UnipolSai
ASSICURAZIONI

Consolidated interim financial report at 30 June 2023

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UnipolSai Assicurazioni

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Translation from the Italian original solely for the convenience of international readers

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Company bodies

BOARD OF DIRECTORS	CHAIRMAN	Carlo Cimbri	
	VICE CHAIRMAN	Fabio Cerchiai	
	CHIEF EXECUTIVE OFFICER	Matteo Laterza	
	DIRECTORS	Bernabò Bocca	Jean Francois Mossino
		Stefano Caselli	Milo Pacchioni
		Mara Anna Rita Caverni	Paolo Pietro Silvio Peveraro
		Giusella Dolores Finocchiaro	Daniela Preite
		Rossella Locatelli	Elisabetta Righini
		Maria Paola Merloni	Antonio Rizzi
	SECRETARY OF THE BOARD OF DIRECTORS	Alessandro Nerdi	
BOARD OF STATUTORY AUDITORS	CHAIRMAN	Cesare Conti	
	STATUTORY AUDITORS	Silvia Bocci	
		Angelo Mario Giudici	
	ALTERNATE AUDITORS	Sara Fornasiero	
		Luciana Ravicini	
		Roberto Tieghi	
MANAGER IN CHARGE OF FINANCIAL REPORTING		Luca Zaccherini	
INDEPENDENT AUDITORS		EY SpA	

Introduction

Macroeconomic background and market performance

Macroeconomic background

In 2022, global economic growth was 3.1%, held back by the sharp increase in the inflation rate and the restrictive monetary policies implemented by the main international central banks. GDP growth continued both in the first quarter of 2023 (+0.8% compared to the fourth quarter of 2022) and in the second quarter of 2023 (+0.5% compared to the previous quarter), but the macroeconomic scenario remains very uncertain.

The United States grew by 2.1% in 2022. In the first quarter of 2023, growth of 0.5% was recorded compared to the previous quarter, while in the second quarter the economy grew by 0.6% compared to the first quarter thanks above all to the increase in consumption, investments and public spending. The US economy continues to experience a high inflation rate, although it fell to 3% yoy in June compared to 4% in May. The labour market is still overheated, with the unemployment rate standing at 3.6% in June, a value close to an all-time low since 1969.

In China, GDP grew by 3% in 2022, held back by Zero-Covid policies, which involved closures and restrictions on economic activity. However, after abandoning these policies, Chinese GDP grew, in the first quarter of 2023, by 2.2% compared to the previous quarter and by 0.8% in the second quarter compared to the first quarter, with the inflation rate in June at 0%. The unemployment rate in June remained steady at 5.2%, the lowest value since December 2021.

In 2022, Japan recorded an economic growth of 1%. In the first quarter of 2023, GDP grew by 0.7% compared to the previous quarter thanks to the strong performance of consumption and private investments. Unemployment rate remained stable at 2.6% in May. Inflation rate rose to 3.3% in June compared with 3.2% in May.

In the Euro Area, GDP rose by 3.5% in 2022. In the first quarter of 2023, the economy was stable (+0%) compared with the previous quarter due to the sharp increase in the price of natural gas and the consequent energy crisis caused by the war in Ukraine. In the second quarter, on the other hand, there was a slight recovery with GDP growing by 0.3% compared with the first quarter. The labour market was still particularly active, with the unemployment rate remaining stable at 6.5% in May compared with April. In addition, the annual inflation rate fell to 5.5% in June compared with 6.1% in May.

Italian GDP grew by 3.7% in 2022 and, in the first quarter of 2023, recorded a 0.6% growth thanks to the increase in consumption and fixed investments. However, in the second quarter, GDP fell by 0.3% mainly due to the slowdown in the industry. In 2023, inflation rate was higher than the Euro Area average, mainly due to still high energy prices, although it fell to 6.7% in June from 8% in May. Unemployment rate was 7.6% in May 2023, down from 7.8% in April.

Financial markets

During the first half of 2023, the Fed continued the monetary tightening that began in March 2022, bringing the reference rate to 5% at the meeting on 3 May. At the June meeting, the Fed decided to temporarily suspend the increases, leaving the reference rate unchanged with the aim of assessing the need for new monetary tightening in the second half of the year if the process of returning inflation is inadequate with respect to the Fed target (2%).

In the Euro Area, the ECB increased by 25 basis points at the meeting in June 2023, raising the Refi rate to 4% and the deposit rate to 3.50%. The ECB has, in fact, explicitly stated that the monetary policy position is not yet sufficiently restrictive and that the rate hike process has not ended.

The current monetary policy of the ECB has pushed up the short-term maturities of all European interest rate curves. The 3-month Euribor rate closed the first half of 2023 sharply up, at 3.58%, an increase of about 145 basis points compared to the values at the end of 2022, while the 10-year swap rate fell by about 22 basis points over the same period, closing the first half of 2023 at 2.97%.

At the July meeting, the ECB raised rates by 25 basis points, bringing the Refi rate to 4.25% and the deposit rate to 3.75%. The ECB also confirmed its data-driven approach to monetary policy.

The ECB's monetary tightening also supported the short-term segment of the government interest rate curves in the main Euro Area countries on the upside, while long maturities declined. In Germany, the 10-year Bund, at 30 June 2023, showed a yield of 2.36%, down about 170 basis points compared to the end of 2022, while in Italy the 10-year BTP closed the first half of 2023 at 3.98%, down about 67 basis points. The 10-year spread between Italian and German rates was therefore 162 basis points at 30 June 2023, down 49 basis points from its value at the end of 2022.

The first half of 2023 ended very favourably for European stock markets. The Eurostoxx 50 index, which refers to the Euro Area listings, showed an increase of 15.96% at 30 June 2023 compared to the end of 2022. The FTSE Mib index, referring to Italian listed companies, recorded an increase of 19.08% in the same period. The DAX index, referring to German listed companies, finally closed the first half of 2023 up 15.98% compared to December 2022.

The fading of the most acute phase of the Fed's monetary tightening significantly impacted US stock markets. In fact, the S&P 500 index closed the first half of 2023 16.05% higher than at the end of 2022. The narrowing of interest rate spreads between the United States and the Euro Area favoured the depreciation of the US dollar against the Euro, with the EUR/USD exchange rate closing the first half of 2023 at USD 1.09 to the Euro against USD 1.07 at the end of 2022.

International stock markets also recorded a sharp rise in the first half of 2023. The Nikkei stock index recorded an increase of 27.19% at 30 June 2023 compared to December 2022, while the Morgan Stanley Emerging Markets index, referring to emerging markets, recorded a lower increase in the first half of 2023, equal to 3.46%.

Insurance Sector

The final figures for 2022 showed premiums in the Italian and non-EU direct insurance market of approximately €129.9bn, down 7.2% year-on-year. In the first quarter of 2023, premiums were down by approximately 0.7% compared to the same quarter of the previous year, amounting to approximately €34.5bn.
In 2022, total premiums from Italian and non-EU Non-Life direct business increased by 4.6% compared to 2021. The year 2023 opened with a first quarter up by around 8.9% compared to the same quarter of 2022, with premiums since the beginning of the year of around €9.3bn. Expansion is expected to continue at a high pace also in the first half of the year.
Total premiums in the MV TPL, Marine Vessels TPL and Land Vehicle Hulls classes were up 5.6% in the first quarter of 2023 compared to the same period of the previous year, affected by the positive trend in premiums of the TPL component (+2.8%), and amplified by the expansionary trend of the Land Vehicle Hulls component (+14.6%). This increase should consolidate in the second quarter with a significant increase for all MV classes. Growth in MV TPL premiums is partly explained by the increase in the average MV TPL premium which, for the renewed policies of March 2023, was up by approximately 3%, standing at €316 compared with €307 in the same month of the previous year. The upward trend in the average premium is also shown by the ISTAT list values, which in June recorded an increase of 3% compared with the same month in 2022.

The Non-Life Non-MV business recorded a growth of 11.4% in the first quarter of 2023, standing at €5.3bn, driven by a strong increase in premiums for Health (+21.3%), General TPL (+12%) and Property (+8.3%) coverage. The volumes of other Non-Life business were up by approximately 7.9%, thanks in particular to the positive contribution of the Assistance and Pecuniary Losses classes. The development of the Non-MV segment should remain high throughout the first half of the year, albeit at a slightly slower pace than in the first quarter.
In the first quarter of 2023, all the distribution channels of the MV business showed an increase in premiums. The agents channel recorded an increase in premiums of around 4%, against which the overall weight of the agency channel fell by around one percentage point, from 82.9% to 81.7%. For the Direct channel, there was a strong expansion in premiums (+10.1%), with an overall growth of 0.4 percentage points and a share of around 9% from 8.6%. The banking channel recorded an increase in premiums of around 23.2% and an overall share of around 4.5% (+0.6 percentage points compared to 3.9% in the first quarter of 2022). In the first quarter of 2023, also in the Non-MV segment, all channels saw an increase in their premiums, with the most significant increase achieved by the broker channel (+26.1%), with a share of 15%, up from 13.3% in the first quarter of the previous year. The agents channel

recorded a market share of 61.2%, down by around 2.3 percentage points compared to the same quarter of the previous year, against a 7.4% increase in premiums.

In 2022, Italian and non-EU direct Life business premiums amounted to €94.3bn, down 11% compared to the previous year. Class I premiums amounted to €60.6bn (down 2.7%) and Class III premiums totalled €28.9bn (down 27.4%). Premiums for Class IV (+25%), Class V (+7.5%) and Class VI (+33.4%) were up, for a total of approximately €4.7bn.

In the first quarter of 2023, premiums from Italian and non-EU direct Life business decreased by 3.8% compared to the first quarter of 2022, to €25.2bn, due to a sharp drop in premiums from Class III business (-40.8%). Class I premiums, on the other hand, rose by 13.7% to €18.1bn. Class IV, V and VI premiums also increased, with total premiums written of €1.6bn. We expect these trends to continue for the second quarter, with a significant increase in Class I premiums and a significant contraction in Class III premiums.
The breakdown of premiums for the distribution channels in the Life business recorded in the first quarter of 2023 was strongly biased towards the Banking channel, with a share of 62.6% of total premiums, up by 4.3 percentage points compared to the first quarter of 2022, the share of which stood at 58.2%. The share of the Agents channel decreased (-1.8 percentage points) from 14% in the first quarter of 2022 to 12.2% in the first quarter of 2023. The Consultants share also decreased from 15.7% to 11.3% (-4.4 percentage points) and the Brokers share from 2.3% to 1.2% (-1.1 percentage points). The Direct channel recorded an increase of 3 percentage points (from 9.7% to 12.7%) and premiums up by 26.1%.

Real Estate market

In the first half of 2023, the residential real estate market slowed down due to the rescheduling of state incentives for renovations and the repeal of the possibility of selling the related tax credits for works started after 31 March 2023. According to the Real Estate Market Observatory of the Revenue Agency, in the first half of 2023 home sales fell by 4% compared to the second half of 2022. The end of the tax incentives, in fact, came on top of the restriction of supply conditions on mortgages, so that the share of purchases covered by mortgages fell from 73% at the end of 2021 to 64% at the beginning of 2023. The drop in sales was more significant in Bologna (-23.9%) and Milan (-22.9%).

For the 13 major cities, in the first half of 2023, the growth in house prices continued (+1.4% on the first half of 2022 and +1% on the end of 2022) but there was a decline net of inflation (-5.4%). In fact, households' lower spending power is putting a brake on price growth, with the average discount standing at around 8% since the second half of 2022, after steadily declining from the 12% recorded at the end of 2019. Despite the sharp drop in sales, Milan still shows the greatest increase in prices (+4.3%) among the large cities, while in Venice prices fell (-2.7%).

The demand for leases, on the other hand, remains strong with an increase in rents spread across all cities. In fact, in the first half of 2023 there was an average growth in rents of 2.8%, higher than the growth in prices but still lower than inflation (with a devaluation in real terms of 4.1%). The best performances were recorded in Bologna (+5.4%) and the worst in Naples (+0.6%). In terms of returns, in the first half of 2023, the residential market provided a cap rate of 5.2% and a total return of 6.6%.

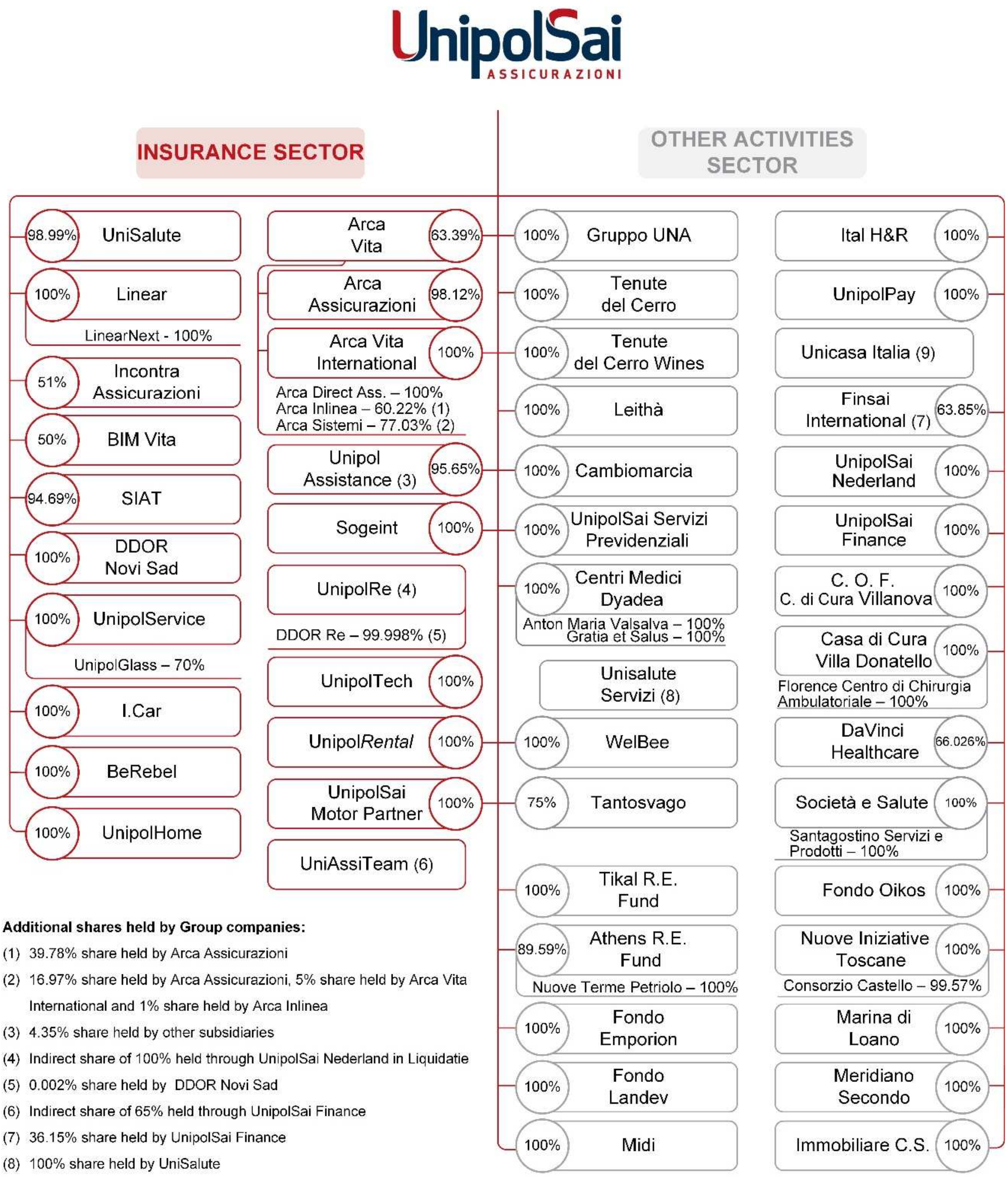
In the first half of 2023, sales in the non-residential sector also recorded a decrease of 1.6% compared with the second half of 2022, but to a lesser extent than the residential sector. In fact, in the face of a more marked deterioration in the conditions of access to credit for businesses than for households, the sharp increase in public investments in the NRRP continues to support private non-residential investment. The slowdown was greater in the production sector (-13.9%), followed by the office sector (-4.2%), which was affected by the sharp drop in corporate investments (-68%), while sales of stores were up (+4.1%).

The growth in demand for non-residential properties in 2022 continues to have positive effects on the trend of the prices of stores and offices in the first half of 2023. In fact, store prices rose by 1.1% compared to the first half of 2022 and those of offices by 0.2%, both of which were down in real terms. Moreover, the growth in rents was still modest, but for offices (+0.9%) it was higher than prices leading to a rise in yields (with cap rates up to 5.5% and total yields to 5.7%), while for shops it was lower than prices (+0.6%) leading to a fall in yields (cap rates at 7.3% and total yields at 8.4%).

Consolidation Scope at 30 June 2023

(line-by-line method - direct holding out of total share capital)

For more details see the chapter "Consolidation Scope"



Additional shares held by Group companies:

(1) 39.78% share held by Arca Assicurazioni
(2) 16.97% share held by Arca Assicurazioni, 5% share held by Arca Vita International and 1% share held by Arca Inlinea
(3) 4.35% share held by other subsidiaries
(4) Indirect share of 100% held through UnipolSai Nederland in Liquidatie
(5) 0.002% share held by DDOR Novi Sad
(6) Indirect share of 65% held through UnipolSai Finance
(7) 36.15% share held by UnipolSai Finance
(8) 100% share held by UniSalute
(9) 70% share held by UnipolHome

1.Management Report

Group highlights

Amounts in €m

	30/06/2023	30/06/2022	31/12/2022
Non-Life direct insurance premiums	4,325	4,152	8,304
% variation	*4.2*	*11.6*	*9.0*
Life direct insurance premiums	3,144	2,480	5,341
% variation	*26.8*	*(11.4)*	*(1.6)*
of which Life investment products	1,154	878	2,170
% variation	*31.5*	*56.7*	*114.6*
Direct insurance premiums	7,470	6,632	13,645
% variation	*12.6*	*1.2*	*2.4*
Result of insurance services	235	480	1,079
% variation	*(51.0)*	*n.a.*	*n.a.*
Net financial result	378	(166)	(57)
% variation	*n.s.*	*n.a.*	*n.a.*
Consolidated profit (loss)	431	176	466
% variation	*144.9*	*n.a.*	*n.a.*
Balance on the statement of comprehensive income	673	(301)	11
Investments and cash and cash equivalents	62,401	62,420	59,941
% variation	*4.1*	*n.a.*	*n.a.*
Insurance liabilities	48,983	50,135	47,326
% variation	*3.5*	*n.a.*	*n.a.*
CSM Life business	2,379	2,343	2,265
% variation	*5.0*	*n.a.*	*n.a.*
Financial liabilities	12,286	9,985	10,894
% variation	*12.8*	*n.a.*	*n.a.*
Non-current assets or assets of a disposal group held for salea	526	106	514
Liabilities associated with disposal groups held for sale	384		360
Shareholders' Equity attributable to the owners of the Parent	6,652	6,226	6,458
variazione %	*3.0*	*n.a.*	*n.a.*
Solvency ratio (*)	315	303	288
No. Staff	12,875	12,435	12,315

Alternative performance indicators[1]

Alternative performance indicators	classes	30/06/2023	30/06/2022	31/12/2022
Loss ratio	Non-Life	70.8%	73.3%	68.4%
Expense ratio	Non-Life	26.3%	17.3%	21.0%
Combined ratio	Non-Life	97.1%	90.5%	89.3%
Premium retention ratio	Non-Life	93.4%	92.4%	93.8%
Premium retention ratio	Life	99.1%	99.0%	99.5%
Premium retention ratio	Total	95.2%	94.2%	95.5%
Life New business CSM	Life	127	68	155

[1] These indicators are not defined by accounting rules; rather, they are calculated based on economic-financial procedures used in the sector.
Loss ratio: primary indicator of the cost-effectiveness of operations of an insurance company in the Non-Life business. It consists of the ratio between:
- incurred claims cost including other technical income/expenses from insurance contracts issued net of the difference between revenue and costs from reinsurance contracts held, and
- insurance revenue from insurance contracts issued.

Expense ratio: percentage indicator of the incidence of operating expenses, not included in the calculation of the loss ratio. It consists of the ratio between operating expenses and insurance revenue from insurance contracts issued.
Combined ratio: indicator that measures the balance of Non-Life technical management, given by the sum of Loss ratio and Combined ratio, corresponding to the following formula: 1 - (Insurance service result/Insurance revenue from insurance contracts issued).

Management Report

Information on significant events during the first six months

Cancellation of the associated company Hotel Villaggio Città del Mare in liquidazione

On 2 February 2023, following the unanimous approval of the final liquidation financial statements by the Ordinary Shareholders' Meeting, the associated company Hotel Villaggio Città del Mare SpA in liquidazione was cancelled from the Modena Register of Companies.

Application for cancellation of UnipolReC from the Register of financial intermediaries (Art. 106, Consolidated Law on Banking)

During its meeting on 7 February 2023, the Board of Directors of UnipolReC SpA, in acknowledging that, following the sale en bloc without recourse of the entire loan portfolio in favour of AMCO – Asset Management Company SpA, completed pursuant to Art. 58 of the Consolidated Law on Banking on 14 December 2022, the continuation of financial intermediation activities pursuant to Art. 106 of the Consolidated Law on Banking no longer satisfies the interests of the Unipol Group, resolved, among other things, on the proposal to adopt a new corporate purpose with consequent waiver of exercise of the activity reserved to it pursuant to Art. 106 of the Consolidated Law on Banking.
This proposal will be submitted for approval to an upcoming Shareholders' Meeting of UnipolReC, subject to the issue by the Bank of Italy of the authorisation required pursuant to Bank of Italy Circular no. 288 of 3 April 2015, as requested on 24 February 2023.

Subscription of the share capital increase of the subsidiary DDOR Novi Sad

On 20 February 2023, the share capital increase of the subsidiary DDOR Novi Sad of RSD 587,497,887.08 (approximately €5m) approved by the Shareholders' Meeting of 30 January was fully subscribed and paid up.

Capitalisation of several subsidiaries

On 26 January 2023, a capital contribution of €15m was made in favour of the subsidiary Meridiano Secondo for continuation of the work on real estate initiatives in progress.
On 23 February 2023, a capital contribution of €5m was made in favour of the subsidiary Cambiomarcia to cover the capital needs of the company for 2022 totalling €13m.
On 24 February 2023, an initial capital contribution of €9m was made in favour of the subsidiary UnipolPay as part of the funding envisaged in the Strategic Plan for 2023.

Merger by incorporation of UnipolRe Dac into UnipolSai

The Boards of Directors of UnipolRe DAC and UnipolSai Assicurazioni SpA, which met on 20 March and 23 March 2023, respectively, approved the plan to merge by incorporation UnipolRe DAC into UnipolSai Assicurazioni; the completion of the transaction in question will have no accounting effects on the consolidated financial statements as UnipolRe is a wholly-owned subsidiary.

Integration of SIFÀ into Unipol*Rental*

At its meeting on 23 March 2023, the Board of Directors of UnipolSai Assicurazioni SpA approved an industrial project in the long-term rental business with BPER Banca SpA (the "Framework Agreement") which, inter alia, calls for the integration via merger by incorporation of SIFÀ - Società Italiana Flotte Aziendali SpA (a company belonging to the BPER Group) into Unipol*Rental* SpA. This project is part of the "Beyond Insurance Enrichment" strategic area, more specifically the "Mobility" ecosystem, of the "Opening New Ways" 2022-2024 Strategic Plan and is aimed at creating an operator of national significance in the long-term rental sector. It should be noted that the merger, following the approval of the merger deed by the respective Shareholders' Meetings and its subsequent filing with the register of

companies, became legally effective on 1 July 2023. With the completion of the merger, BPER holds a 19.987% stake in the share capital of Unipol*Rental*. It should be noted that, in relation to the Framework Agreement, guarantees have been provided for the benefit of Unipol*Rental* to indemnify the company resulting from the merger in connection with the inaccuracy or untruthfulness of the representations and warranties set forth in the executed Framework Agreement.
It should also be noted that, on the Unipol*Rental* shares held by BPER, UnipolSai and BPER have mutually granted an option, by virtue of which: (i) BPER will have the right to sell to UnipolSai its entire investment in Unipol*Rental*, exercising the related right within 60 days of the approval of the financial statements of Unipol*Rental* at 31 December 2025; (ii) UnipolSai will have the right to purchase the entire investment held by BPER, being able to exercise the relevant option within 60 days following the expiry of the deadline granted in favour of BPER for the exercise of the relevant put option. The exercise price of the options will be determined on the basis of a multiple of Unipol*Rental*'s profit for the year at 31 December 2025, normalised if necessary to neutralise any impact on the profit for the year arising from the indemnity scheme.

Acquisition of the Santagostino Medical Centres

On 16 December 2022, UnipolSai signed the contract to acquire the entire share capital of Società e Salute SpA, a company operating in the private healthcare sector under the brand name "Centro Medico Santagostino", from the L-GAM investment fund. The transaction, which is part of the Beyond Insurance Enrichment strategic area of the "Opening New Ways" 2022-2024 Strategic Plan, constitutes a significant component of the Welfare ecosystem, concerning the development and direct management of a network of health centres. Società e Salute operates in the private healthcare sector through a network of 33 clinics and an analysis centre located in three Italian regions, offering high quality services at affordable prices even in sectors not covered by the NHS. The subsidiary holds a 100% interest in Santagostino Servizi e Prodotti, specialised in the sale of sanitary items such as eyewear and hearing aids. The acquisition was finalised on 3 April 2023 for a consideration of €105,422k, of which €5,000k deposited in an escrow account in the name of UnipolSai with a lien in favour of the sellers. This amount constitutes a guarantee in favour of UnipolSai for the indemnities laid out in the purchase agreement in relation to the obligations and warranties of the sellers.

Establishment of LinearNext

On 22 June 2023, a single-member limited liability company was established by Compagnia Assicuratrice Linear SpA with the company name LinearNext Srl, which has as its object the performance of agency mandates granted by insurance companies for insurance distribution activities in the Non-Life and Life business.

UniSalute 2.0

As provided for in the 2022-2024 Strategic Plan, at the beginning of 2023, after a pilot phase, the "UniSalute 2.0" project was definitively launched. With the launch of this project, the Group decided to transform UniSalute into the only product factory for the Health class. During 2023, the possibility of acquiring new UnipolSai branded business will be progressively inhibited and portfolio management will be based on a reform with products no longer listed and a transfer to UniSalute. The project was also extended to the banking business: after the pilot phase carried out on the Banco di Sardegna branches (BPER Group), starting from 9 January 2023 the offer of ACUORE health policies under the UniSalute brand was also made available at all branches of BPER Banca and Banca Popolare di Sondrio. In this way, Unisalute takes over from Arca Assicurazioni with the aim of becoming the only carrier of the Group in the healthcare sector, also with regard to the banking channel.

Dyadea inaugurates two new medical centres

The network of Dyadea healthcare facilities has been enriched with two new Medical Centres: the first at the Interporto Bologna hub and the second in Monza (MB). The positioning of the Unipol Group in the private healthcare sector is therefore expanded, in line with the Beyond Insurance Enrichment area of the "Opening New Ways" Strategic Plan.

UnipolSai participates together with the main Italian insurance companies in the rescue operation of the Eurovita policyholders

On 29 June 2023, the Board of Directors of UnipolSai Assicurazioni approved the Company's participation in the rescue operation scheme to protect Eurovita policyholders, together with Allianz, Assicurazioni Generali, Intesa Sanpaolo Vita and Poste Vita.
The final agreements with the distribution banks necessary to protect the policyholders of Eurovita will be finalised, in collaboration with the Institutions, with the appropriate technical timing.
The entire operation, which will be divided into subsequent phases, will be subject to obtaining all regulatory authorisations from the competent Supervisory Authorities and represents a strong indication of the commitment of the major insurance groups operating in Italy to protect the market and Eurovita's customers.

UnipolSai's support for the populations struck by the Emilia Romagna flood

On 17 May 2023, UnipolSai launched a structured and integrated plan of actions in favour of populations affected by the May floods in the Emilia Romagna region, with the aim of supporting customers and agencies resident in areas affected by the flood.
In a context of difficulty and suffering, UnipolSai committed to facilitating claims management, granting significant extensions and deferrals and providing adequate and timely responses by activating a dedicated toll-free number. In addition to the aforementioned interventions in favour of customers, the Company, with the collaboration of the US entrepreneur Elon Musk, through his company SpaceX, purchased the Starlink terminals which enabled rescue workers, essential and strategic services (e.g. hospitals) and the flood-affected population to have access to the Internet. In June 2023, the purchased terminals were distributed and installed throughout the country so as to ensure continuity of activities.

Operating performance

The income statement and statement of financial position values referring to the first half of 2023 were prepared by applying IFRS 9 on financial instruments and IFRS 17 on insurance contracts to the entire group scope, to replace IFRS 4 and IAS 39 previously in force. The new accounting standards, in force as of 1 January 2023, were also applied retroactively to the data presented for comparative purposes for the year 2022, to allow for a like-for-like comparison. Please refer to the New accounting standards section of the Notes to the financial statements for information on the effects of the transition on the Group's statement of financial position, income statement and shareholders' equity.
It should also be noted that, in order to provide a better representation of the actual contribution to the consolidated results and also taking into account the significance of this activity on the overall Group, the economic and financial results previously attributed to the Real Estate business have been allocated to the Life business, if referring to assets whose returns affect the services to be provided to subscribers of revaluable products, and to Other Businesses for the residual portion. The different representation of the information by segment was applied retroactively to previous years presented for comparative purposes.

The Unipolsai Consolidated Financial Statements closed the first half of 2023 with a **consolidated net profit** of €431m, up compared to the profit of €422m in the corresponding period of the previous year, reported under the previous accounting standards: the figure for the first half of 2022, restated for comparative purposes in application of the new standards, amounts to €176m.

In the first six months of 2023, **direct insurance premiums**, gross of reinsurance, amounted to €7,470m, up 12.6% from €6,632m at 30 June 2022. Non-Life direct premiums at 30 June 2023 amounted to €4,325m, an increase of 4.2% compared to €4,152m in the first half of 2022.
The **MV segment**, with premiums of €1,999m, was up by 1.6% on the figures in the first half of 2022, positively impacted by tariff increases aimed at limiting the effects of a recovery in frequency and an increase in the average cost of claims linked to the current inflationary trend. The growth in the segment is, however, mitigated by the effects of the success of the offer to customers of the possibility of monthly premium instalments without additional charges. On the other hand, the growth of **Non-MV** premiums was more sustained, where the proposition of the monthly splitting of the premium had a lesser impact: premiums at 30 June 2023 amounted to €2,327m, +6.5% compared to €2,184m at 30 June 2022, and benefited, in particular, from the commercial boost in the Healthcare segment.
The positive performance of the MV segment particularly affected the parent UnipolSai which collected Non-Life premiums in the amount of €3,444m, up 1.6% on 30 June 2022, and Linear, up 6.0%, with premiums in the amount of €105m. UniSalute premiums were particularly strong, reaching €405m and recording an increase of 34.6% also as a result of the launch of the UniSalute 2.0 project, thanks to which the Group's agency and bancassurance distribution networks proposed retail and SME customers Health products offered by the company, leader in the reference market, while SIAT, active in the Transport segment, collected premiums for €103m, an increase of 13.4%.
The performance of the bancassurance segment was also significant, with Arca Assicurazioni growing by 6.9%, while Incontra, in the process of being disposed of by the Group, collected €77m, down by 17%.
The **combined ratio** including the reinsurance balance, whose calculation criterion was revised in relation to the new income statement formats required by IFRS 17, stood at 97.1% against 94.4% recorded in the first quarter of 2023. The combined ratio recorded in the first half of 2022 according to the accounting standards and methodology in force at the time was 94.1%.
The increase in the combined ratio is mainly attributable to a heavier loss ratio, both in terms of frequency and increase in the average cost of the MV TPL business, and the effects of the recent flood in Emilia Romagna, which impacted this ratio by approximately 2.5 percentage points. With regard to this event, UnipolSai launched a detailed action plan to facilitate the management of claims and grant significant extensions and deferrals to customers and agencies in the flooded areas. In addition, the Unipol Group has launched an initiative, in collaboration with some of US entrepreneur Elon Musk's companies, providing to rescue workers some essential and strategic services (e.g. hospitals) and to the population access to the Internet through Starlink terminals and SpaceX's satellite network.

The **pre-tax profit** of the Non-Life Business amounted to €462m, while in the first six months of 2022, in application of the previous accounting standards, €505m had been recorded (€239m in the first half of 2022 restated with the new standards, which had been impacted by valuation losses on securities).

In the **Life business**, in the first six months of 2023 the UnipolSai group recorded premiums of €3,144m, up 26.8%, due to the acquisition of three new pension funds and the positive performance of the sales networks which, in a scenario of high interest rates, concentrated production on traditional and multisegment products, with a view to optimising the net flows of segregated funds.

The parent UnipolSai achieved direct premiums of €1,917m (+52%) while in the bancassurance channel the contribution of Arca Vita SpA, together with its subsidiary Arca Vita International, was positive, with direct premiums of €1,203m (+1.2%).

The **pre-tax profit** of the Life business amounted to €145m, in line with the €147m recorded in the first six months of 2022 under previous accounting standards (€65m in the first six months of 2022 recalculated under the new standards which had been affected by valuation losses on securities).

With regard to the **management of financial investments**, the transition to the new accounting standard IFRS 9 resulted in a gradual reduction in 2022 in investments classified under financial assets at fair value through profit or loss.
The gross profitability of the UnipolSai Group's insurance financial investments portfolio achieved a total return of 3.98% of the assets invested, of which 3.44% deriving from coupons and dividends, while the profitability of the first half of 2022 with the previous accounting standard (IAS 39) stood at 3.38%, down to 0.78% with the application of the new standard (IFRS 9) due to valuation losses depending on the performance recorded by the financial markets last year.

With regard to the **management of real estate investments**, during the half-year, asset development activities continued with particular regard to the new office building in Piazza Gae Aulenti (Milan), now nearing completion, and work continued on upgrading both third-party and direct-use assets. There were also sales of properties for a sale price of €71m, with a capital gain of approximately €13m.

As regards the **other sectors** in which the Group operates, the end of the Covid emergency and the recovery in tourism favoured the hotel sector, which recorded a positive pre-tax profit of €13m (UNA Group).

The **pre-tax profit** of the Other Businesses sector was €7m (-€25m at 30/6/2022).

Consolidated shareholders' equity amounted to €6,923m at 30 June 2023 (€6,733m at 31/12/2022, recalculated under the new accounting standards). Shareholders' equity attributable to the owners of the Parent amounted to €6,652m (€6,458m at 31/12/2022, recalculated under the new accounting standards).

As regards the Group **solvency ratio** at 30 June 2023 based on the economic capital, the ratio between own funds and the capital requirement was equal to 3.01, compared to 2.74 at 31 December 2022; the individual solvency ratio of the Parent UnipolSai was 3.15, compared to 2.88 at 31 December 2022.

Salient aspects of business operations

The UnipolSai Group closed the first half of 2023 with a **net profit of €431m** (€176m at 30/6/2022), net of taxation for the period of €103m.

The **Insurance sector** contributed €427m to consolidated net profit (€197m at 30/6/2022), of which €330m related to Non-Life business (€174m at 30/6/2022), and €97m related to Life business (€23m at 30/6/2022).
The **Other Businesses sector** recorded €4m (-€20m at 30/6/2022).

Among the other important factors that marked the performance of the Group, note the following:

- **direct insurance premiums**, gross of reinsurance, totalled €7,470m (€6,632m at 30/6/2022, +12.6%). Non-Life direct premiums amounted to €4,325m (€4,152m at 30/6/2022, +4.2%) whereas Life direct premiums amounted to €3,144m (€2,480m at 30/6/2022, +26.8%), of which €1,154m related to Life investment products (€878m at 30/6/2022);

- the **loss ratio** of the Non-Life business, net of reinsurance, was 70.8%;

- the Non-Life business **expense ratio**, net of reinsurance, was 26.3%;

- the **combined ratio** of the Non-Life business, net of reinsurance, was 97.1%;

- the balance on the **Comprehensive Income Statement** was a profit of €673m (loss of €301m at 30/6/2022);

- **investments and cash and cash equivalents** amounted to €62,401m (€59,941m at 31/12/2022);

- **insurance liabilities** and **financial liabilities** amounted to €61,269m (€58,220m at 31/12/2022).

A summary of the Consolidated Operating Income Statement at 30 June 2023 is illustrated below, broken down by business segment: Insurance (Non-Life and Life) and Other Businesses, compared with the data at 30 June 2022.

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Condensed Consolidated Operating Income Statement broken down by business segment

	Non-Life Business			Life Business			Insurance Sector		
	30/06/2023	30/06/2022	var. %	30/06/2023	30/06/2022	var. %	30/06/2023	30/06/2022	var. %
Insurance revenues from insurance contracts issued	*4,396*	*3,791*	*16.0*	*258*	*241*	*7.1*	*4,654*	*4,032*	*15.4*
Insurance service expenses from insurance contracts issued	*(4,168)*	*(3,351)*	*24.4*	*(149)*	*(116)*	*28.4*	*(4,317)*	*(3,467)*	*24.5*
Reinsurance contracts held result	*(98)*	*(82)*	*19.5*	*(4)*	*(3)*	*33.3*	*(102)*	*(85)*	*20.0*
Result of insurance services	**130**	**358**	***(63.7)***	**105**	**122**	***(13.9)***	**235**	**480**	***(51.0)***
*Balance on investments**	*401*	*(134)*	*n.s.*	*617*	*340*	*81.5*	*1,018*	*206*	*n.s.*
Net financial costs/revenues relating to insurance contracts	*(35)*	*41*	*(185.4)*	*(560)*	*(369)*	*51.8*	*(595)*	*(328)*	*81.4*
Net financial result (excluding interest expense on financial liabilities)	**366**	**(93)**	***n.s.***	**57**	**(29)**	***n.s.***	**423**	**(122)**	***n.s.***
Other revenue/costs	(1)	(4)	*(75.0)*		(13)	*(100.0)*	(1)	(17)	*(94.1)*
Profit(Loss) before tax and interest expense on financial liabilities	**495**	**261**	***89.7***	**162**	**80**	***102.5***	**657**	**341**	***92.7***
interest expense on financial liabilities	(33)	(22)	*50.0*	(17)	(15)	*13.3*	(50)	(37)	*35.1*
Pre-tax Profit/(Loss)for the period	**462**	**239**	***93.3***	**145**	**65**	***123.1***	**607**	**304**	***99.7***
Income taxes	(132)	(66)	*100.0*	(48)	(42)	*14.3*	(180)	(108)	*66.7*
Profit (Loss) from discontinued operations									
Consolidated Profit (Loss)	**330**	**173**	***90.8***	**97**	**23**	***n.s.***	**427**	**196**	***117.9***
Consolidated Profit (Loss) attributable to the owners of the Parent									
Consolidated Profit (Loss) attributable to non-controlling interests									

* figure net of interest expense on financial liabilities

Amounts in €m

Other Businesses			Intersegment eliminations		Total		
30/06/2023	30/06/2022	*var. %*	30/06/2023	30/06/2022	30/06/2023	30/06/2022	*var. %*
					4,654	*4,032*	*15.4*
					(4,317)	*(3,467)*	*24.5*
					(102)	*(85)*	*20.0*
					235	**480**	***(51.0)***
31	*14*	*121.4*	*(24)*	*(22)*	*1,025*	*198*	*n.s.*
					(595)	*(328)*	*81.4*
31	**14**	***121.4***	**(24)**	**(22)**	**430**	**(130)**	***n.s.***
(20)	(38)	*(47.4)*	22	20	1	(35)	*(102.9)*
11	**(24)**	***(145.8)***	**(2)**	**(2)**	**666**	**315**	***111.4***
(4)	(1)	*n.s.*	2	2	(52)	(36)	*44.4*
7	**(25)**	***(128.0)***			**614**	**279**	***120.1***
(3)	5	*(160.0)*			(183)	(103)	*77.7*
4	**(20)**	***(120.0)***			**431**	**176**	***144.9***
					406	160	*154*
					25	16	*56*

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Insurance Sector

The Group's insurance business closed the period with a **profit of €427m** (€198m at 30/6/2022), of which €330m relating to the Non-Life business (€175m at 30/6/2022) and €97m relating to the Life business (€23m at 30/6/2022).

Investments and cash and cash equivalents of the Insurance sector, including properties for own use, totalled €60,520m at 30 June 2023 (€58,152m at 31/12/2022), of which €14,487m in the Non-Life business (€14,390m at 31/12/2022) and €46,033m in the Life business (€43,762m at 31/12/2022).

Insurance liabilities amounted to €48,983m (€47,327m at 31/12/2022), of which €13,166m in the Non-Life business (€12,772m at 31/12/2022) and €35,817m in the Life business (€34,556m at 31/12/2022).

Financial liabilities amounted to €12,199m (€10,870m at 31/12/2022), of which €1,770m in the Non-Life business (€1,477m at 31/12/2022) and €10,429m in the Life business (€9,392 m at 31/12/2022).

Total premiums (direct and indirect premiums and investment products) at 30 June 2023 amounted to €7,588m (€6,763m at 30/6/2022, +12.2%). Non-Life premiums amounted to €4,443m (€4,283m at 30/6/2022, +3.7%) and Life premiums amounted to €3,144m (€2,480m at 30/6/2022, +26.8%), of which €1,154m related to investment products (€878m at 30/6/2022, +31.5%).

Total premiums

Amounts in €m

	30/06/2023	*% comp.*	30/06/2022	*% comp.*	*% var.*
Non-Life direct premiums	4,325		4,152		*4.2*
Non-Life indirect premiums	118		132		*(10.2)*
Total Non-Life premiums	4,443	*58.6*	4,283	*63.3*	*3.7*
Life direct premiums	1,990		1,602		*24.2*
Life indirect premiums					*(1.4)*
Total Life premiums	1,990	*26.2*	1,602	*23.7*	*24.2*
Total Life investment products	1,154	*15.2*	878	*13.0*	*31.5*
Total Life premium income	3,144	*41.4*	2,480	*36.7*	*26.8*
Overall premium income	7,588	*100.0*	6,763	*100.0*	*12.2*

Direct premiums amounted to €7,470m (€6,632m at 30/6/2022, +12.6%), of which €4,325m from the Non-Life business (+4.2%) and €3,144m from the Life business (+26.8%).

Amounts in €m

	30/06/2023	% comp.	30/06/2022	% comp.	% var.
Non-Life direct premiums	4,325	*57.9*	4,152	*62.6*	*4.2*
Life direct premiums	3,144	*42.1*	2,480	*37.4*	*26.8*
Total direct premium income	**7,470**	***100.0***	**6,632**	***100.0***	***12.6***

Indirect premiums from Non-Life and Life businesses at 30 June 2023 amounted to a total of €118m (€132m at 30/6/2022, -10.2%), almost entirely made up of Non-Life business.

Amounts in €m

	30/06/2023	comp. %	30/06/2022	% comp.	% var.
Non-Life indirect premiums	118	*99.9*	132	*99.9*	*(10.2)*
Life indirect premiums		*0.1*		*0.1*	*(1.4)*
Total indirect premiums	**118**	***100.0***	**132**	***100.0***	***(10.2)***

Group **premiums ceded** totalled €310m (€342m at 30/6/2022), of which €292m in premiums ceded in Non-Life business (€326m at 30/6/2022) and €18m in Life business (€16m at 30/6/2022). Retention ratio remained substantially stable in both the Non-Life and Life businesses.

Amounts in €m

	30/06/2023	comp. %	30/06/2022	% comp.	% var.
Non-Life ceded premiums	292	*94.3*	326	*95.3*	*(10.5)*
Retention ratio - Non-Life business (%)	93.4%		92.4%		
Life ceded premiums	18	*5.7*	16	*4.7*	*10.6*
Retention ratio - Life business (%)	99.1%		99.0%		
Total premiums ceded	**310**	***100.0***	**342**	***100.0***	***(9.5)***
Overall retention ratio (%)	95.2%		94.2%		

The retention ratio is the ratio of premiums retained (total direct and indirect premiums net of premiums ceded) to total direct and indirect premiums. In calculating the ratio, investment products are not considered.

Non-Life business

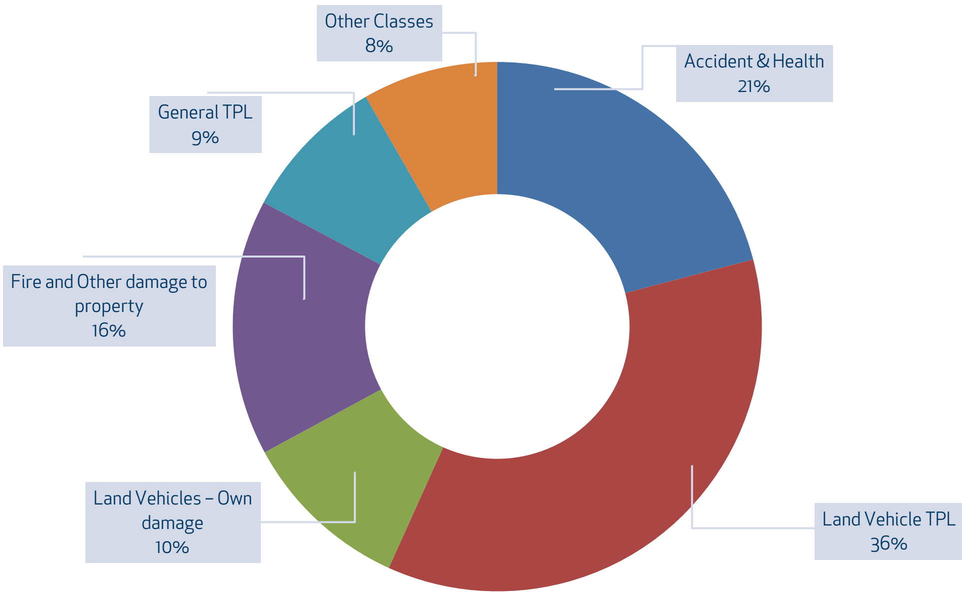
Total Non-Life premiums (direct and indirect) at 30 June 2023 amounted to €4,443m (€4,283m at 30/6/2022, +3.7%). **Direct business** premiums alone amounted to €4,325m (€4,152m at 30/6/2022, +4.2%).

The breakdown of direct business for the main classes and the changes with respect to 30 June 2022 are shown in the following table:

Amounts in €m

	30/06/2023	*comp. %*	30/06/2022	*% comp.*	*% var.*
Land, sea, lake and river motor vehicles TPL (classes 10 and 12)	1,549	*35.8*	1,519	*36.6*	*1.9*
Land Vehicle Hulls (class 3)	450	*10.4*	448	*10.8*	*0.4*
Total premiums - Motor Vehicles	**1,999**	*46.2*	1,967	*47.4*	*1.6*
Accident and Health (classes 1 and 2)	905	*20.9*	825	*19.9*	*9.6*
Fire and Other damage to property (classes 8 and 9)	677	*15.6*	640	*15.4*	*5.8*
General TPL (class 13)	387	*8.9*	365	*8.8*	*6.1*
Other classes	359	*8.3*	355	*8.5*	*1.0*
Total premiums - Non-MV	**2,327**	*53.8*	2,184	*52.6*	*6.5*
Total Non-Life direct premiums	**4,325**	***100.0***	**4,152**	***100.0***	***4.2***

% breakdown of Non-Life direct business premiums



In the first half of 2023, the direct premiums of the UnipolSai Group amounted to €4,325m (+4.2%). Premiums in the MV TPL class amounted to €1,549m (+1.9%). The Land Vehicle Hulls business was basically aligned with 30 June 2022, with premiums equal to €450m; income in the Non-MV segment was up, with premiums totalling €2,327m (+6.5%).

Non-Life claims

As already mentioned in the previous paragraphs, during the first half of 2023 the claims frequency and the average cost of claims rose in the MV TPL class, in addition to the effects of the recent flood in Emilia Romagna.

The **loss ratio** net of reinsurance was 70.8%.

The number of claims reported, without considering the MV TPL class, recorded an increase of 58.2%, mainly due to the significant growth in claims reported relating to the Health class. The table with the changes by class is provided below.

	30/06/2023	30/06/2022	*% var.*
Land Vehicle Hulls (class 3)	182,345	169,492	*7.6*
Accident (class 1)	62,059	54,805	*13.2*
Health (class 2)	3,755,604	2,173,315	*72.8*
Fire and Other damage to property (classes 8 and 9)	143,152	129,157	*10.8*
General TPL (class 13)	47,343	43,686	*8.4*
Other classes	256,754	240,775	*6.6*
Total	**4,447,257**	**2,811,230**	***58.2***

As regards the MV TPL class, where the CARD agreement[2] is applied, in the first six months of 2023, 278,141 "fault" claims (Non-Card, Debtor Card or Natural Card) were managed, an increase of +2.5% (271,355 at 30/6/2022).
Claims reported that present at least a Debtor Card claims handling numbered 171,233, up by 8.2% compared to the same period in the previous year.
Handler Card claims were 210,661 (including 43,715 Natural Card claims, claims between policyholders at the same company), up by 7.1%. The settlement rate for the first half of 2023 was 62.5% as compared to 64.4% recorded in the same period of the previous year.
The weight of cases to which the Card agreement may be applied (both Handler Card and Debtor Card claims) out of the total cases (Non-Card + Handler Card + Debtor Card) at June 2023 was equal to 85.8% (83.3% at 30/6/2022).
The change is largely due to the entry into the CARD regime as of 1 January 2023 of some foreign companies that previously did not participate in the direct compensation scheme. The different management of claims involves a reassignment between Non-Card and Card claims.

The Non-Life business **expense ratio**, net of reinsurance, was 26.3%.

The **combined ratio**, net of reinsurance, was 97.1% at 30 June 2023.

[2] Below is a brief description of the terms used:
- Non-Card claims: claims governed by the ordinary regime, to which CARD is not applied;
- Debtor Card claims: claims governed by CARD where "our" policyholder is fully or partially liable, which are settled by the counterparty's insurance companies, to which "our" insurance company must pay a flat rate pay-out ("Debtor Flat Rate");
- Handler Card claims: claims governed by CARD where "our" policyholder is fully or partially not liable, which are settled by "our" insurance company, to which the counterparty's insurance companies must pay a flat rate pay-out ("Handler Flat Rate").
However, it must be noted that this classification is a simplified representation because, in reality, each individual claim may contain damages included in each of the three above-indicated cases.

Information about the main insurance companies in the Group - Non-Life business

The performance of the main Group companies in the first half of 2023 is summarised in the following table:

Amounts in €m

	Premiums written	% Var.	Investments	Insurance Liabilities
NON-LIFE INSURANCE SECTOR				
UNIPOLSAI ASSICURAZIONI SpA	3,444	1.6%	14,532	10,889
ARCA ASSICURAZIONI SpA	134	6.9%	417	319
INCONTRA ASSICURAZIONI SpA	77	(17.0)%	312	359
DDOR NOVI SAD ADO	59	8.6%	98	103
COMPAGNIA ASSICURATRICE LINEAR SpA	105	6.0%	388	308
UNISALUTE SpA	405	34.6%	626	469
SIAT SpA	104	12.7%	157	310

The direct premiums of only **UnipolSai**, the Group's main company, stood at roughly €3,444m (€3,390m at 30/6/2022, +1.6%), of which €1,849m in the MV classes (€1,831m at 30/6/2022, +1%) and €1,594m in the Non-MV classes (€1,558m at 30/6/2022, roughly +2.3%).
Also considering indirect business, premiums acquired at 30 June 2023 amounted to €3,704m (+4.2%).
As regards MV premiums, €1,428m related to the MV TPL + Marine, Lake and River Vessels TPL classes (€1,410m at 30/6/2022, approximately +1.3%).

The trends in the first half of 2023 were affected by the impact of the monthly premium splitting and on the cost of claims of inflation and flooding in Emilia-Romagna.

In the MV business, premiums in the MV TPL class (+1.3%) reflect the increase in the average premium against substantial portfolio stability. The monthly splitting of the premium, a form of free payment in instalments for the customer, led to a decrease in premiums with a greater impact on the MV business. However, the measures to recover the margins of the business, introduced from the end of 2022, have allowed a significant reversal of the downward trend in the average premium that has characterised the business over the last ten years, thereby guaranteeing a growth in revenue. The growth in premiums concerns both the individual policies segment and the fleet segment, mainly driven by the increase in the insured fleet of some major customers.
The gradual return to post-pandemic normality is generating a rise in the claims frequency (which is still confirmed at lower levels than in 2019), with a consequent increase in the number of claims reported and the related cost. The increase in the cost of claims was also affected by the increase in the average cost arising from inflationary pressures and the recent case law on micro-injuries and quantification of family member losses on claims with fatalities.
The Land Vehicle Hulls business recorded stable premiums over the first half of 2022, significantly impacted by the effect of the new monthly splitting. Among the factors that had the greatest impact on the increase in premiums is the increase in the average premium of some significant guarantees, including Natural Events, Kasko (Comprehensive) and Socio-Political Events. The number of claims and costs increased due to a gradual recovery in claims frequency, which is involving the main guarantees but which, in any case, does not affect the positive margins of the class.

In the Non-MV segment, premium growth is more or less spread across the main classes, with the exception of the Health class, where the UnipolSai agency network began selling UniSalute-branded Health products at the end of 2022 as part of the UniSalute 2.0 project, thereby channelling part of the proceeds to the Group's specialist company. It should be noted that the Fire class recorded a strong increase in premiums compared to the first half of 2022 (+10.0%), concentrated in the Small and Medium Enterprises segment and more in the Personal line, due to indexing and tariff adjustments. As regards claims, there was a decrease in the number of claims reported, but a significant increase in the cost of claims, mainly linked to the flooding phenomena that occurred in Emilia-Romagna, which led to a worsening of the technical result of the class.

Arca Assicurazioni had direct premiums of around €133.6m (up by approximately 6.9% compared with the first half of 2022). Specifically, there was an increase in the MV segment (+12.0%) and in the Non-MV segment (+5.8%). In terms of the result for the period, a net profit of €25.8m was recorded, a significant increase compared to the first half of 2022 (€18.1m). The analysis of premiums written by distribution channel shows that banks, with premiums of €132.4m (+7.1% compared to 30/6/2022), in fact account for 99.1% of premiums (99.0% at 30/6/2022). In the MV segment, in order to cope with the increase in compensation for non-financial damage relating to minor injuries, established by the MISE decree of 8 June 2022, and the growing cost of repairing vehicles due to inflationary trends that particularly affect component prices, during the first half of 2023, a number of measures were implemented to increase the tariff and to reduce the discounts recognised on some guarantees and services offered by the product.

Compagnia Assicuratrice Linear, specialised in the direct sale of insurance products through "electronic" channels, issued premiums totalling €105.1m in the first six months of 2023, up compared to the same period of the previous year (+6% with €99.1m), mainly concentrated in the MV classes. Contracts in the portfolio declined moderately to around 676 thousand (down about 3% on June 2022). At 30 June 2023 it recorded a profit of €6.3m (profit of €6.8m achieved at 30 June 2022). Since June 2020, the company has been a partner of Poste Italiane for the sale of insurance products to its customers: at 30 June 2023, premiums written through this channel amounted to €5m.

DDOR Novi Sad recorded a total loss (Non-Life and Life business) at 30 June 2023 of approximately €2.4m (in line with the total loss at 30/6/2022, which was approximately €2.3m), even though premiums increased (Non-Life and Life business) from €63.3m at 30 June 2022 (of which approximately €53.9m in the Non-Life business) to €68.4m at 30 June 2023 (of which approximately €58.5m in the Non-Life business). The result was affected by the impact of extraordinary items linked to several claims of considerable amounts. In particular, the Non-Life business was mainly affected by the performance of some significant industrial (Fire class) and agricultural claims.

Incontra recorded a profit of €13.3m at 30 June 2023 (profit of €13.5m at 30/6/2022), with premiums decreasing by approximately 17% year-on-year, from €93m at the end of the first half of 2022 to approximately €77m at 30 June 2023, mainly concentrated in the Health and Pecuniary Losses classes. At 30 June 2023, total investments amounted to approximately €312m (€306m at 31/12/2022), while insurance liabilities amounted to €359m (€335m at 31/12/2022).

The first half of 2023 recorded a profit of €3.4m for **SIAT** (loss of €0.4m at 30/6/2022). Total gross premiums (direct and indirect) were up by roughly 12.7% to €114m (€101.3m at 30/6/2022). In particular, in the Hulls segment, the increase in business is represented by renewals of significant policies. Premiums in the first six months of 2023 also continued to benefit (albeit to a significantly reduced extent compared to the previous year) from the substantial contribution of "extra war risks" premiums, i.e., extra premiums collected as a result of the continuation of the war between Russia and Ukraine. The Goods segment is being developed with a view to constructing a portfolio consisting of medium-small companies while also preserving corporate business to take advantage of profitable opportunities. It should be noted that, in both segments, the increase in war risks also generates a positive effect in the spread between commission expense and income.

UniSalute, an insurance company specialising in the health segment, recorded premiums for around €423m at 30 June 2023, also inclusive of indirect business, up 31.5% on 30 June 2022 (€301m). The increase is due both to new business of the corporate component and to premiums relating to the banking and agency channels, developed starting from the second half of 2022 and becoming fully operational at the beginning of 2023.
At 30 June 2023, there was a profit of €35.3m, compared to €30.4m at 30 June 2022. In continuity with the previous year, the first half of 2023 was characterised by a settling trend in traditional business (funds, corporate and tenders), which has enabled UniSalute to seize some important growth opportunities. In this context, premiums for the period were affected by some significant new awards in favour of UniSalute at the end of 2022, in particular: TPL Fund, Caspop (Cassa di Assistenza del Gruppo Banco Popolare - Banco Popolare Group Assistance Fund) and Asdep (Associazione Nazionale per l'Assistenza Sanitaria dei dipendenti degli Enti Pubblici - National Association for Healthcare of employees of Public Bodies). Premiums for the period also benefited from the renewals of all the main contracts expiring, from the reforms of health plans already in the portfolio (such as Fondo EST, Fondo EBM, Fondo Fasda) and the increase in the insured population in the main sector funds.

New products

In the MV TPL and Land Vehicle Hulls segments, starting from February 2023, the new **Unibox Smart Drive** device was marketed, a new telematics solution that for proper operation involves interaction via Bluetooth between the device to be positioned autonomously on the windscreen and a specific App to be installed on the smartphone. In addition to in-vehicle safety services, with the detection of road accidents above a certain level and the subsequent dispatch of help, the App also provides the possibility of monitoring CO_2 levels and the fuel saved during the year by virtue of the driving style adopted. The initiative, included within the Data Driven Omnichannel Insurance area of the "Opening New Ways" Strategic Plan, enhances the widespread and advanced use of Data and Analytics to consolidate the technical and distribution excellence of the Company, through an extremely evolved insurance product.

In the first half of 2023, a number of tariff review measures were adopted for the MV price list, in continuity with the manoeuvre already initiated at the end of 2022, aimed at pursuing technical excellence in the Non-Life MV business and guaranteeing adequate levels of development and margins.

With regard to the Non-MV segment, in the first half of 2023, UnipolSai expanded the range of products for the protection of companies. The month of January saw the launch of **UnipolSai Condominio Più**, the solution capable of responding flexibly to the needs of different condominium contexts thanks to a modular and scalable offer.

In the first few months of 2023, two new policies were issued on the **Unisalute** website, **UniSalute Donna** and **UniSalute Uomo**, in addition to the offer of online healthcare solutions specifically for individuals and families. The two new products are aimed at women and men between 14 and 80 years of age and offer numerous services: in addition to hospitalisation, reimbursement of sanitary tickets and subsidised rates, prevention packages are provided which are common to both women and men (e.g. cardiovascular, ophthalmologic, dermatological) and other more specific ones such as gynaecological and breast prevention for UniSalute Donna, and urological prevention for UniSalute Uomo.

In January 2023, **UniSalute**'s offer of individual solutions was enhanced with two new products within the range of policies proposed through this channel: **UniSalute Sanicard Rinnovo Garantito** and **UniSalute Invalidità**. The first is an innovative policy that allows you to protect your health year after year up to the age of 80, regardless of how your conditions change. The second, thanks to an indemnity combined with assistance coverage, protects the peace of mind of the insured and his/her family in the event of serious illnesses that compromise the ability to work.

In January 2023, **UnipolSai**'s new **Scudo Cyber** product was also unveiled, the first stand-alone cyber product to complete the range of digital covers aimed at small and medium-sized enterprises, professional firms and the third sector. The product offers the possibility to customise each cover according to the specific needs of the customer and also includes the Quick Recovery service, which makes it possible to use the intervention of the cyber Incident response team to limit or avoid the aggravation of the damage, without any advance payment or deductible.

Since 21 February 2023, **Linear**'s new **Casa e Famiglia** product has been on the market. It was developed in response to the need to offer cover that could meet new customer needs by expanding the product catalogue. **Casa e Famiglia** has a modular and highly customisable structure based on the customer's needs and provides coverage to protect: the home, assets and the person. It is sold both through the Linear website, through autonomous navigation, and through a call to the call centre, and can only be purchased by credit card.

Lastly, starting from 12 April 2023, note the new **UnipolSai Focus Commercio** product, intended for commercial activities and numerous service activities, which offers dedicated cover for car repairers, service stations and the catering trade; insurance cover is also provided for professional and consulting firms. The main innovation of the product lies in the architecture of the individual sections, divided into a more streamlined and therefore more accessible basic offer, enriched by supplementary and additional guarantees.

UnipolSai presents BeRebel, the first monthly and "pay-per-you" car policy on MV TPL

BeRebel, the "pay-per-you" insurtech (highly personalised pay-per-use) of UnipolSai, is an absolute novelty in Italy and in Europe: a monthly, kilometre-based, fully digital car policy. BeRebel has a minimum monthly cost, around €10, in which 200 km are included. At the end of the month, any additional km travelled will be adjusted to the cost per km indicated in the policy (approximately 2 cents/km) and any unused km may be carried forward to the following month.

The policy is for now only for cars for private use and can be purchased on the website and on the App even for just one month and provides for the self-service installation in the car of a telematic device that counts the km, intervenes by providing assistance in case of an accident and allows a discount in the end-of-month adjustment based on the style of use and driving recorded. The policy is managed by a single App for all the family's cars with a single statement at the end of the month: you can simulate the annual cost, track the kilometres driven and your driving style on a day-to-day basis, keep track of the costs accrued and have all your insurance documents in digital format.
BeRebel, in addition to the innovative nature of the offer, particularly suitable for those who travel less than 10-12 thousand kilometres in a year, is also characterised by attention to environmental sustainability: customers who wish to do so can offset 50% of the CO2 emissions of the kilometres they have travelled, and the remaining 50% will be provided by BeRebel.

Life business

Total Life premiums (direct and indirect) amounted to €3,144m (€2,480m at 30/6/2022, +26.8%).

The **direct premiums**, which represent almost all of the premiums, are broken down as follows:

Amounts in €m

	30/06/2023	comp. %	30/06/2022	% comp.	% var.
Total premium income					
I - Whole and term Life insurance	1,887	*60.0*	1,448	*58.4*	*30.3*
III - Unit-linked/index-linked policies	240	*7.6*	633	*25.5*	*(62.0)*
IV - Health	9	*0.3*	8	*0.3*	*9.6*
V - Capitalisation insurance	80	*2.5*	80	*3.2*	*0.4*
VI - Pension funds	929	*29.5*	312	*12.6*	*197.6*
Total Life business direct premium income	**3,144**	***100.0***	**2,480**	***100.0***	***26.8***
of which Investment products (IAS 39)	1,154		878		*65.2*

Pension Funds

Even within the current difficult economic context, UnipolSai Assicurazioni has maintained its strong position in the supplementary pensions market.

At 30 June 2023, UnipolSai managed a total of 26 **Occupational Pension Fund** mandates (20 of them for accounts "with guaranteed capital and/or minimum return"). At the same date, resources under management totalled €5,125m (€4,512m of which with guaranteed capital). At 31 December 2022, UnipolSai managed a total of 23 Occupational Pension Fund mandates (18 of which "with guaranteed capital and/or minimum return"); resources under management totalled €4,390m (of which €3,811m with guaranteed capital).

As regards **Open Pension Funds**, at 30 June 2023 the Group managed 2 open-ended pension funds (UnipolSai Previdenza FPA and Fondo Pensione Aperto BIM Vita) that at that date amounted to a total of 40,885 members for total assets of around €917m. At 31 December 2022, those Funds had total assets of €881m and a total of 41,103 members.

Information about the main insurance companies in the Group - Life business

The performance of the main Group companies at 30 June 2023 is summarised in the following table:

Amounts in €m

	Premiums written	% Var.	Investments	Insurance Liabilities
LIFE INSURANCE SECTOR				
UNIPOLSAI ASSICURAZIONI SpA	926	(7.8)%	32,798	24,940
ARCA VITA SpA + AVI	1,043	38.3%	13,397	10,435
BIM VITA SpA	11	(16.7)%	576	440

(*) excluding financial products

UnipolSai collected a total of direct premiums amounting to €926m (€1,005m at 30/6/2022, -7.8%), in addition to financial products amounting to €991m (€436m at 30/6/2022).

The individual policies sector recorded an increase of 5.0%, while the collective policies sector showed a strong increase (+104.1%) mainly due to the significant premiums of Class VI.
In the first half of 2023, Class I premiums were up (+13.5%) compared to the same period of the previous year. This growth is mainly attributable to the Class I single premium product reopened from January 2023 to all customers (for

the financial year 2022 it was limited to customers reinvesting amounts arising from benefits owed by UnipolSai under other insurance contracts). The growth in premiums was also due to the campaign launched at the end of April 2023, which provides, under certain conditions, for the application of a lower management fee for the first two revaluations.
Again in the individual policies sector, the increase in Class IV premiums continued (+9.4%), bearing witness to the market's growing interest in products with long-term care coverage.
With the reopening without restrictions of Class I products and the subsequent campaign, in the first half of 2023 there was a simultaneous decrease in Class III premiums (-49.2%), due to the negative performance of Unit products and the collection of the Unit component of multisegment products.

BIM Vita recorded a profit, at 30 June 2023, in the amount of €0.3m (€0.8m at the end of the first half of 2022). Its premiums amounted to around €10.5m (€12.7m at 30/6/2022, -16.7%), plus financial products in the amount of €3.5m (€6.9m at 30/6/2022). The volume of investments stood at €576m (€581m at 31/12/2022).

The bancassurance channel of the **Arca Group** (Arca Vita and Arca Vita International) has earned direct premiums (including investment products) of approximately €1,203m (roughly €1,190m at 30/6/2022, +1.2%), up compared to the first half of the previous year, mainly attributable to Class I products. In the current market environment, which is characterised by significantly higher rates than in previous years, Arca Vita has shared more flexible Class I ceilings with the main distributor banks than in previous years. In addition, already in the first weeks of 2023, a decidedly upward trend in surrenders was observed; therefore, Arca Vita has intervened by further incentivising Class I premiums, through campaigns limited in time that favoured the new production of traditional products, to the detriment of the placement of multisegment products.

New products

In the first half of 2023, to take advantage of the opportunities provided by the market context, a new version of the Class I investment product, **UnipolSai Investimento Garantito**, was marketed. The restyling of the product includes a "basic" version open to all customers and a "fidelity" version dedicated to the reinvestment of amounts from settlements of benefits from other insurance contracts. The segregated fund associated with the product remains "**Vitattiva**", in continuation of the previous version, while the financial guarantee has been updated and is only recognised in the event of death or maturity.

The new product version provides for an update of both the cost structure on the premium and the overperformance fee applied; in addition, for the "basic" version, by prior agreement, it is possible to make additional payments.
On the "**Investimento Garantito**" product for issues between 27 April and 30 June 2023, a sales campaign was launched which, under certain conditions, provides for a lower management fee for the first two revaluations.

With the aim of fully exploiting the yield opportunities offered by the bond market, in March 2023 **Arca Vita** started the placement on the new segregated fund "**Oscar Premium**" while, with reference to the Protection segment, from January 2023 Arca Vita carried out a restyling of the product catalogue available to the BPER Group and Banca Popolare di Sondrio, aimed at improving the overall guarantees and coverage offered.
In addition, starting from February 2023, Arca Vita has launched an insurance solution consisting of two products that offer a coverage to protect the loan in the event of premature death (TCM) and a coverage in the event of loss of self-sufficiency (LTC).

Reinsurance

UnipolSai Group reinsurance policy

With regard to the risks underwritten in the Non-Life business, the Group reinsurance strategy proposed the same cover structures in place in 2022, maximising the effectiveness of the most operational of the main non-proportional treaties. The renewal for 2023 took place in continuity with those expiring.
At Group level, the following cover was negotiated and acquired:

- excess of loss treaties for the protection of MV TPL, General TPL, Fire (by risk and by event), Land Vehicle Hull Atmospheric Events, Theft, Accident and Transport portfolios;
- stop loss treaty for the Hail class;
- proportional treaties for: Technological risk (C.A.R. - Contractors' All Risks -, Erection all Risks and Decennale Postuma - Ten-year Building Guarantee), Bonds (the retention of which is then protected by a "risk attaching" excess of loss), Aviation (Accident, Aircraft and TPL, the retention of which is protected by a "loss attaching" excess of loss), Legal Expenses, "D & O" and "Cyber" third-party liability.

To minimise counterparty risk, reinsurance coverage continued to be spread out and placed with the major professional reinsurers that have been given a high credit rating by major rating agencies, in order to provide a comprehensive and competitive service. The risks of the Legal Expenses and part of Transport classes were instead ceded to specialised reinsurers and/or specialist Group companies.

As regards the Life business, the renewal of reinsurance covers relating to 2023 occurred fully in line with that expiring, therefore the risks underwritten are mainly covered at Group level with two proportional treaties, one for individual risks and one for collective risks in excess of the risk premium. Retention is protected with a non-proportional cover in excess of loss by event that regards the Life and/or Accident classes. There are also three proportional covers for LTC guarantees, one proportional cover for Individual Serious Illnesses and one for Weighted Risks.

Other Businesses Sector

The key income statement figures regarding the Other Businesses sector are provided below:

Amounts in €m

	30/06/2023	30/06/2022	*var.%*
Gains/losses on financial assets and liabilities at fair value through profit or loss			
Gains/losses on investments in associates and interests in joint ventures	3	3	
Gain/losses on other financial assets and liabilities and investment property	24	10	*140.0*
Net financial result	**27**	**13**	***107.7***
Other revenue	188	102	*84.3*
Other costs (*)	(208)	(141)	*47.5*
Pre-tax Profit (Loss) for the period	**7**	**(26)**	***(126.9)***

(*) Includes Operating expenses, Net provisions for risks and charges, Net impairment losses/reversals on property, plant and equipment and intangible assets, Other operating expenses/income

The pre-tax profit at 30 June 2023 was €7m (-€26m at 30/6/2022).
The items Other revenue and Other costs include, aside from economic components characteristic of companies operating in the hotel and healthcare sector specified in more detail below, also revenue and costs for secondment of personnel and for services provided to and received from companies of the Group belonging to other sectors, eliminated during the consolidation process.

At 30 June 2023, Investments and cash and cash equivalents of the Other Businesses sector (including properties for own use of €589m) totalled €2,080m (€1,977m at 31/12/2022).

Financial liabilities amounted to €285m (€212m at 31/12/2022).

With regard to the **hotel sector**, the final figures for the first half of 2023 confirm the improved trend, already recorded in the first quarter, compared to last year. The revenues of the subsidiary Gruppo UNA increased by approximately 70% compared to 30 June 2022 (from approximately €58m to around €98m). At 30 June 2023, 34 structures were under direct management. The period ended with a profit of more than €10m, above the forecasts at the beginning of the year.

In the **health sector**, Casa di Cura Villa Donatello closed the first half of 2023 with revenue of €22.4m, up by around 11.8% compared to 30/6/2022 (€22m). Revenue performance confirms the positive trend in activities regarding all specialities (hospitalisations, outpatient surgery, visits and diagnostics). The company posted a profit of €1.9m, up compared to 30 June 2022 (€1m).

As concerns **agricultural activities**, packaged wine sales of the company Tenute del Cerro recorded an increase of approximately 2% compared to 30 June 2022, surpassing €4.4m, while total revenue rose from €5m to €5.2m, also as a result of the excellent performance of agri-tourism businesses. The period ended with a loss of €0.3m.

Asset and financial management

Investments and cash and cash equivalents

At 30 June 2023, Group **Investments and cash and cash equivalents** totalled €62,401m (€59,941m at 31/12/2022), with the following breakdown by business segment:

Investments and cash and cash equivalents - Breakdown by business segment

Amounts in €m

	30/06/2023	comp.%	31/12/2022	comp.%	var.%
Insurance sector	60,520	97.0	58,152	97.0	4.1
Other businesses sector	2,080	3.3	1,977	3.3	5.2
Intersegment eliminations	(199)	(0.3)	(188)	(0.3)	5.9
Total Investments and cash and cash equivalentsquide	62,401	100.0	59,941	100.0	4.1

The breakdown by investment category is as follows:

Amounts in €m

	30/06/2023	% comp.	31/12/2022	% comp.	% var.
INVESTMENTS					
Property (*)	3,871	6.2	3,852	6.4	0.5
Investments in associates and interests in joint ventures	164	0.3	162	0.3	1.2
Financial assets at amortised cost	2,206	3.5	2,076	3.5	6.3
Debt securities	1,288	2.1	1,262	2.1	2.1
Other loans and receivables	918	1.5	814	1.4	12.8
Financial assets at fair value through OCI	39,692	63.6	37,126	61.9	6.9
Financial assets at fair value through profit or loss	15,526	24.9	15,899	26.5	(2.3)
Held-for-trading financial assets	68	0.1	281	0.5	(75.8)
Financial assets at fair value	9,817	15.7	8,786	14.7	11.7
Other financial assets mandatorily at fair value	5,641	9.0	6,832	11.4	(17.4)
Cash and cash equivalents	942	1.5	826	1.4	14.0
Total Investments and Cash and cash equivalents	62,401	100.0	59,941	100.0	4.1

(*) including properties for own use

Transactions carried out in the first half of 2023

This section provides information on financial transactions referring to Group investments other than those for which the risk is borne by customers, the only exclusion being portfolios held by the foreign companies DDOR and DDOR Re, the values of which in the Group's total portfolio are of little significance.

In the first half of 2023, the investment policies adopted in the financial area continued to apply, in the medium/long term, the general criteria of prudence and preservation of asset quality, in compliance with the Guidelines defined in the Group Investment Policy.
Specifically, financial operations were geared towards reaching profitability targets consistent with the asset return profile and with the trend in liabilities over the long term, maintaining a high-quality portfolio through a process of selecting issuers on the basis of their diversification and strength, with a particular focus on the liquidity profile.

As regards **bonds**, a prudent approach was maintained, assuming a positioning consistent with a context of rising interest rates and persistent inflation.
The half-year period was characterised by a restructuring of the exposure to government bonds and a reduction in exposure to Italian government bonds.
The non-government bond component recorded a decrease in the Life business and an increase in the Non-Life business mainly involving financial and corporate issuers in the subordinated securities category in order to reduce the risk profile of the portfolio.

Exposure to level 2 and 3 structured bonds remained essentially unchanged during the first half of 2023.

The following table shows the Group's exposure to structured securities:

Amounts in €m

	30/06/2023			31/12/2022			variation	
	Carrying amount	Market value	Implied +/-	Carrying amount	Market value	Implied +/-	Carrying amount	Market value
Structured securities - Level 1	14	14		14	14			
Structured securities - Level 2	222	218	3	227	229	(1)	(6)	(10)
Structured securities - Level 3	1	1		1	1			
Total structured securities	**236**	**233**	**3**	**242**	**243**	**(1)**	**(6)**	**(10)**

Equity exposure was down in the first half of 2023 by €208m. Transactions concerned securities of issuers diversified in terms of both sector criteria and geographical factors. Almost all equity instruments belong to the main stock indices of developed countries.
During the half year, 3- and 5-year options (call and call spread), purchased in previous years, which replicated the Eurostoxx50 index were sold, and call options with underlying Chinese stock market indices were opened. This strategy makes it possible to benefit from any market increase by the end of the following year, limiting negative impacts to only the expense incurred for the acquisition of the premium.

Exposure to **alternative funds**, a category that includes Private Equity Funds, Hedge Funds and investments in Real Assets, amounted to €2,498m, an increase of approximately €439m compared to 31 December 2022.

Currency operations were actively managed following the performance of currency prices with a view to managing net exposure to the currency risk of outstanding equity and bond positions.

The overall Group portfolio duration stood at 5.37 years, up compared to the end of 2022 (5.28 years). The Non-Life segment duration was 3.17 years (2.62 years at the end of 2022); the Life duration was 6.24 years (6.33 years at the end of 2022). The fixed rate and floating rate components of the bond portfolio amounted respectively to 91% and 9%. The government component accounted for approximately 64.7% of the bond portfolio whilst the corporate component accounted for the remaining 35.3%, split into 25.2% financial and 10.1% industrial credit.

91.3% of the bond portfolio was invested in securities with ratings above BBB-.

Net gains on investments and financial income

The breakdown of net gains (losses) on investments and financial income is shown in the table below:

Amounts in €m

	30/06/2023	*comp. %*	30/06/2022	*comp. %*	*var.%*
Gains/losses on investment property	6	*0.6*	1	*0.4*	*n.s.*
Gains/losses on investments in associates and interests in joint ventures	5	*0.5*	4	*1.6*	*25.0*
Net gains on financial assets recognised at amortised cost	59	*5.9*	30	*12.3*	*96.7*
Net gains on financial assets at fair value through OCI (*)	697	*69.9*	820	*337.4*	*(15.0)*
Net gains on financial assets at fair value through profit or loss (**)	230	*23.1*	(612)	*(251.9)*	*n.s.*
Total net gains on investments	**997**	***100.0***	**243**	***100.0***	***n.s.***
Total net losses on financial liabilities	**(53)**		**(37)**		***43.2***
Total net gains (***)	**944**		**206**		***n.s.***
Net gains on financial assets at fair value(****)	337		(785)		*n.s.*
Net losses on financial liabilities at fair value(****)	(308)		741		*n.s.*
Total net gains on financial instruments at fair value (****)	**29**		**(44)**		***n.s.***
Balance on investments	**973**		**162**		***n.s.***
Net financial costs/revenues relating to insurance contracts issued	(596)		(331)		*80.1*
Net financial revenues/costs relating to reinsurance contracts held	1		3		*(66.7)*
Net financial result	**378**		**(166)**		***n.s.***

(*) excluding measurement of financial instruments at fair value through OCI subject to hedge accounting
(**) excluding net gains and losses on financial instruments at fair value through profit or loss for which investment risk is borne by customers (index-and unit-linked) and arising from pension fund management; including measurement of financial instruments at fair value through OCI subject to hedge accounting
(***) excluding net gains and losses on financial instruments at fair value through profit or loss for which investment risk is borne by customers (index-and unit-linked) and arising from pension fund management
(****) net gains and losses on financial instruments at fair value through profit or loss for which investment risk is borne by customers (index-and unit-linked) and arising from pension fund management

Shareholders' equity

Shareholders' equity, excluding non-controlling interests, breaks down as follows:

Amounts in €m

	30/06/2023	31/12/2022	*var. in amount*
Share capital	2,031	2,031	
Other equity instruments	496	496	
Capital reserves	347	347	
Income-related and other equity reserves	3,224	3,260	*(36)*
Treasury shares (-)	(1)	(3)	*2*
Valuation reserves	149	(91)	*240*
Profit (loss) for the year attributable to the owners of the Parent (+/-)	406	418	*(12)*
Total shareholders' equity attributable to the owners of the Parent	6,652	6,458	*194*

Movements in shareholders' equity recognised during the period with respect to 31 December 2022 are set out in the attached statement of changes in shareholders' equity.
The main changes in the Group's shareholders' equity were as follows:

- a decrease due to dividend distribution to shareholders for €453m;
- a decrease, amounting to €12m net of related tax effects, due to the payment of the coupon to the holders of the restricted tier 1 capital instrument classified under Other equity instruments;
- an increase of €253m due to the positive change in the reserves directly attributable to shareholders' equity;
- an increase of €401m for Group profit of the period.

Shareholders' Equity attributable to non-controlling interests was €271m (€275m at 31/12/2022).

Treasury shares and shares of the holding company

At 30 June 2023, the treasury shares held by UnipolSai and its subsidiaries totalled 237,879 (1,162,312 at 31/12/2022), of which 97,782 were held directly.
The changes during the first half of the year related to the following transactions in execution of the performance share-based compensation plans for the executive personnel of UnipolSai and its subsidiaries and, in particular, 920,762 UnipolSai shares were granted in January in execution of the 2019-21 Long-Term Incentive Compensation Plan and 3,671 UnipolSai shares in execution of the Short-Term Incentive Compensation Plan for the year 2020 and 2022 in May.
At 30 June 2023, UnipolSai held a total of 141,014 shares (651,889 at 31/12/2022) issued by the holding company Unipol Gruppo SpA, of which 56,950 directly and the remainder indirectly through the following subsidiaries: SIAT (24,443), UniSalute (19,629), Unipol*Rental* (13,783), Linear (14,743), Leithà (7,056), Arca Vita (2,403) and UnipolAssistance (2,007).
The changes during the first half of the year related to the following transactions in execution of the performance share-based compensation plans for the executive personnel of UnipolSai and its subsidiaries and, in particular, 508,999 Unipol shares were granted in January in execution of the 2019-21 Long-Term Incentive Compensation Plan and 1,876 Unipol shares in execution of the Short-Term Incentive Compensation Plan for the years 2020 and 2022 in May.

Insurance and financial liabilities

At 30 June 2023, Insurance liabilities amounted to €48,983m (€47,326m at 31/12/2022) and Financial liabilities amounted to €12,286m (€10,894m at 31/12/2022).

Amounts in €m

	30/06/2023	31/12/2022	var.%
Non-Life Insurance liabilities	13,166	12,771	*3.1*
Life Insurance liabilities	35,817	34,555	*3.7*
Total Insurance liabilities	48,983	47,326	*3.5*
Financial liabilities at fair value	9,740	8,723	*11.7*
Investment contracts - insurance companies	9,569	8,568	*11.7*
Other	171	155	*10.3*
Financial liabilities at amortised cost	2,546	2,171	*17.3*
Subordinated liabilities	1,337	1,367	*(2.2)*
Other	1,209	804	*50.4*
Total financial liabilities	12,286	10,894	*12.8*
Total	61,269	58,220	*5.2*

UnipolSai Group Debt

For a correct representation of the accounts under examination, information is provided below of financial debt only, which is the total amount of the financial liabilities not strictly associated with normal business operations.

The situation is summarised in the following table, which shows an increase in debt of approximately €375m.

Amounts in €m

	30/6/2023	31/12/2022	var. in amount
Subordinated liabilities	1,337	1,367	*(30)*
Payables to banks and other lenders	1,209	804	*405*
Total debt	2,546	2,171	*375*

The subordinated liabilities issued by UnipolSai Assicurazioni SpA amounted to €1,337m and relate for €1,250m to hybrid bonds and for €80m to subordinated bonds.

Payables to banks and other lenders, amounting to €1,209m (€804m at 31/12/2022), are primarily linked to loans taken out by Unipol*Rental* from credit institutions and others for a total of €809m; loans taken out for the acquisition of real estate and for improvement works, by the Athens R.E. Closed Real Estate Fund for €143m and the Tikal Closed Real Estate Fund for €99m.

The item also includes the financial liabilities deriving from the present value of future lease payments due for lease agreements accounted for on the basis of IFRS 16 for a total of €124m.

Transactions with related parties

The Procedure for related-party transactions (the "**Procedure**") - prepared pursuant to Art. 4 of Consob Regulation no. 17221 of 12 March 2010, as amended (the "**CONSOB Regulation**") – defines the rules, methods and principles that ensure the transparency and substantive and procedural fairness of the transactions with related parties carried out by UnipolSai, either directly or through its subsidiaries.

With regard to the execution of Related Party Transactions qualified as of "Major Significance", on 23 March 2023 the Company's Board of Directors approved, in accordance with the Procedure, an industrial project (the "**Industrial Project**" or the "**Transaction**") in the long-term rental business ("**LTR**") with BPER Banca S.p.A. ("**BPER**" or the "**Bank**"), to be carried out through:

- the merger by incorporation of SIFA' Società Italiana Flotte Aziendali S.p.A. ("**SIFÀ**") - an entity wholly-owned by the Bank - into Unipol*Rental* S.p.A. ("**Unipol*Rental***"), with the assignment to BPER of a minority interest of 19.987% of the share capital of the company resulting from the merger (the "**Combined Entity**"), in exchange for the shares held in SIFÀ (the "**Merger**"), also with the provision of certain exit mechanisms in favour of UnipolSai and/or BPER in relation to the investment held by the latter in the Combined Entity after the completion of the Merger;
- business collaboration agreement between the Combined Entity, on one hand, and BPER on the other, effective as of the effective date of the Merger and with a duration of twenty years, for the referral, through the network of bank branches and more generally through the commercial channels of the BPER Group, of LTR products and services linked to the related long-term rental contracts proposed by Unipol*Rental* (the "**Referral Agreement**");
- the disbursement, at the effective date of the Merger, of a loan for up to €100m by BPER in favour of the Combined Entity, in order to refinance part of the debt of SIFÀ outstanding at the effective date of the Merger.

In addition, in order to meet the obligation to extinguish the outstanding debt of SIFÀ with respect to BPER at the effective date of the Merger, undertaken by Unipol*Rental* as part of the Transaction, in the same context the Board of Directors approved, in accordance with the Procedure, insofar as it is responsible, two loans in favour of the Combined Entity for up to €150m and €450m by UnipolSai and Unipol, respectively, with a view to the efficient management of their respective financial situations (the "**Intercompany Loans**").

The Industrial Project and the Intercompany Loans were reviewed in advance by the Company's Related Party Transactions Committee, which issued its favourable opinion. On 30 March 2023, UnipolSai published, pursuant to Art. 5 of the CONSOB Regulation and Art. 14 of the Procedure, the relevant information document, which was made available to the public at UnipolSai's registered office, on the authorised e-Market Storage mechanism (www.emarketstorage.it) and on UnipolSai's website (www.unipolsai.com-"Goverance/Related-Party Transactions" section).

The Transaction was finalised on 22 June 2023 with the signing of the Merger deed, with legal effect as of 1 July 2023, as a result of which the share capital of Unipol*Rental* is 80.013% held by UnipolSai, while the remainder is held by BPER. On the same date, the Referral Agreement and the above-mentioned loan agreements were also signed, the amounts of which were disbursed in full on 4 July 2023.

Lastly, please note that in the first half of 2023, UnipolSai did not approve, or carry out, directly or through subsidiaries, any additional related party transactions qualified as of "Major Significance", or which significantly influenced the financial position or results of the Company, pursuant to Art. 5, paragraph 8 of the CONSOB Regulation.

The information required by IAS 24 and Consob Communication DEM/6064293/2006 is provided in paragraph 3.5 of the Notes to the financial statements - Transactions with related parties.

Other Information

Trade union agreement regarding Personnel and access to the Solidarity Fund

As part of the 2022-2024 Strategic Plan implementation activities, in October 2022 UnipolSai and the other Italian subsidiary insurance companies signed trade union agreements on voluntary early retirement arrangements for employees who reach retirement requirements by 2027.
Pursuant to these agreements, terminations of employment were spread over the period between 31 December 2022 and 30 June 2023, with a prevailing concentration in three windows according to the time frame in which the relevant pension entitlement accrues.
A total of 907 employees (133 at 31/12/2022, 329 at 30/4/2023 and 445 at 30/6/2023) terminated their employment contracts by mutual agreement. The trade union agreement provided for the early exit from work of 880 employees and, therefore, the objectives of the Plan were achieved with regard to this action considered strategic in terms of generational renewal and cost reduction.

In addition, in December 2022, a trade union agreement was signed on pre-retirement arrangements for executive personnel who will meet pension requirements due to either the number of years of contributions or old age by 31 December 2027. This agreement refers to the provisions of the system governed by Art. 4, paragraphs 1 to 7-ter, of Law no. 92 of 28 June 2012 ("Fornero" law), as amended by Art. 34, paragraph 54, of Law no. 221 of 17 December 2012 and Art. 1, paragraph 160, of Law no. 205 of 27 December 2017.
Senior executives who intend to participate in the plan, subject to mutually agreed termination of the employment relationship, will be paid the "isopensione", i.e. an allowance equal to the pension accrued at the time of termination, until the disbursement of the pension benefit. Payments of the relative contribution are also continued until the first pension requirement is met. With reference to the aforementioned trade union agreement, at 30 June 2023 no agreements have yet been finalised for the mutually agreed termination of the employment relationship.

With regard to contracts relating to employees, it should also be noted that:
- the Group Supplementary Corporate Agreement of 8 June 2021 expired on 31 December 2021 and has not experienced any regulatory or economic modifications in the meantime;
- on 5 July 2023, the trade unions formally presented the platform for the renewal of the aforementioned Supplementary Corporate Agreement, which will be followed shortly by the start of the relevant negotiations for its renewal.

UniSalute initiatives in the field of dissemination of health culture

During the first few months of 2023, "**Stammi bene**" ("Stay Healthy"), the first podcast of UniSalute with the aim of exposing fake health news, was launched. In ten weekly episodes published on major audio platforms such as Spotify, Spreaker and Google Podcast, the presenters are joined by medical professionals and health experts to address a wide range of topics, from gynaecology to paediatrics to dentistry. Lastly, during the first few months of the year, UniSalute continued to disseminate through national and local press releases, as well as on its social channels, the contents of the **Osservatorio Sanità UniSalute** (UniSalute Health Observatory), which was created in collaboration with the Nomisma research institute and dealt with issues such as, in particular, chronic conditions and prevention.

Advertising and Sponsorships

<u>Partnership renewed between UnipolSai and Ducati Corse</u>
On 23 January 2023, during the official presentation of Ducati for the 2023 season of the MotoGP World Championship, the partnership between UnipolSai and the Borgo Panigale team was renewed, for the seventh consecutive year confirming the common path of two Italian excellences united in the sharing of values, passion and approach to innovation.

<u>UnipolSai Title Sponsor of the top basketball championship</u>
On 8 June 2023, as part of the Finals 2023 presentation event, UnipolSai announced the renewal of the partnership for the 2023/2024 and 2024/2025 seasons. A renewal that leverages on the remarkable synergy generated in the first

three years of the 2020-2023 collaboration with effective results, in terms of visibility, brand equity and engagement, generated by the Title Sponsorship on the various media channels and "on field" in all the championship venues.

UnipolSai advertising campaign is back
UnipolSai was back on air with the multimedia advertising campaign **"Sempre un passo avanti" (Always One Step Ahead)**. With a new episode that effectively combines corporate and business elements, the campaign communicates the possibility for customers to "truly choose the future" through UnipolSai, a leader in Italy in MV insurance, with over 10 million customers and around 4 million connected cars. At the same time, the creative concept underlines the authority, reliability and innovative vocation of UnipolSai, thanks to the offer of insurance solutions combined with cutting-edge technological services.

Recognitions

UnipolSai ranks first in Brand Finance's insurance brands
UnipolSai is the strongest insurance brand in the Brand Finance 2023 ranking, with a Brand Strength Index score of 86.3 out of 100, which earned it an AAA brand rating. The award is determined by a balanced scorecard of metrics that assess marketing investments, stakeholder equity and company performance. UnipolSai is credited with being "*one of the insurance brands most appreciated by Italians for the range of its offer and its responsiveness to its customers in difficult financial times*".

Insurance Awards 2023 - Matteo Laterza Insurer of the Year
On 7 February 2023, Matteo Laterza, Chief Executive Officer of UnipolSai, received the Insurer of the Year award at the Milano Finanza 2023 Insurance Awards, the recognition reserved for excellence in the insurance sector.

UnipolTech and BeRebel win prizes at NC Awards 2023
UnipolTech, with **UnipolMove** and BeRebel, were the protagonists at the NC Awards 2023, winning several prizes, including first place for UnipolTech in the "Travel, Transport and Tourism - Entertainment and Leisure" and "Best Company 2023" categories and first place for BeRebel's holistic advertising campaign in the "Banking and Insurance" category.
For sixteen years, the NC Awards have been a point of reference for the entire panorama of integrated communication in Italy, with a jury consisting of around 30 managers from companies from all sectors and top communication spenders.

Digital Green Index: more sustainable digital channels
In June 2023, UnipolSai has obtained two important awards with the Digital Green Index project, testifying to the Company's commitment to promoting sustainability and innovation in the insurance sector.
The Digital Green Index project has demonstrated how it is possible to create eco-sustainable and certified digital channels, through the application of a "green" methodology of design, planning and implementation that leads to a reduction in energy scoring.
The innovative methodology was used for the first time in the development of the GlassX site for UnipolGlass which, from an energy point of view, produces only 0.75 tonnes of CO2 per year, which corresponds to a reduction of 29% compared to the world average of digital channels. The project won first place in the "Best ESG Project" category at the Italy Insurance Forum Awards 2023. This event is sponsored by Insurance Club, the community of IKN Italy, which evaluates best practices in the insurance world in Italy.
This was followed by third place in the "Social, Sustainable & Responsible" category at The Qorus-Accenture Innovation in Insurance Awards 2023, which evaluates the most innovative projects and initiatives in the global insurance sector, in which 223 companies participated from 43 countries.

Significant events after the reporting period and business outlook

Significant events after the reporting period

Integration of SIFÀ into Unipol*Rental*: legal effectiveness

On 1 July 2023, the legal effects of the merger by incorporation of SIFÀ - Società Italiana Flotte Aziendali SpA into Unipol*Rental* SpA took effect, the merger deed of which was signed on 22 June 2023, with accounting and tax effectiveness backdated to 1 January 2023. On that date, the share capital of the merging company was increased from €25,000,000 to €31,244,899 to facilitate the merger, with the assignment of the newly issued shares to BPER Banca, the 100% parent company of SIFÀ. At 1 July 2023, UnipolSai held 25,000,000 shares of Unipol*Rental*, representing 80.013% of the share capital, and BPER held 6,244,899 shares, equal to 19.987% of the share capital.

Disposal of the equity investment in Incontra Assicurazioni

On 7 July 2023, the contract relating to the sale to Unicredit SpA of the equity investment held by UnipolSai in Incontra Assicurazioni SpA, equal to 51% of the share capital, was executed. The transaction, scheduled as part of the 2022-2024 Strategic Plan, whose projections had taken into account the planned disposal, is subject to obtaining the necessary authorisations from the relevant authorities.

Merger by incorporation of Anton Maria Valsalva into Centri Medici Dyadea

On 27 June 2023, with legal effect from 3 July 2023 and accounting and tax effect backdated to 1 January 2023, the deed of merger of Anton Maria Valsalva into Centri Medici Dyadea was signed. The merger did not entail any changes in the share capital of the merging company as the entire share capital of Anton Maria Valsalva was held by Centri Medici Dyadea.

Capital contributions in favour of Società e Salute

On 5 July 2023, a capital contribution of €5m was made in favour of the subsidiary Società e Salute, in order to provide it with the financial and equity resources necessary for the performance of its core business and the expansion of the network of Santagostino-branded medical centres.

Business outlook

The month of July was marked by disastrous weather events, such as wind storms and hail that struck the regions of northern Italy. These events, which follow the flood in Emilia Romagna last May, have redirected public attention towards current climate change trends and possible solutions. Therefore, for the current year it is likely that these events will have a greater impact on the accounts of the Group's non-life insurance companies. With regard to the MV TPL business, UnipolSai continues to carry out tariff review actions aimed at combating inflation on the cost of claims, which the company also handles with continuous growth in channelling towards authorised repair shops, in addition to portfolio selection, which in recent months is showing positive effects in terms of the claims frequency.

On 27 July 2023, the ECB decided to hike the reference rates by 0.25 percentage points, a decision similar to that taken by the Fed on the previous day in the USA. For the ECB, this is the ninth consecutive increase, in exactly one year, aimed at combating inflation, which it intends to bring back to the 2% target. This situation does not benefit our country due to the high financial debt. The stock markets, which had already taken into account these central bank actions, showed a positive trend in July. The financial operations of the Group continue to aim for consistency between assets and liabilities and the maintenance of a high standard of portfolio quality through issuer diversification criteria, maintaining a particular focus on their strength and liquidity as well as safeguarding the Group's solvency position.

The Group's Beyond Insurance segment continues to strengthen. On 1 July 2023, in execution of the agreement with BPER Banca already announced to the market on 31 March, the merger by incorporation of Società Italiana Flotte Aziendali S.p.A. (SIFÀ) into the subsidiary UnipolRental became effective, thus consolidating the role of UnipolRental as the leading Italian operator in the long-term rental sector with a fleet of around 130,000 vehicles. As a result of the merger, UnipolSai now holds approximately 80% of the share capital of UnipolRental, while BPER holds the remaining 20%.

The performance recorded in the first half of the year and the information currently available enable the Group to confirm, in the absence of currently unforeseeable events linked to the possible aggravation of the reference context, that its consolidated income trends for the year under way are in line with the objectives laid out in the 2022-2024 Business Plan.

Bologna, 10 August 2023

The Board of Directors

2.Condensed Consolidated Half-Yearly Financial Statements at 30/06/2023

Tables of Consolidated Financial Statements

- Statement of financial position
- Income statement and comprehensive income statement
- Statement of changes in shareholders' equity
- Statement of cash flows

2 Tables of Consolidated Financial Statements

Statement of financial position

Assets

Amounts in €m

	Asset items		30/06/2023	31/12/2022
1.	INTANGIBLE ASSETS		1,225	1,119
	of which: goodwill		707	602
2.	PROPERTY, PLANT AND EQUIPMENT		3,277	2,791
3.	INSURANCE ASSETS		1,161	980
3.1	Insurance contracts issued that are assets		110	54
3.2	Reinsurance contracts held that are assets		1,051	926
4.	INVESTMENTS		59,925	57,622
4.1	Investment property		2,337	2,359
4.2	Investments in associates and interests in joint ventures		164	162
4.3	Financial assets at amortised cost		2,206	2,076
4.4	Financial assets at fair value through OCI		39,692	37,126
4.5	Financial assets at fair value through profit or loss		15,526	15,899
	a)	Held-for-trading financial assets	68	281
	b)	Financial assets at fair value	9,817	8,786
	c)	Other financial assets mandatorily at fair value	5,641	6,832
5.	OTHER FINANCIAL ASSETS		2,018	2,470
6.	OTHER ASSETS		2,847	2,888
6.1	Non-current assets or assets of a disposal group held for sale		526	514
6.2	Tax assets		421	892
	a)	current	23	36
	b)	deferred	398	856
6.3	Other assets		1,900	1,482
7	CASH AND CASH EQUIVALENTS		942	826
	TOTAL ASSETS		71,395	68,696

Statement of financial position

Shareholders' Equity and Liabilities

Amounts in €m

	Items of Shareholders' Equity and Liabilities	30/06/2023	31/12/2022
1.	SHAREHOLDERS' EQUITY	6,923	6,733
1.1	Share capital	2,031	2,031
1.2	Other equity instruments	496	496
1.3	Capital reserves	347	347
1.4	Income-related and other equity reserves	3,224	3,260
1.5	Treasury shares (-)	(1)	(3)
1.6	Valuation reserves	149	(91)
1.7	Shareholders' equity attributable to non-controlling interests (+/-)	246	227
1.8	Profit (loss) for the year attributable to the owners of the Parent (+/-)	406	418
1.9	Profit (loss) for the year attributable to non-controlling interests (+/-)	25	48
2.	PROVISIONS FOR RISKS AND CHARGES	574	596
3.	INSURANCE LIABILITIES	48,983	47,326
3.1	Insurance contracts issued that are liabilities	48,809	47,193
3.2	Reinsurance contracts held that are liabilities	174	133
4.	FINANCIAL LIABILITIES	12,286	10,894
4.1	Financial liabilities at fair value through profit or loss	9,740	8,723
	a) Financial liabilities held-for trading	171	155
	b) Financial liabilities at fair value	9,569	8,568
4.2	Financial liabilities at amortised cost	2,546	2,171
5.	PAYABLES	1,169	1,353
6.	OTHER LIABILITIES	1,460	1,794
6.1	Liabilities associated with disposal groups held for sale	384	360
6.2	Tax liabilities	91	388
	a) current	8	12
	b) deferred	83	376
6.3	Other liabilities	985	1,046
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	71,395	68,696

Income statement

Amounts in €m

	Items	30/06/2023	30/06/2022
1.	Insurance revenue from insurance contracts issued	4,654	4,032
2.	Insurance service expenses from insurance contracts issued	(4,317)	(3,467)
3.	Insurance revenue from reinsurance contracts held	68	88
4.	Insurance service expenses from reinsurance contracts held	(170)	(173)
5.	**Result of insurance services**	**235**	**480**
6.	Gains/losses on financial assets and liabilities at fair value through profit or loss	264	(433)
7.	Gains/losses on investments in associates and interests in joint ventures	5	4
8.	Gain/losses on other financial assets and liabilities and investment property	704	591
8.1	- Interest income calculated with the effective interest method	695	681
8.2	- Interest expense	(51)	(37)
8.3	- Other income/Charges	104	92
8.4	- Realised gains/losses	15	122
8.5	- Unrealised gains/losses	(59)	(267)
	of which: Related to impaired financial assets		
9.	**Balance on investments**	**973**	**162**
10.	Net finance expenses/income relating to insurance contracts issued	(596)	(331)
11.	Net finance income/expenses relating to reinsurance contracts held	1	3
12.	**Net financial result**	**378**	**(166)**
13.	**Other revenue/costs**	**453**	**339**
14.	**Operating expenses:**	**(246)**	**(205)**
14.1	- Investment management expenses	(36)	(44)
14.2	- Other administrative expenses	(210)	(161)
15.	**Net provisions for risks and charges**	3	8
16.	**Net impairment losses/reversals on property, plant and equipment**	(149)	(132)
17.	**Net impairment losses/reversals on intangible assets**	(59)	(45)
	of which: Value adjustments to goodwill		
18.	**Other operating expenses/income**	(1)	
19.	**Pre-tax Profit (Loss) for the period**	**614**	**279**
20.	Income taxes	(183)	(103)
21.	**Profit (Loss) for the year after taxes**	**431**	**176**
22.	Profit (Loss) from discontinued operations		
23.	**Consolidated Profit (Loss)**	**431**	**176**
	of which: attributable to the owners of the Parent	406	160
	of which: attributable to non-controlling interests	25	16

Comprehensive income statement

Amounts in €m

	Items	30/06/2023	30/06/2022
1	**Profit (Loss) for the period**	**431**	**176**
2	**Other income items net of taxes not reclassified to profit or loss**	**159**	**(130)**
2.1	Portion of valuation reserves of equity investments valued at equity	8	14
2.2	Change in the revaluation reserve for intangible assets		
2.3	Change in the revaluation reserve for property, plant and equipment		
2.4	Financial revenues or costs relating to insurance contracts issued	(20)	21
2.5	Gains and losses on non-current assets or disposal groups held for sale		
2.6	Actuarial gains and losses and adjustments relating to defined benefit plans	(4)	(2)
2.7	Gains or losses on equity instruments at fair value through OCI	175	(163)
2.8	Reserve deriving from variation on credit risk on financial liabilities at fair value through profit or loss		
2.9	Other items		
3	**Other income items net of taxes reclassified to profit or loss**	**86**	**(347)**
3.1.	Change in the reserve for foreign currency translation differences		
3.2	Gains or losses on financial assets (other than equity instruments) at fair value through OCI	658	(4,744)
3.3	Gains or losses on cash flow hedges	(2)	77
3.4	Gains or losses on hedges of a net investment in foreign operations		
3.5	Portion of valuation reserves of equity investments valued at equity		(22)
3.6	Financial revenues or costs relating to insurance contracts issued	(570)	4,368
3.7	Financial revenues or costs relating to reinsurance transfers		(26)
3.8	Gains and losses on non-current assets or disposal groups held for sale		
3.9	Other items		
4	TOTAL OTHER COMPREHENSIVE INCOME (EXPENSE)	**245**	**(477)**
5	TOTAL CONSOLIDATED COMPREHENSIVE INCOME (EXPENSE) (Voce 1+4)	**673**	**(301)**
5.1	**of which: attributable to the owners of the Parent**	**646**	**(300)**
5.2	**of which: attributable to non-controlling interests**	**27**	**(1)**

Statement of changes in shareholders’ equity

Amounts in €m

	Share capital	Other equity instruments	Capital reserves	Income-related and other equity reserves	Treasury shares	Valuation reserves	Profit (loss) for the year attributable to the owners of the Parent	Equity attributable to the owners of the Parent	Shareholders' equity attributable to non-controlling interests	Total equity
Balance at 1.1.2022	2,031	496	347	3,396	(1)	359	723	7,076	275	7,351
of which: Changes to opening balance				33		(916)		(888)	5	(883)
Allocation of profit (loss) for the year 2021										
Reserves				159			(159)			
Dividends and other allocations				(12)			(564)	(550)	(26)	(576)
Changes during the year										
Issuance of new shares										
Purchase of treasury shares					(2)			(2)		(2)
Changes in investments										
Comprehensive Income Statement						(477)	176	(300)	(1)	(301)
Other changes				3				2	1	3
Balance at 30.06.2022	2,031	496	347	3,546	(3)	(118)	176	6,227	248	6,475
Balance at 1.1.2023	2,031	496	347	3,494	(3)	(97)	466	6,459	275	6,734
of which: Changes to opening balance										
Allocation of profit (loss) for the year 2022										
Reserves				290			(290)			
Dividends and other allocations				(320)			(176)	(465)	(31)	(496)
Changes during the year										
Issuance of new shares										
Purchase of treasury shares					2			2		2
Changes in investments										
Comprehensive Income Statement						242	431	646	27	673
Other changes				10				10		10
Balance at 30.06.2023	2,031	496	347	3,474	(1)	145	431	6,652	271	6,923

Statement of cash flows (indirect method)

Amounts in €m

	Amount	
	30/06/2023	30/06/2022
Net cash flows generated by/used for:	(+/-)	(+/-)
- Profit (loss) for the period (+/-)	431	176
- Net revenues and costs of insurance contracts issued and reinsurance transfers (+/-)	360	(152)
- Capital gains/losses on financial assets at fair value through profit or loss (-/+)	(900)	615
- Other non-monetary gains and losses on financial instruments, investment property and investments (+/-)	(181)	21
- Net provisions for risks and charges (+/-)	(22)	(18)
- Interest income. dividends, interest expense. taxes (+/-)	(1,149)	(1,877)
- Other adjustments (+/-)	(1,501)	(734)
- interest income collected (+)	512	518
- dividends collected (+)	29	99
- interest expense paid (-)	(99)	(88)
- paid taxes (-)	(27)	(86)
Net cash flows generated by/used for other monetary items from operating activities	(+/-)	(+/-)
- Insurance contracts classifiable as liabilities/assets (+/-)	2,462	2,256
- Reinsurance transfers classifiable as assets/liabilities (+/-)	(56)	(186)
- Liabilities from financial contracts issued by insurance companies	674	539
- Receivables of banking subsidiaries (+/-)		
- Liabilities of banking subsidiaries (+/-)		
- Other financial instruments and liabilities at fair value through profit or loss (+/-)	1,511	669
- Other financial instruments and liabilities (+/-)	490	512
Total net cash flow generated by/used for operating activities	**2,534**	**2,264**
Net cash flows generated by/used for:	(+/-)	(+/-)
- Sale/purchase of investment property (+/-)	(9)	(190)
- Sale/purchase of investments in associates and joint ventures (+/-)		(63)
- Dividends collected on equity investments (+)	162	154
- Sale/purchase of financial assets measured at amortised cost (+/-)	(90)	87
- Sale/purchase of financial assets measured at fair value through other comprehensive income (+/-)	(1,221)	(1,396)
- Sale/purchase of property, plant and equipment and intangible assets (+/-)	(632)	(327)
- Sale/purchase of subsidiaries and business units (+/-)	(109)	
- Other net cash flows from investing activities (+/-)	1	7
Total net cash flow generated by/used for investing activities	**(1,898)**	**(1,728)**
Net cash flows generated by/used for:	(+/-)	(+/-)
- Issues/purchases of equity instruments (+/-)		
- Issues/purchases of treasury shares (+/-)	2	(2)
- Distribution of dividends and other purposes (-)	(496)	(576)
- Sale/purchase of non-controlling interests (+/-)		
- Issues/purchases of subordinated liabilities and participating financial instruments (+/-)		
- Issues/purchases of liabilities measured at amortised cost (+/-)	(22)	(26)
Total net cash flow generated by/used for financing activities	**(516)**	**(604)**
NET CASH FLOW GENERATED/USED DURING THE YEAR	**120**	**(68)**

Key:
(+) generated
(–) used
T = reference year of the financial statements

RECONCILIATION

Amount	30/06/2023	30/06/2022
Cash and cash equivalents at 1 January	830	885
Total net cash flow generated/used during the year	120	(68)
Cash and cash equivalents: effect of exchange rate changes		
Cash and cash equivalents at 30 June	**950**	**817**

Cash and cash equivalents at the beginning of the year 2023 include the cash and cash equivalents of non-current assets or assets of a disposal group held for sale (€4m).
Cash and cash equivalents at 30 June 2023 include the cash and cash equivalents of non-current assets or assets of a disposal group held for sale (€8m).

3.Notes to the Financial Statements

1. Basis of presentation

The Condensed Consolidated Half-Yearly Financial Statements of the UnipolSai Group at 30 June 2023 are drawn up in application of IAS 34 and in compliance with the provisions of Art. 154-ter of Italian Legislative Decree 58/1998 (Consolidated Law on Finance) and with ISVAP Regulation no. 7 of 13 July 2007 as amended.

They do not comprise all the information required for the annual financial statements and must be read together with the Consolidated Financial Statements at 31 December 2022.

The layout conforms to the provisions of ISVAP Regulation no. 7 of 13 July 2007, Part III as amended (the "Regulation"), relating to the layout of the consolidated financial statements of insurance and reinsurance companies that must adopt international accounting standards.

The Condensed Consolidated Half-Yearly Financial Statements of the UnipolSai Group at 30 June 2023 comprise the following:
- Statement of Financial Position;
- Income Statement and Comprehensive Income Statement;
- Statement of Changes in Shareholders' Equity;
- Statement of Cash Flows;
- Notes to the Financial Statements.

The information requested in Consob Communication DEM/6064293 of 28 July 2006 is also provided.

The accounting standards used, to which special reference is made and that are an integral part hereof, the recognition and measurement criteria, as well as the consolidation principles applied in drawing up the Condensed Consolidated Half-Yearly Financial Statements at 30 June 2023, conform to those adopted in preparing the Consolidated Financial Statements at 31 December 2022, except for expressly specified in the following section "New accounting standards".

While drawing up the Condensed Consolidated Half-Yearly Financial Statements at 30 June 2023, by reason of the fact that it is an interim report, the Management had to make a greater use of evaluations, estimates and assumptions that affect the application of the accounting standards and the amounts related to assets and liabilities, as well as costs and revenue recognised in the accounts.
However, it should be noted that, as these are estimates, the final results will not necessarily be the same as amounts disclosed herein.

These estimates and assumptions are reviewed on a regular basis. Any changes resulting from the review of the accounting estimates are recognised in the period in which such review is performed and in the related future periods.

The presentation currency is the euro and all the amounts shown in the Notes to the financial statements are disclosed in €m, except when specifically indicated, rounded to one decimal place. The total rounded amount of the items is obtained by adding the rounded amounts of the sub-items. The algebraic sum of the differences deriving from the rounding carried out on the items is attributed to the specific items of the financial statements indicated in Annex 2 to the Regulation.

The Condensed Consolidated Half-Yearly Financial Statements at 30 June 2023 are subject to a limited audit by the company EY SpA, charged to audit the accounts for the years 2021 to 2029.

Segment reporting

Segment reporting is provided according to the provisions of IFRS 8 and structured on the basis of the major business segments in which the Group operated in the year reported in these consolidated financial statements and in the previous year:
- Non-Life insurance business;
- Life insurance business;
- Other Businesses.

It should be noted that, in order to provide a better representation of the actual contribution to the consolidated results and also taking into account the significance of this activity on the overall Group, the economic and financial results previously attributed to the Real Estate business have been allocated to the Life business, if referring to assets whose returns affect the services to be provided to subscribers of revaluable products, and to Other Businesses for the residual portion. The different representation of the information by segment was applied retroactively to previous years presented for comparative purposes.

Segment reporting is carried out by separately consolidating the accounting items for the individual subsidiaries and associates that belong to each identified segment, eliminating intragroup balances between companies in the same segment and cancelling, where applicable, the carrying amount of the investments against the corresponding portion of shareholders' equity.
In the column "Intersegment eliminations", the intragroup balances between companies in different sectors are eliminated.
This rule does not apply in the following cases:
- investment relations between companies in different sectors, since the elimination of the investment takes place directly in the sector of the company that holds the investment;
- collected dividends, eliminated in the sector of the company that collects the dividend;
- realised profits and expenses, since the elimination takes place directly in the sector of the company that realises the capital gain or loss.

No segment reporting based on geographical area has been provided since the Group operates mainly at the national level and there appears to be no significant diversification of risks and benefits, for a given type of business activity, based on the economic situation of the individual regions.

The segment reporting layout conforms to the provisions of ISVAP Regulation no. 7/2007 as amended.

New accounting standards

A summary is provided below of the amendments to the accounting standards previously in force, applied as of 1 January 2023; among the changes of greatest interest to the Unipol Group are the entry into force of "IFRS 17 - Insurance Contracts" and the extension of the application of "IFRS 9 - Financial Instruments" to the entire Group scope, the effects of which are presented in specific paragraphs.

As regards the other regulatory developments, no impact is worth reporting.

Amendments to IAS 1 Presentation of financial statements, IFRS Practice Statement 2 "Making Materiality Judgements" and IAS 8 Accounting policies, changes in accounting estimates and errors

On 3 March 2022, Regulation (EU) 2022/357 was published, which incorporated the amendments to IAS 1 "Presentation of financial statements" and IAS 8 "Accounting policies, changes in accounting estimates and errors", published by the IASB on 12 February 2021 with a view to improving the communication of the accounting policies of companies, which should privilege information that is more relevant and effective for investors and users of financial statements. Specifically, the amendments to IAS 1 and IFRS Practice Statement 2 provide guidelines on how to apply the concept of materiality to the disclosure on the accounting policy adopted, while those to IAS 8 have the dual objective of introducing a new definition of "accounting estimate" and clarifying how entities should distinguish between changes in the accounting standards applied and changes in accounting estimates. This differentiation is of fundamental importance as the latter are applied on a prospective basis only to future transactions, while amendments to accounting standards are generally applied retroactively to past events as well.

Amendments to IAS 12 Deferred tax related to assets and liabilities arising from a single transaction

Regulation (EU) 2022/392 published on 12 August 2022 adopted several amendments to IAS 12 "Income taxes" to specify how to account for deferred taxes on certain transactions that may generate assets and liabilities of an equal amount, such as leases and decommissioning obligations.

Amendments to IAS 12 International Tax Reforms - Pillar Two Model Rules

On 23 May 2023, the IASB issued amendments, effective as of 1 January 2023, to IAS 12 "International Tax Reform - Pillar Two Model Rules" in which it introduces, following numerous market requests, a mandatory temporary exception to the requirements of IAS 12 to recognise and disclose information on deferred tax assets and liabilities deriving from the rules of the "Global minimum tax under Pillar 2" regulations, which will enter into force on 1 January 2024, which resulted in Directive (EU) 2022/2523, which Italy will have to adopt by 31 December 2023, on the global minimum level of taxation of 15% ("top-up tax"), applicable to large multinational groups (and large national groups beginning from 2029). On 2 June 2023, EFRAG submitted the Endorsement Advice Letter to the EU Commission, in which it expressed a positive opinion on the amendments and on 13 July the ARC (EC Accounting Regulatory Committee) also voted in favour.

IFRS 17 "Insurance contracts" and IFRS 9 "Financial instruments"

The standards IFRS 17 and IFRS 9, both applicable to the entire scope of the Group from 1 January 2023, significantly change the accounting representation of insurance contracts and financial instruments. As mentioned in previous years, due to the strict correlation between the two standards, as from the 2018 financial year, the undertakings or groups that conduct insurance business had the option to defer the application of IFRS 9 up to the date of first-time adoption of IFRS 17. That right was also exercised by the UnipolSai Group. It is also noted that, specifically due to the close interrelation of the two standards, the Group has adopted the option set forth in Regulation (EU) 2022/1491 (so-called "classification overlay") to ensure full representation of the joint impact of the new context of the accounting standards, therefore adopting both IFRS 9 and IFRS 17 in determining the comparative data for 2022 presented in the accounting reports for the 2023 financial year. The most significant changes introduced by the aforementioned standards and a disclosure on the main accounting policies that the Group has adopted are described below.

IFRS 17 – Insurance contracts

IFRS 17 "Insurance Contracts", applicable from 1 January 2023, establishes new criteria for measuring and accounting rules for insurance products, replacing IFRS 4, an "interim" standard issued in 2004, which provided for the application of local accounting practices, potentially different from each other, complicating the comparison of the financial results of insurance companies. The process of formation and approval of the standard was particularly complex: specifically, in the version approved by the IASB on 18 May 2017, the date of entry into force was set for 1 January 2021. With the two following interventions by the IASB, the date of entry into force was postponed to 1 January 2023, also considering the numerous requests to amend the standard proposed by the various stakeholders in the months immediately following the publication of the first version of the standard.

The amendments to the standard have been adopted by the IASB on 25 June 2020 and, downstream the process of endorsement of the new standard in the European Union was activated, which was completed on 23 November 2021 with the publication of Regulation (EU) 2021/2036. It is noted that, in the endorsement phase, in line with that desired by the Italian and European industry, as a partial amendment to the version of the standard approved by the IASB, the possibility was introduced of not applying the grouping into annual cohorts of Life insurance contracts characterised by intergenerational mutualisation and cash flow matching.

<u>Main changes to IFRS 17</u>

Very briefly, the IFRS 17 accounting standard has introduced the following changes:

a) change in aggregation criteria of insurance contracts: the new accounting model requires greater granularity in the grouping of insurance contracts with similar characteristics that form the basis for quantifying the economic and financial components (so-called Units of Account - UOAs).
b) market-consistent values: insurance liabilities must be measured at current values (based on up-to-date information), estimated on the basis of expected cash flows, weighted by the probability of realisation and discounted to take into consideration the time value of money, the characteristics of cash flows and the characteristics of liquidity of the insurance contracts.
c) explicit measurement of the Risk Adjustment (RA): it must be estimated separately from the liabilities in order to bear the uncertainty about the amount and timing of cash flows arising from the non-financial risk when the entity will fulfil its contractual obligations for the expected cash flows.

d) recognition of the estimated profit that is implicit in the insurance contracts in portfolio: according to the General Accounting Model, as explained in more detail under f) below, the so-called "Contractual Service Margin" (CSM), as the difference between the cash flows due to the company (i.e., premiums) and the aggregate contract charges undertaken, including Risk Adjustment, must be identified. This amount, if positive, i.e., in case of non-onerous contracts at the subscription date, will be deferred as a liability for the purpose of recognising it in the Income Statement, spreading it over the entire period during which the insurance cover is provided. If the CSM is negative, on initial recognition or even subsequently in the event of adverse changes in the expected profitability, the implicit loss deriving from the insurance contract cannot be deferred and it is fully recognised in the Income Statement.
e) Income Statement by margins: a representation by margins has been introduced, with the explicit representation of actual flows and estimated flows, which shows:

   i. The insurance margin deriving from underwriting activities as a difference between:

   A. Insurance revenue, mainly comprised of:

   - the amount of insurance service expenses that the insurer expects to incur during the year;
   - the evolution of liability due to the explicit adjustment for risk for the component relating to future services;
   - the attribution to the year of a portion of the CSM based on the portion of services provided, gross of the component of acquisition charges

   .

   B. Insurance costs, mainly comprised of:

   - the amount of insurance service expenses actually incurred during the year under way (claims occurring and change in liabilities for claims occurring and administration expenses);
   - the portion of contract acquisition charges allocated on an accrual basis to the financial year;
   - the losses on onerous contracts and the related reversal.

   ii. Net financial margin as the difference between the result of the investment in financial instruments and net finance expenses/income relating to insurance contracts issued.

f) different accounting models depending on the characteristics of the insurance contracts, such as:

   i. The Building Block Approach (BBA): standard model that provides for the separate accounting for the components of insurance liabilities/assets, comprised of the present value of expected future cash flows, the explicit adjustment for risk and the CSM, constantly adjusted based on the market conditions, specifically:

   - the changes in the present value of cash flows deriving from changes in the discounting rate used result in an equivalent adjustment of the present value of cash flows with an offsetting entry in the Income Statement or, as an option, in the Comprehensive Income Statement as described in more details in point g) below;
   - the changes in the estimated liabilities relating to future services result in an adjustment to the CSM;
   - the changes observed in the expected cash flows for the period (recognised under revenue from insurance services) and those actually incurred in the period (recognised under costs for insurance services), instead, impact the Income Statement for the year.

   ii. The Premium Allocation Approach ("PAA"): simplified and optional approach - applicable to contracts with coverage equal to or less than 12 months and, only under specific conditions, also to contracts with a longer duration - which provides for the recognition of a single liability (so-called Liability for Remaining Coverage or LRC) without explicitly distinguishing, unlike the BBA model, the relevant components identified above. The LRC is recognised in the Income Statement according to systematic logic on a time basis or, if significantly different, based on the expected risk distribution pattern in the contractual coverage period. In the event that the pro-rata temporis method is applicable, the method of insurance revenue recognition is similar to the method of accounting for the "Provision for unearned premiums" on the basis of the former IFRS 4.

iii. The Variable Fee Approach ("VFA"): mandatory accounting model that constitutes a variation of the BBA applicable to cases of insurance contracts with direct participation (i.e. whose cash flows are dependent on the underlying assets), which require that the policyholder obtain from the insurance company remuneration based on a substantial share of the returns of a portfolio of clearly identifiable financial assets. Under this approach, the CSM substantially represents the fee for the financial management service provided by the insurer which must be recognised in the Income Statement over the term of the service. Different from that set out for the BBA, any changes in the estimate of the CSM that derive from the performance of the underlying financial assets and, therefore, are due to market variables, result in a change in the CSM without any direct impacts on the Income Statement or Comprehensive Income Statement.

g) accounting options for changes in insurance liabilities attributable to financial variables: regardless of the accounting model adopted, in order to reduce the accounting mismatch that can be generated by the different accounting criteria of financial assets (IFRS 9) and insurance liabilities (IFRS 17), the option (so-called "FVOCI Option") to recognise the effects of changes in market rates on the value of the liabilities or assets associated with the fulfilment of the insurance contract (so-called "Fulfilment Cash Flow" or FCF, comprised of the sum of the present value of expected cash flows and the risk margin) as an offsetting entry to items of Other comprehensive income, thus reducing the volatility of the Income Statement results.
h) qualitative and quantitative disclosure: to accompany the information reported in the Income Statement and in the Statement of Financial Position, the impact of insurance contracts on the company's cash flows and financial performance must also be reported by means of various statements showing the changes occurred during the year related to the single components making up the insurance liabilities. With regard to disclosure, the Supervisory Authority also intervened in a significant manner, and with its Measure of 7 June 2022 updated IVASS Regulation 7/2007, defining, inter alia, in line with the requirements of the IFRS international standards, the minimum content of the annual disclosure and of the more limited half-yearly disclosure, and also introducing a mandatory format, with the quantitative disclosure broken down into mostly tabular forms.

The main choices of the UnipolSai Group

The following is a brief review of the activities carried out in relation to the main areas of impact regarding the application of IFRS 17.

<u>Scope of application</u>

IFRS 17 is applied to all products featuring significant insurance risk and to insurance contracts with direct participation features. Based on this criterion, the scope of application has included all Non-Life insurance contracts and, with regard to the Life business, all class I, IV and V products and a limited portion of class III products, if they contain, at the date of first-time adoption of IFRS 17, significant insurance risk other than investment risk. On the basis of this approach, all class VI products were considered not insurance contracts but investment contracts.

In addition, for the determination of the scope of cash flows included in the contract boundary for the purpose of accounting for insurance contracts compared to the scope considered based on the previous accounting criteria, the following changes were made:

- inclusion in the estimate of the initial net liability also of a portion of indirect acquisition costs, which were instead charged directly to the Income Statement when incurred on the basis of IFRS 4;
- possible onerousness on the issue of a UOA is calculated considering a larger scope of cash flows, including all those for which the insurance company cannot modify the rate or benefits to align them with the risk assumed.

Method of aggregating groups of contracts

For the purpose of aggregating insurance contracts, the concept of portfolio ("contracts subject to similar risks and managed together") set out in the standard, was interpreted by the Group as follows:

- with regard to contracts in the Non-Life business, the Ministerial Class and the Solvency II Line of Business were considered;
- with regard to the products in the Life business relating to revaluable products, the single segregated fund to which the revaluation of the benefits for the contracting party is linked and, on an aggregate level, class III products containing significant insurance risk, were considered;
- for the insurance rates in the Life business not linked to segregated funds, the portfolios were identified based on the type of risk (e.g., Term Life Insurance policies, with specific funding of assets) and underwriting method (individual and collective).

For the purpose of identifying the unit of account, i.e., the level of aggregation, also defined based on the level of expected profitability of the contracts, to which the accounting criteria set out in the standard are applied, the Group has included in the same UOA all contracts issued during each financial year (period 1/1 – 31/12, corresponding to the "annual cohort" concept). Accounting for charges for claims based on the "cohorts" of issue of insurance contracts, and not by the year of occurrence constitutes a significant change, especially with regard to the Non-Life business, compared to the representation criteria based on the provisions of the previous IFRS 4.

It is also noted that the Group has applied the option set out in Regulation (EU) 2021/2036, which permits, for contracts with direct participation features that are specifically intergenerationally mutualised (identified within the scope of the UnipolSai Group as revaluable Life products linked to segregated funds), not applying the breakdown of UOAs into annual cohorts of issue.

With regard to the aggregation criteria used under IFRS 4, the different level of granularity introduced by IFRS 17 results in a greater possibility of identifying onerous UOAs, in the initial accounting phase, resulting in the recording of the expected loss directly in the year of issue.

Calculating discount rates

To determine the discount rate to apply to future cash flows, in the absence of regulatory provisions on the matter, the Group has applied a bottom-up approach. This approach provides for the identification of a "risk free" curve adjusted on the basis of a factor ("Illiquidity Premium") that expresses the illiquidity characteristics of insurance contracts. To identify the risk free curve, the Group has adopted a methodology similar to the one used in the area of prudential supervision. The Illiquidity Premium is determined using an approach analogous to that designed in the context of the revision of the Solvency II standard formula, but using the characteristics of the real asset portfolio underlying insurance liabilities. In other words, the Illiquidity Premium is differentiated based on the liquidity characteristics of the cash flows being discounted, distinguishing, for example, between flows that are dependent on the returns of a portfolio of underlying financial assets and those that are not.

Calculation of the adjustment for non-financial risks

The Group has adopted a method of determining the Risk Adjustment calculated using metrics derived from the Solvency II framework based on the probability distributions of the set of risks to which the cash flows are subject, and also taking into account the diversification benefits existing between the different UOAs. In particular, the diversification effect is applied between the insurance portfolios of the same entity, but not between different sectors or between legal entities. With reference to the confidence level on the basis of which the amount of the Risk Adjustment is determined, the Group has generally adopted a level equal to the 75th percentile which may be supplemented with a prudential buffer up to the 98th percentile in the event of situations of particular uncertainty in the reference context.

Accounting approaches applied

For insurance contracts taken out since the transition date, the Group has generally applied the following accounting models:

- the PAA for all Non-Life contracts with coverage of up to 12 months;
- the VFA for the contracts with direct participation features (mainly comprised of revaluable policies linked to segregated funds);
- the BBA for all insurance contracts not included in the above categories, i.e., mainly for multi-annual Non-Life and Life policies other than those to which the VFA is applied.

These accounting models were applied consistently also to contracts signed prior to the transition date, with the exception of Non-Life business, accounted for on the basis of:

- the BBA if the fair value approach has been applied to them as a transition method;
- the PAA if the transition took place with the modified retrospective approach.

Adoption of options to reduce accounting mismatches

The Group has adopted the options to reduce accounting mismatches deriving from the methods of valuation of liabilities and assets subject to IFRS 17 and/or IFRS 9. Specifically, the options set out in paragraphs 88, 89 and 90 of IFRS 17 allow for recognising as an offsetting entry in the Comprehensive Income Statement, rather than in the Income Statement, a portion of the finance income or expenses relating to insurance contracts. That option makes it possible:

- with regard to contracts accounted for using the BBA or PAA, to recognise changes in insurance assets and liabilities deriving from changes in the discount rates as an offsetting entry in the Comprehensive Income Statement, recording in the Separate Income Statement only the effects of capitalising cash flows at the same discount rate applied at initial recognition (the so-called "locked-in" rate);
- with regard to contracts accounted for using the VFA, to eliminate the net financial profitability recognised in the Income Statement deriving from the assets underlying the insurance contracts and from the revaluation of insurance liabilities. This approach makes it possible to go beyond the practice of shadow accounting, as provided for in IFRS 4, with the aim of reducing the existing accounting mismatch between the valuation criteria of financial assets and those of the correlated insurance liabilities.

Transition to IFRS 17

On first-time adoption, the standard IFRS 17 requires the recalculation of the Statement of Financial Position and Income Statement balances at the transition date (which, for the UnipolSai Group, is 1 January 2022, as the 2023 Financial Statements present the previous year's Statement of Financial Position for comparison purposes) based on the full retrospective approach, i.e., assuming that the standard had been applied from the date of initial recognition of the insurance contracts. Based on the complexity of the provisions of the standard and the changes introduced to the existing accounting methods, the standard also provides the option, where it is not possible to retrospectively and fully apply the standard, to use two simplified approaches, as alternatives to each other, to calculate the amount of accounting items linked to insurance contracts: the modified retrospective approach or the Fair Value approach.

In order to verify the possibility of reconstructing the data necessary for the application of the full retrospective approach, the Group has carried out a detailed analysis in relation to the transactional flows of the years prior to the transition date (so-called "actual" flows), the cash flows (so-called "expected" data) and the values, subject to the allocation processes, not directly attributable to the contracts. On the basis of these analyses, the information relating to past years was not fully available in the portfolio or could not be found except by incurring excessive efforts, unreasonable costs with respect to the (limited) information advantage and/or adopting excessively arbitrary assumptions and simplifications, sometimes the result of derivation rules made more uncertain by changes in operations. In this context, the Group believed that there were well-founded reasons that made the full retrospective approach not applicable for the transition to IFRS 17 and, in line with the provisions of the same standard, therefore decided to apply both the fair value approach, and the modified retrospective approach to net insurance liabilities outstanding at the transition date.

In particular:

- with reference to the Non-Life business, given the reference context existing at the transition date characterised by significant uncertainties, such as those inherent in inflation dynamics and the possible repercussions on productivity, the fair value approach was mainly adopted (applied in particular to contracts issued by UnipolSai) and, on a residual basis, the modified retrospective approach;
- for the Life business, the fair value approach was mainly applied to the portion of contracts subject to revaluation relating to UOAs linked (i) to segregated funds of little significance or characterised by financial guarantees and retained return levels not in line with those of similar contracts marketed at the transition date, and (ii) to portfolios of non-revaluable contracts linked to group policies. The modified retrospective approach was applied to the residual portion of insurance contracts, consisting mainly of the UOAs linked to the remaining segregated funds, as well as to the individual non-revaluable contracts.

As a result of the above, the fair value transition approach concerned approximately 89% of the Non-Life business in place at the transition date and 47% of the Life business; while the modified retrospective approach was applied to 53% of the Life business and 11% of the Non-Life business. As already mentioned above, the transition approach, limited to the Non-Life business, also affected the choice of the accounting model to be applied to the business in place at the transition date, reserving the PAA model for the Non-Life business with transition under the modified retrospective approach and instead applying the BBA to the Non-Life business with transition under the Fair Value approach.

It should also be noted that, for the same reasons that do not permit the application of the full retrospective approach, the Group has decided to adopt the following simplifications in the application of the transition approaches with respect to the application of the full retrospective approach:

- aggregation of all cohorts prior to the transition date in a single UOA;
- for contracts where the BBA or PAA is applied, setting at zero the cumulative amount recognised in the Comprehensive Income Statement as a breakdown of the effects on insurance liabilities and assets of the change in the discount rate from the rate of initial recognition;
- for contracts to which the VFA is applied, setting the cumulative amount recognised in the Comprehensive Income Statement related to insurance liabilities equal to the corresponding value recognised in the Comprehensive Income Statement related to the financial instruments underlying the insurance liabilities themselves.

With reference to the methods for calculating the FV, it should be noted that this was determined as an aggregation between:

- the value of the Best Estimates calculated with metrics in line with those adopted for the preparation of the MCBS and appropriately supplemented, where necessary, to take into account a better estimate of the inflationary context in place at the transition date;
- an amount equal to the estimate of the additional profitability required by the market for assuming the risks underlying the portfolios (the so-called Cost Of Capital method), also defined starting from SII metrics and taking into consideration a capital endowment equal to that held on average in the Italian market with respect to the minimum regulatory capital.

The CSM at the transition date was determined as the difference between the FV and the present value of the risk-adjusted expected future cash flows for each UOA.

IFRS 9 - Financial instruments

The standard IFRS 9 - Financial Instruments was effective at the beginning of 2018. This standard was issued by IASB at end July 2014 and was endorsed by Regulation (EU) 2016/2067, which reformed provisions envisaged by IAS 39 on the following main issues:

- Classification and Measurement: classification categories were envisaged for financial assets, based on a business model and the characteristics of the contractual cash flows;

- Impairment: an incurred loss model is replaced by an expected loss model, with the introduction of a new concept of staging allocation;
- Hedge Accounting: thanks to this new model, hedge accounting is further aligned to risk management processes.

In particular, as regards Classification and Measurement, unlike in the IAS 39, which requires mainly the analysis of the type of financial asset or liability, as well as the related holding period, the IFRS 9 standard introduced classification criteria of financial instruments based on the measurement of the related business model, as well as the analysis of the characteristics of the contractual cash flows resulting from the instruments themselves, with the application of the so-called SPPI test, aimed at verifying the position of Solely Payments of Principal and Interest. Moreover, in view of measuring what business model should be assigned to the financial instrument, the IFRS 9 envisages more objective parameters, based on various requirements such as: performance, risk, remuneration and turnover.

The new regulations also revised some guidelines on the possible reassignment of the business model that must however be very uncommon and shall meet special conditions involving significant changes, both "internal" with respect to the company and "demonstrable" with respect to external parties.

The main choices of the UnipolSai Group

A brief examination of the activities carried out in relation to the main areas of impact is provided below.

<u>Classification and measurement of financial instruments</u>

Classification and measurement of financial assets (credits and debt securities) was defined by the UnipolSai Group based on the following elements:

- detailed exam of cash flow characteristics;
- definition of the business model.

As regards the first classification element of financial assets, initiatives and procedures have been performed aimed at evaluating whether the contractual cash flows of debt securities in portfolio, at the date of transition to the standard, exclusively reflect the payment of principal and interests accrued on the amount of capital to be returned (so-called SPPI Test – Solely Payment of Principle and Interest, supplemented by the so-called Benchmark Test in the absence of a perfect correspondence between the periodical redefinition of the interest rate and the related tenor).

As regards the Group's securities portfolio subject to first-time adoption of IFRS 9, the following is noted:

- a slim portion of debt securities, classified under categories Available-for-sale financial assets and Loans and receivables, which did not pass the SPPI test, was classified in the category Financial assets at fair value through profit or loss. Securities under this classification feature characteristics other than the measurement of credit risk and of time value of money;
- it has been deemed that the management model of the overall bond portfolio, performed by Group entities for which IFRS 9 is applied, can be mainly included within the HTCS "Held to Collect & Sell" business model. This model, in fact, has the target to collect both cash flows that are contractually envisaged by financial assets and those resulting from the sale of financial assets themselves. In light of both the changes in the regulatory context and of contractual terms related to financial assets under evaluation, which generate cash flows, at predetermined dates, representing only the repayment of the principal and the payment of interest accrued, most of the securities already in the IAS 39 portfolio at the date of transition (previously classified as IAS 39 Available-for-sale financial assets, Loans and receivables and Held-to-maturity investments), with the only exception of securities that did not pass the SPPI test, were classified as Financial assets at fair value through other comprehensive income (FVOCI);
- the residual portion of debt securities, managed using the HTC "Hold To Collect" business model, was classified in the category of Financial assets at amortised cost;
- equity securities, which by their nature do not pass the SPPI test, have generally been recognised in the FVOCI category, as permitted by the standard's option for such instruments, except for any investments held for trading, which have been recognised in the FVPL category;
- the UCITS units, the closed and open funds, whose cash flows did not pass the SPPI test and could not be classified as equity instruments, were therefore recognised under the FVPL category. This category also

includes the portfolios of financial instruments of UnipolRe intended, as held by an entity subject to corporate reorganisation, to be subject to a thorough review with a view to a different investment strategy resulting from the reorganisation itself;
- all financial assets included in the portfolios linked to investment products (e.g., Unit-linked and pension funds without significant insurance risk) were classified in the category FVPL, which also includes the related liabilities to underwriters.

Impairment model

The IFRS 9 impairment model is based both on objective (quantitative) and qualitative criteria to determine the significant increase of credit risk used to classify the credit lines in Stage 1 or Stage 2. Specifically, the UnipolSai Group recognises in Stage 2 any situations of non-payment for at least 30 days from the reporting date and any exposures whose rating assigned to the security has been specifically downgraded (in terms of the number of notches). As regards downgrading, it is noted that, in defining a significant increase in credit risk, the option is exercised to exclude a portion of the securities portfolio, which is characterised by a low credit risk (i.e., "Low credit risk exemption"). Specifically, that option is applied to debt securities with "investment grade" ratings. All exposures for which there is objective evidence of loss are classified in Stage 3.

Different modalities to measure value adjustments were defined for each Stage, based on the concept of "Expected Loss" or "Expected Credit Losses" (ECL), and, specifically:

- whenever it is deemed that the credit risk of the instrument has significantly increased after initial recognition (Stage 2) and for loans in Stage 3, an estimate of the "lifetime" ECL is applied (determination of possible losses over the entire residual life of the instrument);
- for instruments classified in Stage 1 or, in any event, on instruments maturing within the year, an estimate of the ECL deriving from possible default events within 12 months is applied.

In the risk parameters used to calculate the ECL, measurement models of expected losses include the Point-in-Time risk measures and the Forward looking risk measures on the future dynamics of macro-economic factors on which the lifetime expected loss depends.

Hedge Accounting

As regards Hedge Accounting, the Group has exercised the faculty, afforded by IFRS 9, to maintain the accounting model as envisaged by the previous IAS 39.

The implementation process

The Unipol Group has been strongly committed to planning for the future application of IFRS 17 since 2017, with extensive involvement of the main corporate functions. After a thorough assessment to determine the impact of this standard and measuring the gaps in terms of processes, IT systems, accounting, actuarial calculations, business and risk, at the beginning of 2018 the IFRS 17 transition project was launched which, under the guidance of UnipolSai, has gradually also involved the other insurance companies in the Group, with a view to implementing a single data processing and management model within the Group, leveraging common policies, processes and IT applications.

With reference to IFRS 9, the Group, following a process of analysis and implementation in the management, IT and accounting systems, has activated in previous years for entities holding financial instruments (other than those not belonging to the insurance sector that have applied IFRS 9 already from the 2019 financial year) a parallel management and accounting system adapted to the requirements of IFRS 9. It should be noted that, in order to enable a more timely application of the rules provided for the VFA, it was necessary to proceed to independently identify and manage a higher number of financial asset portfolios, compared to the context of the previous IAS 39. Specifically, a portfolio of financial instruments was activated for each portfolio to which the VFA is applied.

The effects of the application of IFRS 17 and 9

As already mentioned above, the financial statements layouts of ISVAP Regulation 7/2007 applicable to Insurance Groups were revised in 2022 by the Supervisory Authority, albeit with effect only from the year 2023. The amendments introduced, attributable mainly, but not only, to the introduction of IFRS 17 have had significant impacts on the presentation of the Income Statement and Statement of Financial Position items and were also applied to the figures for the previous period presented for comparative purposes in these condensed consolidated half-yearly financial statements.

In order to allow a clearer reconciliation between the data presented in the last approved consolidated financial statements for the year 2022 and those restated according to the new regulatory system, the effects deriving from the restatement, i.e. from the reclassification, are shown below, without any impacts from the remeasurement of assets, liabilities, costs and revenue due to the application of the new accounting standards:

- to the Statement of Financial Position at 1 January 2022, which is the date of first-time adoption (or FTA) of IFRS 17 and 9;
- to the Income Statement for 2022;
- to the Statement of Financial Position at 31 December 2022

accompanied by a comment on the main changes.

Effects of restatement

Statement of Financial Position at the transition date (before restatement of values)

	1/1/2022 (previous presentation) / 1/1/2022 (new presentation)	INTANGIBLE ASSETS	PROPERTY, PLANT AND EQUIPMENT	TECHNICAL PROVISIONS - REINSURERS' SHARE	Investment property	Investments in subsidiaries, associates and interests in joint ventures	Held-to-maturity investments	Loans and receivables	Available-for-sale financial assets	Financial assets at fair value through profit or loss	Receivables relating to direct insurance business	Receivables relating to reinsurance business	Other receivables	Non-current assets or assets of a disposal group held for sale	Deferred acquisition costs	Deferred tax assets	Current tax assets	Other assets	CASH AND CASH EQUIVALENTS	Total
		1.	2.	3.	4.1	4.2	4.3	4.4	4.5	4.6	5.1	5.2	5.3	6.1	6.2	6.3	6.4	6.5	7.	
1.	INTANGIBLE ASSETS	963	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	963
2.	PROPERTY, PLANT AND EQUIPMENT	-	2,431	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	-	2,436
3.1	Insurance contracts issued that are assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.2	Reinsurance contracts held that are assets	-	-	831	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	831
4.1	Investment property	-	-	-	2,156	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,156
4.2	Investments in associates and interests in joint ventures	-	-	-	-	176	-	-	-	-	-	-	-	-	-	-	-	-	-	176
4.3	Financial assets at amortised cost	-	-	-	-	-	66	2,484	-	-	-	-	-	-	-	-	-	-	-	2,550
4.4	Financial assets at fair value through OCI	-	-	-	-	-	301	2,457	42,556	2	-	-	-	-	-	-	-	-	-	45,316
4.5 a)	Held-for-trading assets at FVPL	-	-	-	-	-	-	-	-	145	-	-	-	-	-	-	-	-	-	145
4.5 b)	Assets at FVPL	-	-	-	-	-	-	-	-	8,345	-	-	-	-	-	-	-	-	-	8,345
4.5 c)	Other assets mandatorily at FVPL	-	-	-	-	-	-	304	7,879	82	-	-	-	-	-	-	-	-	-	8,265
5.	OTHER FINANCIAL ASSETS	-	-	-	-	-	-	-	-	-	1,398	205	1,822	-	-	-	-	-	-	3,425
6.1	Non-current assets or assets of a disposal group held for sale	-	-	-	-	-	-	-	-	-	-	-	-	133	-	-	-	-	-	133
6.2 a)	Current tax assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9	-	-	9
6.2 b)	Deferred tax assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	108	-	-	-	108
6.3	Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	100	-	-	616	-	716
7.	CASH AND CASH EQUIVALENTS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	885	885
	Total	963	2,431	831	2,156	176	367	5,245	50,435	8,574	1,398	205	1,822	133	100	108	9	621	885	**76,459**

1/1/2022 (new presentation) \ 1/1/2022 (previous presentation)		GSE - Share capital	GSE - Other equity instruments	GSE - Capital reserves	GSE - Income-related and other equity reserves	GSE - (Treasury shares)	GSE - Reserve for foreign currency translation differences	GSE - Gains or losses on available-for sale financial assets	GSE - Other gains or losses recognised directly in equity	Profit (loss) for the year attributable to the owners of the Parent	NCI - Share capital and reserves attributable to non-controlling	NCI - Gains or losses recognised directly in equity	Profit (loss) for the year attributable to non-controlling interests	Total
		1.1.1	1.1.2	1.1.3	1.1.4	1.1.5	1.1.6	1.1.7	1.1.8	1.1.9	1.2.1	1.2.2	1.2.3	
1.1	Share capital	2,031	-	-	-	-	-	-	-	-	-	-	-	2,031
1.2	Other equity instruments	-	496	-	-	-	-	-	-	-	-	-	-	496
1.3	Capital reserves	-	-	347	-	-	-	-	-	-	-	-	-	347
1.4	Income-related and other equity reserves	-	-	-	3,146	-	-	-	-	688	-	-	-	3,835
1.5	Treasury shares (-)	-	-	-	-	(1)	-	-	-	-	-	-	-	(1)
1.6	Valuation reserves	-	-	-	-	-	4	1,285	(34)	-	-	-	-	1,256
1.7	Shareholders' Equity attributable to non-controlling interests (+/-)	-	-	-	-	-	-	-	-	-	217	18	35	270
1.8	Profit (loss) for the year attributable to the Parent (+/-)	-	-	-	-	-	-	-	-	-	-	-	-	-
1.9	Profit (loss) for the year attributable to non-controlling interests (+/-)	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholders' Equity	2,031	496	347	3,146	(1)	4	1,285	(34)	688	217	18	35	8,234

1/1/2022 (new presentation) \ 1/1/2022 (previous presentation)		PROVISIONS	TECHNICAL PROVISIONS	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Payables arising from direct insurance business	Payables arising from reinsurance business	Other payables	Liabilities associated with disposal groups held for sale	Deferred tax liabilities	Current tax liabilities	Other liabilities	Total
		2.	3.	4.1	4.2	5.1	5.2	5.3	6.1	6.2	6.3	6.4	
2.	PROVISIONS FOR RISKS AND CHARGES	422	-	-	-	-	-	-	-	-	-	-	422
3.1	Insurance contracts issued that are liabilities	-	57,128	-	-	-	-	-	-	-	-	-	57,128
3.2	Reinsurance contracts held that are liabilities	-	-	-	-	-	-	-	-	-	-	-	-
4.1 a)	Held-for-trading financial liabilities at FVPL	-	-	445	-	-	-	-	-	-	-	-	445
4.1 b)	Financial liabilities at FVPL	-	-	5,911	-	-	-	-	-	-	-	-	5,911
4.2	Financial liabilities at amortised cost	-	-	-	2,055	-	-	-	-	-	-	-	2,055
5.	PAYABLES	-	-	-	-	188	104	900	-	-	-	-	1,192
6.1	Liabilities associated with disposal groups held for sale	-	-	-	-	-	-	-	3	-	-	-	3
6.2 a)	Current tax liabilities	-	-	-	-	-	-	-	-	-	39	-	39
6.2 b)	Deferred tax liabilities	-	-	-	-	-	-	-	-	108	-	-	108
6.3	Other liabilities	-	-	-	-	-	-	-	-	-	-	922	922
	Total liabilities	422	57,128	6,356	2,055	188	104	900	3	108	39	922	68,226

Total Shareholders' Equity and Liabilities 76,459

Statement of Financial Position and Income Statement at 31 December 2022 (before restatement of values)

	31/12/2022 (previous presentation) / 31/12/2022 (new presentation)	INTANGIBLE ASSETS	PROPERTY, PLANT AND EQUIPMENT	TECHNICAL PROVISIONS - REINSURERS' SHARE	Investment property	Investments in subsidiaries, associates and interests in joint ventures	Held-to-maturity investments	Loans and receivables	Available-for-sale financial assets	Financial assets at fair value through profit or loss	Receivables relating to direct insurance business	Receivables relating to reinsurance business	Other receivables	Non-current assets or assets of a disposal group held for sale	Deferred acquisition costs	Deferred tax assets	Current tax assets	Other assets	CASH AND CASH EQUIVALENTS	TOTAL ASSETS
		1.	2.	3.	4.1	4.2	4.3	4.4	4.5	4.6	5.1	5.2	5.3	6.1	6.2	6.3	6.4	6.5	7.	
1.	**INTANGIBLE ASSETS**	1,143	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,143
2.	**PROPERTY, PLANT AND EQUIPMENT**	-	2,784	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	-	2,789
3.1	Insurance contracts issued that are assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.2	Reinsurance contracts held that are assets	-	-	762	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	762
4.1	Investment property	-	-	-	2,359	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,359
4.2	Investments in associates and interests in joint ventures	-	-	-	-	162	-	-	-	-	-	-	-	-	-	-	-	-	-	162
4.3	Financial assets at amortised cost	-	-	-	-	-	64	2,134	16	-	-	-	-	-	-	-	-	-	-	2,213
4.4	Financial assets at fair value through OCI	-	-	-	-	-	302	2,479	34,719	-	-	-	-	-	-	-	-	-	-	37,500
4.5 a)	Held-for-trading assets at FVPL	-	-	-	-	-	-	-	-	284	-	-	-	-	-	-	-	-	-	284
4.5 b)	Assets at FVPL	-	-	-	-	-	-	-	-	8,786	-	-	-	-	-	-	-	-	-	8,786
4.5 c)	Other assets mandatorily at FVPL	-	-	-	-	-	-	281	6,548	52	-	-	-	-	-	-	-	-	-	6,881
5.	**OTHER FINANCIAL ASSETS**	-	-	-	-	-	-	-	-	-	1,416	192	1,864	-	-	-	-	-	-	3,472
6.1	Non-current assets or assets of a disposal group held for sale	-	-	-	-	-	-	-	-	-	-	-	-	533	-	-	-	-	-	533
6.2 a)	Current tax assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36	-	-	36
6.2 b)	Deferred tax assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	885	-	-	-	885
6.3	Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	102	-	-	1,478	-	1,580
7.	**CASH AND CASH EQUIVALENTS**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	826	826
	Total	**1,143**	**2,784**	**762**	**2,359**	**162**	**366**	**4,894**	**41,283**	**9,121**	**1,416**	**192**	**1,864**	**533**	**102**	**885**	**36**	**1,483**	**826**	**70,211**

	31/12/2022 (previous presentation) / 31/12/2022 (new presentation)	GSE - Share capital	GSE - Other equity instruments	GSE - Capital reserves	GSE - Income-related and other equity reserves	GSE - (Treasury shares)	GSE - Reserve for foreign currency translation differences	GSE - Gains or losses on available-for-sale financial assets	GSE - Other gains or losses recognised directly in equity	Profit (loss) for the year attributable to the owners of the Parent	NCI - Share capital and reserves attributable to non-controlling interests	NCI - Gains or losses recognised directly in equity	Profit (loss) for the year attributable to non-controlling interests	Total
		1.1.1	1.1.2	1.1.3	1.1.4	1.1.5	1.1.6	1.1.7	1.1.8	1.1.9	1.2.1	1.2.2	1.2.3	
1.1	Share capital	2,031	-	-	-	-	-	-	-	-	-	-	-	2,031
1.2	Other equity instruments	-	496	-	-	-	-	-	-	-	-	-	-	496
1.3	Capital reserves	-	-	347	-	-	-	-	-	-	-	-	-	347
1.4	Income-related and other equity reserves	-	-	-	3,236	-	-	-	-	-	-	-	-	3,236
1.5	Treasury shares (-)	-	-	-	-	(3)	-	-	-	-	-	-	-	(3)
1.6	Valuation reserves	-	-	-	-	-	4	(1,129)	(11)	-	-	-	-	(1,136)
1.7	Shareholders' Equity attributable to non-controlling interests (+/-)	-	-	-	-	-	-	-	-	-	225	(36)	-	189
1.8	Profit (loss) for the year attributable to the Parent (+/-)	-	-	-	-	-	-	-	-	597	-	-	-	597
1.9	Profit (loss) for the year attributable to non-controlling interests (+/-)	-	-	-	-	-	-	-	-	-	-	-	55	55
	Total Shareholders' Equity	2,031	496	347	3,236	(3)	4	(1,129)	(11)	597	225	(36)	55	**5,813**

	31/12/2022 (previous presentation) / 31/12/2022 (new presentation)	PROVISIONS	TECHNICAL PROVISIONS	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Payables arising from direct insurance business	Payables arising from reinsurance business	Other payables	Liabilities associated with disposal groups held for sale	Deferred tax liabilities	Current tax liabilities	Other liabilities	Total
		2.	3.	4.1	4.2	5.1	5.2	5.3	6.1	6.2	6.3	6.4	
2.	PROVISIONS FOR RISKS AND CHARGES	596	-	-	-	-	-	-	-	-	-	-	596
3.1	Insurance contracts issued that are liabilities	-	51,766	-	-	-	-	-	-	-	-	-	51,766
3.2	Reinsurance contracts held that are liabilities	-	-	-	-	-	-	-	-	-	-	-	-
4.1 a)	Held-for-trading financial liabilities at FVPL	-	-	155	-	-	-	-	-	-	-	-	155
4.1 b)	Financial liabilities at FVPL	-	-	6,685	-	-	-	-	-	-	-	-	6,685
4.2	Financial liabilities at amortised cost	-	-	-	2,303	-	-	-	-	-	-	-	2,303
5.	PAYABLES	-	-	-	-	198	144	1,156	-	-	-	-	1,498
6.1	Liabilities associated with disposal groups held for sale	-	-	-	-	-	-	-	388	-	-	-	388
6.2 a)	Current tax liabilities	-	-	-	-	-	-	-	-	-	12	-	12
6.2 b)	Deferred tax liabilities	-	-	-	-	-	-	-	-	1	-	-	1
6.3	Other liabilities	-	-	-	-	-	-	-	-	-	-	995	995
	Total liabilities	596	51,766	6,839	2,303	198	144	1,156	388	1	12	995	**64,398**
	Total Shareholders' Equity and Liabilities												**70,211**

With reference to the statement of financial position balances, it should be noted that, for the purposes of restatement, the amount of item "3. Technical provisions - Reinsurers' share" of assets and "3. Technical provisions" of liabilities, has been fully allocated respectively to item "3.2 Reinsurance contracts held that are assets" and "3.1 Insurance contracts issued that are liabilities" of the current statement of financial position format: the detailed effects arising from the recalculation of insurance assets and liabilities on the basis of IFRS 17 have been shown in the subsequent section on restatement of balances.

The most significant impact deriving from the restatement of asset items is attributable to the reclassification of financial instruments in the categories under IFRS 9. As mentioned above, the application of IFRS 9 resulted in a significant increase in financial assets at fair value through profit or loss, mainly attributable to the failure to pass the SPPI Test of a portion of the securities portfolio previously classified under Available-for-sale financial assets and, to a lesser extent, Loans and receivables.

Conversely, the amount of financial instruments reclassified under Financial assets at amortised cost is significantly lower than the corresponding accounting categories under the previous IAS 39 (Loans and receivables and Held-to-maturity investments). Similarly, the amount of FVOCI assets is lower than the corresponding IAS 39 category of Available-for-sale financial assets.

Income Statement at 31 December 2022 (before restatement of values)

	31/12/2022 (previous presentation) / 31/12/2022 (new presentation)	Gross premiums earned 1.1.1	Earned premiums ceded to reinsurers 1.1.2	Commission income 1.2	Gains and losses on financial instruments at FVPL 1.3	Gains on investments in subs. ass. and interests in JV 1.4	Interest income 1.5.1	Other income 1.5.2	Realised gains 1.5.3	Unrealised gains 1.5.4	Other revenue 1.6	Charges relating to claims - Amounts paid and chan. tech. prov. 2.1.1	Charges relating to claims - Reinsurers' share 2.1.2	Commission expense 2.2	Losses on investments in subs. ass. and interests in JV 2.3	Interest expense 2.4.1	Other charges 2.4.2	Realised losses 2.4.3	Unrealised losses 2.4.4	Commissions and other acquisition costs 2.5.1	Investment management expenses 2.5.2	Other administrative expenses 2.5.3	Other costs 2.6	Taxes 3.	Profit (Loss) from discontinued operations 4	Total
1.	Insurance revenue from insurance contracts issued	11,907	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,907
2.	Insurance service expenses from insurance contracts issued	-	-	-	-	-	-	-	-	-	22	(8,832)	-	-	-	-	-	-	-	(2,071)	-	-	(244)	-	-	(11,124)
3.	Insurance revenue from reinsurance contracts held	-	-	-	-	-	-	-	-	-	-	-	183	-	-	-	-	-	-	184	-	-	-	-	-	367
4.	Insurance service expenses from reinsurance contracts held	-	(541)	-	-	-	-	-	-	-	10	-	-	-	-	-	-	-	-	-	-	-	(4)	-	-	(536)
6.	Gains/losses on financial assets and liabilities at fair value through profit or loss	-	-	-	(313)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(313)
7.	Gains/losses on investments in associates and interests in joint ventures	-	-	-	-	23	-	-	-	-	-	-	-	-	(8)	-	-	-	-	-	-	-	-	-	-	15
8.1	Interest income calculated with the effective interest method	-	-	-	-	-	1,508	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,508
8.2	Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(80)	-	-	-	-	-	-	-	-	-	(80)
8.3	Other gains/losses	-	-	-	-	-	-	345	-	-	-	-	-	-	-	-	(32)	-	-	-	-	-	-	-	-	314
8.4	Realised gains/losses	-	-	-	-	-	-	-	467	-	-	-	-	-	-	-	-	(413)	-	-	-	-	-	-	-	54
8.5	Unrealised gains/losses	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	(347)	-	-	-	(9)	-	-	(355)
10.	Net finance expenses/income relating to insurance contracts issued	-	-	-	-	-	-	-	-	-	-	49	-	-	-	-	-	-	-	-	-	-	-	-	-	49
11.	Net finance income/expenses relating to reinsurance contracts held	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13.	Other revenue/costs	-	-	49	-	-	5	-	-	-	1,112	-	-	(89)	-	-	-	-	-	-	-	-	(767)	-	-	310
14.1	Investment management expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(135)	-	-	-	-	(135)
14.2	Other administrative expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(747)	-	-	-	(747)
15.	Net provisions for risks and charges	-	-	-	-	-	-	-	-	-	10	-	-	-	-	-	-	-	-	-	-	-	1	-	-	11
16.	Net impairment losses/reversals on property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(282)	-	-	(282)
17.	Net impairment losses/reversals on intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(41)	-	-	(41)
18.	Other operating expenses/income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20.	Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(269)	-	(269)
22.	Profit (Loss) from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	11,907	(541)	49	(313)	23	1,512	345	467	1	1,154	(8,783)	183	(89)	(8)	(80)	(32)	(413)	(347)	(1,887)	(135)	(747)	(1,347)	(269)	-	**651**

As emerges from the reconciliation scheme, the Income Statement introduced by the current Regulation 7/2007 shows a scalar structure that provides separate evidence of the income components that constitute the result of insurance services and those that make up the financial result deriving from investments and of the financial component deriving from insurance assets and liabilities. Some economic components previously grouped under Other revenue and Other costs have also been detailed and shown separately.

For the purposes of the restatement, as the discounting of technical provisions was not included in the previous IFRS 4, it should be noted that in item "10. Net finance expenses/income relating to insurance contracts issued", the only component of the change in Life technical provisions attributable to the application of the so-called shadow accounting was recognised.

Effects deriving from the restatement of the balances

Statement of Financial Position at the transition date (after restatement of balances)

		1/1/2022 Reclassified	IFRS 9 transition effect	IFRS 17 transition effect	Tax effect	1/1/2022 Restated
1.	INTANGIBLE ASSETS	963	-	(38)	-	925
2.	PROPERTY, PLANT AND EQUIPMENT	2,436	-	-	-	2,436
3.	INSURANCE ASSETS	831	-	277	-	1,108
3.1	Insurance contracts issued that are assets	-	-	79	-	79
3.2	Reinsurance contracts held that are assets	831	-	198	-	1,029
4.	INVESTMENTS	66,953	457	(124)	-	67,286
4.1	Investment property	2,156	-	-	-	2,156
4.2	Investments in associates and interests in joint ventures	176	-	-	-	176
4.3	Financial assets at amortised cost	2,550	(5)	(124)	-	2,422
4.4	Financial assets at fair value through OCI	45,316	480	-	-	45,796
4.5 a)	Held-for-trading assets at FVPL	145	(13)	-	-	133
4.5 b)	Assets at FVPL	8,345	-	-	-	8,345
4.5 c)	Other assets mandatorily at FVPL	8,265	(6)	-	-	8,259
5.	OTHER FINANCIAL ASSETS	3,425	-	(987)	-	2,438
6.	OTHER ASSETS	965	-	(96)	310	1,180
6.1	Non-current assets or assets of a disposal group held for sale	133	-	-	-	132
6.2 a)	Current tax assets	9	-	-	-	9
6.2 b)	Deferred tax assets	108	-	-	310	418
6.3	Other assets	716	-	(95)	-	620
7.	CASH AND CASH EQUIVALENTS	885	-	-	-	885
	TOTAL ASSETS	76,459	457	(968)	310	76,258

		1/1/2022 Reclassified	IFRS 9 transition effect	IFRS 17 transition effect	Tax effect	1/1/2022 Restated
1.	SHAREHOLDERS' EQUITY	8,234	470	(1,731)	378	7,351
1.1	Share capital	2,031	-	-	-	2,031
1.2	Other equity instruments	496	-	-	-	496
1.3	Capital reserves	347	-	-	-	347
1.4	Income-related and other equity reserves	3,835	430	(383)	(22)	3,859
1.5	Treasury shares (-)	(1)	-	-	-	(1)
1.6	Valuation reserves	1,256	36	(1,352)	403	343
1.7	Shareholders' Equity attributable to non-controlling interests (+/-)	270	4	4	(3)	275
1.8	Profit (loss) for the year attributable to the Parent (+/-)	-	-	-	-	-
1.9	Profit (loss) for the year attributable to non-controlling interests (+/-)	-	-	-	-	-
2.	PROVISIONS FOR RISKS AND CHARGES	422	-	-	-	422
3.	INSURANCE LIABILITIES	57,128	-	(1,267)	-	55,862
3.1	Insurance contracts issued that are liabilities	57,128	-	(1,353)	-	55,775
3.2	Reinsurance contracts held that are liabilities	-	-	87	-	87
4.	FINANCIAL LIABILITIES	8,411	(13)	2,090	-	10,488
4.1 a)	Held-for-trading financial liabilities at FVPL	445	(13)	-	-	432
4.1 b)	Financial liabilities at FVPL	5,911	-	2,220	-	8,131
4.2	Financial liabilities at amortised cost	2,055	-	(131)	-	1,924
5.	PAYABLES	1,192	-	(113)	-	1,079
6.	OTHER LIABILITIES	1,072	-	53	(69)	1,056
6.1	Liabilities associated with disposal groups held for sale	3	-	-	-	3
6.2 a)	Current tax liabilities	39	-	-	-	39
6.2 b)	Deferred tax liabilities	108	-	-	(69)	39
6.3	Other liabilities	922	-	53	-	975
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	76,459	457	(968)	310	76,258

Statement of Financial Position at 31 December 2022 (after restatement of balances)

		31/12/2022 Reclassified	IFRS 9 transition effect	IFRS 17 transition effect	Tax effect	31/12/2022 Restated
1.	INTANGIBLE ASSETS	1,143	-	(24)	-	1,119
2.	PROPERTY, PLANT AND EQUIPMENT	2,789	-	1	-	2,791
3.	INSURANCE ASSETS	762	-	218	-	980
3.1	Insurance contracts issued that are assets	-	-	54	-	54
3.2	Reinsurance contracts held that are assets	762	-	164	-	926
4.	INVESTMENTS	58,186	(431)	(133)	-	57,622
4.1	Investment property	2,359	-	-	-	2,359
4.2	Investments in associates and interests in joint ventures	162	-	-	-	162
4.3	Financial assets at amortised cost	2,213	(4)	(133)	-	2,076
4.4	Financial assets at fair value through OCI	37,500	(374)	-	-	37,126
4.5 a)	Held-for-trading assets at FVPL	284	(3)	-	-	281
4.5 b)	Assets at FVPL	8,786	-	-	-	8,786
4.5 c)	Other assets mandatorily at FVPL	6,881	(49)	-	-	6,832
5.	OTHER FINANCIAL ASSETS	3,472	-	(1,001)	-	2,470
6.	OTHER ASSETS	3,034	-	(116)	(29)	2,888
6.1	Non-current assets or assets of a disposal group held for sale	533	-	(18)	-	514
6.2 a)	Current tax assets	36	-	-	-	36
6.2 b)	Deferred tax assets	885	-	-	(29)	856
6.3	Other assets	1,580	-	(98)	-	1,482
7.	CASH AND CASH EQUIVALENTS	826	-	-	-	826
	TOTAL ASSETS	70,211	(431)	(1,055)	(29)	68,696

		31/12/2022 Reclassified	IFRS 9 transition effect	IFRS 17 transition effect	Tax effect	31/12/2022 Restated
1.	SHAREHOLDERS' EQUITY	5,813	(426)	1,752	(404)	6,733
1.1	Share capital	2,031	-	-	-	2,031
1.2	Other equity instruments	496	-	-	-	496
1.3	Capital reserves	347	-	-	-	347
1.4	Income-related and other equity reserves	3,236	427	(383)	(20)	3,260
1.5	Treasury shares (-)	(3)	-	-	-	(3)
1.6	Valuation reserves	(1,136)	(132)	1,586	(409)	(91)
1.7	Shareholders' Equity attributable to non-controlling interests (+/-)	189	(23)	80	(18)	227
1.8	Profit (loss) for the year attributable to the Parent (+/-)	597	(686)	468	40	418
1.9	Profit (loss) for the year attributable to non-controlling interests (+/-)	55	(11)	1	4	48
2.	PROVISIONS FOR RISKS AND CHARGES	596	-	-	-	596
3.	INSURANCE LIABILITIES	51,766	-	(4,440)	-	47,326
3.1	Insurance contracts issued that are liabilities	51,766	-	(4,573)	-	47,193
3.2	Reinsurance contracts held that are liabilities	-	-	133	-	133
4.	FINANCIAL LIABILITIES	9,142	-	1,752	-	10,894
4.1 a)	Held-for-trading financial liabilities at FVPL	155	-	-	-	155
4.1 b)	Financial liabilities at FVPL	6,685	-	1,884	-	8,568
4.2	Financial liabilities at amortised cost	2,303	-	(132)	-	2,171
5.	PAYABLES	1,498	-	(144)	-	1,353
6.	OTHER LIABILITIES	1,397	(5)	27	376	1,794
6.1	Liabilities associated with disposal groups held for sale	388	-	(28)	-	360
6.2 a)	Current tax liabilities	12	-	-	-	12
6.2 b)	Deferred tax liabilities	1	-	-	376	376
6.3	Other liabilities	995	(5)	55	-	1,045
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	70,211	(431)	(1,053)	(28)	68,696

Income Statement at 31 December 2022 (after restatement of balances)

		31/12/2022 Reclassified	IFRS 9 transition effect	IFRS 17 transition effect	Tax effect	31/12/2022 Restated
1.	Insurance revenue from insurance contracts issued	11,907	-	(3,358)	-	8,549
2.	Insurance service expenses from insurance contracts issued	(11,124)	-	3,822	-	(7,302)
3.	Insurance revenue from reinsurance contracts held	367	-	(177)	-	190
4.	Insurance service expenses from reinsurance contracts held	(536)	-	178	-	(358)
5.	**Insurance service result**	**613**	**-**	**465**	**-**	**1,079**
6.	Gains/losses on financial assets and liabilities at fair value through profit or loss	(313)	(347)	342	-	(318)
7.	Gains/losses on investments in associates and interests in joint ventures	15	-	-	-	15
8.1	Interest income calculated with the effective interest method	1,508	(107)	-	-	1,401
8.2	Interest expense	(80)	4	-	-	(76)
8.3	Other gains/losses	314	(154)	-	-	160
8.4	Realised gains/losses	54	(65)	-	-	(11)
8.5	Unrealised gains/losses	(355)	(29)	-	-	(384)
9.	**Investment result**	**1,142**	**(697)**	**342**	**-**	**787**
10.	Net finance expenses/income relating to insurance contracts issued	49	-	(892)	-	(842)
11.	Net finance income/expenses relating to reinsurance contracts held	-	-	(2)	-	(2)
12.	**Net financial result**	**1,191**	**(697)**	**(552)**	**-**	**(57)**
13.	**Other revenue/costs**	**310**	**-**	**164**	**-**	**474**
14.1	**Investment management expenses**	**(135)**	**-**	**45**	**-**	**(90)**
14.2	**Other administrative expenses**	**(747)**	**-**	**401**	**-**	**(346)**
15.	**Net provisions for risks and charges**	**11**	**-**	**-**	**-**	**11**
16.	**Net impairment losses/reversals on property, plant and equipment**	**(282)**	**-**	**-**	**-**	**(282)**
17.	**Net impairment losses/reversals on intangible assets**	**(41)**	**-**	**(56)**	**-**	**(97)**
18.	**Other operating expenses/income**	**-**	**-**	**-**	**-**	**0**
19.	**Pre-tax profit (loss) for the year**	**920**	**(697)**	**468**	**-**	**693**
20.	**Taxes**	**(269)**	**-**	**-**	**43**	**(226)**
21.	**Profit (Loss) for the year after taxes**	**651**	**(697)**	**468**	**43**	**466**
22.	**Profit (Loss) from discontinued operations**	**-**	**-**	**-**	**-**	**-**
23.	**Consolidated profit (loss)**	**651**	**(697)**	**468**	**43**	**466**
	of which attributable to the Parent	*597*	*(686)*	*466*	*39*	*418*
	of which attributable to non-controlling interests	*55*	*(11)*	*1*	*3*	*48*

Statement of reconciliation of changes in the consolidated shareholders' equity

In order to provide an overall representation of the effects on equity and on the economic result deriving from the transition to the new accounting standards, please note the following:

- a statement of reconciliation of changes in the consolidated shareholders' equity at the transition date and during the year 2022, accompanied by
- comments on the most significant adjustments due to the application of IFRS 17 and 9.

	Shareholders' Equity 1/1/2022	Profit for the period	Other comprehensive income (expense)	Other changes	Shareholders' Equity 31/12/2022
Change in Shareholders' Equity as shown in the 2022 consolidated financial statements	8,234	651	(2,446)	(627)	5,813
Impact of IFRS 9 application	470	(697)	(198)	-	(426)
Impact of IFRS 17 application of which:	(1,731)	468	3,015	-	1,752
Intangible assets and deferred acquisition costs	*(138)*				*(126)*
Cash flows	*2,773*				*5,816*
CSM	*(3,203)*				*(2,996)*
RA	*(1,162)*				*(942)*
Tax and other minor effects	378	43	(828)	-	(404)
Total adjustments	(883)	(186)	1,990	-	921
Data restated	7,351	466	(456)	(627)	6,733

Main impacts on the Statement of Financial Position at the transition date (1/1/2022)

Shareholders' Equity restated at the transition date in application of the new standards, equal to €7,351m, was €883m lower than the €8,234m recognised in application of the previous standards. The reduction is due to the combined effect of positive changes from the application of IFRS 9, amounting to €470m, negative changes deriving from the application of IFRS 17 equal to €1,731m, in addition to the related tax effects of €378m.
With reference to the application of IFRS 9, the positive balance is mainly due to the portion of financial instruments reclassified from HTM and L&R according to IAS 39 to FVOCI and FVPL according to IFRS 9 and, consequently, recognised at fair value rather than at amortised cost, with the emergence of implicit capital gains in a market environment at the transition date characterised by low interest rates.
The negative impact from the application of IFRS 17 is instead due to the increase in net insurance liabilities as a result of:

- the recognition of the CSM (€3,203m of which €1,071m relating to the Non-Life business and €2,132m to the Life business);
- the recognition of the Risk Adjustment (€1,162m, of which €1,025m related to the Non-Life business and €137m to the Life business);
- the reversal of Intangible assets and deferred acquisition costs (€138m);

these increases were partly offset by the decrease of €2,773m deriving from the best estimate of the discounted cash flows to replace the technical provisions at ultimate cost.
It should be noted that, as mentioned above, during the transition phase, the fair value approach was applied with reference to a portion of the Life portfolio as well as to the insurance liabilities of the Non-Life business of UnipolSai, with the consequent application of the BBA to all Non-Life contracts in effect at that date and with a separate recognition, for the net liability component for residual coverage, of the CSM and the Risk Adjustment.
The changes in the Statement of Financial Position illustrated above were also reflected in the related deferred taxation, which resulted in a net positive effect on equity of €378m.

Effects on the economic result and on other comprehensive income for the year 2022

The result for the period restated according to the new accounting standards went from €651m to €466m, against a negative impact of €697m resulting from the application of IFRS 9, a positive impact of €468m resulting from the application of IFRS 17, and the related positive deferred tax effects of €43m. With reference to the impact of IFRS 9, this is mainly due, in a context of significant depreciation of almost all asset classes, to the increased share of financial instruments at fair value through profit or loss. This asset category, intended to increase the volatility of the Income Statement, was progressively reduced during the year 2022, also in view of the entry into force of the new standard.
The negative impact on the 2022 restated income statement arising from IFRS 9 is partially offset by the application of IFRS 17, due in particular to the adoption of the OCI option, which allows for a better control of accounting mismatches with reference to the valuation of assets and liabilities relating to revaluable life insurance contracts, recognised using the VFA method, and to a positive contribution from the Non-Life business, which benefits from the approach adopted on transition and the net insurance liability discounting effect. In this regard, it should be noted, more generally, that the exercise of the options to mitigate accounting mismatches, relating to the Life and Non-Life insurance portfolio, also led to a marked reduction (from €2,446m to €456m net of tax effects) of the negative change in other comprehensive income.

Main impacts on the Statement of Financial Position at 31 December 2022

As a result of the differences commented above, there was a positive impact of €921m on shareholders' equity at 31 December 2022 deriving from the application of the new accounting standards, deriving from a positive impact of €1,752m for the application of IFRS 17, partially offset by the negative effect of the application of IFRS 9 (€426m) and the effect on deferred taxation, also negative in the amount of €404m.

With reference to the impact of IFRS 9, this is mainly attributable to the decrease in the portion of the bond portfolio recognised at amortised cost (L&R and HTM categories according to IAS 39 and Amortised cost according to IFRS 9) and the consequent more extensive use of fair values for the measurement of financial assets in the portfolio, in a context of significantly rising interest rates during 2022 such as to negatively affect the market prices of fixed-rate bonds.

In the application of IFRS 17, the main impact resulting from the cash flow component, which increased from €2,773m to €5,816m, as discussed above, is attributable to the remeasurement of net insurance liabilities at current values, thus taking into account the discounting effect in a context of significantly higher rates than those at initial recognition of the same net insurance liabilities. It should be noted that this mechanism for adjusting net insurance liabilities was not contemplated in the application of IFRS 4 except through the application of shadow accounting with respect to insurance contracts with direct participation features. With reference to the adjustment for the recognition of the CSM down from €3,203m to €2,996m, please note:

- (i) a decrease in the component relating to the Non-Life business (from €1,071m to €731m) due to the decrease in the portfolio component of policies accounted for under the BBA method, which are gradually being replaced by newly issued policies accounted for under the PAA method, and thus without autonomous representation of the CSM;
- (ii) an increase in the component linked to the Life business (from €2,132m to €2,265m) due to the positive impacts on the prospective margins of the insurance contracts accounted for using the VFA method due to the increase in market rates.

Lastly, with reference to the Risk Adjustment component, the decrease from €1,162m to €942m is mainly due to the same trends already commented on with reference to the CSM in the Non-Life business.

2. Notes to the Financial Statements

Consolidation scope

The changes to the consolidation scope and the lists of equity investments consolidated on a line-by-line basis are shown below.

Changes in the consolidation scope compared with 31 December 2022 and other transactions

On 3 April 2023, UnipolSai Assicurazioni SpA acquired 100% of the share capital of Società e Salute SpA. The company, which operates in the private healthcare segment under the brand Centro Medico Santagostino, holds a 100% interest in Santagostino Servizi e Prodotti Srl, specialised in the sale of sanitary items such as eyewear and hearing aids.

On 30 May 2023, the company Tenute del Cerro Wines Srl was established, wholly owned by UnipolSai Assicurazioni SpA, which will be responsible for marketing the wines of Tenute del Cerro and those of other producers.

On 22 June 2023, Linear SpA established the limited liability company LinearNext Srl, wholly owned by Linear itself, to be entrusted with the mandate for the distribution of "LinearNext" insurance policies.

On 1 June 2023, the partial, non-proportional asymmetric demerger of Promorest in favour of UnipolSai Finance SpA took effect.

Equity investments in wholly-owned subsidiaries

Name	Country of registered office	Country of operations (1)	Method (2)	Business activity (3)	Type of relationship (4)	% Direct holding	% Total participating interest (5)	% Votes available at ordinary General Meetings (6)	% Consolidation
UnipolSai Finance SpA	086 - Italy		G	9	1	100.00%	100.00%		100.00%
UniSalute SpA	086 - Italy		G	1	1	98.99%	98.99%		100.00%
Compagnia Assicuratrice Linear SpA	086 - Italy		G	1	1	100.00%	100.00%		100.00%
Unisalute Servizi Srl	086 - Italy		G	11	1	100.00%	98.99%		100.00%
Centri Medici Dyadea Srl	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Midi Srl	086 - Italy		G	10	1	100.00%	100.00%		100.00%
Fondazione Unipolis	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Arca Vita SpA	086 - Italy		G	1	1	63.39%	63.39%		100.00%
Arca Assicurazioni SpA	086 - Italy		G	1	1	98.12%	62.20%		100.00%
Arca Vita International Dac	040 - Ireland		G	2	1	100.00%	63.39%		100.00%
Arca Direct Assicurazioni Srl	086 - Italy		G	11	1	100.00%	63.39%		100.00%
Arca Inlinea Scarl	086 - Italy		G	11	1	100.00%	62.92%		100.00%
Arca Sistemi Scarl	086 - Italy		G	11	1	100.00%	63.19%		100.00%
BIM Vita SpA	086 - Italy		G	1	1	50.00%	50.00%		100.00%
Incontra Assicurazioni SpA	086 - Italy		G	1	1	51.00%	51.00%		100.00%
Siat-Societa' Italiana Assicurazioni e Riassicurazioni – per Azioni	086 - Italy		G	1	1	94.69%	94.69%		100.00%
Ddor Novi Sad	289 - Serbia		G	3	1	100.00%	100.00%		100.00%
Ddor Re	289 - Serbia		G	6	1	100.00%	100.00%		100.00%
UnipolRe Dac	040 - Ireland		G	5	1	100.00%	100.00%		100.00%
UnipolSai Nederland Bv in Liquidatie	050 - Netherlands		G	11	1	100.00%	100.00%		100.00%
Finsai International Sa	092 - Luxembourg		G	11	1	100.00%	100.00%		100.00%
UnipolGlass Srl	086 - Italy		G	11	1	70.00%	70.00%		100.00%
UnipolService SpA	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Casa di Cura Villa Donatello - SpA	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Centro Oncologico Fiorentino Casa di Cura Villanova Srl in Liquidazione	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Florence Centro di Chirurgia Ambulatoriale Srl	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Tenute del Cerro SpA - Societa' Agricola	086 - Italy		G	11	1	100.00%	100.00%		100.00%
UnipolSai Servizi Previdenziali Srl	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Sogeint Societa' a Responsabilita' Limitata	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Ddor Auto - Limited Liability Company	289 - Serbia		G	3	1	100.00%	100.00%		100.00%
UnipolAssistance Scrl	086 - Italy		G	11	1	100.00%	99.89%		100.00%
Gruppo UNA SpA	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Consorzio Castello	086 - Italy		G	10	1	99.57%	99.57%		100.00%
Ital H&R Srl	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Marina di Loano SpA	086 - Italy		G	10	1	100.00%	100.00%		100.00%
Meridiano Secondo Srl	086 - Italy		G	10	1	100.00%	100.00%		100.00%
Nuove Iniziative Toscane - Societa' a Responsabilita' Limitata	086 - Italy		G	10	1	100.00%	100.00%		100.00%
Tikal R.E. Fund	086 - Italy		G	10	1	100.00%	100.00%		100.00%

Name	Country of registered office	Country of operations (1)	Method (2)	Business activity (3)	Type of relationship (4)	% Direct holding	% Total participating interest (5)	% Votes available at ordinary General Meetings (6)	% Consolidation
Athens R.E. Fund	086 - Italy		G	10	1	89.59%	89.59%		100.00%
UnipolTech SpA	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Leithà Srl	086 - Italy		G	11	1	100.00%	100.00%		100.00%
UniAssiTeam Srl	086 - Italy		G	11	1	65.00%	65.00%		100.00%
Fondo Emporion	086 - Italy		G	10	1	100.00%	100.00%		100.00%
Fondo Landev	086 - Italy		G	10	1	100.00%	100.00%		100.00%
UnipolRental SpA	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Immobiliare C.S. Srl	086 - Italy		G	10	1	100.00%	100.00%		100.00%
Fondo Oikos	086 - Italy		G	10	1	100.00%	100.00%		100.00%
Cambiomarcia Srl	040 - Ireland		G	11	1	100.00%	100.00%		100.00%
UnipolPay SpA	086 - Italy		G	11	1	100.00%	100.00%		100.00%
BeRebel SpA	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Nuove Terme Petriolo Srl	086 - Italy		G	11	1	100.00%	89.59%		100.00%
I.Car Srl	086 - Italy		G	11	1	100.00%	100.00%		100.00%
UnipolSai Motor Partner Srl	086 - Italy		G	11	1	100.00%	100.00%		100.00%
UnipolHome SpA	086 - Italy		G	11	1	100.00%	100.00%		100.00%
WelBee SpA	289 - Serbia		G	11	1	100.00%	100.00%		100.00%
Tantosvago Srl	289 - Serbia		G	11	1	75.00%	75.00%		100.00%
Anton Maria Valsalva Srl	040 - Ireland		G	11	1	100.00%	100.00%		100.00%
Unicasa Italia SpA	050 - Netherlands		G	11	1	70.00%	70.00%		100.00%
Gratia et Salus Srl	092 - Luxembourg		G	11	1	100.00%	100.00%		100.00%
Consorzio tra Proprietari Centro Commerciale Porta Marcolfa	086 - Italy		G	11	1	68.46%	68.46%		100.00%
DaVinci Healthcare Srl	086 - Italy		G	11	1	66.03%	66.03%		100.00%
Società e Salute SpA	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Santagostino Servizi e Prodotti Srl	086 - Italy		G	11	1	100.00%	100.00%		100.00%
Tenute del Cerro Wines Srl	086 - Italy		G	11	1	100.00%	100.00%		100.00%
LinearNext Srl	086 - Italy		G	11	1	100.00%	100.00%		100.00%

(1) This disclosure is required only if the country of operations is different from the country of the registered office.
(2) Consolidation method: G=on a line-by-line basis; U=on a line-by-line basis as per unitary management.
(3) 1 = Italian insurance companies; 2 = EU insurance companies; 3 = Non-EU insurance companies; 4 = insurance holding companies; 4.1 = mixed financial holding companies. 5 = EU reinsurance companies; 6 = Non-EU reinsurance companies; 7 = banks; 8 = asset management companies; 9 = other holding companies; 10 = real estate companies; 11 = other companies;
(4) Type of relationship:
1 = majority of voting rights at ordinary shareholders' meetings
2 = dominant influence at ordinary shareholders' meetings
3 = agreements with other shareholders
4 = other forms of control
5 = unitary management pursuant to Art. 96, paragraph 1 of "Legislative Decree 209/2005"
6 = unitary management pursuant to Art. 96, paragraph 2 of "Legislative Decree 209/2005"
(5) The product of investment relations concerning all companies positioned in an investment chain.
(6) Availability of votes at ordinary shareholders' meetings, distinguishing between actual votes and potential votes. The availability of votes is indicated only if different from the direct shareholding.

Equity investments in wholly-owned subsidiaries with material non-controlling interests: non-controlling interests, availability of non-controlling votes, dividends distributed to non-controlling interests, profit (loss) for the year and shareholders' equity of non-controlling interests

Amounts in €m

Name	% Non-controlling interests	% Votes available to non-controlling interests at ordinary General Meetings	Dividends distributed to non-controlling interests	Consolidated profit (loss) attributable to non-controlling interests	Shareholders' Equity attributable to non-controlling interests
Arca Vita SpA	36.61%		16	19	165

Information about business combinations

On 3 April 2023, UnipolSai Assicurazioni SpA acquired 100% of the share capital of Società e Salute SpA, which operates in the healthcare sector under the brand name "Centro Medico Santagostino" which, in turn, holds 100% of the share capital of Santagostino Servizi e Prodotti Srl. Below are the values of the assets and liabilities acquired determined on the basis of the financial statements of Società e Salute and its subsidiary Santagostino Servizi e Prodotti Srl at 31 March 2023.

Amounts in €k

	31/3/2023
Intangible assets	1,952
Property, plant and equipment	40,951
Investments	390
Other financial assets	1,792
Other assets	2,784
Cash and cash equivalents	4,917
Provisions for risks and charges	(446)
Financial liabilities	(38,308)
Payables	(13,333)
Other liabilities	(24)
Total Net identifiable assets	**675**

The values of the assets acquired and the liabilities assumed are still considered provisional and may be recalculated within 12 months of the acquisition, as laid out in IFRS 3. On the basis of these values, the difference between the acquisition cost (equal to €105.4m corresponding to the total amount due to the seller including the best estimate of future price adjustment) and the net identifiable assets led to the recognition of goodwill for €104.7m.

Disclosure on transfers between portfolios of financial assets

During the period, there were no transfers between portfolios of financial assets following a change in the business model.

Fair Value Disclosure

As regards the disclosure of fair value measurement criteria and criteria to determine the fair value adopted by the UnipolSai Group, reference is made to Chapter 2, Main accounting standards in the 2022 Consolidated Financial Statements.

Fair value measurement on a recurring basis

The table below shows a comparison between the assets and liabilities measured at fair value at 30 June 2023 and 31 December 2022, broken down by fair value hierarchy level.

Assets and liabilities at fair value on a recurring basis: breakdown by fair value level

Amounts in €m

		Level 1		Level 2		Level 3		Total	
		30/6/2023	31/12/2022	30/6/2023	31/12/2022	30/6/2023	31/12/2022	30/6/2023	31/12/2022
Assets and liabilities at fair value on a recurring basis									
Financial assets at fair value through OCI		36,780	34,397	2,308	2,207	604	523	39,692	37,126
Financial assets at fair value through profit or loss	Held for trading financial assets	14	8	50	215	4	57	68	281
	Financial assets at fair value through profit or loss	9,719	8,692			97	93	9,817	8,786
	Other financial assets mandatorily at fair value	2,090	3,390	157	178	3,394	3,264	5,641	6,832
Investment property									
Property, plant and equipment									
Intangible assets									
Total		*48,604*	*46,487*	*2,515*	*2,601*	*4,099*	*3,936*	*55,218*	*53,025*
Financial liabilities at fair value through profit or loss	Held for trading financial liabilities	14	7	147	142	10	5	171	155
	Financial liabilities at fair value through profit or loss					9,341	8,568	9,341	8,568
Total		*14*	*7*	*147*	*142*	*9,350*	*8,573*	*9,511*	*8,723*

The amount of financial assets classified in Level 3 at 30 June 2023 stood at €4,099m.

Details of changes in Level 3 financial assets and liabilities in the same period are shown below.

Details of changes in Level 3 financial assets and liabilities at fair value on a recurring basis

Amounts in €m

	Financial assets at fair value through OCI	Financial assets at fair value through profit or loss			Investment property	Property, plant and equipment	Intangible assets	Financial liabilities at fair value through profit or loss	
		held for trading	at fair value through profit or loss	mandatorily at fair value				held for trading	at fair value through profit or loss
Opening balance	523	57	93	3,264				5	8,568
2, Increases	85		8	314				5	772
2.1 Acquisitions	80		6	198					
2.2 Gains recognised through:									
2.2.1 Profit and Loss			2	115					
of which gains									
of which losses									
2.2.2 Other Comprehensive Income	5								
2.3 Transfers to other levels									
2.4 Other increasing changes								5	772
3. Decreasee	(4)	(53)	(4)	(184)					
3.1 Sales									
3.2 Repayments			(4)	(86)					
3.3 Losses recognised through:									
3.3.1 Profit and Loss				(97)					
of which losses									
of which gains									
3.3.2 Other Comprehensive Income	(4)								
3.4 Transfers to other levels									
3.5 Other decreasing changes		(53)							
Closing balance	604	4	97	3,394				10	9,341

The transfers from Level 1 to Level 2, which occurred during the reference period, were irrelevant.

Analysis and stress testing of non-observable parameters (Level 3)

The table below shows, for Level 3 financial assets and liabilities measured at fair value, the effects of the change in the non-observable parameters used in the fair value measurement.
With reference to "assets at fair value on a recurring basis" and belonging to Level 3, the stress test of non-observable parameters is performed with reference to financial instruments valued on a Mark to Model basis and on which the measurement is carried out through one or more non-observable parameters.
The portion of securities subject to analysis has a market value of €351m at 30 June 2023.
The non-observable parameters subject to a shock are spread benchmark curves constructed to assess bonds of issuers for which the prices of the bonds issued or Credit Default Swap curves are unavailable.

The following table shows the results of the shocks:

Fair Value	*Amounts in €m*	Curve Spread			
	Shock	+10 bps	-10 bps	+50 bps	-50 bps
	Fair Value delta	**(2.90)**	**2.96**	**(13.34)**	**13.64**
	Fair Value delta %	*(0.83)*	*0.84*	*(3.80)*	*3.89*

Fair value measurement on a non-recurring basis

IFRS 13 governs fair value measurement and the associated disclosure also for assets and liabilities not measured at fair value on a recurring basis.
For these assets and liabilities, fair value is calculated only for the purpose of market disclosure requirements. Furthermore, since these assets and liabilities are not typically traded, their fair value is largely based on the use of internal parameters that cannot be directly observed in the market, with the sole exception of listed securities classified as Financial assets at amortised cost.

Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value level

Amounts in €m

	Carrying amount		*Fair value*							
			Level 1		Level 2		Level 3		Total	
	30/06/2023	31/12/2022	30/06/2023	31/12/2022	30/06/2023	31/12/2022	30/06/2023	31/12/2022	30/06/2023	31/12/2022
Assets										
Financial assets at amortised cost	2,206	2,076	54	56	955	910	1,106	1,007	2,115	1,973
Investments in associates and j-v	175	162					175	162	175	162
Investment property	2,337	2,359					2,732	2,749	2,732	2,749
Total assets	4,719	4,598	54	56	955	910	4,013	3,918	5,023	4,883
Liabilities	2,546	2,171	1,230	1,260			1,292	885	2,522	2,145
Financial liabilities at amortised cost	2,546	2,171	1,230	1,260			1,292	885	2,522	2,145

Notes to the Statement of Financial Position

Comments and further information on the items in the statement of financial position and the changes that took place compared to balances at 31 December of the previous year are given below (the numbering of the notes relates to the mandatory layout for the preparation of the statement of financial position).

In application of IFRS 5, assets and liabilities held for sale are shown respectively under items 6.1 in Assets and 6.1 under Liabilities. As regards Non-current assets or assets of a disposal group held for sale, please refer to paragraph 3.3, for more information on their composition and measurement criteria.

ASSETS

1. Intangible assets

Intangible assets: breakdown of assets

Amounts in €m

Assets/Values			30/06/2023		31/12/2022	
			Fixed period	Indefinite period	Fixed period	Indefinite period
A.1	Goodwill			707		602
A.1.1	attributable to the owners of the Parent			707		602
A.1.2	attributable to non-controlling interests					
A.2	Other intangible assets		518		517	
	of which software		484		482	
A.2.1	Assets measured at cost:		518		517	
	a)	Internally generated intangible assets				
	b)	Other assets	518		517	
A.2.2	Assets measured at restated value:					
	a)	Internally generated intangible assets				
	b)	Other assets				
Total			518	707	517	602

The change in Goodwill is attributable to the consolidation difference, provisionally determined as permitted by IFRS 3, arising from the acquisition of the subsidiary Società e Salute SpA. Please refer to what is reported in the Consolidation scope, "Information about business combinations" section, of these Notes for further details of the accounting method for those acquisitions.

2. Property, plant and equipment

At 30 June 2023, Property, plant and equipment, net of accumulated depreciation, amounted to €3,277m (€2,791m in 2022): the breakdown is shown below.

Property, plant and equipment: breakdown of assets

Amounts in €m

Assets/Values	Assets for own use				Inventories from IAS 2	
	At cost		At restated value			
	30/06/2023	31/12/2022	30/06/2023	31/12/2022	30/06/2023	31/12/2022
1. Owned assets	**3,111**	**2,667**			**44**	**41**
a) land	63	63				
b) buildings	1,364	1,355				
c) office furniture and machines	81	86				
d) plant and equipment	189	152				
e) other assets	1,414	1,011			44	41
2. Rights of use acquired through leasing	**122**	**83**				
a) land						
b) buildings	107	74				
c) office furniture and machines						
d) plant and equipment	14	8				
e) other assets	1	1				
Total	**3,233**	**2,750**			**44**	**41**

3. Insurance assets

This section provides information on the reinsurance contracts held that are assets and liabilities (asset item 3.2 and liability item 3.2). More specifically, the half-yearly disclosure is limited to changes in the values of reinsurance contracts held recognised using the general measurement model (GMM), which at 30 June 2023 refer only to the Non-Life business.

Changes in the book value of reinsurance contracts held by features underlying measurement

Amounts in €m

NON-LIFE SEGMENT

Items/Features underlying measurement	Features underlying the measurement of the book value of reinsurance transfers							
	Present value of cash flows	Adjustment for non-financial risks	Margin on contractual services	Total	Present value of cash flows	Adjustment for non-financial risks	Margin on contractual services	Total
	30/06/2023	30/06/2023	30/06/2023	30/06/2023	31/12/2022	31/12/2022	31/12/2022	31/12/2022
A. Initial book value								
1. Reinsurance classifiable as assets	183	7	51	241	265	11	59	335
2. Reinsurance transfers classifiable as liabilities	(17)			(17)	(16)			(16)
3. Net value of financial statements as at 1 January	166	7	51	224	249	11	59	319
B. Changes in current services	(11)	(1)	(12)	(24)	(13)	(1)	(14)	(28)
1. Margin on contractual services recorded in the income statement			(12)	(12)			(14)	(14)
2. Change for non-financial risks past due		(1)		(1)		(1)		(1)
3. Changes related to experience	(11)			(11)	(13)			(13)
C. Changes relating to future services	(25)		25		(13)	1	11	(1)
1. Changes in estimates that modify the margin on contractual services	(23)		23		(10)	1	9	
2. Effects of contracts recognised during the year	(2)		2		(3)		2	(1)
3. Adjustment of the margin on contractual services connected with recoveries relating to the initial recognition of onerous underlying insurance contracts								
4. Releases of the loss recovery component other than changes in cash flows from reinsurance contracts								
5. Changes in cash flows from reinsurance transfers from the underlying onerous insurance contracts								
D. Changes relating to past services								
1. adjustments to assets for claims incurred	1	(1)			(1)	(1)		(2)
E. Effects of changes in the default risk of reinsurers					1			1
F. Result of insurance services (B + C + D + E)	(35)	(2)	13	(24)	(26)	(1)	(3)	(30)
G. Financial revenues/costs	3			3	(20)	(1)		(21)
1. Reinsurance transfers	3			3	(20)	(1)		(21)
1.1 Recorded in the Income Statement					(1)			(1)
1.2. Recorded in the Comprehensive Income Statement	3			3	(19)	(1)		(20)
2. Effects associated with changes in exchange rates								
H. Total amount recorded in the Income Statement and in the Comprehensive Income Statement (F + G)	(32)	(2)	13	(21)	(46)	(2)	(3)	(51)
I. Other changes		1	1	2	1	1	2	4
L. Cash movements	(11)			(11)	(13)			(13)
1. Premiums paid net of amounts not related to claims recovered from reinsurers	19			19	19			19
2. Amounts recovered from reinsurers	(30)			(30)	(32)			(32)
M. Net value of financial statements as at the reporting date (A.3 + H + I + L)	123	6	65	194	191	10	58	259
N. Final book value								
1. Reinsurance classifiable as assets	140	6	65	211	208	10	58	276
2. Reinsurance transfers classifiable as liabilities	(17)			(17)	(17)			(17)
3. Net value of financial statements as at the reporting date	123	6	65	194	191	10	58	259

4. Investments

At 30 June 2023, total Investments amounted to €59,925m (€57,622m at 31/12/2022) and are shown, by type, in the table below.

Amounts in €m

	30/06/2023	*% comp.*	31/12/2022	*% comp.*	*% var.*
Investment property	2,337	*3.9*	2,359	*4.1*	*(0.9)*
Investments in associates and interests in joint ventures	164	*0.3*	162	*0.3*	*1.2*
Financial assets at amortised cost	2,206	*3.7*	2,076	*3.6*	*6.3*
Financial assets at fair value through OCI	39,692	*66.2*	37,126	*64.4*	*6.9*
Financial assets at fair value through profit or loss	15,526	*25.9*	15,899	*27.6*	*(2.3)*
Held-for-trading financial assets	68	*0.1*	281	*0.5*	*(75.8)*
Financial assets at fair value	9,817	*16.4*	8,786	*15.2*	*11.7*
Other financial assets mandatorily at fair value	5,641	*9.4*	6,832	*11.9*	*(17.4)*
Total Investiments	**59,925**	***100.0***	**57,622**	***100.0***	***4.0***

4.1 Investment property

At 30 June 2023, Investment property, net of the related accumulated depreciation, amounted to €2,337m (€2,359m in 2022): the breakdown is shown below.

Investment property: breakdown of assets

Amounts in €m

Assets/Values	At cost		At fair value	
	30/06/2023	31/12/2022	30/06/2023	31/12/2022
1. Owned assets	2,334	2,356		
a) land	74	77		
b) buildings	2,260	2,279		
2. Rights of use acquired through leasing	3	3		
a) land				
b) buildings	3	3		
Total	**2,337**	**2,359**		

4.2 Investments in associates and interests in joint ventures

At 30 June 2023, they amounted to €164m (€162m in 2022).

Equity investments: information on shareholding relationships

Name	Country of operations (1)	Country of registered office	Business activity (2)	Type of relationship (3)	% Direct holding	% Total participating interest (4)	% Votes available at ordinary General Meetings (5)
Associates							
Assicoop Toscana SpA		086 - Italy	11	b	49.77%	49.77%	
Pegaso Finanziaria SpA		086 - Italy	9	b	45.00%	45.00%	
Uci - Ufficio Centrale Italiano		086 - Italy	11	b	38.65%	38.64%	
SCS Azioninnova SpA		086 - Italy	11	b	42.85%	42.85%	
Garibaldi Sca		092 - Luxembourg	11	b	32.00%	32.00%	
Isola Sca		092 - Luxembourg	11	b	29.56%	29.56%	
Fin.Priv. Srl		086 - Italy	11	b	28.57%	28.57%	
UnipolSai Investimenti Sgr SpA		086 - Italy	8	b	49.00%	49.00%	
Funivie del Piccolo San Bernardo SpA		086 - Italy	11	b	23.55%	23.55%	
Ddor Garant		289 - Serbia	11	b	40.00%	40.00%	
Borsetto Srl		086 - Italy	10	b	44.93%	44.93%	
UnipolReC SpA		086 - Italy	11	b	14.76%	14.76%	
Assicoop Bologna Metropolitana SpA		086 - Italy	11	b	49.19%	49.19%	
Assicoop Modena & Ferrara SpA		086 - Italy	11	b	43.75%	43.75%	
Assicoop Romagna Futura SpA		086 - Italy	11	b	50.00%	50.00%	
Assicoop Emilia Nord Srl		086 - Italy	11	b	50.00%	50.00%	

(1) This disclosure is required only if the country of operations is different from the country of the registered office.
(2) 1=Italian insurers; 2=EU insurers; 3=non-EU insurers; 4=insurance holding companies; 4.1=mixed financial holding companies; 5=EU reinsurers; 6=non-EU reinsurers; 7=banks; 8=asset management companies; 9=other holding companies; 10=real estate companies; 11=other.
(3) b = associates; c = joint ventures.
(4) The product of investment relations concerning all companies positioned in an investment chain.
(5) Availability of votes at ordinary shareholders' meetings, distinguishing between actual votes and potential votes. The availability of votes is indicated only if different from the direct shareholding.

4.3 Financial assets at amortised cost

At 30 June 2023, they amounted to €2,206m (€2,076m in 2022).

Financial assets at amortised cost: product breakdown and credit risk stages

Amounts in €m

		30/06/2023			31/12/2022		
		First stage	Second stage	Third stage	First stage	Second stage	Third stage
Government bonds		187			192		
Other debt securities		1,101			1,070		
Loans and Receivables		918			814		
a)	to banks	62			52		
b)	to customers	856			762		
	- Mortgage loans						
	- Policy loans	11			12		
	- Other loans and receivables	845			750		
Total		2,206			2,076		

4.4 Financial assets at fair value through other comprehensive income

At 30 June 2023, they amounted to €39,692m (€37,126m in 2022): the breakdown is shown below.

Financial assets at fair value through other comprehensive income: product breakdown and percentage composition

Amounts in €m

	30/06/2023		31/12/2022	
	Book value	*% Comp.*	Book value	*% Comp.*
Equity instruments	2,219	*5.6*	2,186	*5.9*
a) listed	1,914	*4.8*	1,887	*5.1*
b) unlisted	305	*0.8*	299	*0.8*
Debt securities	37,473	*94.4*	34,940	*94.1*
Government bonds	26,038	*65.6*	24,302	*65.5*
a) listed	24,839	*62.6*	23,263	*62.7*
b) unlisted	1,199	*3.0*	1,039	*2.8*
Other debt securities	11,435	*28.8*	10,638	*28.7*
a) listed	10,026	*25.3*	9,262	*24.9*
b) unlisted	1,409	*3.5*	1,376	*3.7*
Other financial instruments				
Total	39,692	*100.0*	37,126	*100.0*

4.5 Financial assets at fair value through profit or loss

At 30 June 2023, they amounted to €15,526m (€15,899m in 2022): the breakdown is shown below.

Financial assets at fair value through profit or loss: product breakdown and percentage composition

Amounts in €m

Items/Values	Held-for-trading financial assets				Financial assets at fair value through profit or loss				Other financial assets mandatorily at fair value			
	30/06/2023		31/12/2022		30/06/2023		31/12/2022		30/06/2023		31/12/2022	
	Book value	*% Comp.*	Book value	*% Comp.*	Book value	*% Comp.*	Book value	*% Comp.*	Book value	*% Comp.*	Book value	*% Comp.*
Equity instruments					157	*1.6*	132	*1.5*	1	*0.0*	3	*0.0*
a) listed					157	*1.6*	132	*1.5*	1	*0.0*	3	*0.0*
b) unlisted												
Treasury shares												
Own financial liabilities												
Other debt securities					4,665	*47.5*	4,061	*46.2*	1,506	*26.7*	2,753	*40.3*
a) listed					4,665	*47.5*	4,061	*46.2*	1,273	*22.6*	2,501	*36.6*
b) unlisted									233	*4.1*	252	*3.7*
UCITS units					4,731	*48.2*	4,316	*49.1*	4,134	*73.3*	4,076	*59.7*
Non-hedging derivatives	47	*69.1*	99	*35.2*								
Hedging derivatives	21	*30.9*	182	*64.8*								
Other financial instruments					264	*2.7*	277	*3.2*				
Total	68	*100.0*	281	*100.0*	9,817	*100.0*	8,786	*100.0*	5,641	*100.0*	6,832	*100.0*

5. Other financial assets

Amounts €m

	30/06/2023	31/12/2022	*% var.*
Receivables relating to direct insurance business	415	605	*(31.4)*
Other receivables	1,603	1,865	*(14.0)*
Total Other financial assets	2,018	2,470	*(18.3)*

The item Other receivables included:

- tax receivables amounting to €803m (€1,116m at 31/12/2022);
- trade receivables amounting to €293m (€255m at 31/12/2022);
- payments made as cash collateral against derivative payables totalling €174m (€226m at 31/12/2022).

6. Other assets

Amounts in €m

	30/06/2023	31/12/2022	% var.
Non-current assets or assets of a disposal group held for sale	526	514	*2.3*
Deferred tax assets	398	856	*(53.5)*
Current tax assets	23	36	*(36.1)*
Other assets	1,900	1,482	*28.2*
Total other assets	2,847	2,888	*(1.4)*

6.1 Non-current assets or assets of a disposal group held for sale

Non-current assets or assets of a disposal group held for sale include the assets primarily represented by investment properties. For more information reference is made to paragraph 3.3 of these Notes to the financial statements.

6.2 Current tax assets and deferred tax assets

The item Deferred tax assets is shown net of the offsetting carried out, pursuant to IAS 12, with the corresponding taxes (IRES or IRAP) recorded in Deferred tax liabilities, as described in chapter 2 “Main accounting standards” in the Consolidated Financial Statements at 31 December 2022.

6.3 Other assets

The item Other assets includes €1,428m in “Ecobonus” and “Sismabonus” tax credits, purchased from direct beneficiaries or their assignees, which can be recovered by offsetting them against future payments.

7. Cash and cash equivalents

At 30 June 2023, Cash and cash equivalents amounted to €942m (€826m at 31/12/2022).

LIABILITIES

1. Shareholders' equity

Shareholders' equity, excluding non-controlling interests, is composed as follows:

Amounts in €m

	30/06/2023	31/12/2022	*variation in amount*
Share capital	2,031	2,031	
Other equity instruments	496	496	
Capital reserves	347	347	
Income-related and other equity reserves	3,224	3,260	*(36)*
(Treasury shares)	(1)	(3)	*2*
Reserve for foreign currency translation differences	4	4	
Gains/losses on financial assets at fair value through OCI	(1,700)	(2,470)	*770*
Financial revenues or costs relating to insurance/reinsurance contracts	1,895	2,428	*(533)*
Other gains or losses recognised directly in equity	(50)	(53)	*3*
Profit (loss) for the year	406	418	*(12)*
Total shareholders' equity attributable to the owners of the Parent	**6,652**	**6,458**	***194***

The main changes in the Group's shareholders' equity were as follows:
- a decrease due to dividend distribution to shareholders for €453m;
- a decrease, amounting to €12m net of related tax effects, due to the payment of the coupon to the holders of the restricted tier 1 capital instrument classified under Other equity instruments;
- an increase of €253m due to the positive change in the reserves directly attributable to shareholders' equity;
- an increase of €401m for Group profit of the period.

1.1 Share capital

"Share capital" and "Treasury shares": breakdown

At 30 June 2023, UnipolSai's share capital was €2,031m, fully paid-up, and consisted of 2,829,717,372 ordinary shares, unchanged compared to 31 December 2022.

At 30 June 2023, the treasury shares held directly or indirectly by UnipolSai totalled 237,879 (1,162,312 at 31/12/2022), of which 97,782 shares were held directly and 140,097 shares held by the following subsidiaries:
- Arca Vita held 6,537;
- Leithà held 14,843;
- Siat held 51,687;
- UnipolAssistance held 3,455;
- Unipol*Rental* held 23,498;
- UniSalute held 40,077.

During the first half of the year, 924,433 UnipolSai shares were allocated to UnipolSai Group Executives in implementation of the Share-based compensation plans.

At 30 June 2023, UnipolSai held, directly or through its subsidiaries, a total of 141,014 shares issued by the holding company Unipol Gruppo SpA (651,889 at 31/12/2022).

1.7 Shareholders' equity attributable to non-controlling interests

Shareholders' equity attributable to non-controlling interests was €271m (€275m at 31/12/2022).
The main changes over the period related to:
- a decrease due to dividend distribution for €31m;
- an increase of €25m due to profit attributable to non-controlling interests.

2. Provisions for risks and charges

The item "Provisions for risks and charges" totalled €574m at 30 June 2023 (€596m at 31/12/2022) and mainly consisted of provisions for litigation, various disputes, charges relating to the sales network, provisions for salary policies and personnel leaving-incentive schemes.

Ongoing disputes and contingent liabilities

This section reports updated information on proceedings, whose developments in the first half of 2023 are worth reporting herein. For exhaustive information on the ongoing causes and contingent liabilities, reference is made to information given in the 2022 Integrated Consolidated Financial Statements.

Relations with the Tax Authorities

Unipol*Rental*
The dispute relating to the notices of assessment for stamp duty for the years 2017-2019 issued by the Emilia Romagna Region, was settled through judicial conciliation, with payment of a fractional amount with respect to the amount originally assessed without the application of penalties and with a request for legal interest.

Casa di cura Villa Donatello (beneficiary of the demerger of Villa Ragionieri)
In April, the dispute with the Florence Provincial Department of the Italian Revenue Agency was settled concerning the restatement of the tax value of the area underlying the healthcare complex in Florence. The tax value attributed to the land was increased on the basis of a method agreed upon with the office.

Antitrust Authority proceedings

On 26 November 2020, the Antitrust Authority notified UnipolSai Assicurazioni of the initiation of preliminary proceedings concerning MV TPL claims settlement, characterised by an alleged hindrance of the right of consumers to access the relevant deeds and the failure to specify the criteria for the quantification of damages in the phase of formulating the compensation offer. On 16 April 2021, the Antitrust Authority then notified the objective extension of these proceedings, claiming failure to comply with the terms of Art. 148 of the Private Insurance Code for the settlement/challenge of MV TPL claims.
UnipolSai deems these charges to be completely unfounded and, to protect its rights, has appointed its lawyers to represent it in the proceedings, which closed with a decision received by UnipolSai on 8 August 2022, whereby the Antitrust Authority imposed a penalty of €5m. Since UnipolSai does not deem the conclusions of the Authority to be acceptable in any way, it appealed against this decision before the Regional Administrative Court (TAR). On 19 April 2023, the hearing was held, following which the case was withheld for decision.

Other ongoing proceedings

UnipolSai Assicurazioni SpA has for some time been a party in legal proceedings referring to events occurring during the previous management of Fondiaria-SAI and Milano Assicurazioni. As described in greater detail in the financial statements of previous years, the criminal proceedings were all settled with acquittal or dismissal. Two civil proceedings also ended with final judgments for the acquittal of UnipolSai with respect to all compensation claims.

At 30 June 2023, five civil proceedings were still pending, lodged by several investors which, in brief, claimed that they had purchased and subscribed Fondiaria-SAI shares as they were prompted by the information in the prospectuses published by Fondiaria-SAI on 24 June 2011 and 12 July 2012 in relation to the increases in share capital under option resolved by the company on 14 May 2011, 22 June 2011 and 19 March 2012 respectively, and in the financial statements

of Fondiaria-SAI relating to the years 2007-2012. UnipolSai (former Fondiaria-SAI) appeared at all Civil Proceedings and disputed the plaintiffs' claims.
Specifically, on 18 May 2017 the Court of Milan partially upheld the compensation claims of one shareholder. The Company appealed against the sentence before the Milan Court of Appeal, which only partially accepted the appeal. The Company therefore appealed against the sentence before the Court of Cassation, which has not yet scheduled the hearing for the discussion of the case.
The Court of Rome, with a sentence published on 12 May 2020, vice versa fully rejected the compensation claims submitted by another investor with respect to the share capital increases noted above. The sentence was challenged before the Court of Appeal of Rome which, with a judgment dated 2 May 2022, rejected the investor's appeal in full, confirming the first instance judgment. The shareholder first served the Company with a summons for revocation of the judgment of the Rome Court of Appeal (hearing scheduled for 25 April 2024 for admission of the facts) and subsequently challenged the judgment before the Court of Cassation, for which a discussion hearing is still pending.

In another case pending on the same issues, the Court of Milan accepted the compensation claims of another investor, with a judgment dated 20 March 2019. The judgment, following an appeal by the Company, was fully reversed by the Court of Appeal of Milan with a judgment dated 22 October 2020. The opposing party has appealed to the Court of Cassation, which has not yet scheduled a hearing.
On 15 February 2021, the Court of Milan partially upheld the compensation claims of other shareholders. After being appealed by the Company, the judgment was overruled in full by the Milan Court of Appeal with a judgment dated 14 April 2023.
The appeal judgement has been challenged by the opposing parties before the Court of Cassation, which has not yet scheduled a hearing.

Two other judgments, which relate to the same issues, are still pending before the Court of Milan, which has set a hearing for closing arguments for 21 May 2024.

3 Insurance liabilities

This section provides information on the insurance contracts issued that are liabilities and assets (liability item 3.1 and asset item 3.1). More specifically, the half-yearly disclosure is limited to changes in the values of insurance contracts recognised using the general measurement model (GMM) or according to the VFA method, and investment contracts with discretionary participation features recognised with the VFA accounting method.

Changes in the book value of insurance contracts issued, broken down by features underlying measurement

Amounts in €m

LIFE SEGMENT - Insurance contracts issued with direct participation features and Investment contracts issued with discretionary participation features

Items/Features underlying measurement	Present value of cash flows 30/06/2023	Adjustment for non-financial risks 30/06/2023	Margin on contractual services 30/06/2023	Total 30/06/2023	Present value of cash flows 30/06/2022	Adjustment for non-financial risks 30/06/2022	Margin on contractual services 30/06/2022	Total 30/06/2022
A. Initial book value								
1. Insurance contracts issued that are liabilities	32,254	146	1,988	34,388	39,610	130	1,889	41,629
2. Insurance contracts issued that are assets								
3. Net book value as at 1 January	32,254	146	1,988	34,388	39,610	130	1,889	41,629
B. Changes in current services	15	(6)	(93)	(84)	(1)	(6)	(94)	(101)
1. Margin on contractual services recorded in the income statement			(93)	(93)			(94)	(94)
2. Change for non-financial risks past due		(6)		(6)		(6)		(6)
3. Changes related to experience	15			15	(1)			(1)
4. Total								
C. Changes relating to future services	1,128	4	(1,133)	(1)	(5,700)	11	5,686	(3)
1. Changes in the margin on contractual services	1,222		(1,223)	(1)	(5,670)	6	5,657	(7)
2. Losses on groups of onerous contracts and related recoveries	1			1	(2)			(2)
3. Effects of the contracts initially recognised in the reference year	(95)	4	90	(1)	(28)	5	29	6
4. Total								
D. Changes relating to past services	1			1				
1. Adjustments to liabilities for claims incurred	1			1				
2. Changes related to experience								
3. Total								
E. Result of insurance services (B + C + D)	1,144	(2)	(1,226)	(84)	(5,701)	5	5,592	(104)
F. Financial costs/revenues			1,357	1,357	1		(5,401)	(5,400)
1. Relating to insurance contracts issued			1,357	1,357			(5,401)	(5,401)
1.1 Recorded in the Income Statement			560	560			363	363
1.2 Recorded in the Comprehensive Income Statement			797	797			(5,764)	(5,764)
2. Effects associated with changes in exchange rates					1			1
3. Total								
G. Total amount of changes recorded in the Income Statement and in the Comprehensive Income Statement	1,144	(2)	131	1,273	(5,700)	5	191	(5,504)
(E + F)								
H. Other changes	15	3	(36)	(18)	4		2	6
I. Cash movements	(67)			(67)	209			209
1. Premiums received	1,925			1,925	1,578			1,578
2. Payments associated with contract acquisition costs	(31)			(31)	(25)			(25)
3. Claims paid and other cash outflows	(1,961)			(1,961)	(1,344)			(1,344)
4. Total								
L. Net book value as at the reporting date (A.3 + G + H + I)	33,346	147	2,083	35,576	34,123	135	2,082	36,340
M. Final book value								
1. Insurance contracts issued that are liabilities	33,346	147	2,083	35,576	34,123	135	2,082	36,340
2. Insurance contracts issued that are assets								
3. Net book value as at the reporting date	**33,346**	**147**	**2,083**	**35,576**	**34,123**	**135**	**2,082**	**36,340**

Amounts in €m

LIFE SEGMENT - Insurance contracts issued with direct participation features

Features underlying the measurement of the book value of insurance contracts issued

Items/Features underlying measurement	Present value of cash flows 30/06/2023	Adjustment for non-financial risks 30/06/2023	Margin on contractual services 30/06/2023	Total 30/06/2023	Present value of cash flows 30/06/2022	Adjustment for non-financial risks 30/06/2022	Margin on contractual services 30/06/2022	Total 30/06/2022
A. Initial book value								
1. Insurance contracts issued that are liabilities	21	2	117	140	22	4	96	122
2. Insurance contracts issued that are assets	(189)	2	160	(27)	(210)	4	148	(58)
3. Net book value as at 1 January	(168)	4	277	113	(188)	8	244	64
B. Changes in current services	4		(26)	(22)	4	(1)	(24)	(21)
1. Margin on contractual services recorded in the income statement			(26)	(26)			(24)	(24)
2. Change for non-financial risks past due						(1)		(1)
3. Changes related to experience	4			4	4			4
4. Total								
C. Changes relating to future services	(46)	1	45		(40)	(3)	42	(1)
1. Changes in the margin on contractual services	(9)	1	8			(3)	3	
2. Losses on groups of onerous contracts and related recoveries								
3. Effects of the contracts initially recognised in the reference year	(37)		37		(40)		39	(1)
4. Total								
D. Changes relating to past services	(5)			(5)	(4)			(4)
1. Adjustments to liabilities for claims incurred	(5)			(5)	(4)			(4)
2. Changes related to experience								
3. Total								
E. Result of insurance services (B + C + D)	(47)	1	19	(27)	(40)	(4)	18	(26)
F. Financial costs/revenues	(3)			(3)	17		(1)	16
1. Relating to insurance contracts issued	(3)			(3)	17		(1)	16
1.1 Recorded in the Income Statement					1		(1)	
1.2 Recorded in the Comprehensive Income Statement	(3)			(3)	16			16
2. Effects associated with changes in exchange rates								
3. Total								
G. Total amount of changes recorded in the Income Statement and in the Comprehensive Income Statement	(50)	1	19	(30)	(23)	(4)	17	(10)
(E + F)								
H. Other changes			(1)	(1)	(1)	1		
I. Cash movements	51			51	50			50
1. Premiums received	111			111	107			107
2. Payments associated with contract acquisition costs	(26)			(26)	(27)			(27)
3. Claims paid and other cash outflows	(34)			(34)	(30)			(30)
4. Total								
L. Net book value as at the reporting date (A.3 + G + H + I)	(167)	5	295	133	(162)	5	261	104
M. Final book value								
1. Insurance contracts issued that are liabilities	75	3	131	209	26	3	112	141
2. Insurance contracts issued that are assets	(242)	2	164	(76)	(188)	2	149	(37)
3. Net book value as at the reporting date	**(167)**	**5**	**295**	**133**	**(162)**	**5**	**261**	**104**

Amounts in €m

NON-LIFE MOTOR SEGMENT - Insurance contracts issued without direct participation features

Items/Features underlying measurement	Features underlying the measurement of the book value of insurance contracts issued							
	Present value of cash flows	Adjustment for non-financial risks	Margin on contractual services	Total 30/06/2023	Present value of cash flows	Adjustment for non-financial risks	Margin on contractual services	Total 30/06/2022
	30/06/2023	30/06/2023	30/06/2023		30/06/2022	30/06/2022	30/06/2022	
A. Initial book value								
1. Insurance contracts issued that are liabilities	3,012	338	144	3,494	5,233	524	275	6,032
2. Insurance contracts issued that are assets								
3. Net book value as at 1 January	3,012	338	144	3,494	5,233	524	275	6,032
B. Changes in current services	24	(2)	(60)	(38)	31	(54)	(35)	(58)
1. Margin on contractual services recorded in the income statement			(60)	(60)			(35)	(35)
2. Change for non-financial risks past due		(2)		(2)		(54)		(54)
3. Changes related to experience	24			24	31			31
4. Total								
C. Changes relating to future services	(11)	2	11	2	53	1	(53)	1
1. Changes in the margin on contractual services	(11)	1	10		53		(53)	
2. Losses on groups of onerous contracts and related recoveries	1			1	1			1
3. Effects of the contracts initially recognised in the reference year	(1)	1	1	1	(1)	1		
4. Total								
D. Changes relating to past services	(32)	(61)		(93)	(83)	(29)		(112)
1. Adjustments to liabilities for claims incurred	(32)	(61)		(93)	(83)	(29)		(112)
2. Changes related to experience								
3. Total								
E. Result of insurance services (B + C + D)	(19)	(61)	(49)	(129)	1	(82)	(88)	(169)
F. Financial costs/revenues	20	5		25	(206)	(18)	(1)	(225)
1. Relating to insurance contracts issued	20	5		25	(206)	(18)	(1)	(225)
1.1 Recorded in the Income Statement	(1)			(1)	(11)	(1)	(1)	(13)
1.2 Recorded in the Comprehensive Income Statement	21	5		26	(195)	(17)		(212)
2. Effects associated with changes in exchange rates								
3. Total								
G. Total amount of changes recorded in the Income Statement and in the Comprehensive Income Statement	1	(56)	(49)	(104)	(205)	(100)	(89)	(394)
(E + F)								
H. Other changes	1	(3)	1	(1)		(3)	3	
I. Cash movements	(488)			(488)	(950)			(950)
1. Premiums received	108			108	387			387
2. Payments associated with contract acquisition costs	(15)			(15)	(52)			(52)
3. Claims paid and other cash outflows	(581)			(581)	(1,285)			(1,285)
4. Total								
L. Net book value as at the reporting date (A.3 + G + H + I)	2,526	279	96	2,901	4,078	421	189	4,688
M. Final book value								
1. Insurance contracts issued that are liabilities	2,526	279	96	2,901	4,078	421	189	4,688
2. Insurance contracts issued that are assets								
3. Net book value as at the reporting date	**2,526**	**279**	**96**	**2,901**	**4,078**	**421**	**189**	**4,688**

Amounts in €m

NON-LIFE NON-MV SEGMENT - Insurance contracts issued without direct participation features

Items/Features underlying measurement	Present value of cash flows 30/06/2023	Adjustment for non-financial risks 30/06/2023	Margin on contractual services 30/06/2023	Total 30/06/2023	Present value of cash flows 30/06/2022	Adjustment for non-financial risks 30/06/2022	Margin on contractual services 30/06/2022	Total 30/06/2022
	Features underlying the measurement of the book value of insurance contracts issued							
A. Initial book value								
1. Insurance contracts issued that are liabilities	3,353	259	675	4,287	4,340	400	857	5,597
2. Insurance contracts issued that are assets	(4)		2	(2)				
3. Net book value as at 1 January	3,349	259	677	4,285	4,340	400	857	5,597
B. Changes in current services	83	(17)	(189)	(123)	(32)	(59)	(154)	(245)
1. Margin on contractual services recorded in the income statement			(189)	(189)			(154)	(154)
2. Change for non-financial risks past due		(17)		(17)		(59)		(59)
3. Changes related to experience	83			83	(32)			(32)
4. Total								
C. Changes relating to future services	(114)	15	111	12	(100)	19	97	16
1. Changes in the margin on contractual services	(61)	2	59		(53)	5	49	1
2. Losses on groups of onerous contracts and related recoveries	11			11	14			14
3. Effects of the contracts initially recognised in the reference year	(64)	13	52	1	(61)	14	48	1
4. Total								
D. Changes relating to past services	(23)	(21)		(44)	1	(7)		(6)
1. Adjustments to liabilities for claims incurred	(23)	(21)		(44)	1	(7)		(6)
2. Changes related to experience								
3. Total								
E. Result of insurance services (B + C + D)	(54)	(23)	(78)	(155)	(131)	(47)	(57)	(235)
F. Financial costs/revenues	36	4		40	(288)	(21)	(2)	(311)
1. Relating to insurance contracts issued	36	4		40	(288)	(21)	(2)	(311)
1.1 Recorded in the Income Statement	2			2	(10)	(1)	(2)	(13)
1.2 Recorded in the Comprehensive Income Statement	34	4		38	(278)	(20)		(298)
2. Effects associated with changes in exchange rates								
3. Total								
G. Total amount of changes recorded in the Income Statement and in the Comprehensive Income Statement	(18)	(19)	(78)	(115)	(419)	(68)	(59)	(546)
(E + F)								
H. Other changes		1	2	3	(2)	(1)		(3)
I. Cash movements	(170)			(170)	(144)			(144)
1. Premiums received	663			663	931			931
2. Payments associated with contract acquisition costs	(153)			(153)	(199)			(199)
3. Claims paid and other cash outflows	(680)			(680)	(876)			(876)
4. Total								
L. Net book value as at the reporting date (A.3 + G + H + I)	3,161	241	601	4,003	3,775	331	798	4,904
M. Final book value								
1. Insurance contracts issued that are liabilities	3,163	241	601	4,005	3,778	330	798	4,906
2. Insurance contracts issued that are assets	(2)			(2)	(3)	1		(2)
3. Net book value as at the reporting date	**3,161**	**241**	**601**	**4,003**	**3,775**	**331**	**798**	**4,904**

4. Financial liabilities

Financial liabilities, at 30 June 2023, were €12,286m (€10,894m at 31/12/2022).

4.1 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss: product breakdown and percentage composition

Amounts in €m

Items/Values	Financial liabilities held-for trading				Financial liabilities at fair value				Total			
	30/06/2023		31/12/2022		30/06/2023		31/12/2022		30/06/2023		31/12/2022	
	Book value	*% Comp*	Book value	*% Comp*	Book value	*% Comp*	Book value	*% Comp*	Book value	*% Comp*	Book value	*% Comp*
Liabilities from financial contracts issued in accordance with IFRS 9:					9,569	*100.0*	8,568	*100.0*	9,569	*98.2*	8,568	*98.2*
a) From contracts with services linked to indexes and UCITS units					9,518	*99.5*	4,184	*48.8*	9,518	*97.7*	4,184	*48.0*
b) Pension fund					51	*0.5*	4,384	*51.2*	51	*0.5*	4,384	*50.3*
c) Other financial contracts issued												
Non-hedging derivatives	6	*3.5*	3	*1.9*					6	*0.1*	3	*0.0*
Hedging derivatives	165	*96.5*	152	*98.1*					165	*1.7*	152	*1.7*
Other financial liabilities												
Total	171	*100.0*	155	*100.0*	9,569	*100.0*	8,568	*100.0*	9,740	*100.0*	8,723	*100.0*

4.2.Financial liabilities at amortised cost

Financial liabilities at amortised cost: product breakdown, percentage composition and fair value hierarchy

Amounts in €m

Items/Values	30/06/2023						31/12/2022					
	Book value	% Comp	L1	L2	L3	Total Fair Value	Book value	% Comp	L1	L2	L3	Total Fair Value
Equity instruments												
Subordinated liabilities	1,337	52.5	1,230		82	1,312	1,367	63.0	1,260		81	1,341
Debt securities issued	5	0.2			5	5						
Other loans obtained	1,204	47.3			1,205	1,205	804	37.0			804	804
a) from banks	263	10.3					196	9.0				
b) from customers	941	37.0					608	28.0				
Total	2,546	100.0	1,230		1,292	2,522	2,171	100.0	1,260		885	2,145

Details of **Subordinated liabilities** are shown in the table below:

Amounts in €m

Issuer	**Nominal amount outstanding**	**Subord. level**	**Year of maturity**	**call**	**Rate**	**L/NL**
UnipolSai	€80.0m (*)	tier I	2023	every 6 months	6M Euribor + 180 b.p. (**)	NQ
UnipolSai	€750.0m	tier I	in perpetuity	every 3 months from 18/06/2024	fixed rate 5,75% (***)	Q
UnipolSai	€500.0m	tier II	2028		fixed rate 3,875%	Q

(*) the last tranche of €80m was repaid on 24 July 2023, as indicated in the contractually envisaged repayment plan
(**) since September 2014, in application of the contractual clauses ("Additional Costs Clauses"), UnipolSai and Mediobanca signed an agreement to amend the Loan Agreement covering the medium-term subordinated loan maturing in 2023. This agreement provides for the amendment of several economic terms, including payment by way of compromise, of an annual indemnity (additional spread) equal to 71.5 basis points, which increases the previous spread (thereby raising the total spread from 1.80 to 2.515 basis points) provided for in the Loan Agreement.
(***) from June 2024 floating rate of 3M Euribor + 518 b.p.

The subordinated liabilities issued by UnipolSai Assicurazioni SpA amounted to €1,337m and relate for €1,250m to hybrid bonds and for €80m to subordinated bonds.

Debt securities issued amounted to €5m and relate to securities issued by the subsidiary Società e Salute SpA.

Other loans, amounting to €1,204m (€804m at 31/12/2022), mainly referred to:
- loans taken out, for the purchase of real estate and improvements, by the Athens R.E. Closed Real Estate Fund for €143m and the Tikal Closed Real Estate Fund for €99m;
- loans taken out by Unipol*Rental* from banks and other lenders for a total of €495m.

The item also includes the financial liabilities deriving from the present value of future lease payments due for lease agreements accounted for on the basis of IFRS 16 for a total of €124m.

5. Payables

Amounts in €m

	30/06/2023	31/12/2022	% var.
Payables arising from direct insurance business	110	195	*(43.6)*
Policyholders' tax due	128	168	*(23.8)*
Sundry tax payables	44	42	*4.8*
Trade payables	566	463	*22.2*
Post-employment benefits	45	46	*(2.2)*
Social security charges payable	49	44	*11.4*
Sundry payables	227	395	*(42.5)*
Total payables	**1,169**	**1,353**	***(13.6)***

6. Other liabilities

Amounts in €m

	30/06/2023	31/12/2022	% var.
Current tax liabilities	8	12	*(33.3)*
Deferred tax liabilities	83	376	*(77.9)*
Liabilities associated with disposal groups held for sale	384	360	*6.7*
Accrued expense and deferred income	63	63	
Other liabilities	922	983	*(6.2)*
Total other liabilities	**1,460**	**1,794**	***(18.6)***

The item Deferred tax liabilities is shown net of the offsetting carried out, pursuant to IAS 12, with the corresponding taxes (IRES or IRAP) recorded in Deferred tax assets.

Notes to the Income Statement

Comments and further information on the items in the income statement and the variations that took place compared with the previous year are given below (the numbering of the notes relates to the mandatory layout for the preparation of the income statement).

1. Insurance revenue from insurance contracts issued

2. Insurance service expenses from insurance contracts issued

3. Insurance revenue from reinsurance contracts held

4. Insurance service expenses from reinsurance contracts held

Insurance revenue and costs from insurance contracts issued – Breakdown

Amounts in €m

Items/Business combination basis	Basis A1	Basis A2	Basis A3	Basis A4	Total	Basis A1	Basis A2	Basis A3	Basis A4	Total
	30/06/2023	30/06/2023	30/06/2023	30/06/2023	30/06/2023	30/06/2022	30/06/2022	30/06/2022	30/06/2022	30/06/2022
A. Insurance revenues from insurance contracts issued, valued on the basis of GMM and VFA										
A.1 Amounts associated with changes in liabilities for residual coverage	185	64	98	475	822	179	60	1,161	1,046	2,446
1. Claims incurred and other costs for expected insurance services	86	38	36	269	429	79	35	1,072	833	2,019
2. Changes in the adjustment for non-financial risks	6		2	17	25	6	1	54	59	120
3. Margin on contractual services recorded in the income statement for services provided	93	26	60	189	368	94	24	35	154	307
4. Other amounts										
A.2 Acquisition costs of recovered insurance contracts	4	5	5	72	86	1	2	35	105	143
A.3 Total insurance revenues from insurance contracts issued, valued on the basis of GMM and VFA	189	69	103	547	908	180	62	1,196	1,151	2,589
A.4 Total insurance revenues from insurance contracts issued valued on the basis of PAA					3,745					1,445
Life segment										
Non-life segment - Motor					1,963					668
Non-life segment - Non-MV					1,782					777
A.5 Total insurance revenues from insurance contracts issued	189	69	103	547	4,653	180	62	1,196	1,151	4,034
B. Costs for insurance services from insurance contracts issued under GMM and VFA										
1. Claims incurred and other directly attributable costs	(102)	(33)	(581)	(680)	(1,396)	(84)	(30)	(1,285)	(876)	(2,275)
2. Changes in liability for claims incurred		(4)	614	372	982	6	(5)	294	81	376
3. Losses on onerous contracts and recovery of these losses	(1)		(1)	(11)	(13)	1		(1)	(14)	(14)
4. Amortisation of insurance contract acquisition costs	(4)	(5)	(5)	(72)	(86)	(1)	(2)	(35)	(105)	(143)
5. Other amounts										
B.6 Total costs for insurance services from insurance contracts issued under GMM and VFA	(107)	(42)	27	(391)	(513)	(78)	(37)	(1,027)	(914)	(2,056)
B.7 Total insurance costs from insurance contracts issued, valued on the basis of PAA					(3,805)					(1,413)
- Life segment										(2)
- Non-life segment - Motor					(2,103)					(717)
- Non-life segment - Non-MV					(1,702)					(694)
C. Total net costs/revenues from insurance contracts issued	82	27	130	156	335	102	25	169	237	565

Business combination basis 1 = Insurance contracts issued with direct participation features and Investment contracts issued with discretionary participation features - Life segment
Business combination basis 2 = Insurance contracts issued without direct participation features - Life segment
Business combination basis 3 = Insurance contracts issued without direct participation features - Non-Life MV segment
Business combination basis 4 = Insurance contracts issued without direct participation features - Non-Life Non-MV segment

Insurance costs and revenue from reinsurance contracts held – Breakdown

Amounts in €m

Items/Business combination basis	Basis A1	Basis A2	Total	Basis A1	Basis A2	Total
	30/06/2023	30/06/2023	30/06/2023	30/06/2022	30/06/2022	30/06/2022
A. Allocation of premiums paid relating to reinsurance transfers valued on the basis of GMM		(25)	(25)		(34)	(34)
A.1 Amounts associated with changes in assets by residual coverage		(25)	(25)		(34)	(34)
1. Amount of claims and other expected recoverable costs		(12)	(12)		(19)	(19)
2. Changes in the adjustment for non-financial risks		(1)	(1)		(1)	(1)
3. Margin on contractual services recorded in the income statement for services received		(12)	(12)		(14)	(14)
4. Other amounts						
A.2 Other directly attributable costs specific to reinsurance transfers						
A.3 Allocation of premiums paid relating to reinsurance transfers valued on the basis of PAA	(10)	(135)	(145)	(9)	(131)	(140)
B. Total reinsurance transfers costs (A.1 + A.2 + A.3)	(10)	(160)	(170)	(9)	(165)	(174)
C. Effects of changes in the risk of default by reinsurers		(1)	(1)			
D. Amount of claims and other expenses recovered	6	76	82	6	67	73
E. Changes in assets due to claims incurred		(14)	(14)		3	3
F. Other recoveries					12	12
G. Total net costs/revenues from reinsurance (B + C + D + E + F)	(4)	(99)	(103)	(3)	(83)	(86)

Basis A.1 = Life segment
Basis A.2 = Non-Life segment

Breakdown of costs for insurance and other services

Amounts in €m

Costs/Business combination basis	30/06/2023							30/06/2022						
	Basis A1 – with DFP	Basis A2 – without DFP	Basis A1 + Basis A2	Basis A3	Basis A4	Basis A3 + Basis A4	Other	Basis A1 – with DFP	Basis A2 – without DFP	Basis A1 + Basis A2	Basis A3	Basis A4	Basis A3 + Basis A4	Other
Costs attributed to the acquisition of insurance contracts	(4)	(5)	(9)	(345)	(562)	(907)		(1)	(2)	(3)	(146)	(285)	(431)	
Other directly attributable costs	(103)	(37)	(140)	(1,730)	(1,533)	(3,263)		(76)	(36)	(112)	(1,598)	(1,321)	(2,919)	
Investment management expenses			(3)			(24)	(10)			(7)			(25)	(12)
Other costs			(41)			(290)	(130)			(90)			(315)	(73)
Total			(193)			(4,484)	(140)			(212)			(3,690)	(85)

Basis A1 – with DPF = Insurance contracts issued with direct participation features and Investment contracts issued with discretionary participation features – Life segment
Basis A2 – without DPF = Insurance contracts issued without direct participation features – Life segment
Basis A1 + Basis A2 = Life segment
Basis A3 = Insurance contracts issued without direct participation features – Non-Life segment – MV
Basis A4 = Insurance contracts issued without direct participation features – Non-Life segment – Non-MV
Basis A3 + Basis A4 = Non-Life segment

6. Gains/losses on financial assets and liabilities at fair value through profit or loss

Amounts in €m

	30/06/2023	30/06/2022	% var.
Net gains/losses::			
on other financial assets mandatorily at fair value	197	(457)	*n.s.*
on financial assets/liabilities at fair value through profit or loss	67	24	*179.2*
Total net gains/losses	264	(433)	*n.s.*

7. Gains/losses on investments in associates and interests in joint ventures

At 30 June 2023, these totalled €5m (€4m at 30/6/2022).

8. Gains/losses on other financial assets and liabilities and investment property

Gains on other financial assets and liabilities and investment property

Amounts in €m

	30/06/2023	30/06/2022	% var.
Interests			
on financial assets at amotised cost	61	30	*103.3*
on financial assets at fair value through OCI	634	650	*(2.5)*
Other income			
from investment property	57	51	*11.8*
from financial assets at fair value through OCI	77	58	*32.8*
Realised gains			
on investment property	14	1	*1,300.0*
on financial assets at amortised cost			
on financial assets at fair value through OCI	11	286	*(96.2)*
Unrealised gains and reversals of impairment losses			
on financial assets at fair value through OCI	15	11	*36.4*
on other financial liabilities	1	3	*(66.7)*
Total	870	1,090	*(20.2)*

Losses on other financial assets and liabilities and investment property

Amounts in €m

	30/06/2023	30/06/2022	% var.
Interests:			
on other financial liabilities	(51)	(37)	*37.8*
Other charges:			
from investment property	(28)	(16)	*75.0*
from financial assets at fair value through OCI	(1)		
from other financial liabilities	(1)	(1)	
Realised losses:			
on investment property	(1)	(5)	*(80.0)*
on financial assets at fair value through OCI	(9)	(160)	*(94.4)*
Unrealised losses and impairment losses:			
on investment property	(37)	(30)	*23.3*
on financial assets at fair value through OCI	(35)	(247)	*(85.8)*
on other financial assets	(3)	(3)	
on other financial liabilities			
Total	(166)	(499)	*(66.7)*

The Unrealised losses and impairment losses relating to investment property related to depreciation for €27m and impairment for €10m (at 30/6/2022, they referred to depreciation for €26m and impairment for €4m).

10. Net finance expenses/income relating to insurance contracts issued

The item includes net expenses of €596m (€331m at 30/6/2022) and relate to:

- for €560m (€368m at 30/6/2022) to net costs due to the application of the option to reduce to zero the net financial profitability recognised in the Income Statement arising from the assets underlying insurance contracts accounted for under the VFA method (so-called "mirroring");
- for the remainder, equal to net expenses of €36m (net income of €37m at 30/6/2022), to the effects of the capitalisation of the cash flows accounted for with the BBA or PAA at the locked-in rate and to the effects of exchange rate adjustments. The significant change is attributable to the progressive increase in the locked-in discount rates applicable in the period in question compared to those of the previous year.

11. Net finance income/expenses relating to reinsurance contracts held

Net finance income from reinsurance contracts held were €1m (net income of €3m at 30/6/2022).

13. Other revenue/costs

Amounts in €m

	30/06/2023	30/06/2022	% var.
Exchange rate differences	1	26	*(96.2)*
Extraordinary gains	10	8	*25.0*
Other income	693	622	*11.4*
Other costs	(251)	(317)	*(20.8)*
Total Other revenue/costs	**453**	**339**	***33.6***

14. Operating expenses:

Amounts in €m

	30/6/2023	% comp.	30/06/2022	% comp.	% var.
Non-Life business	111	*45.1*	88	*42.9*	*26.1*
Life business	20	*8.1*	26	*12.7*	*(23.1)*
Other businesses	116	*47.2*	91	*44.4*	*27.5*
Intersegment eliminations	(1)	*(0.4)*			
Total operating expenses	**246**	***100.0***	**205**	***100.0***	***20.0***

16. Net impairment losses/reversals on property, plant and equipment

These amounted to €149m (€132m at 30/06/2022) and mainly relate to depreciation of property, plant and equipment.

17. Net impairment losses/reversals on intangible assets

These amounted to €59m (€45m at 30/06/2022) and relate exclusively to amortisation of intangible assets.

20. Income tax

Against pre-tax profit of €614m, taxes pertaining to the year of €183m were recorded, corresponding to a tax rate of 29.8% (36.9% at 30/6/2022).

3. Other Information

3.1 Hedge accounting

Fair value hedges

During the first half of 2023, no new transactions were carried out concerning fair value hedging.
Outstanding fair value hedges concern fixed rate bonds held by UnipolSai, for which the interest rate risk was hedged through Interest Rate Swaps.

Positions existing at 30 June 2023
Existing positions at 30 June 2023 related to IRS contracts for a nominal value of €443.2m, to hedge fixed rate bond assets recorded in FVOCI, with a hedged synthetic notional value equal to €443.2m. At 30 June 2023, the fair value change related to the hedged risk of bonds came to a negative €17.8m, while the fair value change of IRS amounted to a positive €18.6m, with a positive economic effect of €0.8m before the tax effect of €0.2m.

Positions closed at 30 June 2023
In relation to the hedges entered into through Interest Rate Swaps, note that in the first quarter of 2023, some contracts in place at 31 December 2022 for a nominal value of €700.0m to hedge bond assets were terminated early, for a synthetic notional value of €695.1m, classified under FVOCI.
The fair value change in IRSs between 31 December 2022 and the closing date of the hedging instruments, was a negative €3.4m, offset by a positive change of €4.3m, booked through profit and loss based on the fair value change of the synthetic asset hedged during the same period. The hedged bonds were not sold.

Cash flow hedges

The objective of the existing hedges is to transform the interest rate on financial assets from a floating rate to a fixed rate, stabilising the cash flows.

Positions existing at 30 June 2023
These relate to:

- cash flow hedge on bonds classified as FVOCI through IRS for notional €338.5m (unchanged compared to 31/12/2022).
  The cumulative effect on Shareholders' equity in the Hedging reserve for gains or losses on cash flow hedges was a negative €61.0m (negative effect for €61.8m at 31/12/2022): net of tax, the negative impact was €42.2m (negative effect for €42.7m at 31/12/2022);

- cash flow hedge on bonds classified as Amortised Cost through IRS for notional €250m (unchanged compared to 31/12/2022).
  The cumulative effect on Shareholders' Equity in the Hedging reserve for gains or losses on cash flow hedges was a negative €14.6m (negative effect for €10.6m at 31/12/2022): net of tax, the negative impact was €10.1m (negative effect for €7.3m at 31/12/2022).

3.2 Earnings (loss) per share

Amounts in €m

Amounts in €m	30/06/2023	30/06/2022
Profit/loss allocated to ordinary shares (€m)	394	406
Weighted average of shares outstanding during the year (no./m)	2,828	2,827
Basic and diluted earnings (loss) per share (€ per share)	0.14	0.14

3.3 Dividends

The Unipol Shareholders' Meeting held on 28 April 2023, in view of the Parent Unipol's positive financial result at 31 December 2022 amounting to €363m (as shown in the financial statements drawn up in accordance with national accounting standards), resolved, taking into account treasury shares held, to distribute dividends for a total of approximately €265m, corresponding to €0.37 per share.

The Shareholders' Meeting also set the dividend payment date for 24 May 2023 (ex-dividend date 22/5/2023 and record date 23/5/2023).

3.4 Non-current assets or assets of a disposal group held for sale and discontinued operations

At 30 June 2023, reclassifications carried out in application of IFRS 5 to item 6.1 of Assets amounted to €526m, of which €427m related to assets held by the subsidiary Incontra Assicurazioni and €99m related to properties held for sale (€514m at 31/12/2022, of which €414m related to assets held by the subsidiary Incontra Assicurazioni and €100m related to properties held for sale); liabilities reclassified to item 6.1 Liabilities associated with disposal groups held for sale amounted to €384m related to the subsidiary Incontra Assicurazioni (€360m at 31/12/2022).

3.5 Transactions with related parties

The Group companies that provide various types of services to other Group companies are: UnipolSai, UniSalute, Siat, UnipolService, UnipolGlass, UnipolSai Servizi Previdenziali, UnipolAssistance, Unipol*Rental*, UnipolRe, UnipolSai Investimenti SGR, UnipolTech, Leithà, Cambiomarcia, UnipolHome, WelBee, Tantosvago, Arca Vita, Arca Inlinea, Arca Sistemi and Arca Direct Assicurazioni.

For a detailed description of the services provided, please make reference to the 2022 Consolidated Financial Statements.
Furthermore, note that the group companies, also including companies not mentioned above, enter into ordinary relations with one another regarding:
- insurance and reinsurance;
- leasing of property;
- long-term vehicle rental;
- agency mandates;
- secondment of personnel.

No atypical or unusual transactions were carried out in the execution of these services.

Fees are mainly calculated on the basis of the external costs incurred, for example the costs of products and services acquired from suppliers, and the costs resulting from activities carried out directly, i.e., generated by their own staff, and taking account of:
- performance targets set for the provision of the service to the company;
- strategic investments required to ensure the agreed levels of service.

The following elements are specifically taken into consideration:
- personnel costs;
- operating costs (logistics, etc.);
- general costs (IT, consultancy, etc.).

As regards services rendered by Leithà, the consideration was determined to the extent equal to costs, as previously defined, to which a mark-up was applied, which is the operating margin for the service rendered.

The costs for financing activities are calculated by applying a fee on managed volumes. The services provided by UniSalute (except for operating services provided to Unisalute Servizi for which the costs are split), UnipolService, UnipolSai Investimenti SGR and UnipolRe involve fixed prices.

Tax regime for taxation of group income (so-called "tax consolidation")

The Parent Unipol exercised the Group tax consolidation option governed by Title II, Chapter II, Section II of Italian Presidential Decree 917/86 (the Consolidated Income Tax Act, Articles 117 et seq.) as consolidating entity, jointly with the companies belonging to the Unipol Group meeting the established regulatory requirements over time. The option has a three-year duration and is renewed automatically unless cancelled.

The following table shows transactions with related parties (associates and other companies) carried out during the first half of 2023, as laid down in IAS 24 and in Consob Communication no. DEM/6064293/2006. It should be noted that the application scope of the Procedure for related party transactions, adopted pursuant to Consob Regulation no. 17221 of 12 March 2010, as amended, also includes some counterparties that are included, on a voluntary basis, pursuant to Art. 4 thereof. Transactions with subsidiaries have not been recognised since in drawing up the Consolidated Financial Statements transactions among Group companies consolidated using the line-by-line method have been eliminated as part of the normal consolidation process.

Amounts in €m

Information on transactions with related parties

	Holding company	Associates and Others	Total	*% inc. (1)*	*% inc. (2)*
Financial assets at amortised cost	257	26	283	*0.4*	*11.2*
Financial assets at fair value through OCI		36	36	*0.0*	*1.4*
OTHER FINANCIAL ASSETS	158	67	225	*0.3*	*8.9*
OTHER ASSETS		8	8	*0.0*	*0.3*
CASH AND CASH EQUIVALENTS		779	779	*1.0*	*30.7*
TOTAL ASSETS	415	915	1,330	*1.8*	*52.5*
Financial liabilities at amortised cost	324	9	333	*0.4*	*13.1*
PAYABLES	124	34	158	*0.2*	*6.2*
OTHER LIABILITIES	8	19	27	*0.0*	*1.1*
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	456	63	519	*0.7*	*20.5*
Insurance service expenses from insurance contracts issued	(7)	(108)	(115)	*(16.5)*	*(4.5)*
Interest income calculated with the effective interest method	3	2	5	*0.7*	*0.2*
Interest expense	(3)		(3)	*(0.4)*	*(0.1)*
Other income/Charges		32	32	*4.6*	*1.3*
Other revenue/costs	5	41	46	*6.6*	*1.8*
Operating expenses:	(1)	(12)	(13)	*(1.9)*	*(0.5)*

(1) Percentage based on total assets in the consolidated statement of financial position recognised under shareholders' equity, and on pre-tax profit/(loss) for income statement items.
(2) Percentage on total net cash flow from operating activities mentioned in the statement of cash flows.

The item Financial assets at amortised cost from the holding company relates to the receivable due to some subsidiaries from the holding company Unipol as part of the centralised cash pooling agreement, for the purpose of centralising at Unipol the management of the available funds of the non-insurance companies of the Unipol Group.
Financial assets at amortised cost with associates and others include €11m of time deposits above 15 days held by the companies of the Group with BPER Banca, €8m relating to receivables from insurance brokerage agencies for agents' reimbursements and €6m of interest-free loans disbursed by UnipolSai to the associate Borsetto.
Financial assets at fair value through other comprehensive income from associates and others relate to the subscription of listed debt securities issued by BPER Banca and subscribed by Group companies.

Other financial assets from the holding company comprised amounts related to the tax consolidation and for services rendered.
The item Other financial assets from associates and others mainly included €25m in receivables from Finitalia for premiums it had advanced for the service concerning the split payment of policies and €25m relating to receivables from insurance brokerage agencies for commissions.
Other assets included current accounts, temporarily unavailable, that UnipolSai has opened with BPER Banca.
Cash and cash equivalents included the balances of current accounts opened by Group companies with BPER Banca.
The item Other financial liabilities to the holding company refers to the payable of some subsidiaries to Unipol Gruppo as part of the above-mentioned centralised cash pooling agreement.
Payables comprised: as for relations with the holding company, the payable for IRES of the companies participating in the tax consolidation and the payable for Unipol staff seconded to Group companies; as regards relations with associates and others, payables for commissions to be paid to BPER Banca for the placement of insurance products in addition to payables for other services rendered.
Other liabilities to the holding company essentially referred to the liabilities of the Incentive Plans for Unipol Executives seconded to UnipolSai; Other liabilities to associates and others referred to invoices to be received.
Insurance service expenses from insurance contracts issued included costs for commissions paid to insurance brokerage agencies (€64m) and commissions paid to BPER Banca for the placement of insurance policies issued by Group companies (€13m).
Interest income and expense from the holding company referred to the above-mentioned centralised cash pooling agreement; interest income from associates and others related to interest on securities issued by BPER Banca and subscribed by Group companies.
Operating expenses include the costs of managing banking relations with BPER Banca.

3.6 Information on personnel

	30/6/2023	31/12/2022	variation
Total number of UnipolSai Group employees	12,875	12,315	560
of which on a fixed-term contract	1,009	534	475
Full Time Equivalent – FTE	12,319	11,775	544

The foreign company employees (1,349) include 504 insurance agents.

The increase of 560 in the number of personnel at 30 June 2023 compared to 31 December 2022 is due, net of movements to fixed-term contracts or for seasonal work started and completed in the half-year, to 1,274 new hires, 742 exits and 28 cases of incoming intra-group mobility from a company outside the UnipolSai scope.

Share-based compensation plans

The UnipolSai Group pays variable benefits (long-term incentives) to senior executives under closed share-based compensation plans by which Unipol and UnipolSai shares (performance shares) are granted if specific targets of profitability, solvency, creation of value for shareholders and ESG sustainability are achieved.

The 2019-2021 Compensation plan based on financial instruments (performance share type), if the prerequisites were met, envisaged for short-term incentives the assignment of UnipolSai and Unipol shares in the year following the year of accrual. With regard to long-term incentives, if the prerequisites were met, it envisaged the assignment of UnipolSai and Unipol shares in at least three annual tranches starting from 2023.
The 2022-2024 Compensation plan based on financial instruments (performance share type), if the prerequisites are met, envisages the assignment of the same shares in at least three annual tranches with effect from 2026.
On 2 January 2023, 934,218 UnipolSai shares and 516,439 Unipol shares were granted to eligible executives as a long-term incentive for the 2019-21 financial year.
In addition, on 31 May 2023, 3,671 UnipolSai shares and 1,876 Unipol shares were granted to eligible executives, as a short-term incentive for the years 2020 and 2022.

The Information Documents, prepared pursuant to Art. 114-bis of the Consolidated Law on Finance and Art. 84-bis of Consob Issuer's Regulation no. 11971/1999, are available on the respective websites, in the Governance/Shareholders meetings section.

3.7 Non-recurring significant transactions and events

There were no non-recurring significant transactions and events during the half-year period.

3.8 Atypical and/or unusual positions or transactions

In the first half of 2023, there were no atypical and/or unusual transactions that, because of their significance, importance, nature of the counterparties involved in the transaction, transfer pricing procedures, or occurrence close to the end of the year, could give rise to doubts relating to: the accuracy and completeness of the information in these condensed consolidated half-yearly financial statements, a conflict of interest, the safeguarding of the company's assets or the protection of non-controlling shareholders.

3.9 Analysis of recoverability of goodwill with indefinite useful life (impairment test)

In the context of the preparation of the consolidated Financial Report at 30 June 2023 of UnipolSai, sensitivity analyses were carried out, as specified below, relating to the results of the impairment testing performed at 31 December 2022, with reference to the recoverable amount of goodwill allocated to the Non-Life and Life CGUs.

To this end, in applying the same methodological approach adopted at the time of the impairment test at 31 December 2022, the sensitivity analyses developed took into consideration the following determining factors:

Non-Life CGU: (i) update at 30 June 2023 of Own Funds and of the Solvency Capital Requirement ("SCR") (ii) update of the discount rate at 30 June 2023 (in the risk-free rate, risk premium, Beta components) of the prospective cash flows theoretically available and of the terminal value, to take account of the developments in the first half of 2023;

Life CGU: update at 30 June 2023 of the assumptions relating to the structure of the interest rates and the estimate of the actuarial balances used to determine the Recoverable Amount of the Life CGU. It should be noted that due to the introduction of IFRS 17 starting from the current year, the approach and the parameters for determining the Embedded Value and the New Business Value were defined in line with what was adopted in order to define the Life technical provisions in the consolidated financial statements.

These simulations show the staying power of the carrying value of the aforementioned goodwill, booked to the consolidated financial statements of UnipolSai at 31 December 2022 and 30 June 2023, also upon a change in the parameters subject to analysis.

The development in the discount rate (cost of capital) is reported below, in continuity with what was recognised at 31 December 2022, to take into account the changes in the half-year period:

	31/12/2022	30/06/2023
Risk free rate (a)	4.15%	4.08%
Risk Premium (b)	5.28%	5.40%
Beta average adj (c)	0.81	0.82
Cost of capital	**8.43%**	**8.51%**

(a): Average June 2023 yield on 10-year BTP
(b): Exponentially weighted moving average (exponential smoothing) of the last three values, recorded on a half-yearly basis, of the "current risk premium for a mature equity market" estimated by Mr Damodaran in the twelve months prior to the measurement date
(c): Adjusted 2-year beta relating to a sample of European listed companies considered comparable

The comparison between the results at 31 December 2022 and those deriving from the sensitivity analysis at 30 June 2023 are reported below:

Amounts in €m

Amounts in €m 31/12/2022	Recoverable amount (a)	Allocation of goodwill	Excess
Non-Life CGU	4,213	398	3,815
Life CGU	2,719	204	2,515
Total	6,932	602	6,330

(a): Recoverable amount obtained as the difference between the value of the CGU and the Adjusted shareholders' equity (net of goodwill included in the same)

Amounts in €m

Amounts in €m Sensitivity 30/6/2023	Recoverable amount (a)	Allocation of goodwill (b)	Excess
Non-Life CGU (c)	3,722	502	3,220
Life CGU	2,319	204	2,115
Total	6,041	707	5,334

(a): Recoverable amount obtained as the difference between the value of the CGU and the Adjusted shareholders' equity (net of goodwill included in the same)
(b): The increase in allocated goodwill derives from the estimate of the goodwill on the acquisition of Società e Salute
(c): The excess indicated envisages a g rate of 1.2%, kept unchanged with respect to 31 December 2022: with g rate equal to 0%, this excess rate would be €2,844m.

3.10 Details of other consolidated comprehensive income

Amounts in €m

	Items	30/06/2023	30/06/2022
1	**Profit (Loss) for the period**	**431**	**176**
2	**Other income items net of taxes not reclassified to profit or loss**	**159**	**(130)**
2.1	Portion of valuation reserves of equity investments valued at equity	26	14
2.2	Change in the revaluation reserve for intangible assets		
2.3	Change in the revaluation reserve for property, plant and equipment		
2.4	Financial revenues or costs relating to insurance contracts issued	(30)	30
2.5	Gains and losses on non-current assets or disposal groups held for sale		
2.6	Actuarial gains and losses and adjustments relating to defined benefit plans	(4)	(3)
2.7	Gains or losses on equity instruments at fair value through OCI	252	(235)
	a) change in fair value	215	(227)
	b) transfers to other shareholders' equity components	37	(8)
2.8	Reserve deriving from variation on credit risk on financial liabilities at fair value through profit or loss		
	a) change in fair value		
	b) transfers to other shareholders' equity components		
2.9	Altre variazioni:		
	a) change in fair value (hedged instrument)		
	b) change in fair value (hedging instrument)		
	c) other changes in fair value		
2.10	Income taxes relating to other revenue components without reclassification in the Income Statement	(85)	64
3	**Other income items net of taxes reclassified to profit or loss**	**84**	**(347)**
3.1	Change in the reserve for foreign currency translation differences		
	a) changes in value		
	b) reclassification in the Income Statement		
	c) other changes		
3.2	Gains or losses on financial assets (other than equity instruments) at fair value through OCI	957	(6,857)
	a) changes in fair value	595	(6,532)
	b) reclassification in the Income Statement	362	(325)
	- credit risk adjustments	(31)	14
	- gains/losses on sale	393	(339)
	c) other changes		
3.3	Gains or losses on cash flow hedges	(4)	112
	a) changes in fair value	(4)	112
	b) reclassification in the Income Statement		
	c) other changes		
3.4	Gains or losses on hedges of a net investment in foreign operations		
	a) changes in fair value		
	b) reclassification in the Income Statement		
	c) other changes		
3.5	Portion of valuation reserves of equity-accounted investments:		(22)
	a) changes in fair value		(22)
	b) reclassification in the Income Statement		
	- impairment losses		
	- gains/losses on sale		
	c) other changes		
3.6	Financial revenues or costs relating to insurance contracts issued	(829)	6,300
	a) changes in fair value	(829)	6,300
	b) reclassification in the Income Statement		
	c) other changes		

Amounts in €m

	Items	30/06/2023	30/06/2022
3.7	Financial revenues or costs relating to reinsurance transfers	2	(37)
	a) changes in fair value	2	(37)
	b) reclassification in the Income Statement		
	c) other changes		
3.8	Gains and losses on non-current assets or disposal groups held for sale		
	a) changes in fair value		
	b) reclassification in the Income Statement		
	c) other changes		
3.9	Other items:		
	a) changes in fair value		
	b) reclassification in the Income Statement		
	c) other changes		
3.10	Income taxes relating to other revenue components with reclassification in the Income Statement	(42)	157
4	TOTAL OF OTHER COMPONENTS OF THE COMPREHENSIVE INCOME STATEMENT (Sum of items 2.1 to 3.10)	243	(477)
5	TOTAL CONSOLIDATED COMPREHENSIVE INCOME (Items 1 + 4)	673	(301)
5.1	**of which: attributable to the owners of the Parent**	**646**	**(300)**
5.2	**of which: attributable to non-controlling interests**	**27**	**(1)**

3.11 Information by operating segment

Statement of financial position by business segment

		NON-LIFE BUISINESS		LIFE BUSINESS	
	Asset items	30/06/2023	31/12/2022	30/06/2023	31/12/2022
1	INTANGIBLE ASSETS	962	859	237	237
2	PROPERTY, PLANT AND EQUIPMENT	2,349	1,922	222	224
3	INSURANCE ASSETS	1,060	931	101	49
3.1	Insurance contracts issued that are assets	34	27	76	27
3.2	Reinsurance transfers classifiable as assets	1,026	904	25	22
4	INVESTIMENTS	13,312	13,275	45,414	43,193
4.1	Investment property	459	473	911	901
4.2	Investments in associates and interests in joint ventures	95	87	24	25
4.3	Financial assets at amortised cost	1,623	1,576	430	410
4.4	Financial assets at fair value through OCI	8,993	7,532	30,665	29,565
4.5	Financial assets at fair value through profit or loss	2,142	3,607	13,384	12,292
5	OTHER FINANCIAL ASSETS	1,249	1,633	700	771
6	OTHER ASSETS	1,713	1,562	1,033	1,237
7	CASH AND CASH EQUIVALENTS	447	402	401	350
TOTAL ASSETS		21,092	20,584	48,108	46,061
1	SHAREHOLDERS' EQUITY	3,498	3,380	1,526	1,483
2	PROVISIONS FOR RISKS AND CHARGES	523	544	29	30
3	INSURANCE LIABILITIES	13,166	12,771	35,817	34,555
3.1	Insurance contracts issued that are liabilities	13,021	12,663	35,788	34,530
3.2	Reinsurance transfers classifiable as liabilities	145	108	29	25
4	FINANCIAL LIABILITIES	1,771	1,477	10,428	9,393
4.1	Financial liabilities at fair value through profit or loss	26	17	9,714	8,706
4.2	Financial liabilities at amortised cost	1,745	1,460	714	687
5	PAYABLES	925	1,037	87	201
6	ALTRI ELEMENTI DEL PASSIVO	1,209	1,375	221	399
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		21,092	20,584	48,108	46,061

Amounts in €m

OTHER BUSINESSES		INTERSEGMENT ELIMINATIONS		TOTAL	
30/06/2023	31/12/2022	30/06/2023	31/12/2022	30/06/2023	31/12/2022
26	23			1,225	1,119
706	645			3,277	2,791
				1,161	980
				110	54
				1,051	926
1,397	1,342	(198)	(188)	59,925	57,622
967	985			2,337	2,359
45	50			164	162
351	278	(198)	(188)	2,206	2,076
34	29			39,692	37,126
				15,526	15,899
102	100	(33)	(34)	2,018	2,470
106	92	(5)	(3)	2,847	2,888
94	74			942	826
2,431	2,276	(236)	(225)	71,395	68,696
1,899	1,870			6,923	6,733
22	22			574	596
				48,983	47,326
				48,809	47,193
				174	133
285	212	(198)	(188)	12,286	10,894
				9,740	8,723
285	212	(198)	(188)	2,546	2,171
183	137	(26)	(22)	1,169	1,353
42	35	(12)	(15)	1,460	1,794
2,431	2,276	(236)	(225)	71,395	68,696

Income statement by business segment

		NON-LIFE BUSINESS		LIFE BUSINESS	
	Items	30/06/2023	30/06/2022	30/06/2023	30/06/2022
1	Insurance revenues from insurance contracts issued	4,396	3,791	258	241
2	Insurance service expenses from insurance contracts issued	(4,168)	(3,351)	(149)	(116)
3	Insurance revenue from reinsurance contracts held	62	82	6	6
4	Insurance service expenses from reinsurance contracts held	(160)	(164)	(10)	(9)
5	**Result of insurance services**	130	358	105	122
6	Gains/losses on financial assets and liabilities at fair value through profit or loss	167	(29)	97	(404)
7	Gains/losses on investments in associates and interests in joint ventures			2	1
8	Gain/losses on other financial assets and liabilities and investment property	201	(127)	501	728
9	**Balance on investments**	368	(156)	600	325
10	Net financial costs/revenues relating to insurance contracts issued	(36)	38	(560)	(369)
11	Net financial revenues/costs relating to reinsurance transfers	1	3		
12	**Net financial result**	333	(115)	40	(44)
13	Other revenue/costs	282	227	33	24
14	Operating expenses:	(110)	(88)	(20)	(26)
15	Altri oneri/proventi	(173)	(143)	(13)	(11)
Pre-tax Profit/(Loss)for the period		462	239	145	65

Amounts in €m

OTHER BUSINESSES		INTERSEGMENT ELIMINATIONS		TOTAL	
30/06/2023	30/06/2022	30/06/2023	30/06/2022	30/06/2023	30/06/2022
				4,654	4,032
				(4,317)	(3,467)
				68	88
				(170)	(173)
				235	480
				264	(433)
3	3			5	4
24	10	(22)	(20)	704	591
27	13	(22)	(20)	973	162
				(596)	(331)
				1	3
27	13	(22)	(20)	378	(166)
116	68	22	20	453	339
(116)	(90)			(246)	(204)
(20)	(16)			(206)	(170)
7	(25)			614	279

3.12 Risk Report

The Risk Report aims to provide an overview of the risk management system, the internal risk assessment and solvency assessment process and the Unipol Group risk profile, in compliance with the principles introduced in the European Solvency II regulations.

As regards the Internal control and risk management system adopted by the Company, reference is expressly made to paragraph 5.16 of the Notes to the 2022 Consolidated Financial Statements.

As regards the financial risks at 30 June 2023, the level of sensitivity of the UnipolSai Group's portfolios of financial assets to the main market risk factors is shown below. Sensitivity is calculated as a variation in the market value of the assets further to the shocks resulting from a:

- parallel change in the interest rate curve of +10 bps;
- -20% change in the share prices;
- +10 bps change in the credit spread.

	INSURANCE BUSINESS		OTHER BUSINESSES		TOTAL	
30/6/2023 *Amounts in €m*	Impact on Income Statement	Impact on Statement of financial position	Impact on Income Statement	Impact on Statement of financial position	Impact on Income Statement	Impact on Statement of financial position
UnipolSai Group						
Interest rate sensitivity (+10 bps)	(4.61)	(257.28)			(4.61)	(257.28)
Credit spread sensitivity (+10 bps)	(8.24)	(268.93)			(8.24)	(268.93)
Equity sensitivity (-20%)	(752.66)	(436.69)		(6.71)	(752.66)	(443.39)

The values include the hedging derivatives, including tax effects.

Information relating to exposure to sovereign debt securities referred to in Consob Communication DEM/11070007 of 5 August 2011

	Balance at 30 June 2023		
Amounts in €m	Nominal value	Carrying amount	Market value
Italy	**20,054**	**17,844**	**17,844**
Financial assets at fair value through OCI	20,005	17,801	17,801
Financial assets at fair value through profit or loss	40	39	39
Financial assets at amortised cost	9	4	4
Spain	**3,424**	**3,065**	**3,065**
Financial assets at fair value through OCI	3,277	2,916	2,916
Financial assets at fair value through profit or loss	20	21	21
Financial assets at amortised cost	128	128	128
Portugal	**393**	**380**	**380**
Financial assets at fair value through OCI	393	380	380
Great Britain	**294**	**280**	**280**
Financial assets at fair value through OCI	294	280	280
Ireland	**254**	**220**	**220**
Financial assets at fair value through OCI	254	220	220
Germany	**629**	**390**	**390**
Financial assets at fair value through OCI	629	390	390
Canada			
Financial assets at fair value through OCI			
Belgium	**330**	**222**	**222**
Financial assets at fair value through OCI	330	222	222
Slovenia	**208**	**183**	**183**
Financial assets at fair value through OCI	208	183	183
Serbia	**95**	**92**	**90**
Financial assets at fair value through OCI	38	33	33
Financial assets at amortised cost	58	59	57
Israel	**86**	**79**	**79**
Financial assets at fair value through OCI	86	79	79
Mexico	**99**	**71**	**71**
Financial assets at fair value through OCI	99	71	71
Poland	**23**	**22**	**22**
Financial assets at fair value through OCI	23	22	22
Latvia	**72**	**59**	**59**
Financial assets at fair value through OCI	72	59	59
Chile	**79**	**66**	**66**
Financial assets at fair value through OCI	79	66	66
Cyprus	**88**	**74**	**74**
Financial assets at fair value through OCI	88	74	74

Amounts in €m	Balance at 30 June 2023		
	Nominal value	Carrying amount	Market value
France	**2,132**	**1,417**	**1,417**
Financial assets at fair value through OCI	2,130	1,415	1,415
Financial assets at fair value through profit or loss	2	2	2
Austria	**29**	**25**	**25**
Financial assets at fair value through OCI	26	22	22
Financial assets at fair value through profit or loss	3	3	3
Netherlands	**17**	**14**	**14**
Financial assets at fair value through OCI	17	14	14
USA	**145**	**141**	**141**
Financial assets at fair value through OCI	145	141	141
Slovakia	**98**	**79**	**79**
Financial assets at fair value through OCI	98	79	79
Lithuania	**16**	**14**	**14**
Financial assets at fair value through OCI	16	14	14
China	**84**	**67**	**67**
Financial assets at fair value through OCI	84	67	67
Croatia	**21**	**19**	**19**
Financial assets at fair value through OCI	21	19	19
Romania	**104**	**81**	**81**
Financial assets at fair value through OCI	104	81	81
Turkey	**51**	**38**	**38**
Financial assets at fair value through OCI	51	38	38
Peru	**31**	**23**	**23**
Financial assets at fair value through OCI	31	23	23
Hong Kong	**50**	**32**	**32**
Financial assets at fair value through OCI	50	32	32
South Korea	**20**	**16**	**16**
Financial assets at fair value through OCI	20	16	16
Greece	**10**	**9**	**9**
Financial assets at fair value through OCI	10	9	9
TOTAL	**28,934**	**25,023**	**25,021**

The table shows details of Sovereign exposures (i.e., bonds issued by central and local governments and by government organisations and loans granted to them) held by the UnipolSai Group at 30 June 2023.

At 30 June 2023, the carrying amount of the sovereign exposures represented by debt securities totalled €25,022m (€24,255m at 31/12/2022), 71% being accounted for by securities issued by the Italian State (71% at 31/12/2022). Moreover, the bonds issued by the Italian State account for 33% of total investments of the UnipolSai Group.

Bologna, 10 August 2023

The Board of Directors

4.Statement on the Consolidated Half-Yearly Financial Statements in accordance with art.81-ter, Consob Regulation n.11971/1999

STATEMENT ON THE CONDENSED CONSOLIDATED HALF-YEARLY FINANCIAL STATEMENTS IN ACCORDANCE WITH ART. 81-ter OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AND SUBSEQUENT AMENDMENTS AND ADDITIONS

1. The undersigned, Matteo Laterza, as Chief Executive Officer, and Luca Zaccherini, as Manager in charge of financial reporting of UnipolSai Assicurazioni S.p.A., hereby certify, also taking into account the provisions of Art. 154-bis, paragraphs 3 and 4 of Legislative Decree no. 58 of 24 February 1998:

   - the adequacy in relation to the characteristics of the company and
   - the effective application,

   of the administrative and accounting procedures for the preparation of the condensed consolidated half-yearly financial statements for the first half of 2023.

2. The assessment of the adequacy of the administrative and accounting procedures for preparing the condensed consolidated half-yearly financial statements at 30 June 2023 is based on a process defined by UnipolSai Assicurazioni S.p.A., inspired by the COSO Framework (Internal Control – Integrated Framework, issued by the Committee of Sponsoring Organisations of the Treadway Commission), internationally recognised as the reference standards for the implementation and evaluation of internal control systems.

3. It is also certified that:

   3.1. the condensed consolidated half-yearly financial statements at 30 June 2023:

   - are drawn up in accordance with the International Accounting Standards recognised in the European Community in accordance with EC Regulation No. 1606/2002 of the European Parliament and Council of 19 July 2002;
   - correspond to the book results and accounting records;
   - are suitable to provide a true and fair view of the equity, economic and financial situation of the issuer and of the consolidated companies;

   3.2. the interim Management Report includes a reliable analysis of the references to the significant events that occurred in the first six months of the year and their impact on the condensed consolidated half-yearly financial statements, together with a description of the main risks and uncertainties for the remaining six months of the year. The interim Management Report also includes a reliable analysis of the information on relevant transactions with related parties.

Bologna, 10 August 2023

The Manager in charge of financial reporting Luca Zaccherini	Chief Executive Officer Matteo Laterza

(signed on the original)

UnipolSai Assicurazioni S.p.A.

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Società soggetta all'attività di direzione e coordinamento di Unipol Gruppo S.p.A., iscritta all'Albo Imprese di Assicurazione e riassicurazione Sez. I al n. 1.00006 e facente parte del Gruppo Assicurativo Unipol iscritto all'Albo delle società capogruppo al n. 046
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5. Independent Auditors' report

5 Independent Auditors' Report

Building a better working world

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Review report on the condensed consolidated half-yearly financial statements

(Translation from the original Italian text)

To the Shareholders of
UnipolSai Assicurazioni S.p.A.

Introduction

We have reviewed the condensed consolidated half-yearly financial statements, comprising the statement of financial position, the income statement, the comprehensive income statement, the statement of changes in shareholders' equity, the statement of cash flows and the related notes of UnipolSai Assicurazioni S.p.A. and its subsidiaries (the "UnipolSai Group") as of June 30, 2023. The Directors of UnipolSai Assicurazioni S.p.A. are responsible for the preparation of the condensed consolidated half-yearly financial statements in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated half-yearly financial statements based on our review.

Scope of Review

We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of July 31, 1997. A review of condensed consolidated half-yearly financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed consolidated half-yearly financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated half-yearly financial statements of UnipolSai Group as of June 30, 2023 are not prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, August 11, 2023

EY S.p.A.
Signed by: Paolo Ancona, Auditor

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative

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Codice fiscale e numero di iscrizione 00434000584 - numero R.E.A. di Milano 606158 - P IVA 00891231003
Iscritta al Registro Revisori Legali al n. 70945 Pubblicato sulla G.U. Suppl. 13 - IV Serie Speciale del 17/2/1998
Iscritta all'Albo Speciale delle società di revisione
Consob al progressivo n. 2 delibera n.10831 del 16/7/1997

A member firm of Ernst & Young Global Limited

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€2,031,456,338.00 fully paid-up
Bologna Register of Companies
Tax No. 00818570012
VAT No. 03740811207
R.E.A. No. 511469

A company subject
to management and coordination
by Unipol Gruppo S.p.A.,
entered in Section I of the Insurance
and Reinsurance Companies List
at No. 1.00006
and a member of the
Unipol Insurance Group,
entered in the Register of
the parent companies - No. 046

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Unipol GRUPPO

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