.A, in its capacity as the fund manager for “*Tikal R.E. Fund*” and “*Athens R.E. Fund*”, Atahotels S.p.A., Gruppo Fondiaria-SAI Servizi S.c.ar.l., Villa Ragionieri S.r.l., Auto Presto & Bene S.p.A. brought the action against the members of the Ligresti family (Salvatore Ligresti, Giulia M. Ligresti, Jonella Ligresti and Gioacchino P. Ligresti), the former executive directors Fausto Marchionni and Antonio Talarico, a group of former non-executive directors and former statutory auditors who had taken part in the resolutions concerning the contested transactions, as well as related party companies that can be traced back to the Ligresti family and that are counterparties to the contested transactions, as well as certain consultants who had issued opinions in relation to such transactions. The related claim for damages concerns 17 (mainly real estate) transactions, which were reported in 2011 to the Fondiaria-SAI S.p.A. Board of Statutory Auditors by Amber Global Opportunities Master Fund Ltd (hereinafter called “**Amber Fund**”, which held a stake in Fondiaria-SAI S.p.A. at such time). UnipolSai contested the 13 transactions, usually identified in the Proceedings as follows: “*Varese*”, “*acquisto 100% Atahotels*”, “*Bruzzano*” “*Pieve Emanuele*”, “*Consulenze Salvatore Ligresti*”, “*Compensi Jonella Ligresti*”, “*Sponsorizzazioni Laità*”, “*Lancetti*”, “*Fiorentini*”, “*De Castillia*”, “*San Donato*”, “*San Pancrazio Parmense*”, “*Villa Ragionieri*”;

- b) the **Minor Claim** (proceedings General Docket No. 65868/2014, Court of Milan, Specialised Business Division B – Judge Angelo Mambriani), that UnipolSai (acting in its capacity as the company that merged Fondiaria-SAI S.p.A., Milano Assicurazioni S.p.A. and Campo Carlo Magno S.p.A., which was merged into UnipolSai on 31 December 2014) and Nuove Iniziative Toscane S.r.l. brought on 21 October 2014 – following resolutions passed by the shareholders’ meetings held on 30 July 2013 – against members of the Ligresti family (Salvatore Ligresti, Giulia M. Ligresti, Jonella Ligresti and Gioacchino P. Ligresti), the former executive directors Fausto Marchionni and Antonio Talarico, the former non-executive directors who were members of the Internal Control Committee, certain former statutory auditors of the Fondiaria-SAI Group, as well as related parties that could be traced back to the Ligresti family and that were counterparties to the disputed transactions, in addition to the consultant who had issued opinions in relation to such transactions. The claim for damages relates to three transactions that were reported by the Amber Fund, but that were not included in the Major Claim brought by the acting Commissioner, Professor Matteo Caratozzolo. All three transactions are challenged by UnipolSai. They are named– as usually identified in the Proceedings – as follows: *Area Castello*”, “*Golf Hotel*” e “*Contratti di co-marketing Gilli*”.

The transactions challenged in the Proceedings were found to be vitiated, among other things, by conflicts of interest and the unlawful manner in which the parent company managed the group. In short, the defendants’ liability for the losses caused to the Claimants arises from the fact that the above-mentioned defendants, in breach of their duties and of the rules set forth in Articles 2391 and 2391-bis of the Italian Civil Code, approved and implemented the disputed transactions with related entities connected to the Fondiaria-SAI Group that can be traced to the Ligresti family, as well as the fact that such transactions envisaged an overvalued consideration, terms and conditions of contract and/or modes of (de facto) performance that

were excessively biased towards said companies.

As mentioned above, the disputed transactions, in relation to which UnipolSai filed claims for damages in the related Proceedings, are named – as usually identified – as follows: “Varese”, “acquisto 100% Atahotels”, “Bruzzano” “Pieve Emanuele”, “Consulenze Salvatore Ligresti”, “Compensi Jonella Ligresti”, “Sponsorizzazioni Laità”, “Lancetti”, “Fiorentini”, “De Castillia”, “San Donato”, “San Pancrazio Parmense”, “Villa Ragionieri”, “Area Castello”, “Golf Hotel” and “Contratti di co-marketing Gilli”.

More specifically, the aforementioned transactions concerned:

- (i) as to the Major Claim: **(a)** the building of properties and the subsequent purchase thereof by the Fondiaria-SAI Group as a future asset; **(b)** the acquisition of all of Atahotels S.p.A.’s shares; **(c)** the assignment of the contract for the renovation and redevelopment of Fondiaria-SAI Group’s properties; **(d)** the appointment of Salvatore Ligresti as consultant and the grant of powers of attorney to Jonella Ligresti, who were both remunerated with large fees; and **(e)** the payment of unjustified sponsorship fees to companies belonging to the Ligresti family;
- (ii) as to the Minor Claim: **(a)** the assignment of the contract for the “Area Castello” real estate transaction’s preliminary, final and executive design; **(b)** the assignment of the contract for the renovation of the Hotel Madonna di Campiglio Golf club; and **(c)** the signing of co-marketing contracts with Gilli S.r.l.

Upon UnipolSai and certain other Claimants’ request, the Court of Milan granted, during the Proceedings, two preventive attachment orders against members of the Ligresti family and certain former executive directors of Fondiaria-SAI S.p.A. and Milano Assicurazioni S.p.A., which were then enforced in Italy and abroad.

After having ordered the exchange of briefs in accordance with Article 183 of the Italian Civil Procedure Code, the Court of Milan, among other things, appointed an expert witness to conduct a complex technical consultancy. After the Court-appointed expert witnesses had forwarded his preliminary report to the parties’ technical consultants during the course of the said expertise, the parties intensified direct talks with each other. As a result, they jointly took the decision to settle the entire dispute referred to in the Proceedings and the related preventive attachment proceedings, as well as certain other minor civil proceedings pending between them.

With regard to the Settlement Agreement, UnipolSai has commenced the procedure envisaged under Articles 9 and 10 of the Related Parties’ Transactions Procedure adopted by the Company’s Board of Directors, most recently on 7 November 2019 (the “**RPT Procedure**”), as well as under Article 8 of Consob Regulation No. 17221 of 12 March 2010, as subsequently amended.

The commencement of the RPT Procedure was deemed necessary in light of the fact that: **(a)** some of the defendants in the Proceedings can be categorised as “*former related parties*” of UnipolSai. Upon IVASS’ request in December 2012, they were categorised as UnipolSai related parties; **(b)** even though Unipol Gruppo S.p.A. (“**Unipol**”) is not one of the signatories

of the Settlement Agreement, it could still have an interest in executing the settlement, on account of the benefit it would derive from the decision – which has been taken by the defendants and the third parties indicated as beneficiaries in the settlement agreement - to waive the indemnity that Unipol had granted to the directors and statutory auditors of Premafin HP S.p.A., Fondiaria-SAI S.p.A. and Milano Assicurazioni S.p.A. or their respective subsidiaries in the context of the Unipol-Premafin/Fondiaria-SAI merger.

Therefore, the UnipolSai Related Parties' Transactions Committee (the "**Committee**") promptly became involved during the negotiations that followed the completion of the Court-Appointed Expert Witnesses' conciliation attempt. The Committee was provided with adequate and complete information, and met on three occasions in order to give its opinion on the interest of the Company and that of its subsidiaries (which were claimants in the Proceedings) to sign the Settlement Agreement, as well as on the appropriateness and substantive fairness of the related terms and conditions thereof.

In the framework of the transaction, the Company's Board of Directors requested the law firms BonelliErede and Bussoletti Nuzzo & Associati, which assist UnipolSai in the Proceedings (the "**Defence Counsels**"), to give their opinion on the reasons for, and the advantages of, executing the Settlement Agreement.

In the opinion, the Defence Counsels concluded that, taking into account, on the one hand, the specific risks associated with the continuation of the Proceedings, the difficulty of recovering any amounts awarded in the judgment as the defendants' have insufficient assets and because the Unipol indemnity does not guarantee the recovery of any claims awarded to the Claimants in the judgment against the directors and statutory auditors who are the beneficiaries of it, on the other hand, the general risk of proceedings, which in this specific case is to be considered significant given that the Proceedings concern multiple and complex legal and technical issues and that the evidence-gathering phase has not yet been completed, the Settlement Agreement is **objectively more advantageous** than the gains that could be made in the event that the Proceedings were to continue. This is because:

- in the event that the Proceedings were to continue, the reasonably foreseeable gain that could be made would be unlikely to reach **EUR 60 millions** <sup>(1)</sup>; it could even be significantly lower than this, taking into account the risks identified by the Defence Counsels and the uncertainties associated with continuing the Proceedings;
- as described in greater detail below, the Settlement Agreement allows the Claimants to recover a considerable amount of **EUR 42,208,000.00** which would be collected in full immediately after the settlement's completion;
- furthermore, the Settlement Agreement ensures that the Claimants do not have to pay the Court-Appointed Expert Witnesses' substantial costs (see below), their own legal

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<sup>(1)</sup> More specifically, the amount of EUR 60,000,000 consists of assets amounting to approximately EUR 20,000,000 seized from the Ligresti family and from the former executive directors Mr Marchionni and Mr Talarico, as well as the maximum amount of EUR 40,000,000 insured in the ACE and Chubb D&O policies (as defined below). However, as pointed out in the Defence Counsels' opinion, this amount of EUR 60,000,000 does not give rise, in practice, to an equivalent prospect of effectively recovering such amount.



expenses incurred as a result of the Proceedings continuing, the reimbursement of the legal expenses of those defendants that are found not to be found liable, and registration tax (amounting to 3%) on the sums to be paid, completely eliminating any risk and uncertainty arising from the commencement of enforcement actions to be conducted on the assets that have already been seized, which will have to be recommenced once again against defendants found by the judgment to be liable; this does not even take into account the savings achieved as a result of not having to bring such further enforcement actions.

After having examined the Defence Counsels' opinion, the Committee appointed Professor Vincenzo Roppo of the Studio Roppo Canepa law firm as its independent legal advisor, with a view to further guaranteeing the substantial and procedural correctness of the transaction's whole decision-making process and supporting the decisions falling within the Committee's remit. Professor Roppo issued his own legal opinion on the reasons and the convenience of the Settlement Agreement, stating that he approved the methodological approach adopted by the Defence Counsels' opinion and stating that the reasons set out therein were adequate.

More specifically, the Committee's advisor confirmed in his legal opinion that the methodologies adopted and the arguments submitted in the Defence Counsels' opinion were correct. He concluded that: **(a)** the qualitative and quantitative risks connected with the Proceedings continuing, which had been identified in the Defence Counsels' opinion, were logical, were supported by evidence acquired in the aforementioned Proceedings and had been adequately pointed out; **(b)** the criterion for assessing the convenience of the Settlement Agreement, which consisted in comparing the amount of the settlement with the amount that could actually be recovered by the Claimants in the enforcement proceedings, as opposed to the amount that the judgement could hypothetically order the defendants to pay, was correct and acceptable.

Therefore, the conclusions set out in the Defence Counsels' and the legal advisor's opinion confirmed that the Settlement Agreement is objectively more advantageous for the Company than the possible gains it might make in the event that the Proceedings continued.

After having made its assessments, which took account of the above-mentioned legal opinions, on 14 December 2020 the Committee unanimously gave the Board of Directors its favourable opinion on UnipolSai and its subsidiaries' interest in executing the Settlement Agreement, as well as on the appropriateness and substantive fairness of the terms and conditions thereof.

After having considered the Defence Counsels' legal opinion and the Committee's opinion (including the legal opinion of the independent advisor Professor Vincenzo Roppo of the Studio Roppo-Canepa law firm), UnipolSai's Board of Directors approved, insofar as it was concerned, the substantial contents of the Settlement Agreement. This was because the Committee had, after having been kept constantly updated on the negotiations' progress, acknowledged the Company's and its subsidiaries' interest in executing the Settlement Agreement, and the convenience and substantive fairness of the terms and conditions thereof.

Subsequently, the parties defined in detail the terms and conditions of the Settlement Agreement which, on 4-5 March 2021, was signed between, on the one hand, UnipolSai, the

other Claimant Companies and Meridiano Secondo S.r.l. and, on the other hand, all of the defendants in the Proceedings <sup>(2)</sup> with the exception of certain parties (who are in any case beneficiaries), as well as the insurance company Chubb European Group SE (formerly ACE European Group Limited, also in its capacity as successor in title following the merger by incorporation of Chubb Insurance Company of Europe SE, “Chubb”) which intervened on behalf of all the parties insured under the D&O policies (Nos. 010701172F and 82178452, and 010701173F and 82178451) respectively taken out at that time by Fondiaria-SAI S.p.A. and Milano Assicurazioni S.p.A., regardless of whether such insured parties are parties to the settlement and/or defendants and/or third parties summoned in the Proceedings.

When they signed the Settlement Agreement, the Claimants, among other things, sent a waiver to the other Fondiaria-SAI Group former directors and statutory auditors, who had been summoned in the Proceedings by the defendants as third-party defendants. The Claimants confirmed the fact that nothing was due from the third-party defendants in respect of the claims brought in the aforementioned Proceedings <sup>(3)</sup>.

For a more detailed examination of the Settlement Agreement contents, reference is made to the information document published on the Company’s website (at *Governance/Related-Party Transactions* Section) on 25 March 2021 in accordance with Consob Regulation No. 17221 of 12 March 2010, as amended. The main terms of the said agreement that have been submitted to the Shareholders’ Meeting for approval are, on the other hand, summarised below.

As partly explained above, the Settlement Agreement envisages:

(a) the Claimants paying an all-inclusive sum of **EUR 42,208,000**;

the parties thereto waiving any and every right, action, claim, demand, request, and challenge dealt with in the Proceedings, the preventive attachment orders, and certain other minor

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<sup>(2)</sup> More specifically, the defendants executing the settlement agreement are as follows: Giulia Maria Ligresti, Jonella Ligresti, on her behalf and as successor to Salvatore Ligresti, Giocchino Paolo Ligresti, Fausto Marchionni, Antonio Talarico, Umberto Bocchino, Maurizio De Scalzi, Domenico Terzano, Stefano Carlino, Andrea Gardelli, Silvano Malvezzi, Alberto Ramella, Francesco Tanini, Stefano Casagni, Roberto Seymandi, Michela Zeme, William Bonomi, Gualtiero Giombini, Salvatore Spiniello, Ezio Toselli, Benito Giovanni Marino, Marco Spadacini, Barbara Mantovani in qualità di erede Giancarlo Mantovani, Giovanni Ossola, Giovanni Maria Rayneri, Alberto Maria Rayneri e Michela Rayneri, as successors to Alessandro Rayneri, Maria Luisa Mosconi, Graziano Visentin, Mariano Frey, Cosimo Rucellai, Vincenzo La Russa, Salvatore Rubino, Roland Berger S.r.l., Scenari Immobiliari S.r.l..

<sup>(3)</sup> More specifically, they are the following third parties summoned in the Proceedings: Ernesto Albanese, Vincenzo Albanese, Danilo Achille Bassi, Mario Emilio Casartelli, Mariella Marocco Cerutti, Maurizio Comoli, Francesco Corsi, Barbara De Marchi, Flavio Dezzani, Maurizio Di Maio, Giovanna Albertini, Albertina, Alessandra and Francesco D’Urso, as successors to Carlo D’Urso, Mariano Frey, Consolazione Lo Vecchio, Davide Maggi, Valentina Marocco, Sara Mazzetti, Filippo Milone, Giuseppe Morbidelli, Giorgio Oldoini, Francesco Randazzo, Oreste Severgnini, Nicola Squillace, Simone Tabacci, Stefano Valerio, Sergio Francesco Maria Viglianisi, Pier Giorgio Bedogni, Umberto Bocchino, Andrea Broggin, Stefano Carlino, Emanuele Erbetta, Vincenzo La Russa, Alberto Marras, Alberto Ramella and Salvatore Rubino. It must be pointed out that some of the third parties summoned in Proceedings commenced by the Minor Claim have also been summoned in those commenced by the Major Claim.

disputes, with each of the parties paying their own legal costs;

- (b) the parties to the Proceedings apportioning the costs of the Court-Appointed Expert Witnesses amounting to approximately EUR 1.356,000,000 (including VAT), as follows:
  - (i) approximately EUR 1.110,000,000 to be borne by the defendants and Chubb and
  - (ii) approximately EUR 246,000 to be borne by UnipolSai and the other Claimants;
- (c) the defendants waiving their claims against the third parties that had been summoned in the Proceedings and the other defendants.

The aforementioned amount of EUR 42,208,000 shall be allocated between UnipolSai and the other Claimants in proportion to the provisional claims respectively made by them in the Proceedings. UnipolSai shall receive a sum of **EUR 29,662,910.50**. The remaining amount shall be divided among the other Claimants.

The Settlement Agreement is subject to the condition precedent of the UnipolSai Shareholders' Meeting and the Shareholders' Meetings of the other Claimants approving the resolution dealing with settlement of the Proceedings, in accordance with Articles 2393, paragraph 6, and Articles 2476, paragraph 5, of the Italian Civil Code, and under the terms and conditions set out in the Settlement Agreement.

The payment of EUR 42,208,000 to UnipolSai and the other Claimants, as well as the payment of the experts' costs incurred for the Court-Appointed Expert Witnesses, shall only be made upon the condition precedent to which the Settlement Agreement is subject being fulfilled in the manner summarised below:

- the amount of **EUR 32,958,346** shall be paid through an escrow deposit account set up by Chubb, UnipolSai, the custodian bank and the escrow agent; Chubb and the defendants that have not undergone preventive attachment proceedings before the Settlement Agreement was signed shall have already deposited amounts on the said account. Upon the condition precedent have been fulfilled, the escrow agent shall instruct the custodian bank to transfer the aforesaid amount to UnipolSai (which, in turn, will distribute it among the various Claimant Companies);
- the remaining amount of **EUR 10,360,173** shall be paid by (i) offsetting the sums that the Claimants owe by way of emoluments and insurance policy claims to the defendants that have undergone preventive attachment proceedings; and (ii) the other Unipol Group companies (other than the Claimants) assigning to the Claimants the sums that they owe to the defendants that have undergone attachment proceedings; these sums shall be referred, once again, to the amounts owed to the latter by way of emoluments and insurance policy claims.

Before the Settlement Agreement can be executed, the resolution must be approved by the Shareholders' Meeting, also in accordance with the last paragraph of Article 2393 of the Italian Civil Code and Article 2407 of the Italian Civil Code.

Therefore, the Board of Directors proposes the following resolution to the Shareholders' Meeting.



## Proposal

*The Ordinary Shareholders' Meeting of UnipolSai Assicurazioni S.p.A,*

*after having examined the Report submitted by the Board of Directors, whereby it proposes the approval of the agreement (the "Settlement Agreement") settling two sets of proceedings pending before the Court of Milan (the "Proceedings") concerning the claims for liability brought in 2013 and 2014 by UnipolSai Assicurazioni S.p.A., in its capacity as successor in title to the merger of, among other things, Fondiaria-SAI S.p.A. and Milano Assicurazioni S.p.A., as well as Campo Carlo Magno S.p.A., and UnipolSai Real Estate S.r.l. (which is, in turn, the successor in title to the merger of UnipolSai Servizi Immobiliari S.p.A., which was formerly Immobiliare Lombarda S.p.A., and Immobiliare Fondiaria-SAI S.r.l.), and other companies belonging to the Unipol Group (together called the "Claimants") against members of the Ligresti family (Salvatore Ligresti, Jonella Ligresti, Giulia Maria Ligresti and Gioacchino Paolo Ligresti), former directors and former statutory auditors of Fondiaria-SAI S.p.A., Milano Assicurazioni S.p.A. and some of their subsidiaries, as well as against other defendants,*

*resolves*

*to approve the terms and conditions of the Settlement Agreement signed on 4-5 March 2021, which concerns the settlement of the claims for liability pending before the Court of Milan, General Docket No. 42294/2013 (joined with proceedings General Docket No. 71026/13, No. 88481/13, No. 88470/13, No. 78467/13, No. 25787/14, No. 30996/2015, No. 31130/2015, No. 32791/2015, No. 32976/2015) and proceedings General Docket No. 65868/2014, which UnipolSai Assicurazioni S.p.A. and other companies belonging to the Unipol Group have brought against members of the Ligresti family (Salvatore Ligresti, Jonella Ligresti, Giulia Maria Ligresti and Gioacchino Paolo Ligresti), former directors and statutory auditors of Fondiaria-SAI S.p.A, Milano Assicurazioni S.p.A., and other defendants indicated in the Board of Directors' Report that concern, with particular regard to UnipolSai Assicurazioni S.p.A., the following transactions: "Varese", "acquisto 100% Atahotels", "Bruzzano" "Pieve Emanuele", "Consulenze Salvatore Ligresti", "Compensi Jonella Ligresti", "Sponsorizzazioni Laità", "Lancetti", "Fiorentini", "De Castillia", "San Donato", "San Pancrazio Parmense", "Villa Ragionieri", "Area Castello", "Golf Hotel" and "Contratti di co-marketing Gilli" (as they are usually identified in the same proceedings); the said agreement envisages, among other things, that:*

- (i) UnipolSai Assicurazioni S.p.A. and the defendants indicated in the Board of Directors' Report shall reciprocally waive any and every right, action, claim, demand, and challenge dealt with in the Proceedings, the preventive attachment orders, and certain other minor disputes described in more detail in the Settlement Agreement and the annexes thereto; each of the parties shall pay all of their legal expenses*
- (ii) the Claimants shall be paid the total amount of EUR 42,208,000.00, of which EUR 29,662,910.50 shall be payable to UnipolSai Assicurazioni S.p.A., under the terms and conditions defined in more detail in the Settlement Agreement;*

- (iii) *the costs incurred during the Court-Appointed Expert Witnesses, which amount to EUR 1,356,849.07 (including VAT) shall be apportioned between the parties as follows: EUR 1,110,519.00 are to be borne by Chubb European Group SE and the defendants, and EUR 246,330.07 are to be borne by UnipolSai Assicurazioni S.p.A. and the other Claimants who brought the Proceedings;*
- (iv) *the Claimants shall declare that they intend to take advantage of the third-party defendants' waivers (that is to say the third parties summoned in the Proceedings that have been indicated in the Board of Directors' Report), confirming the fact that they have nothing to claim from such third-party defendants in connection with the claims for liability;*
- (v) *the effects of the Settlement Agreement (including the obligations to pay the Court-Appointed Expert Witnesses' fees and expenses) are subject to the condition precedent of the respective Claimant's Shareholders' Meetings approving the resolution settling the claims for liability referred to in the Proceedings, in accordance with Article 2393, paragraph 6, of the Italian Civil Code and Article 2476, paragraph 5, of the Italian Civil Code.*

Bologna, 18 March 2021

The Board of Directors

**UnipolSai Assicurazioni S.p.A.**

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Share capital  
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R.E.A. No. 511469

Parent company of the Unipol Insurance Group  
entered in the Register of the parent companies  
at No. 046

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