



2023
Draft Annual Report



Unipol Gruppo Annual Report

2023

The official document containing the 2023 Draft Financial Statements, accompanied by the Management Report, prepared according to the technical requirements of Regulation (EU) 815/2019 (European Single Electronic Reporting Format - ESEF), is available, in accordance with law, on the Company's website (www.unipol.it).

This document in PDF format provides the text of the 2023 Draft Financial Statements accompanied by the related Management Report, for ease of reading.

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



A STEP TOWARDS THE FUTURE ON EVERY NEW WAY

The 2023 Financial Statements illustrate and summarise the second year of the “Opening New Ways” Strategic Plan, the path that Unipol has undertaken to innovatively and effectively develop its action in different ecosystems, consolidating insurance leadership and further strengthening its bancassurance business.

The Group, despite an overall scenario of enormous geopolitical and macroeconomic difficulty and in a national context characterised by several catastrophic events, has achieved its Plan objectives as a result of its positioning in terms of innovation with which it accompanies the lives of all its stakeholders.

The arrow we have chosen as the visual for our Strategic Plan and creatively expressed in these financial statements, represents our constant commitment to walk towards the future, to always live up to our own mission, because every step we take is also a step ahead for those who every day trust us with their life plans.

Opening  New Ways
UNIPOL 2022-2024
STRATEGIC PLAN

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Company bodies

BOARD OF DIRECTORS	CHAIRMAN	Carlo Cimbri		
	VICE CHAIRMAN	Ernesto Dalle Rive		
	DIRECTORS	Gianmaria Balducci	Daniele Ferrè	
		Daniela Becchini	Paolo Fumagalli	
Mario Cifiello		Claudia Merlino		
Roberta Datteri		Roberto Pittalis		
Cristina De Benedetti		Annamaria Trovò		
Patrizia De Luise		Carlo Zini		
	Massimo Desiderio			
	SECRETARY OF THE BOARD OF DIRECTORS	Fulvia Pirini		
GENERAL MANAGER		Matteo Laterza		
BOARD OF STATUTORY AUDITORS	CHAIRMAN	Mario Civetta		
	STATUTORY AUDITORS	Maurizio Leonardo Lombardi		
		Rossella Porfido		
	ALTERNATE AUDITORS	Massimo Gatto		
Luciana Ravicini				
MANAGER IN CHARGE OF FINANCIAL REPORTING		Luca Zaccherini		
INDEPENDENT AUDITORS		EY SpA		

Introduction

Macroeconomic background and market performance

Macroeconomic background

In 2023, global GDP growth continued, estimated at +2.7%, despite slowing compared to +3.1% in 2022. The slower pace of global economic growth depends, firstly, on the restrictive monetary policies implemented by the main international central banks and, secondly, on economic growth rates in China which are still below the pre-pandemic average and in turn penalised the evolution of global trade.

In the United States, GDP increased by 2.5% in 2023 (+1.9% in 2022). GDP growth was mainly supported by the good performance of private consumption and public spending, which offset the reduction in private investments, in turn penalised by high interest rates. The trend in consumption was supported by the positive labour market results, with an unemployment rate remaining at very low values in 2023 (3.6% on average). Growth was also accompanied by a gradual reduction in the inflation rate, which on average stood at 4.2% compared to 8.0% in 2022.

In China, GDP rose by 5.2% (+3% in 2022) thanks to the recovery in domestic demand assisted by the end of the restrictive "Zero-Covid" policies of 2022. However, growth remains below the pre-pandemic average due to tensions in the real estate market and lower exports, not fully offset by the expansion in domestic demand. In this context, the average unemployment rate in 2023 was 5.2%, while the average inflation rate was 0.2%, with deflation on average in the last quarter. In 2023, China resumed growing more rapidly than emerging countries. The estimated growth in 2023 for the block of Emerging Countries as a whole is 4.2%.

In Japan, it is estimated that GDP will close 2023 with growth of 2% (+0.9% in 2022). Despite the slowdown in the third quarter (-0.7% compared to the previous quarter), Japanese growth was supported by the improvement in foreign trade, which offset a low growth in domestic demand. The labour market continued to record a low unemployment rate, averaging 2.6% per year, while the inflation rate rose to 3.3% compared to 2.5% in 2022.

In the Euro Area, GDP rose by 0.5% in 2023 (+3.4% in 2022). Growth was essentially stagnant throughout 2023 due to the effects of the ECB's restrictive monetary policy. In addition, the reduced demand for goods from China penalised economies more dependent on exports such as Germany, whose slowdown in turn negatively affected economic growth throughout the Euro Area. Despite the slowdown in economic growth, the unemployment rate fell slightly and on average was 6.5% in 2023 compared to 6.7% in 2022, while the inflation rate fell on average to 5.5% compared to 8.4% in 2022, with the December figure down further to 2.9%.

In 2023, Italian GDP increased by 0.7% (+3.9% in 2022). In particular, in the second quarter the GDP trend was negative (-0.3% compared to the first quarter) due to the decline in both final consumption and investments. The recovery in final domestic consumption led to a return to growth in the third quarter (+0.1% on the second quarter), while in the fourth quarter growth mainly benefited (+0.2% on the third quarter) from the improved net foreign component. The average annual inflation rate was 6% (8.7% in 2022). The labour market remains resilient with respect to the slowdown in growth, with the annual average unemployment rate down to 7.6% (+8.1% in 2022).

Financial markets

In 2023, the Fed raised the Fed funds rate by 100 basis points, also continuing the process of downsizing the portfolio of securities purchased during the various quantitative easing programmes.

Similarly, the ECB also maintained a restrictive monetary policy, increasing the two main monetary policy rates (refi and deposit rate) by 200 basis points. At the end of 2023, the deposit rate stood at 4% from 2% at the end of 2022 while the refi rate stood at 4.5% at the end of 2023, from 2.5% at the end of 2022. The ECB also continued its process of reducing the amount of securities purchased for monetary policy purposes.

Declining inflation rates and expectations of a less restrictive monetary policy by the Fed as well as the ECB led to a reduction in interest rates, particularly on long maturities.

Introduction

The 3-month Euribor rate closed 2023 with an increase to 3.91%, up by around 177 basis points compared to figures at the end of 2022, while the 10-year Swap rate decreased during the same period by roughly 70 basis points, closing 2023 at 2.49%.

In Germany, the 10-year Bund closed 2023 at 2.03%, down by around 50 basis points on the values at the end of 2022, whilst in Italy the 10-year BTP closed 2023 at 3.68%, down 96 basis points. The 10-year spread between Italian and German rates was therefore 166 basis points at the end of 2023, down 46 basis points from its value at the end of 2022.

2023 ended favourably for international stock markets. The Eurostoxx 50 index, which refers to the Euro Area indexes, showed an increase of 19.2% in 2023 compared to the end of 2022. The FTSE Mib index, referring to Italian listed companies, recorded an increase of 28% in the same period. The DAX index, referring to German listed companies, finally closed 2023 up 20.3% compared to December 2022.

In the United States, the S&P 500 index instead closed 2023 ahead by 24.2% compared to the values at the end of 2022. International stock markets also saw a sharp rise in 2023: the Nikkei stock index, referring to listed companies in Japan, closed 2023 with growth of 28.2% compared to December 2022, while the Morgan Stanley Emerging Markets index, referring to emerging markets, recorded a more limited increase in 2023 of 7.0%.

The narrowing of interest rate spreads between the United States and the Euro Area favoured the depreciation of 3% of the US dollar against the Euro, with the EUR/USD exchange rate closing 2023 at USD 1.10 to the Euro against USD 1.07 at the end of 2022.

Insurance Sector

At the end of the third quarter of 2023, final figures show premiums in the Italian and non-EU direct business insurance market as close to €93.9bn, down 1% compared to the same period of 2022. In particular, total Non-Life premiums written increased by 6.6% compared to the same period of 2022 and therefore a year-end growth of approximately 7% is expected, for premium values in excess of €38bn.

From the latest ANIA surveys for the third quarter of 2023 in the MV sector, the total premiums of the classes MV TPL, Marine Vessels TPL and Land Vehicle Hulls grew by 5.2% compared to the same period of the previous year, driven by the positive trend in premiums written for the MV TPL and Marine Vessels TPL component (+3.4%) and the Land Vehicle Hulls component (+1.1%). The increase in MV TPL premiums benefited from tariff increases, translating into an increase in the average premium, which stood at €357 in December 2023 compared to €336 in December 2022, in line with ISTAT surveys on list values (up by 4.3%). With regard to the Non-Life Non-MV business, at the end of September 2023 premiums reached €14.9bn, recording growth of 7.4% (Health +12.7%, Property +8.0% and General TPL +8.2%) compared to the same period of 2022.

With regard to distribution channels, the first nine months of 2023 showed a reduction in the share of the agency channel, confirming the trend already emerging early in the year, with premiums up by about 4.7% compared to the third quarter of 2022 and a total weight of approximately 83.3%. Direct channel premiums were also up (+4.0%), as were the broker and banking channels at 4.3% and 3.9%, respectively). In the Non-MV segment, the most significant increase in premiums was achieved by the broker channel (+13.5%), while the agency channel recorded an increase in premiums of 6.6%.

With regard to Italian and Non-EU direct Life business premiums, for 2023 Ania estimates total premiums of roughly €91bn, down by around 4.0% compared to the end of 2022, due to the decline in Class III premiums (-31%) and partly offset by the Class I trend (+9%). Vice versa, premiums in Class VI are expected to increase (+21%), while Class V (-28%) and Class IV (-4.3%) are expected to see a decline.

The estimated breakdown of premiums across Life distribution channels at the end of 2023 should remain strongly biased towards the banking channel, with an estimated share of total premiums of 60.4%, while the share of the financial advisors channel and the Direct and broker channels declined to around 12.1% and 11.8%, respectively, in favour of the agents channel, which is expected to account for roughly 15.8% of premiums.

Pension funds

In 2023, on the basis of Assogestioni data, net deposits of assets under management (mutual funds, individual asset management, collective and individual pension plans) amounted to -€47.8bn, of which -€16bn referring to collective management (open and closed funds) and -€31.7bn in net deposits for portfolio management.

The management of pension assets, with net deposits of roughly €4bn at 30 September 2023, was up sharply compared to the €1.7bn of net deposits recorded in the same period of the previous year. Asset management referring to pension funds (pension funds and individual pension plans) therefore amounted to €105.2bn at 30 September 2023, equal to 4.7% of total assets under management.

In 2023, existing positions with supplementary pension schemes, reported by Covip, increased by 410 thousand units compared to the end of 2022. The 4% increase recorded at the end of the year confirms the upward trend observed in recent periods. In December 2023, there were therefore 10.7m existing positions, of which 7.9m held by employees (73.6%).

In line with the sector trend, in December 2023 occupational funds recorded growth of 5.5% compared to December 2022, with 211k more positions, for a total of 4m positions at the end of the year, and contributions up by 7.7%. The main growth driver was linked to the contribution of contractual enrolments, particularly in the construction sector fund (for about 88k positions), where workers join through the payment of a modest contribution from the employer, and, in the public sector, the activation of automatic registration for new public employees (for approximately 16k positions). Market pension schemes were also up compared to the end of 2022, with an increase in existing positions of open funds (+5.9%) and "new" Personal Pension Funds (PiPs) (+2.2%) and an increase in contributions of 7.4% and 2.3%, respectively. The latest data available for pre-existing pension funds, updated as at September 2023, showed an increase in the number of positions of 1.2% compared to December 2022, corresponding to roughly 8k.

In December 2023, the resources allocated to supplementary pension benefits were up by 8.2% compared to December 2022, i.e. equal to approximately €223bn compared to €206bn recorded in December 2022, due to stock price increases linked to the performance of the financial markets and the overall increase in contributions. The recovery in share prices had a positive impact on the returns of all types of pension schemes with higher values for portfolios with more equity exposure. The net return over a 10-year horizon was 2.4% for occupational funds, 2.5% for open funds, 2.7% for "new" unit-linked PiPs and 1.8% as regards the segregated fund component of "new" PiPs. All returns with a 10-year horizon were in line with or slightly higher than the revaluation threshold of post-employment benefits, equal to approximately 2.4%.

Real Estate market

In 2023, the residential real estate market continued to show solid demand. Nevertheless, according to the Real Estate Market Observatory of the Revenue Agency, in 2023 house sales fell by a total of 9.2% compared to 2022, due to the reshaping of state incentives for renovations and repeal of the option to sell tax credits related to works that began after 31 March 2023, in addition to the restriction of offer conditions on mortgages.

In 2023, on average for the 13 major cities, house prices recorded growth of 1.5%, although the property devaluation phase in real terms continued (net of inflation, prices were down by around 4%). The decline in sales and the reduced availability of household spending is holding back price growth. Amongst the large cities, Bari (-1.5%), Venice (-1.4%) and Catania (-0.4%) still showed a drop in prices, while the strongest growth continued to be recorded in Milan (+3.4%). On the other hand, demand for leases remained high, with an average increase in rents of 3.3%, and spread across all cities (between +1.2% in Naples and +6.9% in Bologna). In terms of returns, in 2023 the residential market had an average cap rate of 5.26%, up from 5.16% in 2022, and a total return of 6.7%.

In 2023, sales in the non-residential sector also recorded a decrease, but to a lesser extent than the residential sector (-4.2%). 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 decline was greater in the production sector (-10.5%), followed by offices (-3.5%), which were affected by the sharp drop in corporate investments, and stores (-2.2%), which in the first half of the year benefited from the period of expansion of tourist services.

Introduction

The decline in sales of non-residential properties had more marked effects on store and office price trends than those observed for homes. Indeed, on average in the 13 major cities store prices increased by 1.0% and office prices by 0.2%. Moreover, the growth in rents was still modest, but for offices (+0.9%) it was higher than that of prices, leading to a rise in yields (with cap rates at 5.2% and a total return of 5.4%), while for stores it was lower than prices (+0.8%) and led to a fall in yields (cap rates at 7.3% and total returns at 8.3%).

Main regulatory developments

In 2023, the following regulatory measures were issued:

Relevant regulations for the insurance sector

Provisions of particular importance to the insurance sector are contained in Law no. 213/2023 (Budget Law), which envisages the establishment of a **Life insurance Guarantee Fund** (the "Fund"). The Fund represents an association between insurance companies and intermediaries with the task of intervening to protect those entitled to insurance benefits (up to €100k each) against member companies subject to compulsory liquidation. When fully operational, the Fund will have a financial endowment of at least 0.4% of the total Life business technical provisions (approximately €3bn). This level of financial endowment will have to be reached gradually, by the end of 2035. The percentage contributions to the Fund by the insurance companies will be calculated in proportion to the Life technical provisions and the contributions may take the form of irrevocable payment commitments, for an amount not exceeding 50% of the Fund's financial endowment (raised to 60% when fully operational). Establishment of the Fund represents a strong guarantee for policyholders and should limit the involvement of taxpayers to extreme cases through transfers of public resources in situations of Life insurance company insolvency. The contribution to be paid by the insurance companies will be due from 2024.

Another important change in the Budget Law consists in the introduction of the obligation for all companies, except agricultural companies, to take out an **insurance policy against damage to property, plant and equipment** (land and buildings, plant and machinery, industrial and commercial equipment) caused by catastrophic events, such as earthquakes, floods, landslides, inundations and overflows. A form of public-private partnership is also introduced in that SACE S.p.A. is authorised to grant coverage under market conditions of up to 50% of indemnities due from the companies in the event of catastrophic events envisaged in the contract. Against an increase in the frequency and severity of catastrophic events recorded in recent years, the new insurance obligation, which will have to be fulfilled by the end of 2024, represents a concrete initiative to increase the resilience of companies to catastrophic events and to fill the current protection gap, in particular affecting small businesses: only 15% of these companies (10-49 employees) have catastrophe insurance coverage.

At EU level, on 16 January 2023 **Regulation (EU) 2022/2554 on digital operational resilience for the financial sector (DORA)** entered into force, which introduces harmonised requirements for companies operating in the financial sector (including insurance companies) in terms of the management of ICT (Information and Communication Technologies) risk, ICT system resilience testing and management, classification and reporting of ICT incidents. DORA enhances the ICT risk management requirements already established by certain sector regulations and extends them to a broad range of entities, including larger insurance intermediaries, institutions for occupational retirement provision and alternative investment fund managers. One of DORA's main innovations concerns the introduction of supervisory and sanctioning powers also with respect to critical third-party providers of ICT services, obliged to comply with the provisions of DORA and have a permanent presence in the European Union. DORA will apply from 17 January 2025.

Among the new initiatives, note that on 24 May 2023 the European Commission presented a legislative package relating to retail investor protection, known as the **Retail Investment Strategy (RIS)**, with the aim of encouraging retail investors' participation in the capital market, through new rules to mitigate conflicts of interest, combat misleading marketing communications, and increase transparency and Value for Money of the investment products offered to retail customers. The legislative package consists of a proposed Omnibus Directive containing amendments to MIFID II, IDD, Solvency II, AIFMD and the UCITS Directive, and a proposed regulation amending the

PRIIPs Regulation. The main provisions contain stricter rules on inducements, including the introduction of a ban on paying/receiving inducements for sales of investment products (including IBIPs) in the absence of advisory services. It is also envisaged that, in the future, Member States and the European Commission will introduce stricter rules on inducements, including a total ban which, if actually adopted, could change the market structure of financial and insurance brokerage. Furthermore, to increase the Value for Money for customers, the RIS requires that ESMA and EIOPA publish benchmarks on the costs of investment products, preventing companies and distributors from marketing investment products that show significant deviations from these benchmarks.

With regard to secondary legislation, on 12 July 2023 IVASS published a consultation paper on **Draft requirements and criteria of suitability of corporate officers and key function managers**, in order to adapt the IVASS Regulation to the contents of Ministry of Economic Development Decree 88/2022. Following the consultation process, on 5 March 2024 IVASS adopted the definitive version of this measure (n. 142/2024). The main changes concern the establishment of a minimum quota of independent directors for insurance companies and ultimate Italian parent companies (listed and unlisted), set at 25% of members of the administrative body. In addition, corporate officers and key function managers will be required to complete standardised questionnaires that allow the competent body to conduct more specific and detailed suitability assessments than those compliant with previous regulations. In addition, IVASS may require corporate officers to be interviewed in order to assess their actual suitability and compliance with the limits on the total number of offices. The new measure aims to strengthen the quality of the corporate governance system of insurance companies, achieving alignment with the analogous banking regulations.

It should be noted that on 25 September 2023, IVASS issued **Measure 138/2023** amending IVASS Regulation no. 52 of 30 August 2022 containing the implementation methods regarding the right to value trading securities based on the book value in the financial statements of the previous year rather than the realisable value (if lower than the purchase cost). This option, introduced by Decree Law no. 73 of 21 June 2022, was also extended to the entire 2023 financial year by MEF decree of 14 September 2023. Specifically, for the insurance sector, the allocation of an undistributable profit reserve is required in an amount corresponding to the difference between the values recorded and the market values recorded at the end of the reference period, net of the related tax charge. In particular, Measure 138/2023 modified Art. 5 of IVASS Regulation 52/2022, which governs undistributable reserve functioning procedures and also requires adequate reporting on them in the notes to the financial statements. Note that UnipolSai did not avail itself of the option envisaged in the aforementioned Regulation with reference to the 2023 financial statements.

In this respect, also note that on 12 March 2024 the Supervisory Authority issued **Measure 143/2024** containing "Amendments and additions to IVASS Regulation no. 52/2022 for the implementation of provisions on the temporary suspension of capital losses for short-term securities introduced by Decree Law no. 73 of 21 June 2022". In essence, this document reintroduces the right to determine the amount of the Undistributable Reserve to be established, also taking into account the effect on existing commitments to policyholders for the financial year and up to five subsequent years, thus deducting the portion attributable to the policyholders.

Lastly, on 6 October 2023 IVASS published a **Draft letter to the market on insurance product oversight and governance (POG)** for consultation, clarifying IVASS regulatory expectations in terms of POG and Value for Money (V4M) with particular reference, in a first phase, to the assessment of value for the customer arising from the product testing phase for insurance-based investment products (IBIPs). IVASS adopts and provides a more detailed breakdown of the EIOPA guidelines on V4M assessment, taking into account evidence acquired through inspections and investigations. IVASS expects a strengthening of the POG policies by insurance companies, an increase in the granular identification of the reference market and allocation of a greater weight to product profitability for the customer in the product evaluation and testing phase. At the date of this report, the consultation periods have concluded and publication of the final measures by IVASS is now pending.

The following document was submitted for consultation in the first few months of 2024:

Consultation paper no. 1/2024 containing proposals for amendments and additions to IVASS Regulation no. 52 of 2022 for the implementation of provisions on the temporary suspension of capital losses for short-term securities introduced by Decree Law no. 73 of 21 June 2022.

Introduction

Tax regulations

In 2023, the following regulatory measures were issued:

- [Decree Law no. 198 of 29 December 2022](#) (Milleproroghe 2023) containing “Urgent provisions on legal deadlines”, converted with amendments to [Law no. 14 of 24 February 2023](#). On conversion, the deadline for completing investments in property, plant, equipment and intangible assets and in property, plant and equipment 4.0 “reserved” by 31 December 2022 was extended to 30 November 2023. The deadline for notifying the Tax Authorities of the exercise of alternative options to the tax deduction (invoice discount and factoring) on the expense incurred in 2022 for certain building works carried out on individual property units or on communal parts of buildings was also extended.
- [Law Decree no. 11 of 16 February 2023](#), converted to [Law no. 38 of 11 April 2023](#), containing urgent measures on factoring of receivables arising from tax relief on building works, which introduces limitations to factoring and discounting of the 110% bonus, or new additional subsidised works, and joint liability for factors. This provision also affects the Company as the entity acquiring receivables.
- [Decree Law no. 34 of 30 March 2023](#) (“Bill Decree”), converted into [Law no. 56 of 26 May 2023](#), containing “Urgent provisions to support households and businesses for the purchase of electricity and natural gas, as well as on meeting health and tax obligations”. The recognition of tax credits for electricity and natural gas was also confirmed for the second quarter of 2023, albeit with reduced rates, which may be used on their own or sold in full to other parties, including financial intermediaries and insurance companies. Extensions are also established as well as some updates, including in the criminal tax arena, to the Tax Peace regulations pursuant to Law no. 197/2022.
- [Decree Law no. 48 of 4 May 2023](#) (Labour Decree), converted by [Law no. 85 of 3 July 2023](#), which in particular envisages an increase in the substitute tax rate on Life business mathematical provisions for 2022 to 0.60% and for subsequent years to 0.50%. Only for 2023, it was also established that the tax exemption of fringe benefits for employees with dependent children would be increased to €3k.
- [Law Decree no. 61 of 1 June 2023](#) (Floods Decree) converted into [Law no. 100 of 31 July 2023](#), containing “Urgent action to deal with the emergency caused by the flood events that occurred starting from 1 May 2023”, which envisages the suspension of certain deadlines, tax and non-tax, for taxpayers who at 1 May 2023 were resident or had their registered office or operational headquarters in the areas affected and specifically identified.
- [Law no. 111 of 9 August 2023](#) containing the “Delegation to the Government for tax reform” to be implemented through the issue of legislative decrees. The provisions of most interest include:
 - the implementation of the first IRPEF reform module, which establishes a reduction of the rates by brackets from 4 to 3 for 2024 only and the repeal of the ACE starting from 2024 (Italian Legislative Decree no. 216 of 30 December 2023);
 - the new cooperative compliance system, with strengthening of the bonus effects related to adoption (Italian Legislative Decree no. 221 of 30 December 2023).
- [Decree Law no. 145 of 18 October 2023](#) (Advances Decree), converted into Law no. 191 of 15 December 2023, containing “Urgent measures on economic and tax matters, in favour of local authorities, to protect employment and for non-postponable needs” which establishes a new method for determining the fringe benefit for loans to employees, a further extension of terms for the repayment of the unduly offset research and development tax credit and the strengthening of investments in Individual Savings Plans (PIR).
- [Decree Law no. 212 of 29 December 2023](#) (Save Expenses Decree) containing urgent measures relating to the tax concessions referred to in Articles 119, 119-ter and 121 of Law Decree no. 34 of 19 May 2020, converted with amendments to Law no. 77 of 17 July 2020 which, in the event of failure to complete building works, introduces a safeguard clause for the 110% Bonus tax credits acquired on the basis of work progress reports.
- [Law no. 213 of 30 December 2023](#) containing “State budget for 2024 and long-term budget for the three-year period” (Budget Law 2024). The provisions of interest, in force from 2024, include:
 - an increase in the threshold of non-taxable fringe benefits for employees;
 - a prohibition against offsetting tax credits on form F24, in the presence of overdue positions relating to revenue taxes or enforceable assessments, for total amounts exceeding €100k;
 - the introduction of withholding tax on commissions paid to insurance agents;
 - the deferral of deductible surpluses deriving from impairment on receivables of credit and financial institutions and insurance companies.

Other regulations

On 31 July 2023, the European Commission adopted Delegated Regulation (EU) 2023/2772, which introduces the first set of European sustainability standards (**European Sustainability Reporting Standard - ESRS**), in implementation of Directive (EU) 2022/2464 (CSRD), which requires large companies and listed companies to publish information on the risks and opportunities deriving from social and environmental factors, as well as the impact of their activities on people and the environment ("double materiality"). The ESRSs will constitute mandatory standards for corporate sustainability reporting, with the aim of ensuring greater availability and comparability of this information, and will apply to financial years beginning on or after 1 January 2024.

Lastly, note that on 22 December 2023 **Regulation (EU) 2023/2854 on harmonised rules on fair access to and use of data (Data Act)** was published in the Official Journal of the European Union. The Data Act governs access to and the sharing, portability and use of all data, personal and non-personal, introducing the right of users (businesses or consumers) that generate data through IoT (Internet of Things) products or related services that they own, rent or lease, to access promptly and free of charge the data generated by the use of such related products or services. Furthermore, users are afforded the right to authorise the data controller (e.g. IoT device manufacturer) to provide data access to third-party service providers: for example, the owner of a vehicle may wish to share the data generated through the use of the car with an insurance company. The objective of the Data Act is to improve data availability for companies, boost competition and create the conditions for the development of a data-driven economy, while protecting the industrial secrets and intellectual property rights of companies.

In 2023, no significant changes occurred in the series of national accounting standards issued by the OIC (Italian Accounting Standards Setter).





1

MANAGEMENT
REPORT

1 Management Report

Share performance

Information on share performance

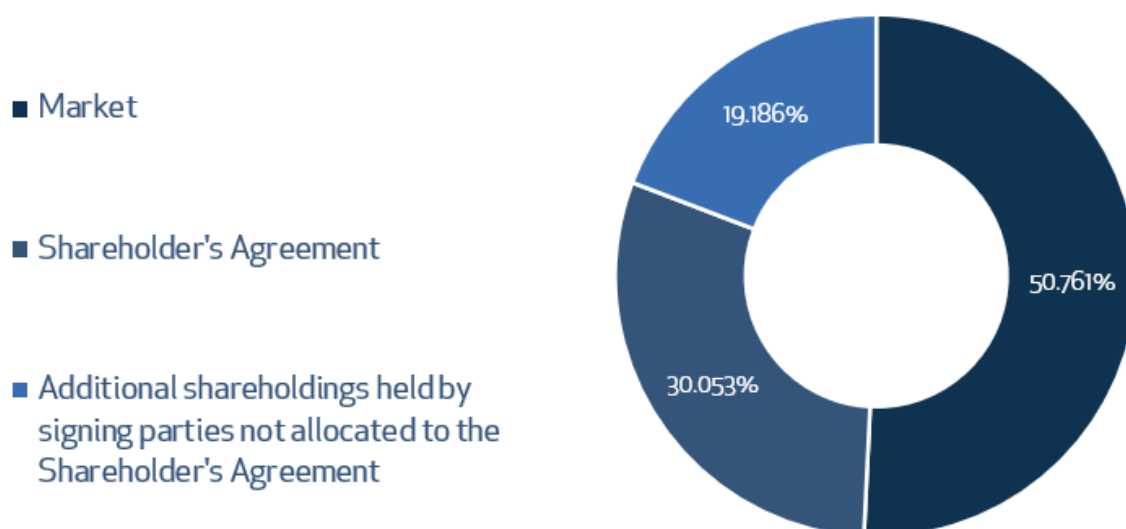
At the end of December 2023 the official price of the Unipol share was €5,169, in the last 12 months recording an increase of 12.9% against an increase in the FTSE Italia All-share index of 26.3%.

Capitalisation values

Total capitalisation was €3,704m at the end of December 2023 (€3,270m at 31/12/2022).

Shareholding structure

The shareholding structure at 31 December 2023 is shown in the chart below:

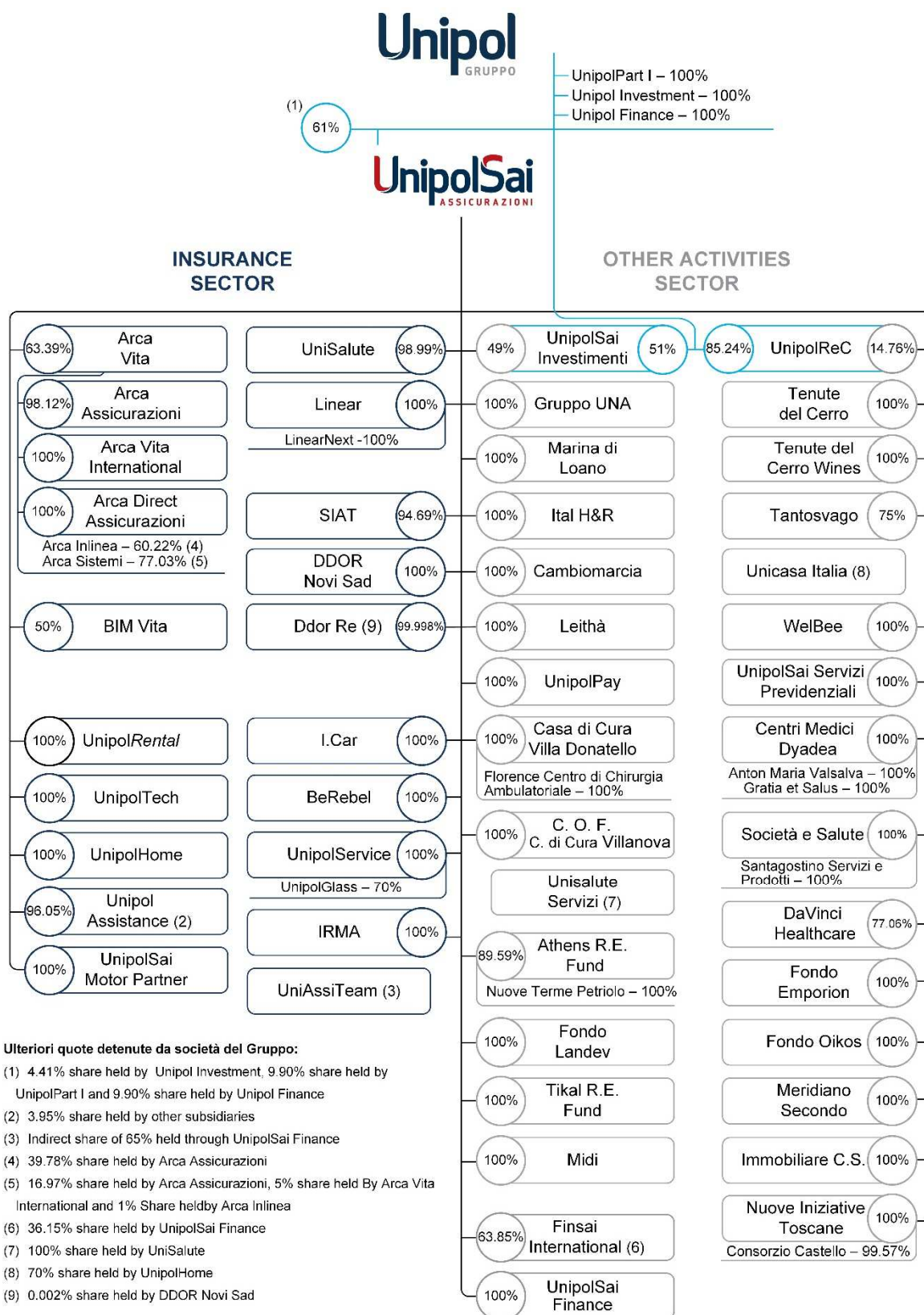


As rendered public according to current legislation, 16 beneficiary companies signed a shareholders' agreement relating to Unipol Gruppo. That agreement, which was renewed on 15 December 2023, regarded 215,621,214 ordinary shares, representing 30.053% of the share capital of Unipol Gruppo. It should also be noted that on 1 August 2022, the increase in voting rights took effect in relation to 344,551,959 ordinary shares, pursuant to Art. 127-quinquies of the Consolidated Law on Finance and in compliance with provisions of the By-Laws and the Regulation on increased voting rights adopted by the Company on 25 June 2020.

Below is the updated list of Shareholders who, at 31 December 2023, hold more than 3% of Unipol voting rights, for which the increased rights took effect 24 months after registration in the Special List for entitlement to benefit from the increased vote:

(Direct) Shareholder	% share of voting rights
Coop Alleanza 3.0 Soc. Coop.	29.324%
Holmo S.p.A.	8.807%
Nova Coop Soc. Coop	8.123%
Cooperare S.p.A.	4.997%
Coop Liguria Soc. Coop. di Consumo	4.715%
Koru S.p.A.	4.420%
Coop Lombardia Soc. Coop.	3.200%

Group structure at 31 December 2023 (direct holding out of total share capital)



Management Report

Significant events during the year

The Unipol Group has an approximate 19.7% interest in the share capital of Banca Popolare di Sondrio

Through a reverse accelerated bookbuilding (“RABB”) procedure, Unipol finalised the purchase of 46.3m ordinary BPSO shares for a consideration of €5.1 per share, with a total outlay of approximately €235.6m, paid on 2 October 2023. With this purchase, which took place within the scope of the authorisation received by Unipol, which allows it to hold a direct and indirect investment in BPSO equal to 19.99% of the latter’s share capital, net of treasury shares, the Unipol Group now holds, also taking into account the shares held by UnipolSai, a total investment of approximately 19.7% of the share capital of BPSO. The increase in the investment allows the Unipol Group to (i) consolidate the industrial and corporate partnership with BPSO in the Life and Non-Life bancassurance business, strengthening its strategic approach, (ii) increase the stability of the BPSO Group ownership structure for the positive pursuit of its strategic plan objectives and (iii) stimulate the Bank’s evolution in accordance with best market practices.

In relation to the increase in the total interest held in BPSO, from October 2023 Unipol classified the investment in BPSO as an “associate” investment.

Merger of SIFA’ into UnipolRental

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, called for the integration via merger by incorporation of SIFA - Società Italiana Flotte Aziendali SpA (a company belonging to the BPER Group) into UnipolRental SpA. This project, developed as part of the “Beyond Insurance Enrichment” strategic guideline, more specifically the “Mobility” ecosystem of the “Opening New Ways” 2022-2024 Strategic Plan, aimed to create an operator of national significance in the long-term rental sector. On finalisation of the merger, which became effective on 1 July 2023, BPER acquired an interest in UnipolRental corresponding to 19.987% of the share capital and UnipolSai, previously sole shareholder of UnipolRental, retains the residual 80.013%.

Acquisition of the Santagostino Medical Centres

On 3 April 2023, UnipolSai acquired from the L-GAM investment fund the entire share capital of Società e Salute SpA, a company operating in the private healthcare sector under the brand name “Centro Medico Santagostino”. The company holds a 100% interest in Santagostino Servizi e Prodotti, specialised in the sale of sanitary items such as eyewear and hearing aids. At the end of 2023, the Santagostino Medical Centres had 38 local facilities in Milan, Sesto San Giovanni, Buccinasco, Rho, Monza, Nembro, Bologna, Brescia and Rome, and form part of the development roadmap laid out in the Beyond Insurance Enrichment strategic guideline of the Opening New Ways Strategic Plan.

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

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 (jointly, the “Companies”).

For this operation, the Companies set up a newCo which, after receiving IVASS authorisation to undertake insurance business, was renamed Cronos Vita Assicurazioni S.p.A. (“Cronos Vita”).

At 31 December 2023, the share capital of Cronos Vita amounted to €60m and was subscribed in equal shares of 22.5% by UnipolSai, Generali Italia, Intesa Sanpaolo Vita and Poste Vita, with Allianz subscribing the remaining 10%. The total payments made by UnipolSai in the form of share capital and share premium in favour of Cronos Vita amounted to €49.5m.

With effect from 30 October 2023, Eurovita SpA transferred a company complex to Cronos Vita comprising the entire portfolio of Eurovita policies, placed under compulsory administrative liquidation on 27 October 2023.

Cronos Vita is managing the run-off of this portfolio for the time strictly necessary (i) for the precise identification of the distinct business units making up the company complex to be assigned to the Companies and (ii) the subsequent

1 Management Report

transfer of these units to them (or, subject to the approval of the banks involved in the transaction, to their subsidiaries).

The contractual deadline established for completing the transfer of the business units to the Companies is 24 months from the effective date of the transfer to Cronos Vita of the business unit, without prejudice to any delays caused by objective technical or authorisation issues.

The Unipol Group supports populations struck by floods in Emilia Romagna and Tuscany

During 2023, after the May floods in Emilia Romagna and the November floods in Tuscany, UnipolSai launched structured and integrated plans to benefit the local populations, with the aim of supporting customers and agencies resident in the areas affected by the floods.

Moody's changed Unipol Gruppo's outlook from negative to stable

On **22 November 2023**, the rating agency **Moody's Investor Service** confirmed the Insurance Financial Strength Rating of *UnipolSai Assicurazioni S.p.A.* as "Baa2", i.e. one notch above the Italy rating (Baa3/Stable Outlook), improving the outlook from "Negative" to "Stable" after similar action taken on the country rating. As a result, the outlook of the Unipol Gruppo S.p.A. ratings also changed from "Negative" to "Stable". In its decision, the Moody's Committee considered the high exposure of the company's assets and liabilities to the country of Italy.

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

At the meeting of 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 was submitted for approval to the 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. The company was struck off from the Register of financial intermediaries on 11 December 2023.

Trade union agreement regarding Personnel and access to the Solidarity Fund

As part of the 2022-2024 Strategic Plan implementation activities, on 18 October 2022 and 25 October 2022 trade union agreements were signed (for the companies UnipolSai, UniSalute, Arca Assicurazioni and Siat) which concerns voluntary pre-retirement arrangements for employees meeting pension requirements by the end of 2027.

Pursuant to these agreements, terminations of employment were spread over the period between 31 December 2022 and 31 December 2023, with a prevailing concentration in three windows according to the time frame in which the relevant pension entitlement accrues.

A total of 912 employees (136 at 31/12/2022, 329 at 30/4/2023, 445 at 30/6/2023 and 2 at 31/12/2023) terminated their employment contracts by mutual agreement. The trade union agreement envisaged the early termination of 880 employees (in addition to a higher number of participants up to a maximum 10% more than the number indicated), 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 also continue until the first pension requirement is met. With reference to the trade union agreement mentioned above, at 31 December 2023, 9 UnipolSai executives and one Una Group executive had subscribed to the plan.

Operating performance

The Company is a holding company which also provides services and is the Parent of the Unipol Group, the leader in the Italian insurance market, particularly in the Non-Life business.

The Financial Statements of Unipol for the year ended 31 December 2023 closed with **net profit of €377.8m** (€363.0m in 2022), to which dividends received from Group companies totalling €409.9m (€449.4m in 2022) made a particular contribution.

The **2023 Consolidated Financial Statements** of the Unipol Group, drafted in compliance with IAS/IFRS, show a **profit of €1,331m**, of which €1,101m attributable to the owners of the Parent and €230m attributable to non-controlling interests.

A summary is provided below of the operations of the Unipol Group during the year 2022. For more detailed information, please refer to the Annual Integrated Report and the Consolidated Financial Statements.

Group highlights

Amounts in €m	31/12/2023	31/12/2022
Non-Life direct insurance premiums	8,651	8,304
% variation	4.2	4.5
Life direct insurance premiums	6,409	5,341
% variation	20.0	(0.8)
of which Life investment products	2,237	2,170
% variation	3.1	70.6
Direct insurance premiums	15,060	13,645
% variation	10.4	2.4
Result of insurance services	407	1,074
% variation	(62.1)	n.a.
Net financial result	1,148	166
% variation	n.s.	n.a.
Consolidated profit (loss)	1,331	675
% variation	97.2	n.a.
Balance on the statement of comprehensive income	1,529	153
Investments and cash and cash equivalents	67,309	62,796
% variation	7.2	n.a.
Insurance liabilities	51,200	47,327
% variation	8.2	n.a.
CSM Life business	2,295	2,265
% variation	1.3	n.a.
Financial liabilities	15,523	13,339
% variation	16.4	n.a.
Non-current assets or assets of a disposal group held for sale	133	514
Liabilities associated with disposal groups held for sale		360
Shareholders' Equity attributable to the owners of the Parent	7,967	4,862
% variation	16.1	n.a.
Solvency ratio	215	200
No. staff	12,407	12,370

The Financial Statements of Unipol are subject to audit by the independent auditors EY S.p.A., the company tasked with performing the legally-required audit of the financial statements for the 2021-2029 period.

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Salient aspects of business operations

The economic figures that best summarise the operating performance of the Company are the following:

- Gains on investments: these were €444.9m (€466.1m in 2022) and mainly represent dividends agreed and collected during the year from subsidiaries (€409.9m) and associates (€17.9m).
- Value of production: amounted to €19.1m (€22.7m in 2022), primarily attributable for €8.2m to the recovery of costs for personnel seconded to Group companies (€9.3m at 31/12/2022), for €7.1m to services provided to Group companies (€5.9m at 31/12/2022) and for €1.5m to remuneration paid to Company executives holding corporate offices in other Group companies (€1.7m at 31/12/2022).
- Costs of production: amounted to €46.9m (€45.5m in 2022) and included operating costs deriving from the core holding company activity, consisting primarily of personnel expenses of €21m (€19.2m in 2022) and costs for the acquisition of services amounting to €19.6m (€18.4m in 2022).
- Other net financial income/charges: express a negative balance of €65m (€59.8m at 31/12/2022). This item included primarily interest expense and other charges on bonds issued for €83m (€85.7m at 31/12/2022), interest expense due to subsidiaries for €28.5m (€3m at 31/12/2022), income on short-term securities for €16.9m (€22.7m at 31/12/2022), income on long-term securities for €13.3m (€4.6m at 31/12/2022) and interest income from subsidiaries and associates for €32.4m (€5.7m at 31/12/2022).
- Value adjustments to financial assets: these were positive for €1.4m (negative for €33.4m at 31/12/2022, including the write-down of the investment held in UnipolReC of €28.2m).
- Pre-tax profit: €353.7m (€350.1m at 31/12/2022).
- Income tax: this had a positive impact on the income statement for €24.1m (€12.9m at 31/12/2022). This effect derives from the valuation of the tax loss for the period that will be recovered due to participation in the tax consolidation.
- Profit for the year: €377.8m (€363m at 31/12/2022).

Shareholders' Equity of the Company at 31 December 2023, including profit for the year, was €6,176.9m (€6,063.5m at 31/12/2022). The change primarily results from a €265.4m decrease due to distributed dividends and a €377.8m increase due to profits for the year 2023.

Asset and financial management

Property, plant and equipment and intangible assets

The breakdown of property, plant and equipment and intangible assets and the changes compared to the previous year are provided in the table below (for details on property, plant and equipment and intangible assets, please refer to Annexes 4 and 5 of the Notes to the financial statements).

Amounts in €m

	31/12/2023	31/12/2022	Changes	
			value	%
Property, plant and equipment				
- Other assets	0.5	0.5	(0.0)	(0.1)
Total	0.5	0.5	(0.0)	(0.1)
Intangible assets				
- Concessions, licences, trademarks and similar rights	0.1	0.2	(0.1)	(58.1)
Total	0.1	0.2	(0.1)	(58.1)
TOTAL PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS	0.6	0.8	(0.1)	(19.1)

Financial fixed assets

The breakdown of financial fixed assets and the changes compared to the previous year are provided in the table below (for details on equity investments, please refer to Annex 6 of the Notes to the financial statements).

Amounts in €m

	31/12/2023	31/12/2022	Changes	
			value	%
Financial fixed assets				
-Investments				
-Subsidiaries	6,986.2	6,986.2		
-Associates	557.0	318.5	238.5	74.9
Total	7,543.1	7,304.6	238.5	3.3
-Receivables				
-Subsidiaries	461.8		461.8	
Total	461.8		461.8	
Other securities	386.6	587.1	(200.5)	(34.2)
TOTAL FINANCIAL FIXED ASSETS	8,391.5	7,891.7	499.8	6.3

The breakdown of investments by business segment and changes compared to the previous year were as follows:

Amounts in €m

	2023	Changes compared to 2022
Insurance	5,169.3	(0.0)
Banks and financial services	567.7	(93.1)
Other investments	1,806.2	331.6
	7,543.1	238.5

Investments in Banks and financial services were represented at 31 December 2023 by the investment in the associates BPER Banca and Banca Popolare di Sondrio and in the subsidiary UnipolSai Investimenti SGR. At 31 December 2023, Unipol had a direct holding of 10.21% of the share capital of Banca Popolare Sondrio as well as an indirect holding through UnipolSai of 9.51%.

Other investments included UnipolReC S.r.l. (recognised in 2022 in the Banks and financial services category), Unipol Finance, Unipol Investment and UnipolPart I.

The changes that took place during the year regarded:

- the purchase, in a single tranche, of 46.3m ordinary shares of Banca Popolare Sondrio for a total of €238.5m (increase in the value of investments under Banks and financial services);
- the reclassification of the investment in UnipolReC, for a total of €331.6m, from the item Banks and financial services to Other investments after the company was struck off from the Register of financial intermediaries (Art. 106 of the Consolidated Law on Banking).

Receivables from subsidiaries recognised under fixed assets

At 31 December 2023, there were receivables from subsidiaries recognised under fixed assets of €461.8m, attributable to the loan granted by Unipol Gruppo to the company UnipolRental, as part of the acquisition and merger by incorporation of the company Sifà. It should be noted that this loan, taken out on 22 June 2023 and disbursed on 4 July 2023, was repaid in full on 9 February 2024 at the request of UnipolRental.

For more information, please refer to the Other Information section of the Notes to the financial statements containing comments on Transactions with related parties.

Treasury shares

At 31 December 2023, there were 287,664 treasury shares in the portfolio for an equivalent value of €1.4m, acquired to serve the compensation plans based on financial instruments (performance share type) for executive personnel. As part of these plans:

- 85,000 treasury shares were acquired in 2023, for a value of €0.4m;
- in January 2023, the first tranche of shares was assigned to those entitled in execution of the 2019-2021 Long Term Incentive plan for a total of 274,879 treasury shares.

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At 31 December 2023, Unipol Gruppo also indirectly held a total of 641,014 treasury shares through:

- UnipolSai Assicurazioni: 556,950 Unipol shares;
- UniSalute: 19,629 Unipol shares;
- Linear Assicurazioni: 14,743 Unipol shares;
- Arca Vita: 2,403 Unipol shares;
- SIAT: 24,443 Unipol shares;
- Unipol *Renta!*: 13,783 Unipol shares;
- UnipolAssistance: 2,007 Unipol shares;
- Leithà: 7,056 Unipol shares.

The Ordinary Shareholders' Meeting held on 28 April 2023 authorised the Board of Directors to purchase and sell treasury shares pursuant to Art. 2357 and Art. 2357-ter of the Italian Civil Code, for a period of 18 months from the Shareholders' Meeting resolution and for a maximum of €300m.

Current financial assets

These amounted to €79.5m, down by €30.4m compared to the previous year, due mainly to the sale of all Italian and foreign listed shares and part of the government bonds held in the portfolio during the year.

The breakdown of the item was as follows:

- government bonds for €39.9m (€51.7m at 31/12/2022);
- listed corporate bonds for €38.5m (€39.3m at 31/12/2022);
- listed shares of UnipolSai for €1.1m (€2m at 31/12/2022).

The list of shares and securities recognised as current assets at 31 December 2023 is provided in Annex 7 of the Notes to the Financial Statements.

Financial operations

Financial operations in 2023 were consistent with the Investment Policy guidelines adopted by the Company and with recommendations of the Group Investments Committee and Financial Investments Committee.

The criteria of high liquidity of investments and prudence were the guidelines of the investment policy, which applied the criteria of optimising the portfolio's risk-return profile.

Management activities focused on the bond and equity sector. There was a decrease in exposure to government bonds denominated in Euros and bonds of industrial corporate issuers, against an increase in the exposure to bonds of financial corporate issuers.

Exposure to equity instruments increased, while there were no transactions on alternative investments.

Operating activities were characterised by maintaining a strong level of liquidity at the end of the year.

The volatility of share and bond prices throughout 2023 offered trading opportunities; these activities, carried out in the bond and equity segments, aimed to achieve profitability objectives.

At 31 December 2023, the duration of the portfolio was equal to 0.98 years, down compared to the end of 2022 (1.31 years) following the transactions performed during the year, within the limits set by the Investment Policy.

Cash and cash equivalents

At 31 December 2023, bank deposits and cash were €822.2m, with a decrease of €138.6m with respect to the balance at 31 December 2022.

Please note that a cash pooling agreement was in force with a number of Group companies to improve corporate cash management and allow the Parent to constantly monitor Group company liquidity, with resulting optimisation of the relative costs and returns.

At 31 December 2023, Unipol recorded cash pooling receivables of €19m (€13.2m at 31/12/2022) and cash pooling payables of €1,072.2m (€749.4m at 31/12/2022). The breakdown of receivables and payables and the relative counterparties are provided in the Notes.

Share capital

No transactions were carried out on the share capital in 2023. At 31 December 2023, the breakdown of the share capital, subscribed and fully paid-up, was as follows:

	Share capital at 31/12/2023		Share capital at 31/12/2022	
	No. of shares	Euro	No. of shares	Euro
Ordinary shares	717,473,508	3,365,292,408.03	717,473,508	3,365,292,408.03
Total	717,473,508	3,365,292,408.03	717,473,508	3,365,292,408.03

Debt

At 31 December 2023, the bonds issued by Unipol were €2,427.6m (€2,457.7m at 31/12/2022) and represent three senior unsecured bond loans, listed on the Luxembourg Stock Exchange, with the following characteristics:

- €1,000m nominal value, 3% interest rate, 2025 maturity (same amount at 31/12/2022);
- €500m nominal value, 3.5% interest rate, 2027 maturity (same amount at 31/12/2022);
- €902m nominal value outstanding of the "green" senior bond, 3.25% interest rate, 2030 maturity (€937.5m at 31/12/2022), issued in two tranches in 2020 and subject to repurchases for a total nominal value of €98m, of which €35.5m during the course of the first quarter of 2023.

The issues described above were implemented as part of the Euro Medium Term Notes (EMTN Programme), established in December 2009 for an original nominal amount of up to €2bn with the latest renewal and increase to €3bn in September 2020.

At 31 December 2023, current financial payables included payables to Group companies due to the above-mentioned cash pooling agreement for a total of €1,072.2m.

Net debt (summarised in Annex 9 to the Notes to the Financial Statements) amounted to €2,587m (€2,137m with reference to the previous year).

Risk management policies (Art. 2428 of the Civil Code)

Financial risk is managed through the regular monitoring of the main indicators of exposure to interest rate risk, credit risk, equity risk, and liquidity risk.

Interest rate risk

The duration of the investment portfolio, an indicator of the Company's interest rate risk exposure, was 0.98 years at 31 December 2023. With specific reference to the bond portfolio, the duration was 2.72 years.

The table shows the sensitivity of the bond portfolio to a parallel shift in the yield curve of reference for the financial instruments.

Amounts in €k

Risk Sector	Breakdown	Duration	10 bps increase	50 bps increase
Government	32.67%	2.55	(390)	(1,950)
Financial	66.32%	2.81	(871)	(4,357)
Corporate	1.01%	2.99	(14)	(71)
Bonds	100%	2.72	(1,275)	(6,377)

Credit risk

Management of the securities portfolio primarily involves investing in investment grade securities (88.15% of the bond portfolio). Specifically, 1.01% of bonds had an AA rating, 23.28% an A rating and 63.85% a BBB rating.

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Credit risk is monitored by measuring the portfolio's sensitivity to changes in benchmark credit spreads. The following table shows the sensitivity at 31 December 2023:

Amounts in €k

Rating	Breakdown	1 bps increase	10 bps increase	50 bps increase
AA	1.01%	(1)	(10)	(52)
A	23.28%	(36)	(361)	(1,806)
BBB	63.85%	(86)	(856)	(4,280)
Non Investment Grade	11.85%	(13)	(131)	(654)
Bonds	100%	(136)	(1,359)	(6,793)

Equity risk

Equity risk is monitored by analysing the equity portfolio's sensitivity to changes in the reference markets represented by sector indices. At 31 December 2023, Unipol Gruppo S.p.A. is not exposed to equity risk with reference to investments other than financial fixed assets.

Liquidity risk

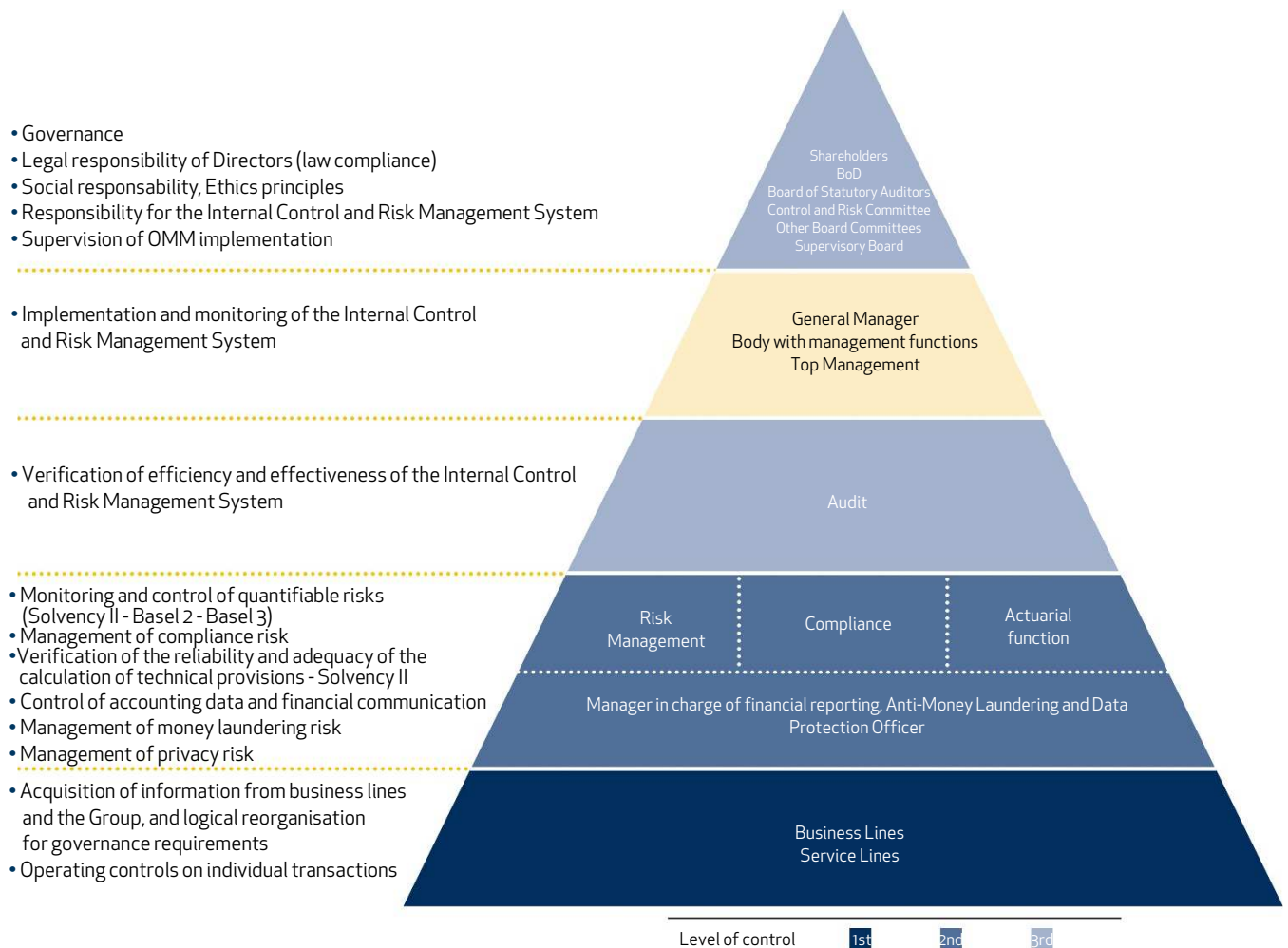
In the construction of the investment portfolio, priority is given to financial instruments that can be quickly transformed into cash and quantitative limits are specified for the purchases of securities that do not guarantee a rapid sale and/or a sale at fair conditions, because of their type or specific terms.

Internal Control and Risk Management System

The internal control and risk management system (the "System") is a key element in the overall corporate governance system. It consists of a set of rules, procedures and organisational structures for the effective and efficient identification, measurement, management and monitoring of the main risks, with the aim of contributing to the sustainable success of the Group¹.

The following diagram provides a simplified view of the Risk and Control Governance Model of Unipol Gruppo.

¹ The rules for the Unipol Group's internal control and risk management system are set forth in the Group Directives on the corporate governance system, approved by the Unipol Board of Directors and the boards of other consolidated Group companies, and are periodically updated.



The Risk Management System adopted by the Group is inspired by an Enterprise Risk Management logic (ERM Framework) based on the consideration, with an integrated approach, of all the current and prospective risks the Group is exposed to, assessing the impact these risks may have on the achievement of the strategic objectives. Based on these principles, and to pursue to assigned objectives, the Risk Management System relies on a key element: the Risk Appetite.

The Risk Management Policy outlines the risk management strategies and objectives of the Group and companies within its scope, identifying the roles and responsibilities of the corporate bodies and structures involved in the process.

The corporate bodies and top management of the Group companies are committed to promoting the dissemination of a culture of control.

In 2023, 9,046 Unipol Group employees participated in synchronous and asynchronous courses on Risk Management, a significant increase compared to more than 7,500 in 2022.

Verification of efficiency and effectiveness of the Internal Control and Risk Management System

Audit is responsible for assessing and monitoring the effectiveness, efficiency and adequacy of the internal control system and the additional components of the corporate governance system, including the risk management system.

The activities carried out by Audit are structured as follows: audits and other activities on processes (insurance, management; governance; IT; business of the Group companies subject to Bank of Italy supervision; business of the diversified companies); audits on settlement structures; audits required by regulations and internal fraud detection. In particular, note that the audits and other activities on governance processes also include actions that Audit carries

1 Management Report

out on an ongoing basis with regard to the risk management system. At the meeting of 9 February 2023, the Board of Directors approved the 2023 Audit Plan, having obtained the opinion of the Board of Statutory Auditors and acknowledged the favourable opinion of the Control and Risk Committee.

Audit planning uses a risk-based approach, with the ultimate objective of guaranteeing adequate coverage of company processes, in terms of audits carried out, according to their materiality.

The Audit Plan construction process consists of three phases:

- scoping, to identify the companies to be included in the scope of the Plan (the Audit Universe);
- risk analysis, to assign a qualitative materiality assessment to the processes, according to a structured approach that takes into account the following factors: context factors, backward-looking factors, forward-looking factors and additional inputs. This assessment is required for definition of the planning methods for audits of the companies considered;
- definition of the annual plan, to identify actions expected to be carried out on companies included in the Audit Universe, considering the results of the risk analysis and additional needs.

Lastly, at the meeting of 15 February 2024, the Board of Directors acknowledged the audit activities carried out during 2023 and the related outcomes and, at the same session, approved the Audit Plan for 2024.

Monitoring of emerging risks

The Unipol Group identifies and monitors the evolution of the main emerging risks by promoting the development of “**Reputational & Emerging Risk Observatory**” activities. The Observatory anticipates and monitors the macro trends of change in the external context, identifying the main risks and opportunities for each macro trend.

The emerging risks identified in this way, organised into six main risk areas (Climate Change and Biodiversity, Technology and Data, Social Polarisation, Demographics and Health, Business Transformation, Economy and Finance), are subject to a composite panel of external experts which assesses the likelihood, impact and degree of urgency commensurate with the reference time horizon. The assessment is from an “outside-in” perspective and makes it possible to build the Emerging Risks Radar, have an overall view of the level of priority of emerging risks for the insurance sector and identify the interconnections between emerging risks by identifying the Risk Nexuses, i.e. systems of interaction and feedback between closely interconnected risks of different natures (climate, political, economic, social, technology) which accumulate and amplify in a world increasingly exposed to “polycrises”.

Taking into account the growing importance of an early and integrated management of emerging risks and the growing attention to ESG risks, the Group has developed a structured process as part of the Observatory to **assess exposure to emerging ESG risks considered priority**. The result of this process is the construction of a **Heatmap of Emerging ESG Risks**, obtained through the definition of precise quantitative indicators for estimating the potential level of exposure to these risks for each traditional risk category.

Construction of the Heatmap of Emerging ESG Risks allows the Group to:

- Integrate the factors of exposure to emerging risks into the traditional risk management methods;
- Develop a cross-sectional view of exposures, which makes it possible to assess the materiality of each emerging risk.

Monitoring of environmental, social and governance risks and impacts

The monitoring of sustainability risks is ensured by the Group risk management system, with a first level of controls performed by the operating structures or as part of back office activities, to ensure the correct execution of transactions, added to which are the second-level controls on risks and compliance, performed, among others, by the Compliance and Anti-Money Laundering, Risk Management and Actuarial functions, and the third-level controls performed by Audit, each for their own areas of responsibility. This oversight system assists the Boards in carrying out the tasks assigned to them by the system of internal policies and regulations on sustainability.

The Group uses multiple tools to identify and assess risks (“risks incurred”)² and current and potential negative impacts (“risks generated”)³, related to environmental, social and governance issues.

In addition to the information on ESG risks provided above, to strengthen its ability to systematically monitor and manage **negative impacts**, the Group has adopted its own **due diligence approach**, outlining a model for planning due diligence activities according to a risk-based approach, starting from the areas identified by the OECD Guidelines for

² Events that represent a risk for the Group, which has no levers to influence their occurrence but can only act to guard against them, preventing or mitigating their consequences, or to turn them into opportunities.

³ Events whose triggers are directly related to the Group’s operations, in respect of which the Group has levers to prevent their occurrence or mitigate their consequences should they occur.

Multinational Enterprises⁴, associated with the main negative impacts identified for the Group, the business processes concerned and the strategic and regulatory controls in place at Group level. As a result of the recent corporate evolution, which led the Group's characterisation as significantly diversified from a sector point of view, Unipol launched a process to expand and deepen its due diligence approach in order to strengthen coverage of the various business sectors.

Risks and negative impacts (also in terms of the related reputational risk) that are fully integrated into the **ERM framework** and included in the taxonomy of risks common to the entire Group, defined in the **Risk Management Policy**.

ESG risks and negative impacts are also included in the Group's Risk Appetite Statement. The tools for monitoring their performance are constantly evolving and, in 2023, the sustainability risk assessment process described in the previous paragraph was added to the KRI (Key Risk Indicator) dashboard that monitors negative impacts to assess the degree of risk associated with each of the three environmental, social and governance areas. At least annually, the Unipol Gruppo Board of Directors is informed of developments in the monitoring tools and the results of monitoring carried out.

With specific reference to climate change-related risks, the Unipol Group prepares **scenario analyses to measure the impacts of physical and transition risks**, aimed at assessing the possible impacts of climate change in two scenarios characterised respectively by (1) an increase in average temperatures of more than 3°C over a horizon of 2050-2065 and (2) an increase in average temperatures by 2035 of less than 1.5°C, in line with the objectives defined in the Paris Agreement. In addition, with reference to physical risks, the Group: (1) identifies the business lines characterised by direct or indirect climate change impacts; (2) carries out "Climate Change So Far" analyses; (3) assesses possible impacts for the most significant acute physical risks (flood and convective storms), chronic risks (sea level rise) and acute risks currently considered secondary perils (forest fires, drought). As regards transition risks, the Group quantifies (1) losses in value of financial investments for the different asset classes (bonds, shares, funds, etc.), originating from the shocks, segmented by business sector (NACE), calibrated on the basis of scenarios outlined by the Network for Greening the Financial System (NGFS) and (2) property renovation costs, defining which energy efficiency improvement measures to apply in terms of the lowest marginal abatement cost, estimating implementation costs and the energy cost savings arising from implementation of these measures.

Further details on the activities carried out, the structured framework and the results highlighted are described in detail in the "Unipol and climate change" report, aligned with the TCFD recommendations and published annually by the Group.

In 2022 and 2023, the Risk Area, in collaboration with the Sustainability Function, also defined the framework for managing the risk of biodiversity loss and collapse of natural ecosystems (land and sea), this too presented in the aforementioned report.

The system of company policies to monitor ESG risks and negative impacts is periodically updated and constantly implemented.

Protection of personal data and cyber security

The Group's guidelines on the protection of natural persons with regard to processing of their personal data, as well as the organisational model, operating model and architectural model structured by the Group are defined in the **Policy on the protection and leveraging of personal data**.

The Unipol Group uses this system to implement Regulation (EU) no. 2016/679 (the "GDPR") and performs ongoing assessment of the effectiveness and efficiency of controls, processes and the organisation put into place for implementation of the GDPR, with support from the Group Data Protection Officer ("DPO").

Training on privacy topics involved most of the Group's collaborators (over 98% of employees in Italy) and numerous agents and sub-agents (more than 90% in both cases). At the end of 2023, cyber security courses had reached 7,415 employees (60%) and 20,617 Network staff (72%).

In 2023, there were 518 data breaches reported in the Group companies (281 in 2022), understood as a security violation that leads to the accidental or unlawful destruction, loss, alteration or unauthorised disclosure of, or access to, the personal data transmitted, stored or otherwise processed. All of the cases were promptly managed and resolved with the aim of providing the utmost protection for the rights of data subjects.

⁴ "OECD Due Diligence Guidance for Responsible Business Conduct" and "OECD Guidelines for Multinational Enterprises", also referred to in Art. 18 of Regulation (EU) 2020/852 - the "Taxonomy Regulation".

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The increase in violations compared to the previous year is probably due to the emergence, following the continuous training and awareness of resources operating in the Group, of events that previously were not correctly qualified as data breaches. However, in no case was any administrative penalty inflicted or compensation paid.

In two cases, the breaches were notified to the Personal Data Protection Authority.

In 2023, 4 documented reports were received from the Data Protection Authority alleging breach of privacy, which were promptly answered with no follow-up from the Authority.

The cyber security approach strategy is divided into three different complementary fronts:

- Governance and Processes;
- Technologies and Automation;
- Training (Awareness).

In relation to Governance, the Group **Information Security Policy** defines the guidelines on cyber security according to ISO 27001 standard, envisaging the adoption of suitable physical, logical and procedural security measures to ensure that information processed through the information systems receives appropriate and consistent protection throughout its lifetime.

The risk control system associated with the management and use of data is completed by various other Group policies, in particular the Operational Risk Management Policy, the Personal Data Protection Policy, the Business Continuity Management Policy, the Outsourcing and supplier selection policy, and the Data Governance Policy.

During 2023, the initiatives envisaged in the Strategic Plan to enhance and develop cyber security continued.

Specifically, company policies and procedures were updated on the basis of regulatory developments and cyber threats, and audits on Third Parties were conducted according to risk-based logics.

Cyber Awareness initiatives continued for technical personnel and end users to mitigate cyber risk linked to the human factor, through a new course for employees and intermediaries as well as a specific application security workshop for around 45 Group programmers and information bulletins.

During the year, despite the increase in threats and attempted attacks linked to cyber crimes and the geopolitical situation, no significant events emerged that compromised the integrity, availability or confidentiality of the Group's data.

UnipolSai has been certified according to the international security standard ISO/IEC 27001⁵ for its Advanced Electronic Signature service since 2013 and is audited annually by external auditors.

The **ISO/IEC 27001 certification process for UnipolTech** was also successfully concluded in 2023, relating to the scope of "conception, design, development, provision of insurance-related electronic services and vehicle mobility management".

For the **Companies operating in Serbia**, the Privacy function was set up within the Compliance Department. During 2023, there were no privacy or IT security-related incidents, and no complaints on such matters were identified. In particular, no incidents of data loss or theft were reported with regard to customers. Information security management is defined in the risk management strategy, and since 2016 the ISO 27001 standard has been implemented with regular annual supervisory controls. ISO 22301 was also adopted in 2021, for which the Business Continuity Management certification supports the organisation in reducing the likelihood of incidents and ensuring the resumption of operations following disruptions.

DDOR also works constantly to raise IT security awareness in its employees: in 2023, 172 hours of Cyber Security courses were provided, reaching 154 participants.

Tax strategy and tax management methods

The Unipol Group attaches strategic importance to the control of tax risk in the pursuit of sustainable success objectives. In order to reduce exposure to tax risks, Unipol - in line with the indications of the Organisation for Economic Co-operation and Development (OECD) as implemented by the Revenue Agency in the regulations for the establishment of cooperative compliance - has implemented a tax risk management system ("Tax Control Framework" or "TCF"), as a set of rules, procedures, organisational structures and controls to allow the recognition, measurement, management and control of tax risk. The adoption of the Tax Control Framework is a condition for access to the cooperative compliance regime, for which an application was submitted in December 2023. The Tax

⁵ ISO/IEC 27001 is an international standard that defines the requirements for setting up and managing an information security system and includes aspects concerning logical, physical and organisational security.

Control Framework adopted by Unipol complies with international standards and the instructions provided by the Revenue Agency, in the implementation of the cooperative compliance regime.

The Unipol TCF consists of:

- a **Tax Strategy** approved by the Board of Directors in 2022, defining the principles and limits on which tax-related risk management is based and strategic guidelines to ensure compliance with tax regulations;
- a **Tax Risk Management Policy** approved by the Board of Directors in 2023 that defines the guiding principles, roles, responsibilities, objectives and tools for managing tax risk and was drafted taking into account the Group's strategic objectives in managing taxation as defined in the Tax Strategy;
- an **Internal Control System** dedicated to the identification and management of tax risk, understood as the risk of violating tax regulations or conflict with the principles and purposes of the legal system (abuse of law). The System is a set of rules, procedures, organisational structures and controls to allow the recognition, measurement, management and control of tax risk.

The Tax Control Framework and the cooperative compliance, to which Unipol applied for participation, are aimed at guaranteeing the company constant monitoring of tax risks and the promotion of a corporate culture based on the principles of honesty, fairness and compliance with tax regulations, ensuring its completeness and reliability, as well as related awareness at all company levels.

Tax Strategy

The Tax Strategy is based on values adopted by the Group and recognised in the Charter of Values and the Code of Ethics. The document sets out the guiding principles of tax management within the Group, including in particular compliance with tax regulations, in the belief that through the payment of taxes due, the Group contributes to the needs of the communities in which it operates and to transparency in relations with the tax authorities.

Tax Risk Management Policy

The Tax Risk Management Policy defines the guiding principles, roles, responsibilities, objectives and tools for managing tax risk.

The **Group's approach to Tax** is geared towards ensuring the correct application of tax rules while maintaining a high degree of transparency in its dealings with tax authorities.

Consequently, the Group acts in full compliance with tax regulations in its various countries of operations, meeting its tax obligations, collaborating with appointed inspection bodies and thereby protecting the Group's reputation over time. The management of tax compliance risks is entrusted to the business functions and to the Tax Service Function, which reports to the Group Chief Financial Officer, in whose operations the risk may arise.

Unipol has a relationship of full collaboration with the competent tax authorities, supporting any audit activities and responding to requests received with the highest possible speed and transparency.

Tax risk management process

Tax risk can occur both in processes typically associated with tax management, and in operating and business processes. In accordance with the guidelines defined in the Tax Strategy, Unipol pursues the objective of proactively managing tax risk, identifying and managing in the TCF the following areas in which tax risk may occur:

- Compliance risks, i.e. the risk of not correctly complying with tax obligations in accordance with the rules prescribed by law. Typically, the mitigation of these risks, for the compliance phase, is ensured directly by the Tax Service Function, while, for risks affecting the business processes, mitigation is offered by the first-level controls by the business functions;
- Tax fraud risks, i.e. the risk of incurring a violation that constitutes a tax fraud offence, with particular regard to predicate offences for the purposes of administrative liability of entities pursuant to Italian Legislative Decree no. 231/2001;
- Interpretation risks, i.e. risks pertaining to the application of tax provisions and arising from hermeneutic uncertainties on abstract regulatory cases, and from the uncertain qualification of actual cases in relation to abstract regulatory assumptions. In order to detect, measure and manage these risks, Unipol has adopted a specific Policy for managing interpretation risk, attached to the Tax Risk Management Policy.

The tax risk measurement methodology is based on qualitative-quantitative parameters that allow review at any time of the assessments made in relation to specific risks. The recognition of tax interpretation risks is carried out as part of the updating of processes with respect to the new tax aspects, when performing tax advisory activities, preparing tax returns and managing non-routine transactions. At risk governance level, the roles and responsibilities are defined

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for the parties involved in managing the tax variable and introducing a specific procedure to manage risks associated with interpretation uncertainties. The escalation policy defines the rules for the assumption of tax risks that require the involvement of different organisational levels up to and including the Board of Directors.

Taxation represented in the Financial Statements

The Financial Statements include taxes for the year and a statement of reconciliation of the theoretical tax burden compared to the actual tax burden with an explanation of the main reasons for deviations. The main items causing mismatches between taxes paid and taxes recognised are subject to disclosure.

The Financial Statements include, where necessary, prudential provisions against current or potential disputes concerning the application of taxes, where there are divergent interpretations with respect to those expressed by the tax authorities in the context of relations based on mutual transparency and discussion.

Tax risk is in any event one of the operational risks subject to monitoring and assessment under Solvency II regulations. The basis for the approach adopted is the identification, profiling and quantification of risks for the purpose of defining capital requirements.

The Group's Italian and foreign companies pay taxes and duties in application of the tax regulations in force in each country.

Adoption of the cooperative compliance programme

On 22 December 2023, UnipolSai Assicurazioni S.p.A. submitted an application for adoption of the cooperative compliance programme pursuant to Art. 7, paragraph 2, Italian Legislative Decree no. 128 of 5 August 2015, on its own account and on behalf of Unipol Gruppo S.p.A. as the entity exercising management and control. Subsequently, on 19 January 2024, support documentation for the application was sent to the Italian Revenue Agency pursuant to point 4.5, Measure no. 54237 of 14 April 2016.

As part of the activities to verify the requirements for eligibility to access the cooperative compliance programme, on 25 January 2024 the Italian Revenue Agency issued two separate requests for information, pursuant to point 5.3 of the aforementioned Measure, effectively opening the initial assessment phase of the programme (Company Level Assessment), to verify compliance of the governance of the Tax Control Framework and the tax risks map with the principles and requirements of the programme. Subsequently, following the response to these requests for information, the Italian Revenue Agency will launch the Activity Level Assessment phase which is expected to terminate by the end of 2024 with acceptance of UnipolSai Assicurazioni S.p.A. and Unipol Gruppo S.p.A. into the cooperative compliance programme.

The Organisation and Management Model pursuant to Italian Legislative Decree 231/2001

The Unipol Gruppo Organisation and Management Model (OMM), in the latest version approved by the Board of Directors on 28 September 2023, is composed of a General Part and 14 Special Parts, each dedicated to a category of offences theoretically conceivable within the business context of the Company.

The Special Parts highlight the general conduct principles applied to the corporate bodies and employees directly, and to partners on the basis of dedicated contractual clauses.

Dissemination of the OMM to employees is arranged through publication on the company website, accompanied by a general disclosure relating to Italian Legislative Decree 231/2001. The adoption of the Model and the associated topics are communicated to employees at the time of adoption or update through corporate communication from the competent structure sent via e-mail (or similar electronic means) to all employees in the workforce. The Unipol Group companies with an Organisation, Management and Control Model disseminate it to employees by similar methods.

Training is provided through a specific web module. During 2023, a specific classroom training session was also launched through "one-to-one" meetings with Unipol Gruppo top management.

The Unipol Group has adopted an internal system for reporting violations which aims to safeguard the confidentiality of the whistleblower's identity and protect them from retaliatory conduct as a result of the report, in line with European level and national regulations issued on whistleblowing⁶.

The **reporting system** is formalised in a Group Procedure (the last update to which was approved by the Company's Board of Directors on 28 September 2023) which defines, inter alia, who can activate it; what conduct, acts or omissions may be reported; the methods used to report alleged violations and the report management process.

⁶ In particular, Italian Legislative Decree no. 24 of 15 March 2023, which transposes Directive (EU) 2019/1937 into Italian law.

In the entire report management process, from receipt to the investigation and final phases, utmost confidentiality is ensured regarding the identity of the whistleblower and the reported person as well as on the contents of the report and the related documentation. In particular, all whistleblowers are required to use a specific IT platform suitable for guaranteeing the confidentiality of their identity. Violation of the confidentiality obligation constitutes a disciplinary liability, without prejudice to other forms of liability envisaged by law.

The Company undertakes to protect whistleblowers (except in the case of unfounded reports made with wilful misconduct or gross negligence) from any conduct, act or omission, even merely attempted or threatened, as a result of the report and which causes or could directly or indirectly provoke undue harm to the whistleblower. The Procedure identifies the head of the Compliance Function (Main Responsible Structure) or, alternatively, the head of the Audit (Alternative Responsible Structure) and their delegates, if any, as the structure responsible for receiving, examining and assessing the reports.

With reference to 2023, the Main Responsible Structure **received no reports** falling within the scope of application of the Procedure.

The task of supervising the operation and observance of the OMM and of ensuring its updating is entrusted to the Supervisory Board (SB).

The **Anti-Money Laundering** Regulations are governed by Italian Legislative Decree 231/2007, as amended (the "Decree") which is implemented, within the Unipol Group, for Life insurance companies (UnipolSai Assicurazioni, BIM Vita and Arca Vita), for asset management companies (UnipolSai Investimenti SGR) and for Electronic Money Institutions - IMEL (UnipolPay).

All Unipol Group Companies subject to the Decree have a dedicated structure responsible for managing the risk of money-laundering and terrorist financing, with monitoring activities to ensure full compliance with provisions of the Decree.

Group employees are made aware and trained with an **online course dedicated to the prevention of money laundering** and terrorist financing. In 2023 it was completed by 92% of employees and 77% of senior executives.

With reference to foreign insurance companies operating in Serbia and Ireland, internal controls and procedures are in place in line with local legal provisions.

In Serbia, the training course on prevention of money laundering and terrorist financing was attended by 62% of employees and 100% of senior executives during 2023.

Internal Control and Risk Management System

The Unipol Group's Risk Management structure and process are part of the wider internal control and risk management system already illustrated in the Annual Integrated Report, to which reference is made.

The principles and processes of the System as a whole are governed by the following Group policies: "Risk Management Policy", "Current and Forward-looking Own Risk and Solvency Assessment Policy", "Operational Risk Management Policy" and "Group-level Risk Concentration Policy".

The policies setting the principles and guidelines below are an integral part of this System: (i) management of specific risk factors (e.g. the Investment Policy with regard to market and liquidity risks, and the Credit Policy), (ii) risk management as part of a specific process, (iii) risk mitigation and (iv) risk measurement model management.

The risk identification, assessment and monitoring processes are performed on an ongoing basis, to take into account any changes in their nature, business volumes and market context, and any insurgence of new risks or changes in existing risks.

These processes are carried out using methods that guarantee an integrated approach at Group level. The Parent ensures that the risk management policy is implemented consistently and continuously within the entire Group, taking into account the risks of each company included in the scope of supervision of the Group and their mutual interdependencies.

Risk Appetite and Risk Appetite Framework

The Risk Management System adopted by the Group is inspired by an enterprise risk management logic. This means that is based on the consideration, with an integrated approach, of all the current and prospective risks the Group is exposed to, assessing the impact these risks may have on the achievement of the strategic objectives and replies on a fundamental element, i.e. the Risk Appetite.

In quantitative terms, the Group's Risk Appetite is determined in general on the basis of the following elements:

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- capital at risk;
- capital adequacy;
- liquidity ratios.

Quality objectives are also defined in reference to compliance, emerging, strategic, reputational, ESG (Environmental, Social and Governance), business continuity and IT risks.

The Risk Appetite is formalised in the Risk Appetite Statement, which indicates the risks that the Group and/or individual company intends to assume or avoid, sets the quantitative limits and the qualitative criteria to be taken into account for the management of unquantified risks.

The Risk Appetite forms part of a reference framework - the Risk Appetite Framework (RAF). The RAF is defined in strict compliance and prompt reconciliation with the business model, the Strategic Plan, the Own Risk and Solvency Assessment ("ORSA") process and the Internal Capital Adequacy Assessment Process ("ICAAP"), the budget, company organisation and the internal control system.

The RAF defines the Risk Appetite and other components ensuring its management, both in normal and stress conditions.

These components are:

- Risk Capacity;
- Risk Tolerance;
- Risk Limits (or operational risk limits);
- Risk Profile.

The activity to set the RAF components is dynamic over time, and reflects the risk management objectives associated with the objectives of the Strategic Plan. Verification is performed annually as part of the process of assigning Budget objectives. Further analyses for preventive control of the Risk Appetite, and capital adequacy in particular, are performed when studying extraordinary transactions (such as mergers, acquisitions, disposals).

The RAF is broken down into several analysis macro areas with the aim of guaranteeing continuous monitoring of risk trends and capital adequacy. The main analysis macro areas are:

- individual type of risk, overall risk and capital adequacy;
- individual companies and group.

The Group RAF takes into account the specific operations and related risk profiles of each company in the Group, in such a way as to be integrated and consistent.

The ORSA process

Under their own risk management systems, Unipol and the companies that fall within the scope of the current and forward-looking own risk and solvency assessment policy use the ORSA to assess the effectiveness of the risk management system and its capital adequacy as well as liquidity governance and management.

The ORSA process allows the analysis of the current and forward-looking risk profiles of the Group and the insurance companies in the Group, based on strategy, market scenarios and business development.

Capital management policy

The Group's capital management strategies and objectives are outlined in the "Capital management and dividend distribution policy", which describes the reference context and the process for managing capital and distributing dividends also in terms of the roles and responsibilities of the players involved. The document also identifies the principles of capital management and the distribution of dividends or other elements of own funds, in line with the return on capital objectives and the risk appetite defined by the Board of Directors.

The general aims pursued by the "Capital management and dividend distribution policy" are:

- ex ante definition of the return objectives on allocated capital, consistent with the profitability objectives and in line with the risk appetite;
- maintaining a sound and efficient capital structure, considering growth targets and risk appetite;
- outlining the capital management process for the definition of procedures to ensure, inter alia, that:
 - the elements of own funds, both at the time of issue and subsequently, satisfy the requirements of the applicable capital regime and are correctly classified;
 - the terms and conditions for each element of own funds are clear and unequivocal;
- ex ante definition of a sustainable flow of dividends, in line with the profit generated, available cash and the risk appetite, identifying and documenting any situations where postponement or cancellation of distributions from an element of own funds is expected;
- outlining the dividend distribution process for the definition of procedures to ensure a sound and efficient capital structure, considering that growth targets and profitability objectives are in line with the risk appetite;
- defining the roles, responsibilities and reporting in relation to capital management and the distribution of dividends or other elements of own funds.

The capital management and dividend distribution process is divided into five steps, in close relation with other corporate processes:

- final measurement of available capital and the capital required;
- preparation of the mid-term capital management plan;
- monitoring and reporting;
- management actions on capital;
- distribution of dividends or other elements of own funds.

Insurance Sector

Activities by the competent corporate organisations of the Group were carried out in 2023 in compliance with Solvency II regulations and the supervisory provisions issued by IVASS.

As regards the Group's solvency capital requirement, note that this is calculated using the partial internal model authorised by IVASS.

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Report on corporate governance and ownership structures pursuant to Art. 123-bis of Italian Legislative Decree 58 of 24 February 1998

The information required by Art. 123-bis, Italian Legislative Decree 58 of 24 February 1998 as amended is included in the Annual Report on Corporate Governance, approved by the Board of Directors and published together with the Management Report.

The Annual Report on Corporate Governance is available in the "Governance" section of the Company's website (www.unipol.it).

Performance of directly controlled companies

The key figures of directly controlled companies are provided below. Reference should be made to their respective financial statements for details of companies under their direct control.

The financial statements of (direct and indirect) subsidiaries and associates were filed pursuant to Art. 2429 of the Civil Code.

UnipolSai Assicurazioni S.p.A.

Registered Office: Bologna

Share capital: €2,031,456k

Carrying amount: fixed assets €5,169,262k; current assets €1,136k

% holding: 85.21% - Direct holding of 61% and an indirect holding of 24.21% in the capital

The company is authorised to operate as insurer and reinsurer in the Non-Life, Life and Capitalisation sectors. It may also set up and manage open pension funds.

UnipolSai achieved a net profit of €624.5m in 2023, compared to €144.7m recorded in the previous year, which was affected by significant value adjustments to securities classified in the current assets portfolio triggered by higher interest rates.

With reference to the insurance business, in 2023 the Company recorded total premiums of €11,250.7m, broken down as follows:

Amounts in €m

Premiums	Non-Life	Life	Total 2023	Total 2022	% var.	Variation on 2022
Direct business	6,951.7	3,810.9	10,762.5	10,275.6	4.7	486.9
Indirect business	488.0	0.2	488.2	316.9	54.1	171.3
	7,439.7	3,811.0	11,250.7	10,592.4	6.2	658.3
Premiums ceded	280.6	8.2	288.8	307.2	(6.0)	(18.4)
Premiums retained	7,159.1	3,802.8	10,961.9	10,285.2	6.6	676.7
% breakdown	65.3	34.7	100.0			

The net retention of acquired premiums was 97.4%, substantially in line with the previous year (97.1%).

The shareholders' equity of the Company, including the profit for the year, was €6,339m (€6,167m at 31/12/2022). In 2023, the company paid the holding company Unipol Gruppo dividends of €276.2m.

Unipol Investment S.p.A.

Registered Office: Bologna
Share capital: €5,180k
Carrying amount: €528,577k
% holding: 100% direct

The company's purpose is to acquire interests and investments in other companies, not from the public, as well as the trading of financial instruments in general, for investment purposes. The financial year, previously from 1 July to 30 June, was modified by the extraordinary shareholders' meeting of 29 February 2024, as part of the proposed merger described in more detail in the paragraph "Significant events after the reporting period", adjusting it to that of the holding company (1 January - 31 December) to facilitate backdating of the accounting effects of the merger. As a result, in 2023, the Company prepared financial statements for a 12-month period ending on 30 June 2023 as well as financial statements for a 6-month period ending on 31 December 2023.

At 30 June 2023, the company recorded a profit of €40.3m (€10.7m at 30/06/2022) due to dividends collected from the affiliate UnipolSai, amounting to €20m and net income originating from financial investments other than equity investments, against positive financial market performance.

The aspects best characterising the operating performance in the year ended at 30 June 2023 were the following:

- Gains on investments of €42.3m (€45.2m at 30/06/2022), of which €20m in dividends received from the affiliate UnipolSai Assicurazioni S.p.A., €8.3m in capital gains from the trading of shares and units of mutual funds and €14m in dividends collected from other companies and income deriving from mutual fund units.
- Costs of production of €1.5m (€0.9m at 30/06/2022).

For the six-month period ending on 31 December 2023, the company achieved a profit for the year of €28.2m, mainly due to capital gains realised on the sale of listed shares and mutual funds held in current assets.

At 31 December 2023, the shareholders' equity of the company, including the profit for the year, amounted to €623.8m (€606.3m at 30/06/2022) against assets consisting mainly of the 4.41% stake held in UnipolSai, recorded for a value of €240.3m, and receivables from the holding company for cash pooling for €377.7m. In 2023, the company paid the holding company Unipol Gruppo dividends of €40.3m.

Unipol Finance S.r.l.

Registered Office: Bologna
Share capital: €5,000k
Carrying amount: €482,800k
% holding: 100% direct

The company's purpose is to acquire interests and investments in other companies, not from the public, as well as the trading of financial instruments in general, for investment purposes. The financial year, previously from 1 July to 30 June, was modified by the extraordinary shareholders' meeting of 29 February 2024, as part of the proposed merger described in more detail in the paragraph "Significant events after the reporting period", adjusting it to that of the holding company (1 January - 31 December) to facilitate backdating of the accounting effects of the merger. As a result, in 2023, the Company prepared financial statements for a 12-month period ending on 30 June 2023 as well as financial statements for a 6-month period ending on 31 December 2023.

At 30 June 2023, the company recorded a profit of €45.5m (€53.5m at 30/06/2022), due almost exclusively to the dividend collected from the affiliate UnipolSai Assicurazioni S.p.A. (€44.8m).

The aspects best characterising the operating performance in the year ended at 30 June 2023 were the following:

- Gains on investments of €45.1m (€54.4m at 30/06/2022), of which €44.8m in dividends received from the affiliate UnipolSai Assicurazioni S.p.A. and €0.3m in capital gains from the trading of shares and units of mutual funds.
- Costs of production of €0.2m (in line with 30/06/2022).

For the six-month period ending on 31 December 2023, the company achieved a profit for the year of €0.6m, primarily due to the remuneration of the liquidity transferred to Unipol Gruppo by virtue of the cash pooling agreement.

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At 31 December 2023, the shareholders' equity of the company, including the profit for the year, amounted to €682.8m (€735.6m at 30/06/2022) against assets consisting mainly of the 9.9% stake held in UnipolSai, recorded for a value of €666.6m, and receivables from the holding company for cash pooling for €14.3m. In 2023, the company paid the holding company Unipol Gruppo dividends of €45.5m.

UnipolPart I S.p.A.

Registered Office: Bologna

Share capital: €4,100k

Carrying amount: €463,198k

% holding: 100% direct

The company's purpose is to acquire interests and investments in other companies, not from the public, as well as the trading of financial instruments in general, for investment purposes. The financial year, previously from 1 July to 30 June, was modified by the extraordinary shareholders' meeting of 29 February 2024, as part of the proposed merger described in more detail in the paragraph "Significant events after the reporting period", adjusting it to that of the holding company (1 January - 31 December) to facilitate backdating of the accounting effects of the merger. As a result, in 2023, the Company prepared financial statements for a 12-month period ending on 30 June 2023 as well as financial statements for a 6-month period ending on 31 December 2023.

At 30 June 2023, the company recorded a profit of €44.9m (€53.2m at 30/06/2022) due primarily to dividends collected from the investee UnipolSai (€44.8m).

The aspects best characterising the operating performance in the year ended at 30 June 2023 were the following:

- Gains on investments of €44.8m (€53.2m at 30/06/2022), consisting in full of dividends collected on shares of the affiliate UnipolSai Assicurazioni S.p.A.
- Costs of production of €0.1m (in line with 30/06/2022).

For the six-month period ending on 31 December 2023, the company achieved a profit for the year of €0.7m, mainly due to the remuneration of the liquidity transferred to Unipol Gruppo by virtue of the cash pooling agreement.

At 31 December 2023, the shareholders' equity of the company, including the profit for the year, amounted to €577.6m (€630.1m at 30/06/2022) against assets consisting mainly of the 9.9% stake held in UnipolSai, recorded for a value of €574.0m, and receivables from the holding company for cash pooling for €3.6m. In 2023, the company paid the holding company Unipol Gruppo dividends of €44.9m.

UnipolSai Investimenti SGR S.p.A.

Registered Office: Turin

Share capital: €3,914k

Carrying amount: €10,710k

% holding: 100% - Direct holding of 51% and an indirect holding of 49% in the capital

UnipolSai Investimenti SGR manages the real estate investment funds Tikal, Athens, Fondo Emporion, Fondo Landev and Fondo Oikos.

The company's performance recorded profit for the year of €7.5m (net profit of €6.5m at 31/12/2022).

The aspects best characterising the operating performance in the year ended at 31 December 2023 were the following:

- Commission income of €16.1m (€15.2m at 31/12/2022), deriving from the management of the real estate investment funds mentioned above.
- €5.6m costs for services and miscellaneous expenses (in line with the 31/12/2022 figure), of which €5.3m due to UnipolSai Assicurazioni S.p.A. for seconded staff and miscellaneous services.
- €16.5m gross operating income (€15.2m at 31/12/2022, +9.05%).
- €11m net operating income (€9.6m at 31/12/2022).

The shareholders' equity of the company, including profit (loss) for the year, was €23.9m (€21.7m at 31/12/2022). In 2023, the company paid the holding company Unipol Gruppo dividends of €3m.

UnipolReC S.p.A.

Registered Office: Bologna

Share capital: €290,123k

Carrying amount: €331,605k

% holding: 100% - Direct holding of 85.24% and an indirect holding of 14.76% in the ordinary capital

During 2023, following the conclusion of its previous debt collection activities regarding non-performing loans, UnipolReC S.p.A. changed its corporate purpose, subject to Bank of Italy approval, with subsequent removal from the register of financial intermediaries pursuant to Art. 106 of the Consolidated Law on Banking.

UnipolReC S.p.A.'s corporate purpose is to acquire interests and investments in other companies, not from the public, as well as the trading of financial instruments in general, for investment purposes.

The aspects best characterising the operating performance in the year ended at 31 December 2023 were the following:

- Profit for the year of €5m (loss of €52m at 31/12/2022) largely due to the contribution of interest income amounting to €12m (€7m at 31/12/2022);
- Financial assets measured at amortised cost, amounting to €379m (€381m at 31/12/2022), refer entirely to the receivable from the holding company Unipol deriving from the existing cash pooling relationship with the Parent.

The shareholders' equity of the company, including profit (loss) for the year, was €394m (€389m at 31/12/2022).

Transactions with Group companies and transactions with related parties

As the investment and services holding company and Parent of the Unipol Insurance Group (registration no. 046 in the Insurance Groups Register), Unipol Gruppo carries out management and coordination activities pursuant to Art. 2497 et seq. of the Civil Code.

It should be noted that none of the shareholders of Unipol Gruppo carries out management and coordination activities over the company in accordance with Art. 2497 et seq. of the Civil Code.

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 Unipol, either directly or through its subsidiaries.

In 2023, Unipol did not approve, or carry out, directly or through subsidiaries, any related party transactions qualifying as of "Major Significance", or which significantly influenced the financial position or profit and loss of the companies, pursuant to Art. 5, paragraph 8 of the CONSOB Regulation.

With regard to Related Party Transactions qualifying as "exempt" from the application of procedural safeguards established by the CONSOB Regulation and the Procedure, during 2023 an unsecured interest-bearing loan was granted by Unipol for a maximum of €450m (the "**Loan**") in favour of its indirect subsidiary UnipolRental S.p.A. ("**UnipolRental**"). The Loan — which is exempt in that it is arranged with an indirectly controlled company, in the absence of significant interests of other related parties — was approved by the Company's Board of Directors on 23 March 2023 as part of the broader partnership project between the Unipol Group and the BPER Group in the long-term rental business (the "**Industrial Project**") implemented, inter alia, through the merger by incorporation of SIFA - Società Italiana Flotte Aziendali S.p.A. ("**Sifà**"), a subsidiary of BPER Banca S.p.A. ("**BPER**"), into UnipolRental itself, as described above in the section "Significant events during the year". The related amount, mainly aimed at repaying Sifà's debt to BPER at the effective date of the merger, was disbursed in full on 4 July 2023.

For the sake of full disclosure, note that the Loan, together with the other transactions related to the Business Plan, was subject to the application of the procedural and decision-making controls established, for Related Party Transactions of Major Significance, by the Procedure for Related Party Transactions adopted by UnipolSai Assicurazioni S.p.A. ("**UnipolSai**").

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

1 Management Report

authorised e-Market Storage mechanism (www.emarketstorage.it) and on UnipolSai's website (www.unipolsai.com - "Governance/Related Party Transactions" section).

Then on 10 August 2023, with a view to improving UnipolRental liquidity management efficiency, the frequency of calculation and payment of interest on the Loan was changed from annual to half-yearly, with financial aspects substantially unchanged and without prejudice to all other parameters, including the interest rate.

With regard to the information required by Consob Communication no. DEM/6064293/2006, we refer to the paragraph on Transactions with related parties in the Notes to the financial statements.

Research and development activities

In response to a market scenario undergoing constant technological evolution, the Unipol Group makes investments to develop and accelerate innovation and meet the new needs of customers.

Intellectual capital represents a key asset in building Group strategies and is continuously enhanced through investments in innovation.

The main feature of the Group's approach is the integration of data and analytics throughout the entire insurance value chain and in support of Beyond Insurance initiatives, to support the growing importance of the services "adjacent" to the insurance business.

The areas of application range from pricing and underwriting to the assessment of needs and loyalty, from customer experience to new assistance models, from real-time settlement and reduction of the costs of claims to fraud prevention.

Artificial intelligence and machine learning solutions are being researched to obtain granular information on risks and customers and further automate decision-making processes.

Privacy obligations (Italian Legislative Decree 196/2003)

Regulation (EU) 2016/679 on the protection of personal data (the "GDPR") requires continuous training on personal data protection and suitable safeguards capable of demonstrating its compliance with the GDPR provisions.

With regard to training, in 2023, with the support of the Group Data Protection Officer - who carries out the activities under his or her responsibility for the Parent and its subsidiaries with registered office in Italy - the Company continued to provide training to employees through both e-learning courses and face-to-face meetings/lessons carried out remotely.

With regard to oversight mechanisms, the DPO, in collaboration with the Control Functions, continuously verifies the effectiveness and efficiency of these mechanisms, as well as of processes and the organisational system, to ensure that personal data management complies with current legislation and is transparent to the parties concerned. Control and adaptation activities were carried out through:

- monitoring of the record of processing activities required under Art. 30 of the GDPR;
- updating of service agreements between Group companies and between them and external suppliers;
- updating of company communication documents to outline guidelines and procedures for the proper management of personal data and to ensure the regulatory compliance of processing;
- assessment on the compliance of processes and procedures with regulatory provisions;
- monitoring of the implementation of the actions identified in the assessments;
- monitoring of the reference regulatory framework, including through the analysis of regulations and/or guidelines of the European and national authorities subject to public consultation to propose, when necessary, requests for changes, amendments, supplements or clarifications with respect to topics linked to the processing of personal data;
- impact assessments on data protection, in keeping with the privacy by design and by default principles;
- preparation of information notes and comments regarding new relevant regulations, assessing their impact on company processes and procedures and identifying the necessary adaptation measures and the activation of the ensuing interventions.

Human resources

At 31 December 2023, the Company had 13 employees (14 at 31/12/2022), as shown in the table below.

	31/12/2023			31/12/2022		
	Average	Final	FTE	Average	Final	FTE
Permanent	14	13	13	14	13	13
Fixed-term	1			1	1	1
Total	14	13	13	15	14	14

Training

Among the initiatives for employees, including through the Group **Academy**, the professional development programme continued for a group of Officers and Middle Managers, with the aim of strengthening skills and ensuring managerial continuity within the Group. Furthermore, in line with the "Tech & People Evolution" strand of the 2022-2024 Strategic Plan, a procedure was launched to disseminate digital culture by engaging and involving employees as digital transformation accelerators and strengthening an approach based on new skills and digital methods.

Training activities continued throughout the year on technical, technological, commercial and managerial aspects as well as on mandatory and regulatory courses. In particular, basic and refresher training courses on safety continue and it is worth noting the resumption of courses and practical tests for jobs with medium-high risks. Lastly, the online course "**EticaMente!**" which makes it possible to reflect on situations that could arise in the company in which it is essential to act ethically, continued.

Share-based compensation plans

The Unipol Group pays variable benefits (long-term incentives) to the General Manager, Key Managers and other senior executives under closed three-year, share-based compensation plans by which Unipol and UnipolSai shares (performance shares) are granted if specific targets of profitability, creation of value for shareholders and ESG Sustainability are achieved.

The 2019-2021 Performance share-based compensation plans, 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 Performance share-based compensation plans, 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, 1,417,994 UnipolSai shares and 783,877 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.

Trade union relations

During the year, the pre-retirement plan described in the previous section dedicated to the **Trade union agreement regarding Personnel and access to the Solidarity Fund** was implemented.

In terms of policies and plans, 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.

1 Management Report

IT services

During 2023, activities were structured according to the three lines of action set forth in the ICT Strategic Plan;

- **Insurance Core Business Digitalisation and Process Automation** through the intensive use of robotisation, process automation and artificial intelligence technologies;
- **Evolution of technological platforms:** through the intensive use of internet connections and devices owned by the agencies to support Network digitalisation and mobility, technological updating and the extension of the use of the Cloud;
- **Integration and development of new ecosystems and Cybersecurity** through the creation of the **UNIPORT Platform** for Bancassurance, supporting sales of insurance products in the branch and on digital channels, integrated with banking systems and processes, and the introduction of new detection and security management functions supported by AI algorithms.

Communications

In 2023, activities related to the Digital Image sphere were characterised by strong integration and cross action between the web and social areas, to increasingly harmonise them and to create reciprocal synergies in the Group's communications. The institutional content of the *unipol.it* and *unipolsai.com* websites has been continuously updated and the supervision of the shared information on these channels is increasingly based on a wider brand awareness.

As concerns the Corporate Sponsorship Program, projects continued that seek to enhance the company's image by associating it with high-level partners and events, participating in events that have seen Unipol and UnipolSai alongside personalities of the sports, cultural and social spheres, with a view to long-term continuity.

Internet

www.unipol.it is the Unipol website via which users can access the websites of the various Group companies and obtain information about Unipol itself.

Business outlook

International macroeconomic forecasts for the year 2024 are characterised by expectations of a gradual recovery, moreover already underway towards the end of 2023, of the inflationary tensions that followed the rally in raw materials and the critical logistics issues triggered by the pandemic crises and the war between Russia and Ukraine. The financial markets therefore expect a reduction in interest rates by the main Central Banks during 2024.

However, uncertainties surrounding the global economy persist, with very low growth estimates in the Eurozone, and high concerns about growing geopolitical tensions exacerbated by the ongoing conflict in Palestine and the threat of its expansion to the Red Sea area, with repercussions on transport costs and delays in the supply chain. In Italy, despite the drives deriving from the NRRP, GDP growth is still expected to be weak after the modest increase of 0.9% recorded in 2023.

With regard to the Non-Life insurance business, the effects of ongoing climate change, which generated a peak in claims in 2023, are leading to changes in products, at both tariff and regulatory level, in addition to a revision of reinsurance treaties. As concerns MV TPL, although in a still highly competitive market context, ongoing actions are aimed at achieving positive margins by favouring portfolio selection and cost containment, also thanks to the know-how acquired in the area of telematics and the constant increase in MV claims channelled to the UnipolService and UnipolGlass networks, allowing for excellent results in terms of limiting average repair costs.

In the Life segment, traditional Class I products will continue to be offered across all production networks in 2024 as well, to promote the profitability of segregated funds, alongside multi-segment and protection products, while maintaining leadership in the Pension Funds sector.

As set forth in our 2022-2024 Strategic Plan, after two years in which all ecosystems in which the Group is active recorded strong growth, both internally and externally, in 2024 activities will be focused on the integration and consolidation of the various businesses. In this sense, the Dyadea health centres merged as of 1 January 2024 with the Santagostino Medical Centres. Together, they have 45 facilities in different Italian cities and strengthen the offer of the Welfare ecosystem, which is one of the Group's main strategic assets.

Overall, the information currently available makes it possible to confirm, in the absence of currently unforeseeable events, also linked to the deterioration 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 Strategic Plan.

Bologna, 21 March 2024

The Board of Directors





2

FINANCIAL
STATEMENTS
FOR THE YEAR 2023

2 Financial Statements for the year 2023

Unipol Gruppo S.p.A. Statement of Financial Position

Amounts in €

ASSETS	31.12.2023	31.12.2022
A) SUBSCRIBED CAPITAL, UNPAID		
- of which called		
B) FIXED ASSETS		
I Intangible assets		
4) Concessions, licences, trademarks and similar rights	103,016	245,661
Total	103,016	245,661
II Property, plant and equipment		
4) Other assets	505,708	506,382
Total	505,708	506,382
III Financial fixed assets		
1) Investments in:		
a) subsidiaries	6,986,150,920	6,986,150,920
b) associates	556,969,688	318,489,688
Total investments	7,543,120,608	7,304,640,608
2) Receivables:		
a) from subsidiaries	461,826,986	
Total receivables	461,826,986	
3) Other securities	386,560,772	587,106,419
Total	8,391,508,366	7,891,747,027
TOTAL FIXED ASSETS	8,392,117,090	7,892,499,070

Unipol Gruppo S.p.A. Statement of Financial Position

Amounts in €

ASSETS		31.12.2023	31.12.2022
C) CURRENT ASSETS			
II	Receivables		
1)	from customers	69,801	
2)	from subsidiaries	119,405,689	47,594,402
3)	from associates	4,664,100	2,121,469
5-	bis) tax receivables	175,548,098	205,879,578
	- of which payable after 12 months	46,332,090	134,187,813
5-	ter) deferred tax assets	225,686,902	268,634,569
	- of which payable after 12 months	177,162,450	218,847,733
5)	quater) from others	441,744	402,193
	- of which payable after 12 months	247,001	19,269
	Total	525,816,334	524,632,210
III	Current financial assets		
1)	Investments in subsidiaries	1,135,816	2,002,579
4)	Other investments		16,359,357
5)	Financial derivative assets		656,290
6)	Other securities	78,404,405	90,961,880
	Total	79,540,221	109,980,106
IV	Cash and cash equivalents		
1)	Bank and post office deposits	822,211,040	960,852,486
	- of which from associates	822,200,629	960,816,041
3)	Cash at bank and in hand	10,149	15,930
	Total	822,221,189	960,868,417
TOTAL CURRENT ASSETS		1,427,577,744	1,595,480,733
D) ACCRUALS AND DEFERRALS			
2)	Deferrals	467,194	701,495
TOTAL ACCRUALS AND DEFERRALS		467,194	701,495
TOTAL ASSETS		9,820,162,028	9,488,681,298

2 Financial Statements for the year 2023

Unipol Gruppo S.p.A. Statement of Financial Position

Amounts in €

LIABILITIES	31.12.2023	31.12.2022
A) SHAREHOLDERS' EQUITY		
I Share capital	3,365,292,408	3,365,292,408
II Share premium reserve	1,345,677,187	1,345,677,187
IV Legal reserve	673,058,482	673,058,482
VI Other reserves	416,468,076	318,872,747
- Extraordinary reserve	416,468,076	318,872,747
IX Profit (loss) for the year	377,820,052	362,985,542
X Negative reserve for treasury shares	(1,438,382)	(2,358,657)
TOTAL SHAREHOLDERS' EQUITY	6,176,877,822	6,063,527,709
B) PROVISIONS FOR RISKS AND CHARGES		
4) Other	6,615,300	12,818,600
TOTAL PROVISIONS FOR RISKS AND CHARGES	6,615,300	12,818,600
C) POST-EMPLOYMENT BENEFITS	43,695	43,023
D) PAYABLES		
1) Bonds	2,427,551,147	2,457,749,904
- of which payable after 12 months	2,427,551,147	2,457,749,904
7) Trade payables	3,402,564	4,177,611
9) Payables to subsidiaries	1,184,943,941	922,105,523
10) Payables to associates	150,761	1,133,949
12) Tax payables	663,020	667,430
13) Social security charges payable	415,786	442,488
14) Other payables	19,497,993	26,015,063
TOTAL PAYABLES	3,636,625,211	3,412,291,967
TOTAL LIABILITIES	9,820,162,028	9,488,681,298

2 Financial Statements for the year 2023

Unipol Gruppo S.p.A. Income Statement

Amounts in €

	31.12.2023	31.12.2022
A) VALUE OF PRODUCTION		
1) Revenue from sales and services	7,136,037	5,916,203
5) Other revenue and income		
b) sundries	11,990,251	16,815,663
Total other revenue and income	11,990,251	16,815,663
TOTAL VALUE OF PRODUCTION	19,126,288	22,731,866
B) COSTS OF PRODUCTION		
6) Raw materials, consumables and goods for resale	164,043	148,886
7) Services	19,641,513	18,353,818
8) Use of third party assets	1,127,898	1,137,160
9) Personnel:		
a) wages and salaries	14,756,398	13,964,910
b) social security expenses	3,297,488	3,069,297
c) post-employment benefits	507,363	553,690
e) other costs	2,458,762	1,567,723
Total personnel	21,020,011	19,155,620
10) Amortisation, depreciation and write-downs:		
a) amortisation of intangible assets	149,941	195,674
b) depreciation of property, plant and equipment	674	1,818
Total amortisation, depreciation and write-downs	150,615	197,492
12) Provisions for risks	13,000	126,909
14) Sundry operating expenses	4,756,137	6,414,148
TOTAL COSTS OF PRODUCTION	46,873,216	45,534,033
DIFFERENCE BETWEEN VALUE AND COSTS OF PRODUCTION (A-B)	(27,746,928)	(22,802,167)
C) FINANCIAL INCOME AND CHARGES		
15) Gains on investments:		
a) in subsidiaries	419,951,090	449,377,331
b) in associates	17,895,820	8,947,910
d) in other companies	7,101,991	7,753,027
Total gains on investments	444,948,901	466,078,268
16) Other financial income:		
a) from receivables recognised under fixed assets	11,826,986	2,859,551
1) from subsidiaries	11,826,986	2,859,551
b) from securities held as fixed assets	13,290,859	4,575,961
c) from securities recognised under current assets	16,918,676	22,737,198
d) other income	23,324,856	9,295,776
1) from subsidiaries	4,898,912	178,711
2) from associates	15,656,906	2,647,145
4) from others	2,769,038	6,469,920
Total other financial income	65,361,377	39,468,484
17) Interest and other financial charges:		
a) subsidiaries	28,527,417	3,002,908
b) associates	13,246	16,168
d) others	101,201,776	97,157,207
Total interest and other financial charges	129,742,438	100,176,283
17-bis) Exchange gains (losses)	(569,357)	883,489
TOTAL FINANCIAL INCOME AND CHARGES	379,998,483	406,253,958

Unipol Gruppo S.p.A. Income Statement

Amounts in €

	31.12.2023	31.12.2022
D) VALUE ADJUSTMENTS TO FINANCIAL ASSETS		
18) Write-ups:		
c) of securities recognised under current assets	1,576,291	499,177
d) of financial derivative instruments		680,361
Total write-ups	1,576,291	1,179,538
19) Write-downs:		
a) of investments	42,035	31,220,933
c) of securities recognised under current assets	89,678	3,359,244
Total write-downs	131,713	34,580,177
TOTAL ADJUSTMENTS	1,444,579	(33,400,639)
PRE-TAX PROFIT (LOSS)	353,696,134	350,051,152
20) Income tax for the year: current and deferred		
a) Current taxes	(55,326,755)	(55,442,847)
b) Taxes related to prior years	(11,744,829)	(664,351)
c) bis) Deferred tax assets	42,947,667	43,172,808
Total income tax for the year	(24,123,917)	(12,934,390)
PROFIT (LOSS) FOR THE YEAR	377,820,052	362,985,542

2 Financial Statements for the year 2023

Unipol Gruppo S.p.A. Statement of cash flows

Amounts in €

	31.12.2023	31.12.2022
A. Cash flows arising from income management (Indirect method)		
Profit (loss) for the year	377,820,052	362,985,542
Income tax	(24,123,917)	(12,934,390)
Interest expense/(interest income)	76,854,723	79,499,607
(Dividends)	(409,865,078)	(449,377,331)
(Capital gains)/losses arising from disposal of assets	(213,590)	2,088,108
1.Pre-tax profit (loss) for the year, interests, dividends and capital gains/losses on disposals	20,472,190	(17,738,464)
<i>Adjustments for non-monetary items with no impact on net current assets</i>		
Allocation to provisions	13,000	126,909
Depreciation of fixed assets	150,615	197,492
Write-downs for impairment losses		28,214,616
Value adjustments to financial assets and liabilities relating to financial derivatives, not involving monetary transactions		(685,952)
Other adjustments to non-monetary items	(7,969,650)	11,175,129
<i>Total adjustments to non-monetary items</i>	<i>(7,806,036)</i>	<i>39,028,194</i>
2. Cash flows before adjustments to net current assets	12,666,154	21,289,730
<i>Change in net current assets</i>		
Decrease (increase) in receivables from customers	(69,801)	71,340
Decrease (increase) in trade payables	(775,046)	(3,206,416)
Decrease (increase) in prepayments and accrued income	234,301	(342,376)
Decrease (increase) in receivables from subsidiaries	(66,020,391)	122,049,771
Other changes in net current assets	29,847,381	100,492,334
<i>Total changes in net current assets</i>	<i>(36,783,556)</i>	<i>219,064,654</i>
3. Cash flows after adjustments to net current assets	(24,117,402)	240,354,384
<i>Other adjustments</i>		
Interest amounts collected (paid)	(76,854,723)	(79,499,607)
(Tax income paid)	(2,500,000)	(161,533,223)
Dividends received	409,865,078	449,377,331
(Use of provisions)	(6,216,300)	(11,382,369)
<i>Total other adjustments</i>	<i>324,294,055</i>	<i>196,962,131</i>
Cash flows arising from income management (A)	300,176,653	437,316,515

Unipol Gruppo S.p.A. Statement of cash flows

Amounts in €

	31.12.2023	31.12.2022
B. Cash flows arising from investing activity		
<i>Intangible assets</i>		
(Investments)	(7,295)	(10,733)
Disposals		3,533
<i>Financial fixed assets</i>		
(Investments)	(688,480,000)	(443,339,413)
Disposals	187,546,611	150,000,000
<i>Financial current assets</i>		
(Investments)		(2,183,321)
Disposals	45,097,090	30,862,321
Cash flows arising from investing activity (B)	(455,843,594)	(264,667,614)
C. Cash flows arising from financing activity		
<i>Loans received</i>		
Increase (decrease) of cash pooling liabilities	316,989,652	315,390,704
Repayment of loans	(35,500,000)	(362,500,000)
<i>Equity</i>		
Sale (purchase) of treasury shares	920,274	(2,019,435)
(Dividends and interim dividends distributed)	(265,390,212)	(215,098,790)
Cash flows arising from financing activity (C)	17,019,714	(264,227,520)
Increase (decrease) in cash and cash equivalents (A ± B ± C)	(138,647,227)	(91,578,619)
Cash and cash equivalents at 1 January	960,868,417	1,052,447,036
of which:		
Bank and post office deposits	960,852,486	1,052,432,261
Cash at bank and in hand	15,930	14,774
Cash and cash equivalents at 31 December	822,221,189	960,868,417
of which:		
Bank and post office deposits	822,211,040	960,852,486
Cash at bank and in hand	10,149	15,930





3

NOTES TO THE FINANCIAL STATEMENTS



3 Notes to the Financial Statements

Structure and contents of the Financial Statements

Unipol 2023 financial statements were prepared in compliance with the provisions of the Civil Code and the national accounting standards approved by the OIC (Italian Accounting Standards Setter). In fact, since it qualifies as the Parent of an insurance group, Unipol is required to prepare consolidated financial statements in compliance with international accounting standards according to Art. 95, paragraph 2-bis of Italian Legislative Decree 209/2005 (Private Insurance Code), but cannot apply these international accounting standards to the company's separate financial statements pursuant to Art. 4 of Italian Legislative Decree 38/2005.

The financial statements include the Statement of Financial Position, the Income Statement, the Statement of cash flows and these Notes. They are also accompanied by the Management Report.

As stated in Art. 2423, paragraph 6 of the Civil Code, the amounts in the Financial Statements are expressed in Euro, without decimals, whilst amounts indicated in the Notes to the Financial Statements are expressed in €k, unless otherwise indicated, as permitted by the provisions of the Civil Code.

The measurement criteria were adopted on the basis of going concern assumptions, in application of the principles of accrual, materiality and significance of the transactions or contracts, pursuant to Articles 2423 and 2423-bis of the Civil Code.

The nature and effect on the Statement of Financial Position, Income Statement and Statement of cash flows of the main significant events after year end, also as regards, where applicable, the valuations of these annual financial statements, are reported in a special chapter of these Notes.

In order to integrate disclosures provided in the aforementioned mandatory statements, the Income Statement figures were restated in the attached reclassification statement and were accompanied by the Statement of Changes in Shareholders' Equity and the Statement of cash flows.

The layout of the financial statements offers a comparison with the figures of the previous year. Where necessary, in the event of a change to the accounting standards, measurement or classification criteria, the comparative data are restated and reclassified in order to provide homogeneous and consistent information.

Unipol administrative bodies and the manager in charge of financial reporting have provided the Statement on the financial statements in accordance with Art. 81-ter, Consob Regulation 11971 of 14 May 1999, with later amendments and integrations.

These financial statements were audited by EY SpA, appointed independent auditors by the Shareholders' Meeting for the years 2021-2029.

EU ESEF Regulation - Financial statements in the single electronic reporting format

The "Transparency Directive" (2004/109/EC) requires listed companies to publish their annual financial report in the "single electronic reporting format". To this end, Regulation (EU) 2019/815 of 2018 (the "ESEF Regulation"), as supplemented by national regulations, imposed the obligation of drafting such reporting in XHTML format starting from 2021, also marking up certain information in the consolidated financial statements using XBRL specifications. In particular, the consolidated financial statements contain the mark-up of numerical data contained in the statement of financial position, income statement and comprehensive income statement, statement of changes in shareholders' equity and statement of cash flows, as well as the information elements identified in Annex II of the regulation if these are reported in the explanatory notes.

Measurement criteria

Intangible assets

Intangible assets are recognised at historical acquisition or production cost, including accessory charges, and are amortised over their residual useful lives (3-5-10 years). For projects under development, amortisation is suspended until the year in which they are first used.

Start-up and expansion costs are amortised on a straight-line basis over five years from the effective date of the related transaction, taking into account their future usefulness and their estimated useful life.

Other long-term costs are amortised over their estimated useful lives. If the intangible assets are no longer believed to have future usefulness, the assets are written off and charged to the Income Statement.

Property, plant and equipment

Property, plant and equipment are recognised at acquisition cost and adjusted for the corresponding accumulated depreciation. The carrying amount takes into consideration any accessory charges and direct/indirect costs in the portion reasonably attributable to the asset.

Depreciation is calculated according to the useful life of the asset:

- plant and equipment: useful life of 3 to 7 years;
- movable assets entered in public registers: useful life of 4 years;
- office furniture and machines: useful life of 3 to 8 years;
- data processing centre machines: useful life of 2 to 5 years;
- assets up to €516: fully depreciated over 1 year.

Financial fixed assets

These are mainly represented by controlling interests.

The investments concerned are recognised at purchase or subscription cost or at a value below cost if, on the basis of the financial position of the companies invested in, the investments show evidence of impairment.

The bonds or loans held as investments in the Company's equity are measured at amortised cost, applying the internal effective rate of return (effective interest criterion). The value is adjusted for any impairment losses.

If the reasons for recognition of the value adjustment no longer apply, the value of the security is restored to the extent of the amortised cost, calculated as if the previous adjustments had not been recognised.

Transfers of investments

In the event of a change in strategy decided by the administrative body regarding the destination of an investment to remain for a longer or shorter length of time in the company's assets, said investment is reclassified among fixed assets (financial fixed assets) and among current assets (current financial assets).

The transfer is recognised on the basis of the value resulting from the application - at the time of said transfer - of the valuation criteria of the original portfolio. Therefore:

- a) the transfer of fixed investments to current assets is recognised on the basis of the cost, adjusted if necessary to reflect any impairment losses;
- b) the transfer of current investments to financial fixed investments is recognised on the basis of the lesser value between the cost and the sale value based on market performance.

Receivables

Receivables are measured at amortised cost, applying the internal effective rate of return (effective interest criterion), taking into account the time factor, except for current receivables (due in less than 12 months).

Current financial assets

Shares classified as current assets and mutual investment fund units are recognised at the lower of average purchase cost and market value, which for listed securities is the average price recorded in the last month of the year and for unlisted securities a prudent estimated realisable value.

Furthermore, for listed securities, if the December average is not representative of the market value, the average believed to be more representative is used as a prudent measure.

Bonds classed as current are recognised at the lower of the purchase cost (determined using the amortised cost method) and the realisable value estimated from market trends, for listed securities based on the arithmetic mean of prices recorded in December and for unlisted securities on the estimated realisable value at 31 December, calculated

3 Notes to the Financial Statements

on the basis of the current value of securities traded on regulated markets and with similar characteristics. Write-downs in previous years are not maintained if the reasons giving rise to such write-downs should no longer apply. It should be noted that, again for the year 2023, the Company did not make use of the option granted by Law Decree 73/2022 converted by Law 122/2002 to value securities not held as investments on the basis of their book value, as shown in the most recent duly approved annual financial statements, rather than at the realisable value inferred from market trends (except for long-term losses).

Financial derivatives

Financial derivatives are recognised and measured at fair value. Changes in fair value are recognised in the income statement under section D. "Value adjustments to financial assets and liabilities" (items D18 and D19), except in cases where the changes derive from a cash flow hedging strategy. In this case, the effective portion of the gains or losses on the derivative instrument are suspended in a shareholders' equity reserve and later recognised in the income statement to the extent and timing corresponding to cash flows occurring or changing from the hedged instrument or if the transaction hedged is performed. Note that section D. "Value adjustments to financial assets and liabilities" (items D18 and D19) also includes changes in fair value deriving from the hedged item and attributable to the measurement of the hedging instrument as part of an effective fair value hedging strategy.

In terms of assets, the market value of the existing financial instruments classified as financial assets is recognised:

- among "Financial fixed assets", in item B) III 4) financial derivative assets;
- among "Current financial assets", in item C) III 5) financial derivative assets.

If, instead, the fair value of the derivatives is negative, this value is recognised under "Provisions for risks and charges", item B) 3) - financial derivative liabilities.

Financial derivatives are used only for hedging purposes, to reduce the risk profile of the assets/liabilities hedged, i.e. to optimise their risk/return profile.

At 31 December 2023, there were no hedging transactions qualified for accounting purposes as cash flow hedges or fair value hedges.

Accruals and deferrals

Accruals and deferrals are calculated on an accrual basis.

Provisions for risks and charges

Provisions for risks and charges are allocated to cover losses or liabilities of certain or probable existence, but for which the amount or contingency date cannot be reliably determined at the end of the year. The measurement of these provisions complies with general prudent and accrual criteria and the amounts allocated reflect the best possible estimate based on available information.

Post-employment benefits

Post-employment benefits reflect the liability accrued to employees at year end, net of amounts devolved to supplementary pension funds and to the INPS Treasury Fund in accordance with current regulations.

Payables

Payables recognised in the financial statements according to the amortised cost criterion, applying the internal effective rate of return (effective interest criterion) and taking into account the time factor. The amortised cost criterion does not apply to current payables (i.e. due in less than 12 months).

Dividends

Dividends are recognised at the moment in which, following a resolution of the Shareholders' Meeting of the investee to distribute profit or possibly reserves, the investor's entitlement to their collection arises.

Recognition of costs and revenues

Revenues and costs are recognised according to prudent and accrual principles.

Income tax for the year

Income tax for the year is calculated according to current tax regulations and recognised among costs for the year. These comprise charges/income for:

- current tax for the year;
- tax from previous years, the amount of which has changed at the initiative of the taxpayer or the Tax Administration, or due to the closure of disputes;
- deferred tax assets and liabilities arising during the year and usable in future years;
- the portion for the year of deferred tax assets and liabilities generated in previous years.

Pursuant to Art. 117 et seq. of Presidential Decree 917/1986 and Ministerial Decree of 9 June 2004, the Company participates, as consolidating company, in the IRES tax consolidation regime, with 38 companies, among which UnipolSai, taking part as consolidated companies. Unipol has signed an agreement with these companies regulating the economic and financial aspects governing the regime in question, recognising in its financial position the effects of the transfer of the IRES taxable income of the consolidated companies, calculated pursuant to the law, keeping into account the applicable consolidation adjustments and the tax credits accrued.

In application of Accounting Principle no. 25 of the Italian Accounting Standards Setter, deferred tax assets and liabilities are calculated on the temporary differences between profit (loss) for the year and taxable income. Deferred tax assets are recognised only if it is reasonably certain that they will be recovered in future years.

Deferred tax liabilities are calculated on the basis of the tax rates set by current tax regulations and applicable to the future years in which all or part of the temporary differences that produce them are expected to be reabsorbed.

The disclosure pursuant to Art. 2427, par. 1, no. 14 of the Civil Code, together with the statement of reconciliation between theoretical and effective tax charges, is provided in the section "Income Statement - Income tax for the year: current and deferred".

Translation of balances in foreign currencies

Items expressed in foreign currencies are treated in accordance with the principles of multicurrency accounting.

In compliance with Art. 2426, par. 8-bis of the Civil Code, property, plant and equipment, intangible assets and financial assets (held as investments) in foreign currencies are recognised at the spot rate at the time of purchase. Other items expressed in a foreign currency are recognised at the year-end rates. All translation differences are recognised in the Income Statement.

Exchange rates used

The main exchange rates used for the translation into euros are as follows:

Currencies	31/12/2023	31/12/2022
US Dollar	1.1050	1.0666
Pound Sterling	0.8691	0.8869
Swiss Franc	0.9260	0.9847
Yen	156.3300	140.6600
Danish Krone	7.4529	7.4365
Czech Republic Koruna	24.7240	
Swedish Krona	11.0960	11.1218

Exceptions pursuant to Art. 2423, paragraph 5 of the Civil Code

No exceptions pursuant to Art. 2423, paragraph 5 of the Civil Code were applied.

Uncertainty in the use of estimates

The application of certain accounting standards implies significant elements of judgment based on estimates and assumptions which are uncertain at the time they are formulated.

As regards the 2023 financial statements, it is believed that the assumptions made are appropriate and, therefore, that the financial statements have been drafted clearly and give a true and fair view of the statement of financial position, income statement and statement of cash flows. The relevant paragraphs of the Notes to the Financial Statements provide full details of the reasons underlying the decisions made and the measurements performed. In order to formulate reliable estimates and assumptions, reference has been made to past experience, and to other factors considered reasonable for the case in question, based on all available information.

However, we cannot exclude that changes in these estimates and assumptions may have a significant effect on the statement of financial position and income statement as well as on the potential assets and liabilities reported in the financial statements for disclosure purposes, if different elements emerge with respect to those considered originally.

3 Notes to the Financial Statements

In particular, a greater use of subjective assessments by company management is required in the following cases:

- calculation of impairment losses on equity investments;
- calculation of the current value of financial assets and liabilities where this cannot be directly observed on active markets. In this case, the subjective elements lie in the choice of measurement models or input parameters that cannot be directly observed on the market;
- definition of parameters used in the analytical assessment of securities investments to verify any impairment. In particular, reference is made to the choice of measurement models and the main assumptions and parameters used;
- assessment of the recoverability of deferred tax assets;
- quantification of provisions for risks and charges where there is uncertainty about the amount required and the contingency periods.

In such cases an explanation is provided with the aim of providing investors with a better understanding of the main causes of uncertainty, but in no way is meant to suggest that alternative assumptions might be appropriate or more valid. In addition, the financial statements measurements are made on the basis of going concern assumptions, as no risks have been identified that could compromise orderly business operations.

Information on the Statement of Financial Position and Income Statement

The items in the Statement of Financial Position and the changes in corresponding balances with respect to the previous year are commented on below, with additional information as required by current regulations.

Statement of Financial Position - Assets

B. Fixed assets

B) I - Intangible assets

Intangible assets at 31 December 2023 amounted to €103k (€246k at 31/12/2022) and were almost entirely comprised of Concessions, licences, trademarks and similar rights, referring to software user licences and accessory costs for related customisation.

The decrease of €143k compared to the previous year's balance is linked almost exclusively to amortisation for the year.

B) II - Property, plant and equipment

Property, plant and equipment totalled €506k at 31 December 2023 (in line with 31/12/2022) and referred entirely to furnishings, hardware and works of art.

The changes in intangible asset items, property, plant and equipment items and the related accumulated amortisation/depreciation are described in Annexes 4 and 5 to these Notes to the Financial Statements.

B) III - Financial fixed assets

1) Investments

The total value of investments at 31 December 2023 was €7,543,121k, compared to €7,304,641k at the end of the previous year, recording an increase of €238,480k, entirely associated with the cost for the purchase of 46.3m Banca Popolare di Sondrio shares.

Details are provided in the table below:

Amounts in €k

Company	Business activities	Share capital	% holding		Carrying amount
			direct	indirect	
Investments in subsidiaries:					
UnipolSai Assicurazioni S.p.A.	Insurance and reinsurance	2,031,456	60.98	24.21	5,169,262
Unipol Investment S.p.A.	Investment holding	5,180	100.00		528,577
Unipol Finance S.r.l.	Investment holding	5,000	100.00		482,800
UnipolPart I S.p.A.	Investment holding	4,100	100.00		463,198
UnipolReC S.p.A.	Financial intermediary	290,123	85.24	14.76	331,605
UnipolSai Investimenti SGR S.p.A.	Asset Management	3,914	51.00	49.00	10,710
Total					6,986,151
Investments in associates:					
BPER Banca	Bank	2,104,316	10.53	9.32	318,490
Banca Popolare di Sondrio	Bank	1,360,157	10.21	9.51	238,480
Total					556,970
TOTAL					7,543,121

At 31 December 2023, Unipol also held 500,911 UnipolSai shares, classified among current financial assets. If these shares are also considered, the direct investment in UnipolSai is 61%.

3 Notes to the Financial Statements

The details of changes in item B.III1) "Investments" are provided in Annex 6 to these Notes to the Financial Statements.

The following table lists the subsidiaries and associates, indicating the carrying amount and related percentage of shareholders' equity calculated on the basis of the last draft financial statements approved by the subsidiary's Board of Directors.

Any recognised value of the investment in excess of the corresponding portion of the carrying amount of shareholders' equity, refers to the equity, economic and strategic value of the company together with its future profitability.

Amounts in €k

Company	Carrying amount	% holding	Shareholders' equity at 31/12/2023	Portion of shareholders' equity attributable
Investments in subsidiaries:				
UnipolSai Assicurazioni S.p.A.	5,169,262	60.98	6,338,992	3,865,517
Unipol Investment S.p.A.	528,577	100.00	623,820	623,820
Unipol Finance S.r.l.	482,800	100.00	682,761	682,761
UnipolPart I S.p.A.	463,198	100.00	577,598	577,598
UnipolReC S.p.A.	331,605	85.24	393,616	335,535
UnipolSai Investimenti SGR S.p.A.	10,710	51.00	23,918	12,198
Total	6,986,151		8,640,705	6,097,429
Investments in associates:				
BPER Banca	318,490	10.53	9,366,149 (*)	986,255
Banca Popolare di Sondrio	238,480	10.21	3,809,274 (*)	388,927
Total	556,970		13,175,423	1,375,182
TOTAL	7,543,121			7,472,611

(*) The reference shareholders' equity is that set forth in the draft financial statements at 31 December 2023

For UnipolSai Assicurazioni, in order to determine the "value in use" of the equity investment, an SoP (Sum of Parts) methodology was adopted, estimating separately the value assigned to assets in the Non-Life and Life businesses.

2) Receivables

The amount of receivables recorded under fixed assets was equal to €461,827k (not present at 31/12/2022) and refers entirely to a loan (including accrued interest) granted to the subsidiary UnipolRental for a total maximum amount of €450m. The agreement regarding the loan, granted by Unipol to UnipolRental as part of the acquisition and merger by incorporation of the company Sifà, was signed on 22 June 2023 and disbursed in full on 4 July 2023, matures on 22 June 2027 and accrues interest at a rate of 5.30% on the average amount used.

3) Other securities

The item Other securities amounted to €386,561k (€587,106k at 31/12/2022) and included:

- government bonds totalling €117,825k (€314,875k at 31/12/2022);
- listed corporate bonds for €268,736k (€272,231k at 31/12/2022).

C. Current assets

C) II - Receivables

The balance of this item at 31 December 2023 came to €525,816k, an increase of €1,184k compared to 31 December 2022. The breakdown for this item and the comparison with the previous year are shown in the following table:

Amounts in €k

	31/12/2023	31/12/2022
1) Receivables from customers	70	
2) Receivables from subsidiaries	119,406	47,594
3) Receivables from associates	4,664	2,121
5 bis) Tax receivables	175,548	205,880
5 ter) Deferred tax assets	225,687	268,635
5 quater) Receivables from others	442	402
Total	525,816	524,632

The amounts due after 31 December 2024 are equal to €223,742k, of which €20,843k due after 31 December 2028.

The item "Receivables from customers", amounting to €70k (zero at 31/12/2022) refers to receivables relating to seconded personnel and services rendered to the company Incontra Assicurazioni, which left the Group at the end of November 2023.

"Receivables from subsidiaries" amounted to €119,406k (€47,594k at 31/12/2022), and mainly consisted of:

- receivables pertaining to the group tax consolidation, totalling €96,182k (€29,350k at 31/12/2022), due from the subsidiaries that individually have an IRES tax debt, net of advances paid;
- receivables of €19,012k (€13,221k at 31/12/2022) relating to the cash pooling agreement from the subsidiaries Centri Medici Dyadea, UnipolTech, Cambiomarcia and Tantovsago;
- receivables relating to the chargeback of costs for personnel seconded to Group companies;
- receivables from Group companies that participate in the Group consolidated VAT scheme.

"Receivables from associates" amounted to €4,664k (€2,121k at 31/12/2022), and mainly consisted of receivables from BPER Banca for bank fees.

"Tax receivables" amounted to €175,548k (€205,880k at 31/12/2022), and mainly consisted of:

- €127,608k relating to tax receivables corresponding to the VAT balances of the companies in the Unipol VAT Group (€71,692k at 31/12/2022);
- €44,167k relating to receivables from the tax authorities corresponding to the IRES balance receivable in relation to the tax consolidation (€132,023k at 31/12/2022).

The balance of the deferred tax assets at 31 December 2023, equal to €225,687k, shows net decrease of €42,948k with respect to 31 December 2022. The changes during the year are summarised in the following table.

Amounts in €k

Opening balance at 1/1/2023	268,635
Increases in the year	2,129
Uses in the year	(45,077)
Closing balance at 31/12/2023	225,687

With regard to the statement of temporary differences which led to the recognition of deferred tax assets and liabilities (Art. 2427, paragraph 1, no. 14 of the Civil Code), as well as the movements during the period, reference should be made to Annex 8 to the Notes to the Financial Statements.

Net tax assets are deemed to be recoverable on the basis of the provisional plans of Group companies, taking into account the effects of the tax consolidation and current regulations both on unlimited carry-forward of tax losses to future years, and the transformation into tax receivables of deferred tax assets in cases of statutory loss and/or tax loss in the presence of amortisation of taxable goodwill.

The item "Receivables from others" under Current Assets, which included receivables from employees, guarantee deposits and other parties, went from €402k at 31 December 2022 to €442k at 31 December 2023.

This item is recognised net of the related write-down provisions.

3 Notes to the Financial Statements

C) III - Current financial assets

The breakdown of this item, equal to €79,540k at 31 December 2023, is as follows:

Amounts in €k

	31/12/2023	31/12/2022
Investments in subsidiaries	1,136	2,003
Other investments		16,359
Financial derivative assets		656
Other securities	78,404	90,962
Total	79,540	109,980

“Investments in subsidiaries”, amounting to €1,136k at the end of 2023, consisted entirely of shares of the subsidiary company UnipolSai to serve the executive incentive plans (€2,003k at 31/12/2022).

The item “Other investments” was reduced to zero following the disposal during the year of all shares held in the portfolio.

“Other securities” refer to:

- listed government bonds totalling €39,898k (€51,679k at 31/12/2022);
- listed corporate bonds for €38,506k (€39,270k at 31/12/2022).

Details of the shares and securities recognised as current assets are provided in Annex 7 to the Notes to the Financial Statements.

C) IV - Cash and cash equivalents

Cash and cash equivalents, which at 31 December 2023 were €822,221k (€960,868k at 31/12/2022), consisted almost entirely of bank and post office deposits, of which €822,201k deposited with the associates BPER Banca S.p.A. and Banca Popolare di Sondrio S.p.A. (€960,852k at 31/12/2022, of which €960,816k deposited with the associate BPER Banca S.p.A.).

D. Accruals and deferrals

The Item “Accruals and deferrals” at 31 December 2023 was €467k (€701k at 31/12/2022), and consisted entirely of deferrals.

Statement of Financial Position - Liabilities

A. Shareholders' equity

Movements in shareholders' equity recognised during the year with respect to the previous year are set out in the attached Statement of Changes in Shareholders' Equity (Annex 2).

A statement of use and availability of equity reserves has also been prepared, as required by Art. 2427, par. 1, letter 7-bis of the Civil Code (Annex 3).

The share capital and equity reserves at 31 December 2023 (excluding the results for the year), totalled €5,799,058k (€5,700,542k at 31/12/2022). The increase of €98,516k was due to the following factors:

- allocation to the extraordinary reserve of a share amounting to €97,595k of the profit for the year 2022;
- decrease of the negative reserve for treasury shares in portfolio by €920k following the:
 - acquisition of 85k treasury shares for a value of €437k;
 - assignment of 274,879 shares for a value of €1,358k to those entitled as part of the performance share type long-term (LTI) and short-term (STI) incentive plans based on financial instruments.

At 31 December 2023 the share capital was €3,365,292k (unchanged with respect to 31/12/2022), subscribed and fully paid-up, and consisted of 717,473,508 shares, all ordinary shares, without nominal value.

The breakdown of equity reserves, €2,433,765k at 31 December 2023, is provided in the following table together with the previous year's values:

Amounts in €k

	31/12/2023	31/12/2022
A.II Share premium reserve	1,345,677	1,345,677
A.IV Legal reserve	673,058	673,058
A.VI Extraordinary reserve	416,468	318,873
A.X Negative reserve for treasury shares	(1,438)	(2,359)
Total	2,433,765	2,335,250

B. Provisions for risks and charges

The following table summarises the changes during the year in "Provisions for risks and charges", which at 31 December 2023 were equal to €6,615k, (€12,819k at 31/12/2022).

Amounts in €k

	31/12/2022	Increases		Decreases		31/12/2023
		Provisions	Uses	Other		
4) Other						
Provision for sundry risks and charges	8,501	13	(60)	(4,007)		4,447
Provision for donations	2,150		(850)	(1,300)		
Employee leaving provision	2,126					2,126
Provision for taxes from previous years	42					42
	12,819	13	(910)	(5,307)		6,615

The decrease in the item "Provision for sundry risks and charges" is mainly due to recalculation of the residual risk in relation to commitments deriving from the sale of Unipol Banca to BPER Banca.

The "Employee leaving provision", amounting to €2,126k (unchanged compared to 31/12/2022), included estimated expenses in relation to agreements entered into concerning pre-retirement arrangements for executive staff.

3 Notes to the Financial Statements

Commitments deriving from the sale of Unipol Banca

As part of arrangements relating to the sale to BPER Banca of the entire equity investment in Unipol Banca, Unipol Gruppo and UnipolSai committed, inter alia, to indemnifying BPER Banca - on a pro-rata basis in relation to the interest transferred - for losses deriving from specifically identified dispute counterclaims of the Unipol Banca Group outstanding at 31 March 2019 (the "Losses from Dispute Counterclaims"), provided that such losses are effectively and definitively incurred and within the limits and to the extent they exceed, net of tax relief, the related provisions specifically allocated in the consolidated statement of financial position of the Unipol Banca Group at 31 March 2019 (€10m). Similarly, the acquirer BPER is committed to paying an amount to the sellers for any excess of the aforementioned provisions over and above the Losses from Dispute Counterclaims. Provisions deemed suitable were allocated against the commitments described above.

Relations with the Tax Authorities

The IRES and IRAP tax dispute for the 2005 and 2006 tax periods of the former Aurora Assicurazioni, merged by incorporation in 2007 and pertaining mostly to findings relating to specific insurance provisions, which was pending before the Court of Cassation, received a judgment in favour of the company in January 2023 with referral in relation to the grounds upheld in second instance by the Lombardy Court of Justice. In the third quarter of 2023, the Italian Revenue Agency reimbursed the amount paid on a provisional basis for a total of €11.8m.

IVASS assessments

By letter sent to Unipol Gruppo SpA on 15 May 2023, IVASS announced the start of a tax inspection of the Company to verify the operations of the corporate governance system of Unipol Gruppo, also in its capacity as ultimate Italian parent company, including relations with the subsidiaries and the role played by the latter, with particular reference to UnipolSai Assicurazioni SpA, in the context of group corporate governance (the "Governance Inspection").

By letter sent to Unipol Gruppo S.p.A. on 2 October 2023, IVASS announced the start of new tax inspections of the Company - separate from the Governance Inspection - to verify the management and coordination activities carried out with respect to the Group companies in relation to Non-Life and Life reserving, as well as the control and monitoring activities carried out as ultimate Italian parent company (the "Reserving Inspection").

By a subsequent letter sent to the Company on 16 January 2024, IVASS ordered an expansion of the Reserving Inspection activities, specifically establishing that the inspections under way at Unipol Gruppo SpA should be extended to verification of the pre-emptive recovery plan pursuant to IVASS Regulation no. 38/2018 (Articles 83 and 84).

C. Post-employment benefits

The balance of post-employment benefits at 31 December 2023 was equal to €44k (€43k at 31/12/2022). The breakdown of the changes over the year is provided in the following table:

<i>Amounts in €k</i>	
Balance at 1/1/2023	43
Increases in the year	
Provisions in the year	505
Decreases in the year	
Transfer to pension fund	(303)
Transfers to INPS treasury fund	(135)
Other decreases	(67)
Closing balance at 31/12/2023	44

D. Payables

The balance of Payables at 31 December 2023 was equal to €3,636,625k (€3,412,292k at 31/12/2022). The breakdown and related comparison with the previous year are provided in the following table:

Amounts in €k

	31/12/2023	31/12/2022
Bonds	2,427,551	2,457,750
Trade payables	3,403	4,178
Payables to subsidiaries	1,184,944	922,106
Payables to associates	151	1,134
Tax payables	663	667
Social security charges payable	416	442
Other payables	19,498	26,015
Total	3,636,625	3,412,292

The amounts due after 31 December 2024 are equal to €2,427,551k, of which €910,028k due after 31 December 2028.

The item "Bonds" was €2,427,551k (€2,457,750k at 31/12/2022), and consists of the following:

- for a total of €1,017,177k (€1,011,867k at 31/12/2022) of the senior bond loan (nominal value of €1,000,000k), listed on the Luxembourg Stock Exchange, with a ten-year duration (March 2025 maturity) and 3% fixed interest rate;
- for a total of €500,346k (€500,014k at 31/12/2022) of the senior bond loan (nominal value of €500,000k), listed on the Luxembourg Stock Exchange, with a ten-year duration (November 2027 maturity) and 3.5% fixed interest rate;
- for a total of €910,028k (€945,869k at 31/12/2022) of the senior "green" bond loan (nominal value of €937,500k), listed on the Luxembourg Stock Exchange, with a ten-year duration (September 2030 maturity) and 3.25% fixed interest rate, issued in two tranches in the course of 2020. The amount decreased compared to the previous year as a result of repurchases in the first quarter of 2023, for a nominal value of €35,500k.

The issues described above were implemented as part of the Euro Medium Term Notes programme (EMTN Programme), established in December 2009 with a maximum total nominal amount of €2bn, raised to a maximum of €3bn during the renewal in September 2020.

Total interest payments for the year were €76,855k (€79,500k at 31/12/2022).

The item "Trade payables" went from €4,178k at 31 December 2022 to €3,403k at 31 December 2023.

The balance of the item "Payables to subsidiaries" was €1,184,944k at 31 December 2023 (€922,106k at 31/12/2022).

The balance of the item in question at 31 December 2023 consisted primarily of:

- €21,217k due to subsidiaries for the current tax consolidation (€101,712k at 31/12/2022);
- €1,072,217k with respect to the Group companies that participated in the cash pooling agreement. Details of payables and the relative counterparties are provided in the table below:

3 Notes to the Financial Statements

Amounts in €k

COUNTERPARTY COMPANIES	31/12/2023	31/12/2022
Unipol Finance S.r.l.	14,321	13,551
UnipolSai Finance S.p.A.	24,361	24,746
Unisalute Servizi S.r.l.	12,437	12,069
Centri Medici Dyadea S.p.A.		1,345
Unipol Investment S.p.A.	377,714	142,084
Midi S.r.l.	29,595	23,601
UnipolGlass S.r.l.	8,620	9,165
UnipolService S.p.A.	12,490	19,656
Tenute del Cerro S.p.A.	2,808	3,134
UnipolSai Servizi Previdenziali S.r.l.	2,130	1,914
Irma S.r.l.	8,067	7,480
UnipolAssistance S.c.r.l.	7,165	9,847
GruppoUna S.p.A.	67,316	33,517
Marina Di Loano S.p.A.	12,965	11,283
Meridiano Secondo S.r.l.	38,034	6,622
Nuove Iniziative Toscane S.r.l.	530	727
UnipolTech S.p.A.		12,569
Leithà S.p.A.	5,182	4,254
UnipolReC S.p.A.	379,259	380,825
UnipolRental S.p.A.	54,246	13,550
UnipolPart I S.p.A.	3,649	2,922
BeRebel S.p.A.	3,969	5,954
I.Car S.r.l.	5,083	5,061
UnipolSai Motor Partner S.r.l.	202	415
UnipolHome S.p.A.	1,187	989
WelBee S.p.A.	889	2,158
Total	1,072,217	749,436

The balance of "Tax payables" at 31 December 2023 was €663k, a decrease of €4k compared to the previous year.

The balance of the "Social security charges payable" at 31 December 2023 was €416k (€442k at 31/12/2022). This item represents outstanding payments due at the end of the year to welfare institutions for contributions payable by the Company and borne by employees on December salaries.

The balance of "Other payables" at 31 December 2023 was €19,498k (€26,015k at 31/12/2022). The balance mainly referred to liabilities to employees of €18,961k (€19,202k at 31/12/2022).

Guarantees, commitments and other contingent liabilities

The guarantees, commitments and other contingent liabilities, not recorded in the Statement of Financial Position, are illustrated (at their contractual value) in the following table:

Amounts in €k

	31/12/2023	31/12/2022
Guarantees		
Sureties received from associates		19,995
Sureties and endorsements given in the interest of third parties	8	8
Other personal guarantees provided in the interest of subsidiaries	127,332	
Collateral provided to third parties	25,151	
Guarantees given by third parties in the interest of the company	36	36
Guarantees given by subsidiaries in the interest of the company	8	15
Total	152,534	20,053
Commitments		
Other commitments	100	3,694
Total	100	3,694
Grand total	152,634	23,747

The item "Other personal guarantees given in the interest of subsidiaries", equal to €127,332k, referred to a pledge on securities established by Unipol, with BPER Banca, in favour of the subsidiary UnipolReC, to guarantee the repayment obligations of Unipol with respect to UnipolReC deriving from the cash pooling relationship.

The item "Collateral given to third parties", amounting to €25,151k, referred to a pledge on securities granted by Unipol in favour of the Italian Revenue Agency to secure the 2022 VAT credit for which a refund has been requested on behalf of the Unipol VAT Group.

The item "Other commitments" went from €3,694k at 31 December 2022 to €100k at 31 December 2023. This decrease can be attributed to the sale of a warrant contract relating to the right to subscribe shares to be issued in the future.

3 Notes to the Financial Statements

Information on financial derivatives

In compliance with the guidelines established by resolution of the Company's Board of Directors on 21 December 2023, financial derivative transactions during the year were performed solely to achieve two objectives: reduce investment risk (hedging) or achieve effective management of the portfolio, excluding therefore purely speculative purposes.

These aims were achieved through the specific derivatives listed in the Board of Directors resolution, involving securities held in portfolio at the time of conclusion of the related contract and for its entire duration.

All transactions were performed with banking counterparties or similar.

At 31 December 2023 the company did not hold financial derivatives.

Income Statement

The Income Statement is structured in accordance with the provisions of Art. 2425 of the Civil Code. Costs and revenues are recognised separately without netting.

A. Value of production

The total value of production at 31 December 2023 was €19,126k, against €22,732k at 31 December 2022.

A.1 Revenue from sales and services

Revenue from sales and services amounted to €7,136k at 31 December 2023 (€5,916k at 31/12/2022) and related to services rendered to Group companies.

A.5 Other revenue and income

Other revenue and income amounted to €11,990k at 31 December 2023 (€16,816k at 31/12/2022).

The items included in the balance referred mainly to:

- recovery of costs for services of Unipol personnel seconded to Group companies, for €8,152k (€9,254k at 31/12/2022);
- remuneration charged back to the Company for Director duties performed by executives at other companies, for €1,532k (€1,694k at 31/12/2022);
- uses and releases of provisions for risks and charges of €839k due to the elimination of all or part of the relative risks (€515k at 31/12/2022).

B. Costs of production

The total value of the costs of production at 31 December 2023 was €46,873k against €45,534k at 31 December 2022.

B.6 Raw materials, consumables and goods for resale

The item, equal to €164k (€149k at 31/12/2022) consists of purchase costs of printed materials and stationery for the offices.

B.7 Costs for services

The item was equal to €19,642k at 31 December 2023 (€18,354k at 31/12/2022), broken down as follows:

Amounts in €k

	31/12/2023	31/12/2022
Advertising	5,799	4,594
Subsidiary services	5,234	5,147
Corporate bodies	3,880	3,894
Technical, legal and administrative consulting	1,980	2,109
Electricity, heating and cleaning	753	488
Fees for auditing and other certification services	349	296
Corporate and Shareholders' Meeting costs	317	241
Associates services	300	300
Costs for IT services	212	225
Seconded personnel services	90	84
Software maintenance, repairs and upgrades	59	54
Post and telephone	53	53
Conventions, meetings and corporate events	39	270
Other overheads	576	598
Total	19,642	18,354

3 Notes to the Financial Statements

B.8 Costs for use of third party assets

The item, equal to €1,128k at 31 December 2023 (€1,137k at 31/12/2022), mainly refers to rents due on properties used by the Company (€718k). The item also includes €159k for car rental contracts of cars allocated to executives, entered into with the subsidiary UnipolRental S.p.A.

B.9 Personnel costs

The cost of labour at 31 December 2023 amounted to €21,020k, compared to €19,156k in the previous year.

The Company workforce at 31 December 2023 was 13 (14 at 31/12/2022):

	31/12/2022	Recruitments	Terminations	31/12/2023
Personnel - Permanent	13		(1)	12
Personnel - Fixed-term	1			1
Total	14		(1)	13

The average workforce is specified below:

Average employees broken down by category	2023	2022
Executives	13	14
Employees	1	1
Average employees	14	15

B.10 Amortisation, depreciation and write-downs

The balance of this item, which at 31 December 2023 was €151k (€197k at 31/12/2022), can be broken down as follows:

- amortisation of intangible assets for €150k;
- depreciation of property, plant and equipment for €1k.

Details of changes in intangible assets and property, plant and equipment are provided in Annexes 4 and 5 to these Notes.

B.12 Provisions for risks

The item went from €127k at 31 December 2022 to €13k at 31 December 2023.

B.13 Other provisions

None during the year.

B.14 Sundry operating expenses

The item amounted to €4,756k at 31 December 2023 (€6,414k at 31/12/2022).

The main items making up this balance at 31 December 2023 were:

- contributions paid to supervisory authorities and other associations, for €3,807k (€3,934k at 31/12/2022);
- corporate and shareholders' meeting costs for €547k (€498k at 31/12/2022).

C. Financial income and charges

C.15 Gains on investments

The item amounted to €444,949k at 31 December 2023 (€466,078k at 31/12/2022) and mainly referred to dividend income approved and distributed during the year by the subsidiaries UnipolSai, Unipol Finance, Unipol Investment and UnipolPart I and UnipolSai Investimenti SGR.

C.16 Other financial income

The composition of this item, with a total amount equal to €65,361k (€39,468k at 31/12/2022), is summarised in the following table:

Amounts in €k

	31/12/2023	31/12/2022
A) Receivables recognised under fixed assets		
1. Subsidiaries	11,827	2,860
Total	11,827	2,860
B) Securities held as fixed assets	13,291	4,576
C) Securities recognised under current assets	16,919	22,737
D) Other income		
1. Subsidiaries	4,899	179
2. Associates	15,657	2,647
4. Others	2,769	6,470
Total	23,325	9,296
Grand total	65,361	39,468

Financial income from receivables recorded under fixed assets is represented by the interest on the loan granted during the year to the subsidiary UnipolRental S.p.A.

Income from securities recognised under fixed assets, totalling €13,291 k (€4,576k at 31/12/2022) was represented by interest on long-term securities (€13,092k) and capital gains from trading (€199k).

Income from securities recognised under current assets, totalling €16,919k (€22,737k at 31/12/2022), mainly included interest income accrued on Italian and foreign bonds.

Other income, amounting to €23,325k (€9,296k at 31/12/2022), included primarily interest income deriving from the cash pooling agreement of €4,899k (€179k at 31/12/2022), interest income on deposits with the associate BPER Banca for €15,657k (€2,647k at 31/12/2022) and capital gains deriving from the repurchase of the Unipol Gruppo 2030 3.25% senior bond for €1,888k (€5,946k at 31/12/2022).

C.17 Interest and other financial charges - C.17.bis Exchange gains (losses)

Interest and other financial charges for €129,742k were recognised at 31 December 2023 (€100,176k at 31/12/2022); the item Exchange gains (losses) was negative for €569k (positive for €883k at 31/12/2022).

Amounts in €k

	31/12/2023	31/12/2022
Interest and other financial charges:		
a. Subsidiaries	(28,527)	(3,003)
b. Associates	(13)	(16)
d. Others	(101,202)	(97,157)
Total	(129,742)	(100,176)
Exchange gains (losses)	(569)	883
Grand total	(130,312)	(99,293)

Interest and other financial charges to subsidiaries, equal to €28,527k (€3,003k at 31/12/2022), referred to interest expense deriving from the cash pooling agreement.

Interest and other financial charges to associates, totalling €13k (€16k at 31/12/2022), included bank charges and commissions to BPER Banca.

Interest and other financial charges to others totalled €101,202k (€97,157k at 31/12/2022) and mainly referred to:

- interest expense on bond loans for €83,043k (€85,679k at 31/12/2022);
- losses on share, bond and short-term mutual fund trading for €3,124k (€9,327k at 31/12/2022);
- unrealised capital losses from the value adjustment on liabilities to employees in relation to executive compensation plans based on financial instruments (Long-Term Incentive and Short-Term Incentive) for €1,295k (€1,083k at 31/12/2022).

3 Notes to the Financial Statements

D. Value adjustments to financial assets

The item had a positive value of €1,445k at 31 December 2023 (negative €33,401k at 31/12/2022), due to reversals of impairment losses on bonds.

It should be noted that the value of the item relating to the previous year was mainly affected by the write-down of the investment in the subsidiary UnipolReC, amounting to €28,215k.

Income tax for the year: current and deferred

The item tax for the year included net income of €24,124k (income for €12,934k at 31/12/2022) consisting of:

- €55,327k relating to the valuation of the tax loss for the period;
- €42,948k relating to net changes during the period relating to deferred taxation;
- €11,745k for lower taxes from previous years, deriving mainly from the repayment of the amount paid for the provisional collection following the favourable outcome of the tax dispute concerning IRES and IRAP for the 2005 and 2006 tax periods on former Aurora Assicurazioni positions.

The following table shows the breakdown of this item in greater detail:

Amounts in €k

	Ires	Total 2023	Ires	Total 2022
Current taxes	55,327	55,327	55,443	55,443
Taxes pertaining to prior years	11,745	11,745	664	664
Deferred tax assets and liabilities:				
- use of deferred tax assets	(45,077)	(45,077)	(46,211)	(46,211)
- recognition of deferred tax assets	2,129	2,129	3,039	3,039
Balance of deferred tax assets/liabilities	(42,948)	(42,948)	(43,173)	(43,173)
Total	24,124	24,124	12,934	12,934

There are no IRAP charges, as the tax base for this tax is negative.

The statement of reconciliation between theoretical and effective IRES tax charges is provided below.

Amounts in €k

	2023	2022
Pre-tax profit (loss)	353,696	350,051
Taxes pertaining to prior years	11,745	664
Theoretical Ires - Income/(Expenses)	(84,887)	(84,012)
Increases:	(1,185)	(8,496)
- Interest expense	(797)	(832)
- PEX investments - write-downs	(10)	(6,801)
- Other changes	(378)	(862)
Decreases:	98,451	104,778
- Use of provisions for tax liabilities	516	
- Dividends excluded	97,926	104,745
- Other changes	10	33
Ires pertaining to the year - Income/(Expenses)	12,379	12,270
Profit (loss) after taxes	377,820	362,986

With regard to the statement of temporary differences which led to the recognition of deferred tax assets and liabilities (Art. 2427, paragraph 1, no. 14 of the Civil Code), reference should be made to Annex 8 to the Notes to the Financial Statements.

Application of the Global Minimum Tax (GloBe)

With reference to the impact on the Company deriving from the application of the Global Minimum Tax, note the following.

Italian Legislative Decree no. 209 of 27 December 2023, implementing the reform on international taxation, envisaged the introduction for Italy of a global minimum tax regime from 1 January 2024. Title II of the aforementioned Legislative Decree contains provisions for the implementation of Law no. 111 of 9 August 2023, transposing Council Directive (EU) no. 2022/2523 of 14 December 2022, aimed at ensuring a global minimum level of taxation for large multinational enterprise groups and large-scale domestic groups in the European Union. The aforementioned Directive transposes the main core of the global Pillar Two agreement reached at the OECD/G20. To this end, a coordinated system of rules has been devised to ensure that large groups of companies are subject to a minimum tax level of at least 15% in relation to each of the countries in which these groups operate and generate income.

From a taxpayer perspective, pursuant to Art. 10 of the Legislative Decree, the **Unipol Group** is subject to Global Minimum Tax provisions since its consolidated revenues have exceeded €750m in at least two of the four years prior to the year under review.

In accordance with OIC 25, the provisions of the Pillar Two model are not relevant for the purpose of calculating deferred tax. In addition, as the Italian implementing rule mentioned above was not in effect at the reporting date, no current taxes related to it were recognised for 2023.

Given the above, with the support of external consultants, the Unipol Group is organising and preparing for the Pillar II-related obligations, also in order to manage the exposure in subsequent periods, through the creation of suitable systems and procedures to:

- identify, locate and characterise all Group companies, also on a continuous basis, for the purpose of Pillar II legislation;
- include the simplified tests (transitional safe harbours from country-by-country reporting) for each material jurisdiction, in order to receive the related benefits in terms of reduced compliance costs and elimination of Pillar II taxes; and
- carry out complete and detailed calculations of the relevant quantities required by Pillar II legislation for any jurisdictions that do not pass any of the aforementioned tests.

3 Notes to the Financial Statements

Other information

Consolidated Financial Statements

Unipol Gruppo, Parent of the Unipol Insurance Group (registered in the Insurance Groups Register with reg. no. 046), prepares the Consolidated Financial Statements in accordance with Art. 154-ter of Italian Legislative Decree 58/1998 (Consolidated Law on Finance) and of ISVAP Regulation no. 7 of 13 July 2007, as amended. They conform to the IAS/IFRS standards issued by the IASB and endorsed by the European Union, along with the interpretations issued by IFRIC, in accordance with the provisions of Regulation (EC) no. 1606/2002 in force on the closing date of the financial statements. The Consolidated Financial Statements of the Unipol Group is available, in terms of law, from the Company's registered office and on the Company's website (www.unipol.it).

The layout conforms to the provisions of ISVAP Regulation no. 7 of 13 July 2007, Part III as amended, relating to the layout of the Consolidated Financial Statements of insurance and reinsurance companies that must adopt international accounting standards.

Fees for legally-required audit and non-audit services

Pursuant to Art. 149-duodecies of the Consob Issuer's Regulation, the following table shows the fees for the year for the provision of auditing and other services, specified separately by category, provided to Unipol Gruppo by the independent auditors, or a member of their network.

Amounts in €k

Type of services	Provider of the service	Recipient	Fees (*)
Legally-required audit	EY S.p.A.	Unipol S.p.A.	181
Other professional services	EY S.p.A.	Unipol S.p.A.	110
Total Unipol Gruppo			291

(*) Fees do not include non-deductible VAT, if any, and recharged expenses

Transactions with related parties

Please take note of the following transaction with related parties carried out during the year.

Loan to UnipolRental S.p.A.

On 22 June 2023, an interest-bearing unsecured loan agreement was entered into between Unipol Gruppo S.p.A. ("Unipol") and the indirect subsidiary UnipolRental S.p.A. ("UnipolRental") for a maximum of €450,000k, an amount disbursed in full by Unipol on 4 July 2023 (the "Loan").

The Loan is part of the broader partnership project between the Unipol Group and the BPER Group in the long-term rental business carried out, inter alia, through the merger by incorporation of SIFÀ - Società Italiana Flotte Aziendali S.p.A. ("SIFÀ"), a subsidiary of BPER Banca S.p.A. ("BPER"), in UnipolRental and was mainly aimed at the repayment the debt of Sifà to BPER at the effective date of the merger.

Interest income accrued by Unipol in 2023 amounted to €11,827k.

Furthermore, the other types of intragroup services provided in 2023 and the providing companies are summarised below.

Unipol Gruppo provides the following services to the subsidiary UnipolReC:

- Governance (services supporting internal control, risk management and compliance);
- Anti-money laundering and Anti-terrorism.

UnipolSai Assicurazioni provides the following services to companies of the Group, including Unipol Gruppo:

- Governance (services supporting internal control, risk management, compliance and the Actuarial Function Validation);
- Finance;
- Innovation;

- Communications and Media Relations;
- Anti-money laundering and Anti-terrorism;
- 231 support;
- Institutional Relations;
- Assessment of investments;
- Human resources and industrial relations (personnel administration, external selection, development and remuneration systems, welfare initiatives, personnel management, trade union relations, employee disputes, employee welfare, safety);
- Organisation;
- Training;
- Legal and corporate (corporate affairs, group legal register management, anti-fraud, institutional response, legal insurance consulting, privacy consulting and support, general legal and disputes, corporate legal, complaints, management of investments);
- Claims settlement;
- Insurance (distribution network regulations, MV portfolio management, reinsurance, product marketing, MV tariff setting, development and maintenance of MV products, general class tariff setting, development and maintenance of general class products, technical actuarial coordination, Life bancassurance, first level assistance to agencies, local assistance to agencies, final user test and manuals, Non-Life management and knowledge management services, CRM, targeting and campaign management);
- IT services;
- Actuarial Function Calculation;
- Administration (accounting, tax, administrative and financial statements services);
- Management control;
- Purchase of goods and services (including real estate) and general services;
- Services for the management of Whistleblowing reports;
- Sustainability;
- Real estate (coordination of urban planning processes, value added services, operational management of property sales and purchases, property leasing services, project management, logistics and real estate services, facility management, tax and duty property management, property management).

UniSalute provides the following services:

- Managing addressing services, providing medical advice and assistance by telephone, making bookings, managing and settling claims relating to specific guarantees/products on behalf of UnipolSai;
- Policyholder record updating services and administrative services associated with the payment of health policy claims for UnipolSai.

The services provided by UniSalute to its subsidiary UniSalute Servizi mainly concerned the following areas:

- Administration and management control;
- Complaints, regulations and tenders;
- IT services;
- Digital marketing and Communications;
- Supplier Network Management and Medical Coordination;
- Human resource monitoring and Training;
- Collective Operating Centre - Assistance Class 18 and LTC case management.

SIAT performs the following services in favour of UnipolSai:

- Technical assistance in the negotiation and stipulation of transport and aviation contracts;
- Portfolio services for agreements in the transport sector;
- Administrative support in the relationships with insurance counterparties;
- Management of development projects in the Transport sector.

UnipolService provides car repair services for certain Group companies, while **UnipolGlass** provides glass repair services.

UnipolSai Servizi Previdenziali performs administrative management of open pension funds on behalf of a number of Group companies.

UnipolRe DAC, merged into UnipolSai at 31 December 2023, carried out administrative and accounting services for inwards and outwards reinsurance with reference to treaties in run-off on behalf of UnipolSai.

3 Notes to the Financial Statements

UnipolSai Investimenti SGR administers on behalf of UnipolSai the units of real estate funds set up by third-party asset managers, owned by UnipolSai. This service is no longer be provided from 1 April 2023.

UnipolTech guarantees competitiveness to the Group insurance companies through continuous technological innovation and the evolution of ITC and mobile payment services. In particular:

- manages the electronic boxes, designed and continuously innovated internally and complete with proprietary software associated with MV, Motorcycle and Fleet policies, confirming the Unipol Group as market leader. The electronic boxes are directly linked to the service centre (TSP) in order to guarantee security and assistance insurance services through a complex data analysis based on crash recognition and reconstruction, roadside assistance and theft up to value added services such as private emergency calls, plus the VASs available on the mobile app;
- supports UnipolSai in identifying IoT technology and leading partners in the market for the provision of safety and security services linked to home, store and commercial business insurance policies (smart home);
- develops electronic devices associated with insurance policies for pet protection;
- has launched the development of technological solutions that integrate telematics and electronic toll payments with a view to insurance offer distinctiveness.

The Company has developed products and services that are offered through the UnipolSai agency network, the UnipolSai multi-channel system and on the free market such as:

- Qshino, the product that offers an anti-abandonment device service for child car seats as required by Italian Law no. 117 of 1 October 2018, which makes their use compulsory;
- UnipolMove, an electronic motorway toll payment service that was made available to all Group customers and others from March 2022, after the Company received European Electronic Toll Service accreditation (first company at national and European level) for light and heavy vehicles.

To supplement the electronic toll service, it continues to support UnipolSai in the development of mobile payment solutions to offer customers an integrated model of distinctive services, complementary to the insurance business. The first services available on the UnipolSai and UnipolMove Apps offer the opportunity to pay car parking fees, "blue line" parking slips, for access to certain Limited Traffic Zones (such as Milan Area C), fines and road tax, as well as fuel. From 2023, it also joined the MaaS (Mobility as a Service) NRRP calls for proposals and offers integrated payment services for micro-mobility and public transport, complementary to cars, in the cities of Rome and Milan.

Leithà designs, develops and provides to Group companies services, applications, data-intensive components and innovative, high-tech tools based primarily on Artificial Intelligence, Machine Learning, Process Automation and Computer Vision solutions. It also studies and analyses data in support of the development of new insurance solutions (both in actuarial and product application distribution terms), processes and business development. This includes the necessary preparatory and instrumental activities for the implementation of commissioned research projects and the development of operating system software, operating systems, applications and database management concerning and functional to such projects.

The main project areas covered include:

- development of software supporting the reconstruction and settlement of claims;
- software development to support tariff underwriting;
- development of solutions for real-time claims management;
- support for tariff sophistication processes through data enrichment and machine learning modelling;
- tariff optimisation;
- natural events and weather alert services;
- reinsurance support;
- communication tools for the agency network;
- smartphone telematics;
- scientific communication activities through collaboration with important European projects and research centres (e.g., ADA - ADaptation in Agriculture and development of the E3CI - European Extreme Events Climate Index, NRRP National Recovery and Resilience Plan).

UnipolAssistance provides the following services for the Companies of the Consortium and to non-insurance third parties:

- organisation, provision and 24/7 management of services provided by the Class 18 assistance insurance coverage, by taking the action requested and managing relations with professionals and independent suppliers

to which the material execution of the action is assigned, also including settlement of the related remuneration.

Analogous activities are also provided to Consortium members not in the insurance business.

As part of the Tourism claims management solely for consortium members carrying out insurance activities, in addition to the provision of normal Assistance services, at the request of an individual consortium member UASS can advance medical expense payments on behalf of that member.

- contact centre activities for customers or prospects, specialists and agencies of the Group, whose services consist of:
 - providing front and back office services to existing or potential customers at all stages of relations with Group companies and their respective sales networks, or to any intermediaries acting on their behalf (brokers, banks);
 - providing after-sales services on policy statuses or on any transactions that can be made on existing policies;
 - providing support services to the agency network in relations with customers, potential customers and insurance consortium members;
 - providing front-office support services in pre-sales and after-sales to the agency network in relations with customers, potential customers and non-insurance consortium members;
 - providing contact centre services dedicated to opening claims and related information requests.

Arca Vita provides the following services to its subsidiaries:

- human resource management and development, organisation, corporate affairs, purchasing, legal services and complaints, secretariat and general services, security and privacy, administration, life planning in favour of subsidiaries;
- real estate and property unit leases in favour of several Group companies.

An agreement with Arca Vita International is also in place regarding the licence for use of the “Arca Vita International” trademark owned by Arca Vita.

Arca Inlinea provides sales support services to Arca Assicurazioni, Arca Vita and Arca Vita International and call centre services in favour of UniSalute.

Arca Sistemi provides the following services primarily in favour of the Companies participating in the consortium:

- IT system design, development and management;
- alternative storage design, development and management.

In addition, Arca Sistemi provides IT services to UniSalute.

Arca Direct Assicurazioni has insurance brokerage agreements in place with Arca Vita, Arca Assicurazioni and UnipolSai.

UnipolRental provides medium/long-term vehicle rental services to Group companies.

Cambiomarcia provides services and a digital platform dedicated to the sale of ex-rental vehicles of UnipolRental on the B2C channel (Business to Consumer) and provides electric bicycles to several Group companies.

UnipolHome provides repair services to UnipolSai for insurance products that include this solution.

Welbee designs, develops and provides welfare plans for UnipolSai employees, made available through a digital platform, which focus primarily on flexible benefits in the welfare and health sectors.

Tantosvago provides Welbee with content services and corporate welfare experiences; in addition, the company designs, develops and provides incentive, loyalty and prize competition programmes for UnipolSai.

UniSalute Servizi provides remote assistance services on behalf of UniSalute.

Moreover, it is noted that the Group companies conduct the following regular transactions with each other:

- reinsurance and coinsurance;
- leasing of property and other tangible assets;
- agency mandates;
- brokerage of collections and payments;
- secondment of personnel;

3 Notes to the Financial Statements

- training project management.

There is also a partnership agreement between **UnipolSai** and **UnipolTech** with the aim of strengthening their reciprocal positions in the reference markets: in this sense, the agreement calls for advertising on the UnipolSai website and App, and in particular through the agency network as well, the services offered by UnipolTech.

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), UniSalute Servizi, UnipolService, UnipolSai Investimenti SGR and UnipolRe involve fixed prices.

Both the Parent **Unipol** and its subsidiaries, including **UnipolSai**, **Arca Vita** and **Arca Assicurazioni**, second their staff to other Group companies to optimise the synergies within the Group.

It should be noted that, in accordance with Art. 2497 et seq. of the Italian Civil Code, none of the shareholders of the Parent Unipol exercises management and coordination activities over the Company.

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.

Unipol VAT Group

Unipol Gruppo and the subsidiaries for which there are economic, financial and organisational restrictions exercised the option of establishment of the Unipol VAT Group pursuant to Art. 70-bis et seq. of Italian Presidential Decree no. 633/1972 and Ministerial Decree of 6 April 2018. Initially valid for the three-year period 2019-2021, the option renews each year until cancelled.

The following table, supplementing the information provided in previous paragraphs of these Notes to the Financial Statements, lists transactions with related parties (subsidiaries and associates) carried out during 2023, as laid down in regulations in force, supplemented by Consob Communication no. DEM/6064293/2006.

Amounts in €k

	Subsidiaries	Associates	Total	% impact	
Fixed shares and holdings	6,986,151	556,970	7,543,121	76.8 (1)	2,512.9 (3)
Fixed bonds		3,245	3,245	0.0 (1)	1.1 (3)
Other receivables	581,233	4,664	585,897	6.0 (1)	195.2 (3)
Bank deposits		822,201	822,201	8.4 (1)	273.9 (3)
Current shares and quotas	1,136		1,136	0.0 (1)	0.4 (3)
TOTAL ASSETS	7,568,519	1,387,079	8,955,598	91.2 (1)	2,983.4 (3)
Sundry payables	1,184,944	151	1,185,095	12.1 (1)	394.8 (3)
TOTAL LIABILITIES	1,184,944	151	1,185,095	12.1 (1)	394.8 (3)
Dividends and other income from shares and holdings	419,951	17,896	437,847	123.8 (2)	145.9 (3)
Other financial income	16,726	15,657	32,383	9.2 (2)	10.8 (3)
Other revenue and income	16,649	167	16,816	4.8 (2)	5.6 (3)
TOTAL INCOME	453,326	33,719	487,045	137.7 (2)	162.3 (3)
Interest and financial charges	28,527	13	28,541	8.1 (2)	9.5 (3)
Costs for services	6,089	390	6,480	1.8 (2)	2.2 (3)
Costs for use of third party assets	881		881	0.2 (2)	0.3 (3)
TOTAL EXPENSES	35,498	404	35,901	10.2 (2)	12.0 (3)

(1) Percentage of total assets in the statement of financial position

(2) Percentage of pre-tax profit (loss)

(3) Percentage of total sources of funds in the statement of cash flows

Other receivables from subsidiaries include:

- the loan (including accrued interest income) granted during the year to the subsidiary *UnipolRental* (€461,827k);
- receivables relating to the Group tax consolidation, due from subsidiaries that individually have an IRES tax debt (€96,182k);
- receivables from the subsidiaries *Centri Medici Dyadea*, *UnipolTech*, *Cambiomarcia* and *TantoSvago*, relating to the cash pooling agreement (€19,012k).

The item Long-term bonds refers to bonds issued by BPER Banca.

Sundry payables to subsidiaries consisted mainly of the payable to subsidiaries participating in the cash pooling agreement (€1,072,217k) and the payable to subsidiaries participating in the tax consolidation (€21,217k).

Other revenue and income from subsidiaries mainly included recoveries for administrative and personnel expenses for (€8,093k) and for services rendered to Group companies (€7,136k).

Costs for services from subsidiaries referred primarily to personnel secondments and services received.

Remuneration paid to members of the Administration and Control Bodies, the General Manager and Key Managers

Remuneration for 2023 due to Directors, Statutory Auditors, General Manager and Key Managers of the Parent, for carrying out their duties in Unipol, was €12,655k, with breakdown as follows:

Amounts in €k

Directors and General Manager	9,332
Statutory Auditors	250
Other Key Managers	3,073 (*)

(*) mainly includes compensation of employees.

3 Notes to the Financial Statements

The remuneration of the General Manager and the other Key Managers relating to benefits granted under the share-based compensation plans (Performance Shares), is duly represented in the Remuneration Report, prepared according to Art. 123-ter of the Consolidated Law on Finance and made available, pursuant to current regulations, on the Company website.

In 2023 the Group companies paid Unipol the sum of €1,307k as remuneration for the activities carried out of those companies, by the General Manager and the Key Managers.

Information on public funds received

With reference to the regulation on the transparency of public funds introduced by Art. 1, paragraphs 125 and 125-bis of Italian Law 124/2017 and subsequent amendments and supplements, note that the Company did not benefit from the facilitations, subsidies, benefits, contributions and other aid in cash or in kind from public resources subject to the transparency obligation pursuant to the above-mentioned legislation.

For the sake of comprehensiveness, although such grants are excluded from the transparency obligations established in the regulations cited, Aid measures and the relative individual Aid granted and recorded in the system by the Granting Authorities for the benefit of the Company are published in the National Register of State Aid, open to the public for consultation on the relative website in the transparency section.

Non-recurring significant transactions during the year

There are no significant non-recurring events or transactions to be reported during the year aside from those reported among the main events of the period.

Atypical and/or unusual transactions occurred during the year

In 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 Financial Statements, a conflict of interest, the safeguarding of the company's assets or the protection of non-controlling shareholders.

Significant events after the reporting period

Group corporate rationalisation project

On 16 February 2024, the Board of Directors of Unipol Gruppo approved a project for the corporate rationalisation of the Unipol Group (the **"Transaction"**), to be carried out through the merger by incorporation (the **"Merger"**) of UnipolSai, as well as Unipol Finance S.r.l., UnipolPart I S.p.A. and Unipol Investment S.p.A., companies wholly owned by Unipol Gruppo that hold investments in UnipolSai (the **"Intermediate Holding Companies"**) into the holding company Unipol Gruppo.

The Merger swap ratio, determined by the administrative bodies of Unipol Gruppo and UnipolSai, is 3 Unipol Gruppo shares for every 10 UnipolSai shares.

As part of the Transaction, Unipol Gruppo also announced a voluntary public purchase offer (the **"Offer"**) concerning all of the ordinary shares of UnipolSai not held directly or indirectly by Unipol Gruppo. The Offer concerns a maximum of 417,386,600 UnipolSai shares, representing 14.750% of the share capital. Unipol Gruppo will pay each participant in the Offer consideration of €2.700 (*cum dividend*, i.e. including the coupons relating to any dividends distributed by UnipolSai) for each share for which the Offer is accepted.

The Transaction will involve the streamlining of the corporate structure of the Unipol Group, while also simplifying the group's unitary management and governance decision-making processes, allowing UnipolSai shareholders that choose not to accept the Offer to:

- (i) continue to be shareholders of one of the leading Italian insurance companies, listed on regulated markets, which will also act as parent of the Unipol Group, in line with the best national and international practices;
- (ii) hold a share characterised by a significantly higher level of liquidity than that of the UnipolSai share;
- (iii) increase its interest in the capital of the Unipol Group's bancassurance business partners (BPER and Banca Popolare di Sondrio), with benefits in terms of expected profitability and diversification in relation to both sources of revenue and risk factors.

UnipolSai and Unipol Gruppo also signed a framework agreement (the **"Framework Agreement"**) intended to (i) establish the main terms and conditions of the Transaction, (ii) govern the preparatory and/or functional activities for its implementation, as well as (iii) establish the relative timing, the interim management of the Group companies and the Transaction conditions and methods of execution.

Subject to finalisation of the Merger, all UnipolSai shares will be cancelled and exchanged for Unipol Gruppo shares by Unipol Gruppo, with the exception of shares held directly and indirectly through the Intermediate Holding Companies, and treasury shares held by UnipolSai, which will be cancelled with no share swap. In order to assign the swap shares, Unipol Gruppo may approve an increase in its share capital by a maximum of €299,742,415.54, by issuing up to 125,258,009 new ordinary shares with normal dividend rights. Furthermore, if, on conclusion of the Offer, Unipol Gruppo directly and indirectly holds the entire share capital of UnipolSai, it will not be necessary to issue Unipol Gruppo shares and the Merger will take place with no share swap.

The Merger will be subject to the approval of the extraordinary shareholders' meetings of, respectively, UnipolSai, Unipol Gruppo and the Intermediate Holding Companies, and its completion will be subject, *inter alia*, without prejudice to the waiver of the parties where permitted, to obtaining the necessary regulatory authorisations and the non-occurrence of particularly significant events such as to significantly affect the assumptions underlying the Merger.

The Extraordinary Shareholders' Meeting of Unipol Gruppo convened to approve the Merger will also be called upon to express an opinion on the amendment to the By-Laws of Unipol Gruppo made necessary, among other things, by the change in the corporate purpose. The holders of ordinary Unipol Gruppo shares who did not participate in the approval of the Merger Plan and, therefore, in the amendment of the corporate purpose, will have the right of withdrawal pursuant to Art. 2437, paragraph 1, letter a) of the Italian Civil Code (the **"Right of Withdrawal"**).

The effectiveness of the Right of Withdrawal is subject to the finalisation of the Merger which, in turn, is subject, *inter alia*, to the circumstance that the total outlay of Unipol Gruppo against any exercise of the Right of Withdrawal does not exceed €100m, without prejudice to the waiver of Unipol Gruppo and UnipolSai.

3 Notes to the Financial Statements

Any approval of the Merger resolution will not give rise to any right of withdrawal in favour of UnipolSai shareholders, as none of the conditions in Art. 2437 of the Italian Civil Code or in other legal provisions are satisfied.

Without prejudice to the above, the Merger is expected to be completed by the end of 2024.

The Merger qualifies as a “related party transaction” pursuant to the Regulation on Transactions with Related Parties adopted by CONSOB with resolution no. 17221 of 12 March 2010, as amended (the “**RPT Regulation**”) and the procedures for carrying out transactions with related parties adopted by UnipolSai, by virtue of the relationship of control between Unipol Gruppo and UnipolSai, and - specifically - as a transaction with related parties “of major significance”.

Therefore, the Framework Agreement was approved by the UnipolSai Board of Directors after obtaining the favourable opinion of the Related Party Transactions Committee regarding the interest of UnipolSai in the Transaction as well as the cost effectiveness and substantial fairness of the relative conditions.

Repayment of the loan disbursed to UnipolRental

On 9 February 2024, at the request of UnipolRental, the loan originally disbursed for €450,000k by Unipol to the subsidiary in July 2023 was repaid as part of the merger by incorporation of SIFA’ into UnipolRental.

Merger by incorporation of Centri Medici Dyadea

On 14 December 2023, the deed for the merger by incorporation of Centri Medici Dyadea Srl into Società e Salute was signed. Considering that the share capital of the companies participating in the merger is entirely held by the same sole shareholder UnipolSai, pursuant to Art. 2505 of the Civil Code, the Merger took place in simplified form, did not entail an increase in the share capital of the incorporating company and took place through the cancellation of the equity investment constituting the share capital of the merged company. The Merger became effective for legal, accounting and tax purposes as of 1 January 2024.

Proposals to the Ordinary Shareholders' Meeting

Dear Shareholders,

We submit the following resolution proposal for your approval:

Proposal to the Shareholders' Meeting approval of the 2023 financial statements

"The Ordinary Shareholders' Meeting of Unipol Gruppo S.p.A. ("Unipol" or the "Company"),

- having examined the draft financial statements of the Company at 31 December 2023;
- having examined the results of said draft financial statements, which recorded a profit for the year of €377,820,051.54;
- having viewed the Management Report of the Board of Directors at 31 December 2023;
- having accepted the Board of Statutory Auditors' Report and the report prepared by the Independent Auditors, EY S.p.A.;

hereby resolves

to approve the financial statements of Unipol at 31 December 2023, accompanied by the Management Report and recording profit for the year of €377,820,051.54."

Proposal to the Shareholders' Meeting approval of the allocation of profit for the year and dividend distribution

"The Ordinary Shareholders' Meeting of Unipol Gruppo S.p.A. ("Unipol" or the "Company"),

- having approved the Company's financial statements at 31 December 2023, which recorded a profit for the year of €377,820,051.54 ("Profit for the year");
- having acknowledged that the legal reserve existing at 31 December 2023 and unchanged at the current date, has already reached the limit of 20% of the share capital;
- having acknowledged the consolidated solvency condition of the Unipol Group at 31 December 2023
- having also acknowledged that as things currently stand, the Company holds 14,927 ordinary treasury shares,

hereby resolves

- to approve the proposed allocation of the Profit for the year at 31 December 2023, in compliance with Art. 19 of the By-Laws as follows:
 - to the Extraordinary Reserve, €105,185,790.76;
 - the remainder of the profit, equal to 72.16% of the total, to the dividend for the 717,458,581 ordinary shares outstanding, at €0.38 per share and thus for a total of €272,634,260.78;
- to therefore approve the distribution of an overall unit dividend, also in consideration of the redistribution of the dividend pertaining to treasury shares, equal to €0.38 for each entitled ordinary share, for a total of €272,634,260.78, also with warning that the possible change in the number of treasury shares in the portfolio of the Company at the time of the distribution will have no incidence on the amount of the unit dividend as established above, but will increase or decrease the amount set aside to the extraordinary reserve;
- to set the dividend payment date as 22 May 2024 (ex-dividend date of 20 May 2024 and record date of 21 May 2024)."

Bologna, 21 March 2024

The Board of Directors





4

TABLES APPENDED
TO THE NOTES
TO THE FINANCIAL
STATEMENTS

Reclassified Income Statement

Amounts in €k

	31.12.2023	31.12.2022
1) Gains on investments:		
in subsidiaries	419,951	449,377
in associates	17,896	8,948
in other companies	7,102	7,753
Total gains on investments	444,949	466,078
2) Other financial income:		
a) from receivables recognised under fixed assets	11,827	2,860
from subsidiaries	11,827	2,860
b) from securities held as fixed assets	13,291	4,576
c) from securities recognised under current assets	16,919	22,737
d) income other than above	23,325	9,296
from subsidiaries	4,899	179
from associates	15,657	2,647
from others	2,769	6,470
Total other financial income	65,361	39,468
3) Interest expense and other financial charges:		
subsidiaries	(28,527)	(3,003)
associates	(13)	(16)
other	(101,202)	(97,157)
Total interest expense and other financial charges	(129,742)	(100,176)
Exchange gains (losses)	(569)	883
TOTAL FINANCIAL INCOME AND CHARGES	379,998	406,254
4) Write-ups:		
c) of securities recognised under current assets	1,576	499
d) of financial derivative instruments		680
Total write-ups	1,576	1,180
5) Write-downs:		
a) of investments	(42)	(31,221)
c) of securities recognised under current assets	(90)	(3,359)
Total write-downs	(132)	(34,580)
TOTAL ADJUSTMENTS	1,445	(33,401)
6) Other operating income	19,126	22,732
TOTAL OTHER OPERATING INCOME	19,126	22,732
7) Costs for non-financial services	(19,806)	(18,503)
8) Costs for use of third party assets	(1,128)	(1,137)
9) Personnel costs	(21,020)	(19,156)
10) Amortisation, depreciation and write-downs	(151)	(197)
11) Provisions for risks	(13)	(127)
13) Sundry operating expenses	(4,756)	(6,414)
TOTAL OTHER OPERATING COSTS	(46,873)	(45,534)
PRE-TAX PROFIT (LOSS)	353,696	350,051
16) Income tax for the year	24,124	12,934
17) PROFIT (LOSS) FOR THE YEAR	377,820	362,986

4 Tables appended to the Notes to the Financial Statements

Statement of changes in shareholders' equity

Amounts in €k

	Share capital	Share premium reserve	Revaluation reserves	Legal reserve	Equity reserves Reserve for treasury/holding company shares
BALANCES AT 31 DECEMBER 2021	3,365,292	1,345,677		673,058	
Shareholders' Meeting resolutions of 28 April 2022					
Allocation of 2021 profit					
- extraordinary reserve					
- dividend to shareholders					
Dividend limitation period					
Allocation of treasury shares to third parties					
Purchase of treasury shares					
Profit (loss) for the year 2022					
BALANCES AT 31 DECEMBER 2022	3,365,292	1,345,677		673,058	
Shareholders' Meeting resolutions of 28 April 2023					
Allocation of 2022 profit					
- extraordinary reserve					
- dividend to shareholders					
Allocation of treasury shares to third parties					
Purchase of treasury shares					
Profit (loss) for the year 2023					
BALANCES AT 31 DECEMBER 2023	3,365,292	1,345,677		673,058	

Annex 2

and unallocated profit

Reserve for treasury shares in portfolio	Extraordinary reserve	Other reserves	Retained Profit (loss)	Profit (loss) for the year	Negative reserve for treasury shares	TOTAL
	198,837			335,105	(339)	5,917,631
	120,006			(120,006)		
				(215,099)		(215,099)
	30					30
					1,509	1,509
					(3,528)	(3,528)
				362,986		362,986
	318,873			362,986	(2,358)	6,063,528
	97,595			(97,595)		
				(265,390)		(265,390)
					1,358	1,358
					(437)	(437)
				377,820		377,820
	416,468			377,820	(1,438)	6,176,878

4 Tables appended to the Notes to the Financial Statements

Statement of use and availability of equity reserves at 31/12/2023

Amounts in €k

Nature/Description	Amount	Possibility of use (*)	Available portion	Summary of uses made in the last three years	
				to cover losses	for other reasons
Share capital	3,365,292				
Capital reserves					
Share premium reserve	1,345,677	A, B, C	1,345,677 (a)		
Legal reserve	455,556 (b)	B			
Income-related reserves					
Legal reserve	217,502	B			
Extraordinary reserve	416,468	A, B, C	416,468		
Negative reserve for treasury shares in portfolio	(1,438)		(1,438)		
Total	5,799,058		1,760,707		
Non-distributable portion					
Distributable portion			1,760,707		

- (*) A: for share capital increase
 B: to cover losses
 C: for distribution to shareholders

- (a) Distributable only if the legal reserve has reached the limit set forth in Art. 2430 of the Civil Code
 (b) For transfer from share premium reserve

4 Tables appended to the Notes to the Financial Statements

Statement of changes in intangible assets

Amounts in €k

	OPENING POSITION		
	Historical cost	Amortisation	Net amount at 31/12/2022
Concessions, licences, trademarks and similar rights	7,704	(7,459)	246
TOTAL	7,704	(7,459)	246

Statement of changes in property, plant and equipment

Amounts in €k

	OPENING POSITION		
	Historical cost	Accumulated depreciation	Net amount at 31/12/2022
Plant and equipment	289	(289)	
Other assets	2,774	(2,267)	506
TOTAL	3,063	(2,557)	506

Annex 4

MOVEMENTS DURING THE PERIOD					CLOSING POSITION		
HISTORICAL COST		AMORTISATION			Historical cost	Amortisation	Net amount at 31/12/2023
Increases	Decreases		Increases	Decreases			
Purchases	Sales	Reversals	Pro-rata current portion	Sales			
7			(150)		7,712	(7,609)	103
7			(150)		7,712	(7,609)	103

Annex 5

MOVEMENTS DURING THE PERIOD					CLOSING POSITION		
HISTORICAL COST		ACCUMULATED DEPRECIATION			Historical cost	Accumulated depreciation	Net amount at 31/12/2023
Increases	Decreases	Increases	Decreases				
Purchases	Sales	Current portion	Sales				
					289	(289)	
	(31)	(1)	31		2,742	(2,237)	506
	(31)	(1)	31		3,031	(2,526)	506

4 Tables appended to the Notes to the Financial Statements

Statement of changes in fixed investments

Amounts in €k

CARRYING AMOUNT AT 31/12/2022

Name	No. of shares/ holdings	Value
UnipolSai Assicurazioni S.p.A.	1,725,656,482	5,169,262
UnipolSai Investimenti SGR S.p.A.	1,995,930	10,710
Unipol Investment S.p.A.	3,430,535	528,577
UnipolReC S.p.A.	247,312,193	331,605
Unipol Finance S.r.l.	1	482,800
UnipolPart I S.p.A.	4,100,000	463,198
Total subsidiaries	1,982,495,141	6,986,151
BPER Banca S.p.A.	149,131,835	318,490
Banca Popolare di Sondrio S.p.A.		
Total associates	149,131,835	318,490
TOTAL B.III.1)	2,131,626,976	7,304,641

INCREASES IN THE YEAR				DECREASES IN THE YEAR				CARRYING AMOUNT AT 31/12/2023	
FOR PURCHASES/SUBSCRIPTIONS		OTHER		FOR SALES		OTHER		No. of shares/ holdings	Value
No. of shares/ holdings	Value	No. of shares/ holdings	Value	No. of shares/ holdings	Value	No. of shares/ holdings	Value		
								1,725,656,482	5,169,262
								1,995,930	10,710
								3,430,535	528,577
								247,312,193	331,605
								1	482,800
								4,100,000	463,198
								1,982,495,141	6,986,151
								149,131,835	318,490
46,300,000	238,480							46,300,000	238,480
46,300,000	238,480							195,431,835	556,970
46,300,000	238,480							2,177,926,976	7,543,121

4 Tables appended to the Notes to the Financial Statements

Annex 7

List of shares and securities included in current assets at 31/12/2023

Amounts in €k

ISIN Code	Security description	No. of shares/holdings at 31/12/2023	Carrying amount at 31/12/2023	Current value at 31/12/2023	Positive (negative) adjustments	Type
IT0004827447	UnipolSai Ord.	500,911	1,136	1,136	(42)	Listed Italian shares
Total listed shares		500,911	1,136	1,136	(42)	
unipwcs9215	Banca di Rimini Credito Cooperativo Srl	1	0	0		Unlisted Italian shares
Total unlisted shares		1	0	0		
Codice ISIN	Security description	Nominal value at 31/12/2023 (in €)	Carrying amount at 31/12/2023	Current value at 31/12/2023	Positive (negative) adjustments	Type
ES0365936048	Abanca 5,50% 18/05/26 mwc-cble	3,000,000	2,994	3,043	0	Other listed bonds
XS2528155893	Banco sabadell 5,375% 08/09/2026 cble	3,000,000	2,996	3,050	0	Other listed bonds
ES0213900220	Banco santander 1,00% 15/12/2024-perp cble sub	3,000,000	2,738	2,849	0	Other listed bonds
XS1793250041	Banco santander 4,75% 19/03/2025-perp cble sub	2,600,000	2,367	2,367	62	Other listed bonds
DE000CZ439B6	Commerzbank 5,25% 25/03/2029 cble green bnd	4,000,000	3,990	4,175	0	Other listed bonds
XS2684860203	Credito emiliano 4,875% 26/03/2030 cble soc bnd	5,000,000	4,993	5,118	0	Other listed bonds
XS1752894292	Mps frn 18/01/2018 cble sub	10,000,000	9,800	9,800	1,514	Other listed bonds
XS2026295126	Ubi banca 4,375% 12/07/2024-29 cble sub	7,500,000	7,468	7,468	(28)	Other listed bonds
Total listed bonds		38,100,000	37,345	37,870	1,548	
IT0005529752	BOT 12/01/2024 annuali	40,000,000	39,898	39,898	(62)	Listed government bonds
Total listed government bonds		40,000,000	39,898	39,898	(62)	
TOTAL SHARES AND SECURITIES INCLUDED IN CURRENT ASSETS			78,379	78,904	1,445	

Statement of temporary differences that involved the recognition of deferred tax assets and liabilities

Amounts in €k

DEFERRED TAX ASSETS	2022		INCREASES		DECREASES		2023	
	Taxable amount	Tax effect	Taxable amount	Tax effect	Taxable amount	Tax effect	Taxable amount	Tax effect
Unrealised losses relating to current investments evaluation	2,883	692	202	48	2,992	720	93	20
Excess amortisation/depreciation	65	16	901	216			966	232
Provisions for personnel expenses	23,945	5,747	8,851	2,124	7,655	1,836	25,141	6,035
Provision for future charges	6,864	1,647	13	3	4,580	1,098	2,297	552
Past tax losses			18,630	4,471	18,630	4,471		
Realigned goodwill	1,085,554	260,533			173,689	41,685	911,865	218,848
TOTAL	1,119,311	268,635	28,597	6,862	207,545	49,810	940,362	225,687

4 Tables appended to the Notes to the Financial Statements

Information on debt at 31 December 2023

Amounts in €k

	31/12/2023	31/12/2022
A Cash and cash equivalents	822,221	960,868
- of which associates	822,201	960,816
- of which others	10	36
B Cash equivalents		
C Other current financial assets	98,552	123,201
D Cash and cash equivalents (A) + (B) + (C)	920,773	1,084,070
E Current financial payable	(1,072,217)	(749,436)
F Current portion of non-current financial payable	(33,276)	(33,683)
G Current financial debt (E) + (F)	(1,105,493)	(783,119)
H Net current financial debt (G) - (D)	(184,719)	300,950
I Non-current financial payable		
J Debt instruments	(2,402,000)	(2,437,500)
K Trade payables and other non-current payables		
L Non-current financial debt (I) + (J) + (K)	(2,402,000)	(2,437,500)
M Total financial debt (H) + (L)	(2,586,719)	(2,136,550)





5

STATEMENT ON THE FINANCIAL STATEMENTS

In accordance with Art. 81-ter
of Consob Regulation no. 11971/1999



**STATEMENT ON THE FINANCIAL STATEMENTS
IN ACCORDANCE WITH ART. 81-ter, CONSOB REGULATION No. 11971 OF 14 MAY 1999
AND SUBSEQUENT AMENDMENTS AND ADDITIONS**

1. The undersigned, Matteo Laterza, as General Manager, and Luca Zaccherini, as Manager in charge of financial reporting of Unipol Gruppo S.p.A., hereby certify, also taking into account the provisions of Art. 154-bis, paragraphs 3 and 4 of Legislative Decree 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 **financial statements** for the period 1 January 2023 - 31 December 2023.
2. The assessment of the adequacy of the administrative and accounting procedures for preparing the financial statements at 31 December 2023 is based on a process defined by Unipol Gruppo 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 financial statements at 31 December 2023:
 - were prepared in compliance with provisions of the Civil Code and the national accounting principles approved by the OIC (Italian Accounting Standards Setter);
 - 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;
 - 3.2. the management report includes a reliable analysis of the performance and of the operating result, and of the situation of the issuer, together with a description of the main risks and uncertainties to which it is exposed.

Bologna, 21 March 2024

The Manager in charge
of financial reporting
Luca Zaccherini

The General Manager
Matteo Laterza

(signed on the original)





6

BOARD OF
STATUTORY
AUDITORS' REPORT

6 Board of Statutory Auditors' Report

Board of Statutory Auditors' Report to the Shareholders' Meeting of Unipol Gruppo S.p.A.

prepared pursuant to Art. 153 of Italian Legislative Decree no. 58/1998

Dear Shareholders,

In the year ending 31 December 2023, the Board of Statutory Auditors carried out the activities within its competence, also acting as Internal Control and Audit Committee, pursuant to the applicable legal and regulatory provisions⁷, taking into account the Rules of Conduct of the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (National Institute of Chartered Accountants), the communications issued by CONSOB at this regard (in particular, communication no. DEM/1025564 of 6 April 2001 as amended), as well as the instructions laid out in the Corporate Governance Code for listed companies ("**Corporate Governance Code**").

In compliance with Art. 153 of Italian Legislative Decree no. 58 of 24 February 1998 ("**Consolidated Law on Finance**" or "**TUF**"), the Board of Statutory Auditors therefore reports on its supervisory activity.

1. Preliminary evidence regarding the legal provisions governing preparation of the Financial Statements of Unipol Gruppo S.p.A. at 31 December 2023

The draft financial statements ("**Financial Statements**" or "**Separate Financial Statements**") presented to you show the management activity carried out during the year and the equity, financial and economic position of Unipol Gruppo S.p.A. (also "**Unipol**" or "**Company**") at 31 December 2023, drafted in compliance with the provisions of the Italian Civil Code and the accounting standards issued by Organismo Italiano di Contabilità (Italian Accounting Standards Setter, OIC).

In this regard, note that during 2023 no significant new accounting regulations entered into force for Unipol, nor were any voluntary changes made to accounting standards applied previously. Unipol which, at the date of drafting of this Report, qualifies as an issuer of financial instruments listed on regulated markets, and Parent of the Unipol Insurance Group, is required to prepare consolidated financial statements ("**Consolidated Financial Statements**") in compliance with international accounting standards, but in accordance with Art. 4, Italian Legislative Decree no. 38 of 28 February 2005 does not apply those standards to the Company's Financial Statements submitted for your approval.

The amendments to the previous international accounting standards concerned the entry into force, with effect from 1 January 2023, of the accounting standard "IFRS 17 - Insurance contracts", and extension of the application of "IFRS 9 - Financial instruments" to the entire Group scope. The "New accounting standards" section of the Notes to the Consolidated Financial Statements contains extensive disclosure of the changes resulting from application of the new accounting standards in terms of restatement and recalculation of the financial statement balances.

The measurement criteria were adopted on the basis of going concern assumptions, in application of the principles of accrual, materiality and significance of the accounting data and of the transactions or contracts, pursuant to Articles 2423 and 2423-bis of the Italian Civil Code.

It is also observed that, in the implementation of the Transparency Directive⁸, which requires issuers whose securities are listed on regulated markets of the European Union to prepare the annual financial report in a single electronic communication format, with the technical procedures governed by European Commission Delegated Regulation no. 2019/815 of 17 December 2018 (the "**ESEF Regulation**"), the Separate Financial Statements and the Consolidated Financial Statements of Unipol have been prepared and published in XHTML format (Extensible Hypertext Markup Language), also marking up some information elements of the Consolidated Financial Statements with XBRL (Extensible Business Reporting Language) specifications with the aim of further increasing the accessibility, analysis and comparability of the data contained therein. In compliance with the specific provisions of the ESEF Regulation,

⁷ In particular, please refer to Regulation no. 38 issued by IVASS on 3 July 2018.

⁸ Directive 2004/109/EC, as amended by Directive 2013/50/EU, which harmonises the disclosure obligations to the markets on the part of issuers with securities traded on a European regulated market.

the Company's Consolidated Financial Statements contain the mark-up of numerical data reported in the statement of financial position, income statement, comprehensive income statement, statement of changes in shareholders' equity and statement of cash flows, as well as the information elements identified in Annex II of the ESEF Regulation if these are reported in the explanatory notes.

The Board of Statutory Auditors verified fulfilment of the aforementioned obligations as part of its duties in relation to compliance with the pro tempore regulations in force and, in this context, acknowledged the content of certain information contained in the explanatory notes that, when extracted from the XHTML format in an XBRL instance might not be reproduced in a manner identical to the corresponding information displayed in the consolidated financial statements in XHTML format, due to certain technical limitations recognised by ESMA in its published ESEF Reporting Manual, and which may therefore cause difficulties in the readability of the extracted information. The same circumstance is illustrated by the Independent Auditors in the paragraph concerning the opinion on compliance of the Consolidated Financial Statements with the ESEF Regulation.

No significant events occurred after the end of the financial year that could affect the financial statement results.

2. Activities of the Board of Statutory Auditors in the financial year ending 31 December 2023

In 2023, the Board of Statutory Auditors exercised its supervision, holding 14 meetings, which had an average length of approximately one hour and fifteen minutes.

The Board also took part in:

- the 9 Meetings of the Board of Directors;
- the 15 meetings of the Control and Risk Committee;
- the 4 meetings of the Committee for Transactions with Related Parties ("**Related Party Transactions Committee**");
- the 2 meetings of the Remuneration Committee;
- the 4 meetings of the Appointments, Governance and Sustainability Committee,
- the 4 induction sessions. For the topics covered in these in-depth analyses, please refer to the Annual Report on corporate governance and ownership structures for 2023 (the "Governance Report"),

and was informed in relation to proceedings at the 8 meetings of the Strategic Committee.

As part of its activities aimed at the mutual exchange of information between the bodies and functions involved in the internal control and risk management system, the Board of Statutory Auditors also met with:

- the Chief Risk Officer and the Heads of Audit, of the Compliance and Anti-Money Laundering Functions (jointly, "**Control Functions**"), and the Head of the Actuarial Function (jointly with the Control Functions, "**Key Functions**"), the Manager in charge of financial reporting ("**Financial Reporting Officer**") as well as the Heads and/or representatives of the company functions each time involved in the supervisory activities of the Control Body;
- the Supervisory Board established pursuant to Italian Legislative Decree no. 231 of 8 June 2001 ("**Italian Legislative Decree no. 231/2001**"), Art. 6, paragraph 1, letter b);
- the representatives of the independent auditors, EY S.p.A. (hereinafter also "**EY**" or "**Independent Auditors**"), within the framework of relations between control body and independent auditors required by laws and regulations in force.

Pursuant to Art. 151 of the Consolidated Law on Finance, the Control Body has also had meetings and/or exchanged information with the Boards of Statutory Auditors of the subsidiaries.

3. Most significant economic, financial and equity transactions. Other noteworthy events

3.1 Activity performed by the Board of Statutory Auditors

Pursuant to the reference laws and regulations in force, the Board of Statutory Auditors describes below the outcomes of its control and audit activity. It therefore acknowledges that it has:

6 Board of Statutory Auditors' Report

- monitored compliance with laws and by-laws and compliance with the rules of proper administration, particularly with regard to the most significant economic, financial and equity transactions mentioned here;
- obtained information from the Directors - also by attending the meetings of the Board of Directors and the Board Committees - on the activity carried out and on the most significant economic, financial and equity transactions performed by Unipol, including through direct or indirect subsidiaries. Based on the information made available, the Board of Statutory Auditors reasonably believes that the activities and transactions approved and carried out comply with laws, by-laws and rules of proper administration and do not appear to be manifestly imprudent or risky, or in contrast with the resolutions adopted by the Shareholders' Meeting, or able to jeopardise the integrity of the company assets. In addition, transactions involving a potential conflict of interests were approved in compliance with laws, regulations and codes of conduct adopted.

The Board of Statutory Auditors also confirms having:

- received adequate disclosure of the effects on operating performance deriving from the global macroeconomic context, characterised by persistent inflation, albeit down compared to the peak rates of 2022, the gradual stabilisation of commodity prices and the adaptation of supply chains, despite a context of considerable uncertainty and difficulty that has seen the outbreak of new military conflicts;
- acknowledged that, despite the adverse context generated by the combination of geopolitical tensions, high inflation, restrictive monetary policies and exceptionally serious weather events, which made 2023 one of the most complex years for the insurance sector at global level, the Unipol Group maintained a high level of capital strength and a consolidated Solvency Ratio of 215%.

3.2 Main significant events

With regard to the main events and the most significant economic, financial and equity transactions carried out by the Company and its subsidiaries in 2023, the Board of Statutory Auditors reports as follows:

Unipol - Approximate 19.7% interest reached in the share capital of Banca Popolare di Sondrio S.p.A. In October 2023, through a reverse accelerated bookbuilding procedure, Unipol completed the purchase of 46.3 million ordinary shares of Banca Popolare di Sondrio S.p.A. ("**BPSO**"), equal to 10.2% of the share capital of the bank. With this purchase, which took place within the scope of the authorisation received from the competent Supervisory Authorities, which allows a direct and indirect investment to be held in BPSO equal to 19.99% of the latter's share capital, net of treasury shares, the Company - also taking into account the shares held by UnipolSai Assicurazioni S.p.A. ("**UnipolSai**") - now holds a total investment of approximately 19.7% of the share capital of BPSO. The increase in the investment allows the Unipol Group to (i) consolidate the industrial and corporate partnership with BPSO in the Life and Non-Life bancassurance business, strengthening its strategic approach, (ii) increase the stability of the BPSO Group ownership structure for the positive pursuit of its strategic plan objectives and (iii) stimulate the evolution of BPSO in accordance with best market practices. As a result of this increase, Unipol classified the investment in BPSO as an "associate" investment to be consolidated using the equity method.

UnipolSai - Participation in the Eurovita S.p.A. rescue operation. On 29 June 2023, the Board of Directors of UnipolSai approved the Company's participation in the rescue operation scheme to protect policyholders of Eurovita S.p.A. ("**Eurovita**"). Participating with UnipolSai are Allianz S.p.A., Assicurazioni Generali S.p.A., Intesa Sanpaolo Vita S.p.A. and Poste Vita S.p.A. ("**Allianz**", "**Generali**", "**Intesa Sanpaolo Vita**", "**Poste Vita**", respectively, jointly referred to as the "**Companies**"). For that purpose, the Companies established a NewCo, which after receiving authorisation by IVASS to carry out insurance activities was renamed Cronos Vita Assicurazioni S.p.A. ("**Cronos Vita**"). At 31 December 2023, the share capital of Cronos Vita amounted to €60m and was subscribed in equal shares of 22.5% by UnipolSai, Generali Italia, Intesa Sanpaolo Vita and Poste Vita, with Allianz subscribing the remaining 10%. The total payments made by UnipolSai in favour of Cronos Vita amounted to €49.5m. With effect from 30 October 2023, Eurovita transferred a company complex to Cronos Vita comprising the entire portfolio of Eurovita policies, placed under compulsory administrative liquidation on 27 October 2023. Cronos Vita is managing the run-off of this portfolio for the time strictly necessary (i) for the precise identification of the distinct business units making up the company complex to be assigned to the Companies and (ii) the subsequent transfer of these units to them (or, subject to the approval of the banks involved in the transaction, to their subsidiaries). The contractual deadline established for completing the transfer of the business units to the Companies is 24 months from the effective date of the transfer to Cronos Vita of the business unit, without prejudice to any delays caused by objective technical or authorisation issues. However, it is expected that by the end of 2024 the Companies will define the agreements to identify the complexes to be

transferred and the related conditions, so as to be able to start the authorisation process and the detailed technical activities required for migration of the portfolios.

UnipolSai - Integration of SIFÀ - Società Italiana Flotte Aziendali S.p.A. into UnipolRental S.p.A. On 23 March 2023, the Board of Directors of UnipolSai approved an industrial project in the long-term rental business which, inter alia, called for the integration via merger by incorporation of SIFÀ - Società Italiana Flotte Aziendali S.p.A. (a company belonging to the BPER Group) into UnipolRental S.p.A. ("**UnipolRental**"). This project is part of the Beyond Insurance Enrichment strategic guideline, Mobility ecosystem, of the 2022-2024 Business Plan and aims to create an operator of national significance in the long-term rental sector. On finalisation of the merger, effective from 1 July 2023, BPER Banca S.p.A. ("**BPER Banca**") assumed a 19.987% interest in UnipolRental share capital whilst the remaining 80.013% was retained by UnipolSai.

UnipolSai - Acquisition of Società e Salute S.p.A., a company operating in the private healthcare sector under the brand name "Centro Medico Santagostino". On 3 April 2023, UnipolSai acquired the entire share capital of Società e Salute S.p.A. ("**Società e Salute**"), a company operating in the private healthcare sector under the brand name "Centro Medico Santagostino", from the L-GAM investment fund. The company holds a 100% interest in Santagostino Servizi e Prodotti S.r.l., specialised in the sale of sanitary items such as eyewear and hearing aids. The acquisition was arranged as part of the Beyond Insurance strategic guideline of the 2022-2024 Business Plan. At the end of 2023, Santagostino operated 38 health centres in Italy.

Società e Salute - Merger by incorporation of Centri Medici Dyadea S.r.l. On 21 September 2023, the Boards of Directors of Società e Salute and Centri Medici Dyadea S.r.l. ("**Dyadea**") approved the plan for Dyadea's merger by incorporation into Società e Salute. The merger is part of a broader industrial and strategic project for the reorganisation of the Unipol Group to simplify its corporate structure, centralising all healthcare facilities into a single corporate vehicle in order to standardise processes and business procedures and, also, create economies of scale and industrial synergies. The merger plan was approved by the Shareholders' Meetings of the two companies on 10 October 2023.

UnipolSai - Merger by incorporation of UnipolRe DAC into UnipolSai. The Boards of Directors of UnipolRe DAC ("**UnipolRe**") and UnipolSai, which met on 20 and 23 March 2023 respectively, approved the merger by incorporation of the Irish subsidiary UnipolRe into UnipolSai, to be completed subject to authorisation by the competent Supervisory Authority. The transaction aimed to (i) simplify the organisational structure of the Unipol Group; (ii) strengthen governance by Unipol Group structures; (iii) optimise investment allocation; (iv) pursue cost synergies; and (v) optimise fungibility and capital absorption. The deed of merger, signed on 14 December 2023, was entered in the Register of Companies held by the Bologna Chamber of Commerce on 20 December 2023 and effective from 31 December 2023. The completion of this transaction has no accounting effects on the consolidated financial statements as UnipolRe is a wholly-owned subsidiary of the merging company UnipolSai.

UnipolSai - Sale to UniCredit S.p.A. of the equity investment held in Incontra Assicurazioni S.p.A. On 30 November 2023, the contract signed on 7 July 2023 relating to the sale to Unicredit S.p.A. by UnipolSai of the equity investment held in Incontra Assicurazioni S.p.A. ("**Incontra**"), equal to 51% of the share capital, became effective. The transaction was envisaged in the 2022-2024 Business Plan, whose projections already took into account the proposed sale. Taking into consideration the net income from the sale, amounting to €23m, and the final result prior to the sale, the contribution of Incontra to the consolidated profit (loss) for 2023 was €48m.

"UniSalute 2.0 Project". As envisaged in the 2022-2024 Business Plan, at the beginning of 2023 - after a pilot phase - the "UniSalute 2.0 Project" was fully launched and will see UniSalute S.p.A. ("**UniSalute**") as the only product factory for the Health class. Therefore, in 2023 the existing portfolio was gradually replaced with new UniSalute products. The project was also extended to the banking channel: after the pilot phase carried out on the Banco di Sardegna S.p.A. branches (a bank in the BPER Group), on 9 January 2023 the offer of ACUORE health policies under the UniSalute brand was also launched at all branches of BPER Banca and BPSO. UniSalute therefore also takes over from Arca Assicurazioni S.p.A., with the aim of becoming the Group's only healthcare sector carrier across all sales channels.

UnipolReC S.p.A. - Cancellation from the Register of financial intermediaries (Art. 106, Consolidated Law on Banking). On 7 February 2023, acknowledging that - following the sale en bloc without recourse of the entire loan portfolio by UnipolReC S.p.A. ("**UnipolReC**") to AMCO - Asset Management Company S.p.A., pursuant to Art. 58, Italian Legislative Decree no. 385 of 1 September 1993 ("Consolidated Law on Banking" or "**TUB**"), on 14 December 2022 - continuation of

6 Board of Statutory Auditors' Report

the financial intermediation activities pursuant to Art. 106 of the Consolidated Law on Banking no longer satisfied the interests of the Unipol Group, the Board of Directors of UnipolReC 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. The proposal was approved by the Shareholders' Meeting of UnipolReC subject to Bank of Italy issue of the authorisation required by Bank of Italy Circular no. 288 of 3 April 2015. The company was struck from the Register of Financial Intermediaries on 11 December 2023.

Trade union agreement regarding Personnel and access to the Solidarity Fund. In October 2022, UnipolSai and its Italian subsidiary insurance companies signed trade union agreements on voluntary early retirement arrangements for the employees of those companies that meet pension requirements by 2027. Pursuant to these agreements, terminations of employment were spread over the period between 31 December 2022 and 31 December 2023, with a prevailing concentration in three windows according to the time frame in which the relevant pension entitlement accrues. A total of 912 employees terminated their employment contracts by mutual agreement. 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 age by 31 December 2027. At 31 December 2023, 9 UnipolSai executives and one Gruppo UNA S.p.A. executive had subscribed to the plan.

Unipol - IVASS inspections. By letter sent to Unipol on 15 May 2023, IVASS announced the start of a tax inspection of the Company to verify the operations of the corporate governance system of Unipol, also in its capacity as ultimate Italian parent company, including relations with the subsidiaries and the role played by the latter, with particular reference to UnipolSai, in the context of group corporate governance (the "**Governance Inspection**"). Later, by letter sent to Unipol on 2 October 2023, IVASS announced the start of new tax inspections of the Company - separate from the Governance Inspection - to verify the management and coordination activities carried out with respect to the Group companies in relation to Non-Life and Life reserving, as well as the control and monitoring activities carried out as ultimate Italian parent company (the "**Reserving Inspection**"). In a further letter sent to the Company on 16 January 2024, IVASS ordered an expansion of the Reserving Inspection activities, specifically establishing that the inspections under way at Unipol should be extended to verification of the pre-emptive recovery plan pursuant to IVASS Regulation no. 38/2018 (Articles 83 and 84). The Chairman of the Board of Statutory Auditors met with the representatives of both Inspections, discussing the aspects considered worth investigating by the respective teams.

More information on these transactions and additional events is provided in the Management Report and the Notes to the Financial Statements at 31 December 2023.

3.3. Significant events after the end of the financial year

With regard to the significant events occurred after the end of the financial year, the Board of Statutory Auditors believes the following should be mentioned:

Unipol Group corporate rationalisation project. At the meeting of 15/16 February 2024, the Board of Directors of the Company approved a corporate rationalisation project to be carried out through the merger by incorporation (the "**Transaction**" or "**Merger**") of UnipolSai, as well as Unipol Finance S.r.l., UnipolPart I S.p.A. and Unipol Investment S.p.A., companies wholly owned by Unipol Gruppo that hold investments in UnipolSai (the "**Intermediate Holding Companies**") into Unipol. The Merger swap ratio, determined by the administrative bodies of Unipol Gruppo and UnipolSai, is 3 Unipol shares for every 10 UnipolSai shares⁹. As part of the Transaction, Unipol also announced a voluntary public purchase offer (the "**Offer**") on all ordinary UnipolSai shares not held directly or indirectly by Unipol. Unipol will pay each subscriber a consideration of €2.700 per share subscribed to the Offer¹⁰.

The Transaction aims to pursue the following main objectives: (i) streamlining the corporate structure of the Unipol Group, while simplifying the Group's single management decision-making processes and governance. The Company created by the Merger will be one of the leading Italian insurance companies, listed on regulated markets, which will also act as parent company of the Unipol Group, in line with domestic and international best practices and market expectations; (ii) optimising the liquidity profile and funding; (iii) achieving certain cost synergies relating to the optimisation of central structures and their related activities; and (iv) optimising the Group's robust solvency position, also on a forward-looking basis.

⁹ The swap ratio was calculated net of the expected Unipol and UnipolSai dividend distributions for 2023.

¹⁰ The consideration is to be understood as cum dividend, i.e. inclusive of coupons relating to any dividends paid by UnipolSai.

3.4 Dispute proceedings

With regard to disputes involving the Company and the Group in 2023, the Board of Statutory Auditors was informed and kept up to date in relation to the ongoing sanction and legal proceedings, described in the Notes to the Financial Statements at 31 December 2023, to which reference is made.

3.5 Related-party and inter-company transactions. Atypical and/or unusual transactions

In compliance with the provisions of the Regulation indicating provisions with regard to transactions with related parties adopted by CONSOB with resolution no. 17221 of 12 March 2010 as subsequently amended ("**Consob Regulation**"), the Company set out a Procedure for transactions with related parties ("**RPT Procedure**"), last updated on 23 June 2022, and an Operating Guide for its application.

The Board of Statutory Auditors monitored the transactions with related parties to ensure they met the criteria of substantive and procedural correctness, pursuant to the aforementioned reference provisions and the internal procedure adopted, and that they were in keeping with the Company's interest. In this respect, note that in 2023 Unipol did not approve or carry out, directly or through subsidiaries, any related party transactions qualifying as of "greater importance", or which significantly influenced the financial position or results of the Company, pursuant to Art. 5, paragraph 8 of the Consob Regulation.

The Board of Statutory Auditors also supervised the compliance of the Merger with the aforementioned reference regulations and adopted internal procedure, taking into account that, given the investment relations in place, it qualifies as a "transaction of greater importance with related parties" pursuant to the Consob Regulation and the RPT Procedure. The Control Body acknowledged that Unipol voluntarily decided not to apply the exemption envisaged for transactions with subsidiaries pursuant to Art. 14, paragraph 2, of the RPT Regulation and Art. 13, paragraph 2, of the RPT Procedure, subjecting approval of the Transaction Framework Agreement to the procedure envisaged in the aforementioned regulations for transactions of greater importance. In particular, the Board attended meetings of the Related Party Transactions Committee and the Board of Directors, verifying the procedural and substantial fairness of the Transaction.

The Board of Statutory Auditors also reviewed the transactions exempt from the application of the aforementioned internal procedure, verifying the correctness of the valuations made at this regard.

The Management Report and the Notes to the Financial Statements of the Company show the income statement and balance sheet effects of the transactions with related parties and provide a description of the most significant relations. Additional information is also provided in the Management Report and the Notes to the Consolidated Financial Statements.

With regard to the provisions issued by IVASS with Regulation no. 30 of 26 October 2016 regarding inter-company transactions and risk concentrations, the Board verified that the Policy adopted by the Company on the matter ("**Inter-company Policy**") complies with these provisions, also taking into account its annual update and the Operating Guide for the application of the aforementioned Policy. The supervisory activity performed by the Control Body has also shown that the transactions with counterparties within the Group were carried out in compliance with the Inter-company Policy and settled at market conditions. With regard to the overall context of inter-company transactions and/or transactions with related parties put in place during the 2023 financial year, please note that the Board of Statutory Auditors believes that the outsourcing agreements in place between Unipol and the subsidiary UnipolSai, as well as with other Group companies, comply with the applicable sector regulations.

In particular, taking into account that Unipol, in compliance with the organisational model selected for the Group, has outsourced most of its operating activities to the subsidiary UnipolSai, the Board verified the methods used to calculate the corresponding fees, set mainly on the basis of the allocation of the costs incurred, except those with regard to financing activities, which are remunerated by applying a commission on managed volumes. For certain additional services, annual fees are instead charged at a fixed rate. Also note that Unipol and certain subsidiaries second their staff to other Group companies to optimise synergies in the management of their resources.

With regard to relations between Unipol and the Group companies, as well as other related parties, the Control Body believes the disclosure provided in the Management Report and in the Notes to the Financial Statements at 31 December 2023 to be adequate.

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Lastly, it was verified that no atypical or unusual inter-company transactions and/or transactions with related parties were identified that might cast doubt on the accuracy and completeness of the information, the absence of conflicts of interest and the safeguard of corporate assets.

4. Organisational structure of the Company and of the Group

The Board of Statutory Auditors has acknowledged that:

- Unipol is the parent of the Unipol Insurance Group and is classified as "ultimate Italian parent company" pursuant to the provisions of the Private Insurance Code ("**CAP**") and the corresponding implementing provisions;
- pursuant to sector regulations, in compliance with IVASS Regulation no. 38 of 3 July 2018, and taking into account the qualitative and quantitative parameters indicated in the Letter to the market issued by IVASS on 5 July 2018, the Company has adopted the "enhanced" corporate governance model. Furthermore, the Control and Risk Committee and the Remuneration Committee of Unipol perform their functions also on behalf of the Group's insurance companies which have adopted the "enhanced" corporate governance model (excluding UnipolSai). Only Unipol's Control and Risk Committee also for companies with the "ordinary" corporate governance model;
- in compliance with the provisions set forth in the Corporate Governance Code, Unipol is qualified as a "large company", as its capitalisation exceeded €1bn on the last trading day of each of the last three calendar years, without "concentrated ownership";
- under Art. 2497-bis of the Italian Civil Code, the subsidiaries of Unipol have indicated the latter as the company exercising management and coordination on them.

It also recalled that, as reported in the Governance Report:

- Unipol has chosen to adopt a "traditional" management and control system, which provides for the presence of a Board of Directors (operating with the support of Board Committees with proposal, advisory, investigation and support functions) and a Board of Statutory Auditors (with control functions), both appointed by the Shareholders' Meeting;
- the independent audit of the accounts for the 2021-2029 nine-year period was assigned to EY by the Shareholders' Meeting of 18 April 2019,

the Board of Statutory Auditors acknowledged the organisational structure adopted and was informed of the changes that occurred from time to time in the internal structure of Unipol and its subsidiaries, monitoring its suitability, for matters within its competence.

In this regard, note that with reference to the assigned tasks of implementing the internal control system and risk management guidelines defined by the Board of Directors, the Group Risk Committee was set up to support the General Manager. This Committee is responsible for implementing, maintaining and monitoring the internal control and risk management system, in accordance with the directives of the Board of Directors.

In view of the above, based on the information acquired the Control Body believes the size, structure and positioning of the Company's Key Functions to be appropriate to guarantee the effective operation of the internal control and risk management system as a whole.

The Board of Statutory Auditors also acknowledged the provisions issued by the Company to its subsidiaries, pursuant to Art. 114, paragraph 2 of the Consolidated Law on Finance, to ensure the timeliness of the information needed to fulfil the communication obligations provided by the law and by Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014, also through meetings with the heads of the relevant company functions and the Independent Auditors. No particular issues worth reporting were brought to light by these activities.

The Control Body exchanged information, also through specific meetings, with the Boards of Statutory Auditors of the subsidiaries, pursuant to Art. 151 of the Consolidated Law on Finance, being informed about the checks that were carried out by the same while exercising their supervisory activities. In this regard, no issues worth reporting were brought to light.

5. Internal control and risk management system, administrative/accounting system and financial disclosure process

5.1 Internal control and risk management system

The internal control and risk management system is a key element in the overall system of governance. It consists of a set of rules, procedures and organisational structures for the purpose of actual, effective identification, measurement, management and monitoring of the main risks, in order to contribute to the sustainable success of the companies. In particular, this system aims at ensuring:

- the effectiveness and efficiency of corporate processes;
- the identification, assessment, also forward-looking, management and appropriate control of risks, in line with the strategic guidelines and risk appetite of the company, also from a medium/long-term perspective;
- the prevention of the risk that the Company and the Group may be involved, even unintentionally, in illegal activities, in particular those related to money laundering, usury and terrorist financing;
- the prevention and correct management of the potential conflicts of interest with related parties and/or intra-group counterparties, as identified by the reference legal and regulatory provisions;
- the verification that corporate strategies and policies are implemented;
- safeguarding of company asset values, also in the medium to long term, and proper management of assets held on behalf of customers;
- reliability and integrity of information provided to corporate bodies and the market, with particular reference to accounting and operational information, and of IT procedures;
- adequacy and promptness of the corporate data reporting system;
- compliance of the Company and of the Group business activities, as well as transactions executed on behalf of customers with the law, supervisory regulations, corporate governance regulations and the internal measures adopted.

The guidelines of the internal control and risk management system are laid out in the Group Directives on the corporate governance system ("**Directives**"), approved by Unipol's Board of Directors, most recently on 9 November 2023, which among other things govern the role and responsibilities of the parties involved in this system. The Directives are complemented by the Key Function Policies. The coordination procedures and information flows between the parties involved in the internal control and risk management system are described in the aforementioned Key Function Policies, as well as in the Regulations of the board committees. The Company has also set up internal regulations laying out policies and guidelines as well as specific operating procedures.

The principles of the internal control and risk management system as a whole and its processes are governed by, among others, the following Group policies: "Risk Management Policy", "Sustainability Policy", "Current and Forward-looking Internal Risk and Solvency Assessment Policy", "Operational Risk Management Policy" and "Group-level Risk Concentration Policy". The policies setting the principles and guidelines below are an integral part of the risk management system with regard to: (i) management of specific risk factors (e.g. the "Group Investment Policy" ("**Investment Policy**") with regard to market risk, and the "Credit Policy" for credit risk), (ii) risk management as part of a specific process, (iii) risk mitigation and (iv) risk measurement model management.

The risk management system provides an appropriate understanding of the nature and the significance of the risks to which the Group and its individual companies are exposed and are an integral part of business management.

The identification, evaluation and monitoring of the risks are carried out on ongoing basis to take into account the changes occurred both in the nature and size of the business and in the market context, and whether new risks arise or the existing ones change and are processes carried out according to procedures that guarantee an integrated approach at Group level.

Unipol ensures that the Risk management policy is implemented consistently and continuously within the entire Group, taking into account the risks of each company in the scope of Group supervision and their mutual interdependencies, with reference to the provisions laid out in Articles 210 and 210-ter, paragraphs 2 and 3 of the CAP.

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The principle of proportionality continues to apply, based on the nature, extent and complexity of the risks inherent in company activities carried out by the various Group companies.

The system also includes a process allowing the internal reporting of violations of national or EU regulatory provisions, which are harmful to the public interest or the integrity of the entity, and of which whistleblowers have become aware in the working context, ensuring confidentiality of the whistleblower's identity and protecting against any retaliatory conduct following the report. It is formalised in the Whistleblowing Procedure approved by the Board of Directors most recently on 28 September 2023.

For more details on the main characteristics of the internal control and risk management system adopted by the Company, please refer to the Governance Report.

In this context, the Board of Statutory Auditors constantly monitored the suitability of the internal control and risk management system and the administrative/accounting system, and the latter's ability to correctly represent operating events. To do so, it has relied on (i) the information collected from the heads of the respective functions, (ii) the review of company documents, (iii) the analysis of the audit plans and the results of the audits carried out by the independent auditors and the internal control bodies and functions.

In addition, the activities performed by these company functions were reviewed to verify their suitability and to assess the effective operation of the overall internal control and risk management system. This was done by directly reviewing the activities carried out by the Key Functions and the Financial Reporting Officer and by taking part in the meetings of the Control and Risk Committee. Based on the audits carried out to fulfil its supervisory obligations, the Control Body did not identify issues worth reporting in this regard. The Board also believes that the Key Functions and the Financial Reporting Officer are able to ensure a suitable control of the internal control and risk management system.

As part of its supervision of the internal control and risk management system, the Board of Statutory Auditors has, among other things, paid specific attention to Information Technology aspects, with special reference to the issues concerning cyber-security, reviewing the related risk aspects through meetings with the Chief Information Officer, carried out at the time of the regular meetings of the Control and Risk Committee. Based on the outcomes of the above mentioned analyses, the Board of Statutory Auditors considers the risk related to all aspects of cyber-security to be adequately monitored.

The Board of Statutory Auditors also verified the activities carried out by the Company in the process of compliance with Regulation (EU) no. 2016/679 of 27 April 2016 regarding personal data protection by evaluating the compliance of the organisational controls introduced with the regulation governing personal data protection.

5.2 Administrative/accounting system and financial disclosure process

The Governance Report describes the main characteristics of the control model adopted to support the Financial Reporting Officer in the assessment of the suitability and effective application of the administrative procedures relating to accounting and financial reporting, based on a process inspired by the CoSo Framework, recognised as the reference standard for the implementation and assessment of internal control systems.

The risk management and internal control process in the context of financial disclosures implemented by Unipol, defined on the basis of specific guidelines identified in compliance with the above mentioned standard, is articulated over several phases, whose details are reported in the Report on the internal control system relative to accounting and financial disclosures in compliance with the "savings law" (the "**262 Report**"). This Report reflects the characteristics of the control system implemented and the results of the data verification and monitoring activity carried out by the relevant corporate units, on the outcome of which the General Manager and the Financial Reporting Officer signed the statements required by Art. 154-bis of the Consolidated Law on Finance.

The Board of Statutory Auditors reviewed the contents of the 262 Report and monitored, through meetings with the Financial Reporting Officer and the Independent Auditors, the process of preparation and dissemination of financial information. In particular, no significant shortcomings relating to the internal control system for financial and/or accounting disclosures were highlighted by the additional Report (the "**Additional Report**") prepared by EY pursuant to Art. 11 of Regulation (EU) no. 537/2014 of the European Parliament and Council ("**Regulation (EU) no. 537/2014**").

The Board also monitored, for matters within its competence, compliance with legal provisions concerning the drafting of the Financial Statements and the contents of the Management Report, which are believed to be exhaustive. Taking into account that - pursuant to Art. 14 of Italian Legislative Decree no. 39 of 27 January 2010, as amended by Italian Legislative Decree no. 135 of 17 July 2016 ("**Italian Legislative Decree 39/2010**") - the Independent Auditors state in their report, among other things, that the Management Report is consistent with the Financial Statements and complies with legal provisions, the Board of Statutory Auditors verified that the report issued by EY has not brought to light findings in this respect.

5.3 Consolidated Non-Financial Statement

The Board of Statutory Auditors notes that the Company is required to prepare and publish a consolidated Non-Financial Statement ("**NFS**"), in compliance with the provisions of Italian Legislative Decree no. 254 of 30 December 2016 ("**Italian Legislative Decree 254/2016**") on communication of non-financial information and on diversity on the part of some large size companies and groups, and in the relative implementing Regulation issued by CONSOB with Resolution no. 20267 of 18 January 2018. Pursuant to Art. 4 of Italian Legislative Decree 254/2016, this disclosure provides non-financial information on the Company and its subsidiaries "*to the extent necessary to ensure an understanding of Group activities, its performance, results and the impact generated by it*".

The Board of Statutory Auditors acknowledged that the Company has included the NFS in the Group Annual Integrated Report, reporting in this document information on environmental and social matters as well as topics relating to personnel, respect for human rights and the fight against corruption, and monitored, for matters within its competence, also through meetings with the Financial Reporting Officer and the Independent Auditors, the adequacy of the drafting process of the statement in question and its compliance with the relevant legal provisions.

The Board of Statutory Auditors also carried out an appropriate in-depth analysis on the subject through discussions with the Sustainability Manager, examining the integrations progressively introduced in the corporate policies with particular reference to those subscribed by the Non-Life and Life businesses, the Investment Policy and the Outsourcing and supplier selection policy, focusing on issues related to climate change and on the controls adopted within the Group to protect against the related risks, generated and suffered, which were the object of a special analysis in the Unipol Annual Integrated Report.

The Board of Statutory Auditors, with the assistance of the Financial Reporting Officer and the Sustainability Manager, also checked the approach adopted within the Group to meet the provisions of Regulation (EU) no. 2020/852 ("**Taxonomy Regulation**") and of Delegated Regulation (EU) no. 2021/2178 ("**Disclosure Delegated Act**") which, with reference to the sustainable economic activities of companies, envisage specific NFS reporting obligations.

The Control Body lastly acknowledged that, on 28 March 2024, the Independent Auditors issued their report on compliance, required by Art. 3, paragraph 10 of Italian Legislative Decree 254/2016. In this report, EY certified that, based on the work performed, no issues have come to its attention suggesting that the NFS was not drafted, in all significant aspects, in compliance with the requirements of Art. 3 and Art. 4 of Italian Legislative Decree 254/2016 and with the reporting standard used by the Group for the preparation of the NFS.

The Board of Statutory Auditors notes that, during the aforementioned controls, no issues have been brought to its attention indicating non-compliance of the NFS with the legal and regulatory provisions governing its preparation and dissemination.

6. Other activities carried out by the Board of Statutory Auditors

Taking into account the fact that the Company complies with the Corporate Governance Code, the Control Body has assessed, within the area of its competence, the content of the Governance Report and has no remarks to make in this regard. Referencing the provisions of Art. 123-bis of the Consolidated Law on Finance on the opinion of consistency that the independent auditors must provide on certain information included in the aforementioned Governance Report, the Board of Statutory Auditors verified that the Independent Auditors' Report accompanying the Financial Statements at 31 December 2023 ("**Independent Auditors' Report**") issued by EY contained no findings in this regard.

The Board of Statutory Auditors acknowledged that the Administrative Body completed the annual assessment of its functioning, size and composition, also in relation to the board committees (the "**Board Performance Evaluation**"),

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with support from a leading consultancy company, and the assessment of its adequate collective composition pursuant to Art. 11, Ministerial Decree no. 88 of 2 May 2022 ("**Decree 88/2022**"). It also checked the proper application of the criteria and procedures adopted by the Board of Directors to assess the independence of non-executive directors, in compliance with provisions of the Corporate Governance Code and in accordance with Art. 147-ter, paragraph 4 of the Consolidated Law on Finance.

In line with the **Fit&Proper Policy** adopted by the Company and with the recommendations of Conduct Principle Q.1.7. of the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (National Institute of Chartered Accountants), the Control Body - relying on the support of the same consultant used by the Board of Directors for its Board Performance Evaluation - in turn carried out the self-assessment on its composition and functioning ("**Self-Assessment Process**"), examining and sharing its overall results at the meeting of 6 February 2024. The topics dealt with concerned in particular: the profile of the Board of Statutory Auditors; organisational and operational aspects; the exercise of powers and responsibilities; the role of the Chairman and the internal dynamics of the Board.

In addition, again in compliance with the aforementioned Fit&Proper Policy, the Board of Statutory Auditors also assessed its own adequacy composition, as envisaged in Art. 11 of Decree 88/2022. This assessment highlighted/confirmed, on the one hand, adequate diversification of the Board of Statutory Auditors in terms of age and gender, length of time in office and professional experience and, on the other, skills - assessed for each of the Statutory Auditors and then considered collectively - suitable for achieving the objectives referred to in Art. 10 of Decree 88/2022.

The Board also confirmed that the independence requirements of its members were met, pursuant to the provisions of Recommendation no. 9 of the Corporate Governance Code and in compliance with Art. 3.2.3 of the Fit&Proper Policy, and acknowledged the checks carried out by the Board of Directors pursuant to Art. 144-novies of the Regulation adopted by CONSOB with Resolution no. 11971 of 14 May 1999 ("**Issuers' Regulation**") with regard to meeting the independence requirements of Art. 148, paragraph 3 of the Consolidated Law on Finance by members of the Board of Statutory Auditors.

The Board also verified, also by attending the meetings of the Remuneration Committee, the corporate processes that have led to the definition of the remuneration policies adopted, and has no remarks to make on the alignment of these policies with the recommendations of the Corporate Governance Code, or on their compliance with the current industry laws and regulations.

In addition to the above, the Board of Statutory Auditors - also by taking part in the proceedings of the Control and Risk Committee - carried out additional specific audits, pursuant to legal and regulatory provisions in force regarding the business sectors in which the Company and the Group operate, paying special attention to specific periodic monitoring by the Chief Risk Officer as requested by IVASS.

Furthermore, the Board of Statutory Auditors has verified the compliance with regulatory provisions, also in terms of self-regulation, envisaged in the Policy for managing the dialogue with the generality of Investors (the "**Dialogue Policy**")¹¹ which identifies general rules, management procedures, the main contents and matters subject to dialogue, identifying the interlocutors, the timings and intervention channels between the Company and Investors, respecting equality of information treatment, also in compliance to the company principles and values expressed in the Charter of Values and the Code of Ethics of the Unipol Group.

7. Organisation and Management Model pursuant to Italian Legislative Decree no. 231/2001

The Board of Statutory Auditors acknowledged the inclusion of further cases of offences in the context of Italian Legislative Decree 231/2001, as well as the changes made to those already included in the same, and of the consequent launch by the Company of the preparatory analysis and investigations to the possible adaptation of the Organisation, Management and Control Model, prepared pursuant to Art. 6, paragraph 1, letter a) of the same Decree.

¹¹ The Dialogue Policy is aimed at all "Investors", understood as current and/or potential Shareholders of Unipol, other holders of financial instruments of the Company as well as those who have an interest in the relationship of holding shares, other financial instruments and rights deriving from shares in the share capital, on their own behalf or on behalf of third parties, such as institutional investors and asset managers. The Dialogue Policy therefore pursues the objective of regulating communication and participation opportunities in addition to the Shareholders' Meeting, and the other forms of dialogue that fall among the standard processes performed by the competent functions based on specific company procedures, with a view to ensuring transparency of information, improve investor understanding of corporate strategies, the results achieved and every other financial or non-financial aspect of the Company regarding investment choices, even with regard to ESG factors, promoting the stability of the Shareholder's investments and the Sustainable Success of Unipol.

The Board of Statutory Auditors also acquired the required information on the organisational and procedural activities carried out in compliance with Italian Legislative Decree 231/2001, by periodically meeting with the Supervisory Board in relation to the audit and control activities respectively performed. No facts and/or circumstances worth reporting were brought to light based on the information provided by the same Supervisory Board, including that provided in its Annual Report.

8. Independent audit of the accounts

Pursuant to Art. 19 of Italian Legislative Decree 39/2010, the Board of Statutory Auditors, acting as Internal Control and Audit Committee, is tasked with:

- informing the Board of Directors of the audited entity of the outcome of the independent audit and sending the Additional Report to this body pursuant to Art. 11 of Regulation (EU) no. 537/2014, together with any remarks;
- monitoring the financial reporting process and making recommendations or proposals aimed at guaranteeing its integrity;
- controlling the effectiveness of the internal quality control and corporate risk management systems and, if applicable, of the internal audit, as regards the financial reporting of the audited entity, without violating its independence;
- monitoring the independent audit of the Separate Financial Statements and Consolidated Financial Statements, taking also into account the results and conclusions of the quality controls performed by CONSOB pursuant to Art. 26, paragraph 6, of Regulation (EU) no. 537/2014, where available;
- verifying and monitoring the independence of the independent auditors pursuant to Art. 10, Art. 10-bis, Art. 10-ter, Art. 10-quater and Art. 17 of Italian Legislative Decree 39/2010 and Art. 6 of Regulation (EU) no. 537/2014, in particular as regards the appropriateness of the provision of services other than audit to the audited entity, in compliance with Art. 5 of the same (EU) Regulation.

The Board of Statutory Auditors held regular meetings with representatives of EY, the independent auditors, pursuant to Art. 150, paragraph 3 of the Consolidated Law on Finance and, in relation to the Financial Statements for the year ended 31 December 2023, no significant data or information worth reporting was brought to light.

The Board of Statutory Auditors was also informed by the Independent Auditors of the checks performed by the same on the regular keeping of the company accounts and the proper recognition of operating events in the accounting entries.

The Independent Auditors' Report, prepared according to the guidelines of Art. 10 of Regulation (EU) no. 537/2014 and Art. 14 of Italian Legislative Decree 39/2010 does not contain findings, nor requests for information. In addition, no significant errors were brought to light regarding the Management Report to the Financial Statements at 31 December 2023, nor significant uncertainties relating to facts and circumstances that could give rise to doubts as to the Company's ability to continue to operate as a going concern.

The Board, acting as Internal Control and Audit Committee, reviewed the Additional Report, which has not brought to light issues worth reporting.

The Control Body evaluated along with the Independent Auditors the proper and consistent use of accounting standards for the purpose of preparing the Consolidated Financial Statements.

Taking into account that - pursuant to Art. 14 of Italian Legislative Decree 39/2010 and Art. 41 of Italian Legislative Decree no. 127 of 9 April 1991 - the Independent Auditors' Report includes the opinion on the consistency of the Management Report with the Consolidated Financial Statements and on its compliance with legal provisions, the Board of Statutory Auditors - in performing its supervision - exchanged information with EY on the outcomes of the work performed with regard to the Consolidated Financial Statements; no anomalies worth mentioning in this Report were observed.

The Independent Auditors' Report issued by EY on the Consolidated Financial Statements for the year ended 31 December 2023 does not contain findings or requests for information. In addition, no significant errors were brought to light with regard to the Management Report, nor significant uncertainties relating to facts and

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circumstances that could give rise to doubts as to the Company's ability to continue to operate as a going concern. It also contains the aforementioned paragraph relating to the technical limits characterising the Consolidated Financial Statements in XHTML format.

On the basis of the provisions in Art. 19, paragraph 1, of Italian Legislative Decree no. 39/2010 and of what is indicated in Art. 5, paragraph 4, of Regulation (EU) no. 537/2014, in its role of Internal Control and Audit Committee, the Board has verified and monitored the independence of the Independent Auditors.

In this regard, in early 2023 the Company adopted a specific procedure governing assignment to the Independent Auditors, as well as to its network partners, of services other than statutory audit ("**Non-Audit Services**"), governing the methods of actual application of the prior approval procedure of Non-Audit Services assignments to the "main" auditor (EY) and/or the "secondary" auditor of the Group (PricewaterhouseCoopers S.p.A.) by the competent Board of Statutory Auditors.

During the year, the Control Body examined in advance proposals for the assignment of Non-Audit Services submitted to it, checking the compatibility of such assignments with the bans pursuant to Art. 5 of Regulation (EU) no. 537/2014, and the absence of potential risks to the independence of the independent auditors deriving from the provision of such services in the light of provisions in Italian Legislative Decree no. 39/2010 (Art. 10 et seq.) and in the Issuers' Regulation (Art. 149-bis et seq.). Based on the outcomes of the investigations, the legal requirements being met and considering that the assignments in question do not represent a risk to the independence of the Independent Auditors, the Board of Statutory Auditors approved the assignment.

The fees agreed for the Independent Auditor services are reported in detail in the Notes to the Financial Statements, to which reference is made.

Therefore, the Control Body attests that, based on a review of the annual statement of independence provided by EY and a detailed analysis carried out with the support of the relevant corporate units and the Independent Auditors themselves, taking into account the nature of the assignments conferred to the latter and/or to companies in its network, no evidence or situations were observed suggesting that there is any risk for the independence of same or grounds for incompatibility pursuant to the applicable laws and regulations in force.

9. Opinions issued by the Board of Statutory Auditors during the year

During the year, the Board of Statutory Auditors issued the opinions, observations and/or statements required by the laws and regulations in force as well as by internal procedures.

Furthermore, having noted that the Extraordinary Shareholders' Meeting called to approve the Merger will also be called upon to express its opinion on the amendment to the Unipol by-laws, made necessary among other things by the change in corporate purpose and that, consequently, holders of ordinary Unipol shares not participating in the Merger plan approval will have right of withdrawal pursuant to Art. 2437, paragraph 1, letter a) of the Italian Civil Code, on 15 February 2024 and pursuant to Art. 2437-ter of the Italian Civil Code, the Board of Statutory Auditors, similarly to the Independent Auditors, issued its opinion in favour of the reference value of €5.27 per share identified as settlement of the shares subject to withdrawal, considering it consistent with regulatory provisions, provisions of the by-laws and the requirements underlying the choice of the calculation criterion applied.

10. Complaints pursuant to Art. 2408 of the Italian Civil Code. Omissions, censurable events or irregularities identified, if any

In 2023, the Board of Statutory Auditors received no complaints pursuant to Art. 2408 of the Italian Civil Code or reports from third parties.

Furthermore, as part of the supervisory activity performed by the Board of Statutory Auditors and based on the information obtained from the Independent Auditors, no omissions and/or censurable events and/or irregularities were observed or, in any case, significant events worth mentioning in this Report.

11. Obligation to draft the Consolidated Financial Statements and report of the Control Body

The Board of Statutory Auditors - given that Unipol, an issuer of financial instruments listed on regulated markets and Parent of the Unipol Insurance Group, draws up the Consolidated Financial Statements pursuant to Art. 154-ter of the Consolidated Law on Finance and IVASS Regulation no. 7 of 13 July 2007 ("**IVASS Regulation 7/2007**"), as amended - reports that it has verified that the obligation to draft the Consolidated Financial Statements was fulfilled by the Board of Directors on 21 March 2023.

The Consolidated Financial Statements - composed of: statement of financial position; income statement and comprehensive income statement; statement of changes in shareholders' equity; statement of cash flows as well as explanatory notes to the financial statements - conform to the international accounting standards (IAS/IFRS) issued by the IASB and endorsed by the European Union, with the relevant interpretations issued by IFRIC, according to the provisions of Regulation (EU) no. 1606/2002, in force at the reporting date. The layout conforms to the provisions of IVASS Regulation no. 7/2007, Title III, relating to the layout of the Consolidated Financial Statements of insurance and reinsurance companies required to adopt international accounting standards. The information requested by CONSOB Communications DEM/6064293 of 28 July 2006 and DEM/11070007 of 5 August 2011 is also provided.

As previously highlighted, the Consolidated Financial Statements at 31 December 2023 of Unipol were prepared and published, in compliance with the ESEF Regulation, in the XHTML (Extensible Hypertext Markup Language) format, also marking up certain disclosure elements with XBRL (Extensible Business Reporting Language) specifications.

In its Report on the Consolidated Financial Statements, the Independent Auditors expressed an opinion on their compliance with the aforementioned Regulation, without prejudice to the previous reference to certain technical limits characterising the Consolidated Financial Statements in XHTML format. In turn, the Board of Statutory Auditors has verified the fulfilment of the above mentioned obligations in the context of the tasks assigned to it with regard to compliance with the applicable *pro-tempore* laws.

The Consolidated Financial Statements are drawn up on the assumption that the company will continue as a going concern, in application of the rules of accrual accounting, materiality and truthfulness of accounting information, in order to provide a true and fair view of the equity-financial position, economic result and cash flow, in compliance with the principle of the prevalence of the economic substance of transactions over their legal form.

At 31 December 2023, the consolidation scope is constituted by the combination of Unipol data with those of 67 direct and indirect subsidiaries (pursuant to IFRS 10). Subsidiaries deemed to be too small to be of relevance are excluded from line-by-line consolidation. Associates and subsidiaries considered immaterial are measured using the equity method (in compliance with IAS 28) or stated at their carrying amount. The Consolidated Financial Statements report changes in the consolidation scope during the year. The Consolidated Financial Statements contain exhaustive and detailed information on the operating performance of the Company and the consolidated companies, on the main business sectors of Unipol and its subsidiaries (Life and Non-Life business, holding and other businesses), on asset and financial management, pending disputes, significant events after the end of the financial year and the business outlook.

12. Conclusions and indications of any proposal to be presented to the Shareholders' Meeting

Based on the information acquired through its supervision during the financial year, the Board of Statutory Auditors did not become aware of transactions that were not in compliance with proper administration rules, decided and implemented in conflict with laws and/or by-laws, that did not fulfil the interests of the Company, in conflict with the resolutions taken by the Shareholders' Meeting, manifestly imprudent or risky, lacking the necessary information in the case of interests of Directors or able to jeopardise the integrity of the company assets.

In view of the above, acknowledging the content of the Independent Auditors' Reports and the statements issued by the General Manager and the Financial Reporting Officer, the Board of Statutory Auditors knows of no impediment to approval of the financial statements for the year ended 31 December 2023, as presented by the Board of Directors.

With regard to the proposals for the allocation of profit for the year and the distribution of a dividend of €0.38 per share, as formulated by the Board of Directors at the meeting of 21 March 2024 and outlined in the Report to the Shareholders' Meeting convened for 24 April 2024, the Board of Statutory Auditors acknowledges that Unipol:

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- closed 2023 with a profit of €378m (consolidated net profit of €1,331m), up compared to 2022;
- has a high current and forward-looking capital strength, expressing an individual Solvency Ratio at 31 December 2023 of 215% (calculated using the Partial Internal Model),

and consequently does not consider it necessary to express observations with regard to the proposals for the allocation of profit for the year and the distribution of a dividend of €0.38 per share, as formulated by the Board of Directors at the meeting of 21 March 2024 and outlined in the Report to the ordinary Shareholders' Meeting convened for 24 April 2024, taking into consideration that the requirements are met for a dividend distribution in the amount proposed.

Bologna, 28 March 2024

*On behalf of the Board of
Statutory Auditors*

The Chairman

Dott. Mario Civetta







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INDEPENDENT AUDITORS' REPORT



Building a better
working world

EY S.p.A.
Via Meravigli, 12
20123 Milano

Tel: +39 02 722121
Fax: +39 02 722122037
ey.com

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of Regulation (EU) n. 537/2014

(Translation from the original Italian text)

To the Shareholders of
Unipol Gruppo S.p.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Unipol Gruppo S.p.A. (the Company), which comprise the statement of financial position as at December 31, 2023, the income statement, the statement of cash flows for the year then ended, and the notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at December 31, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with Italian regulations governing financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

EY S.p.A.
Sede Legale: Via Meravigli, 12 – 20123 Milano
Sede Secondaria: Via Lombardia, 31 – 00187 Roma
Capitale Sociale Euro 2.600.000,00 i.v.
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We identified the following key audit matter:

Key Audit Matter	Audit Responses
<p>Valuation of investments in subsidiaries</p> <p>Investments in subsidiaries, classified among financial fixed assets, are recorded in the financial statements at 31 December 2023 for an amount of Eur 6.986.151 thousand, representing around 71% of total assets. These investments are recognized at purchase or formation cost or at a value below cost if, on the basis of the financial position of the companies invested in, the investments show evidence of impairment. The impairment loss is determined by comparing the book value of the investment with its recoverable value, estimated on the basis of the future benefits that are expected to flow to the investor. The processes and valuation methods for determining the recoverable amount of each investment require the use of methodologies, sometimes complex, which imply, by their nature, the use of judgment by management when choosing the assumptions and the parameters to be used for determining the recoverable value and for deeming a loss in value not episodic or temporary, but structural and capable of affecting the capital of the investee. For these reasons, we considered this aspect a key audit matter. The financial statement information relating to investments in subsidiaries, classified among financial fixed assets, is reported in the notes to the financial statements in section "Measurement criteria" and in paragraph "B) III Financial fixed assets" in the section dedicated to the information on the statement of the financial position - Assets.</p>	<p>The audit response included several procedures, the most relevant of which are outlined below:</p> <ul style="list-style-type: none"> • an understanding of management process adopted by the Company that leads to the determination of the recoverable value of the investments in subsidiaries and of the related key controls, as well as the testing of these controls; • the evaluation of the appropriateness of the methodologies and the reasonableness of the assumptions and parameters used to determine the recoverable amounts and the lasting nature of the impairment losses; • the reperforming of the determination of the recoverable amount. <p>We also involved valuation specialists to assist us in performing our audit procedures. Finally, we assessed the adequacy of the disclosures provided in the notes to the financial statements.</p>



Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the financial statements, that give a true and fair view in accordance with Italian regulations governing financial statements, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Directors are responsible for assessing the Company's ability to continue as a going concern and, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the financial statements on a going concern basis unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated with them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of Regulation (EU) n. 537/2014

The shareholders of Unipol Gruppo S.p.A., in the general meeting held on April 18, 2019, engaged us to perform the audits of the financial statements for each of the years ending December 31, 2021 to December 31, 2029.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the Regulation (EU) n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion on the compliance with Delegated Regulation (EU) n. 815/2019

The Directors of Unipol Gruppo S.p.A. are responsible for applying the provisions of the European Commission Delegated Regulations (EU) n. 815/2019 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Delegated Regulation") to the financial statements, to be included in the annual financial report.

We have performed the procedures under the auditing standard SA Italia n. 700B, in order to express an opinion on the compliance of the financial statements as at December 31, 2023 with the provisions of the Delegated Regulation.

In our opinion, the financial statements as at December 31, 2023 have been prepared in the XHTML format in compliance with the provisions of the Delegated Regulation.



Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated 27 January 2010 and of article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of Unipol Gruppo S.p.A. are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of Unipol Gruppo S.p.A. as at December 31, 2023, including their consistency with the related financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the financial statements of Unipol Gruppo S.p.A. as at December 31, 2023 and on their compliance with the applicable laws and regulations, and in order to assess whether they contain material misstatements.

In our opinion, the Report on Operations and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure are consistent with the financial statements of Unipol Gruppo S.p.A. as at December 31, 2023 and comply with the applicable laws and regulations. With reference to the statement required by art. 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Milan, 28th March 2024

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

Unipol Gruppo S.p.A.

Registered Office
Via Stalingrado, 45
40128 Bologna (Italy)
unipol@pec.unipol.it
tel. +39 051 5076111
fax +39 051 5076666

Share capital
€3,365,292,408.03 fully paid-up
Bologna Register of Companies
Tax No. 00284160371
VAT No. 03740811207
R.E.A. No. 160304

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

unipol.it



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Unipol Gruppo S.p.A.
Registered Office
Via Stalingrado, 45
40128 Bologna (Italy)