



**2022**  
Annual Report



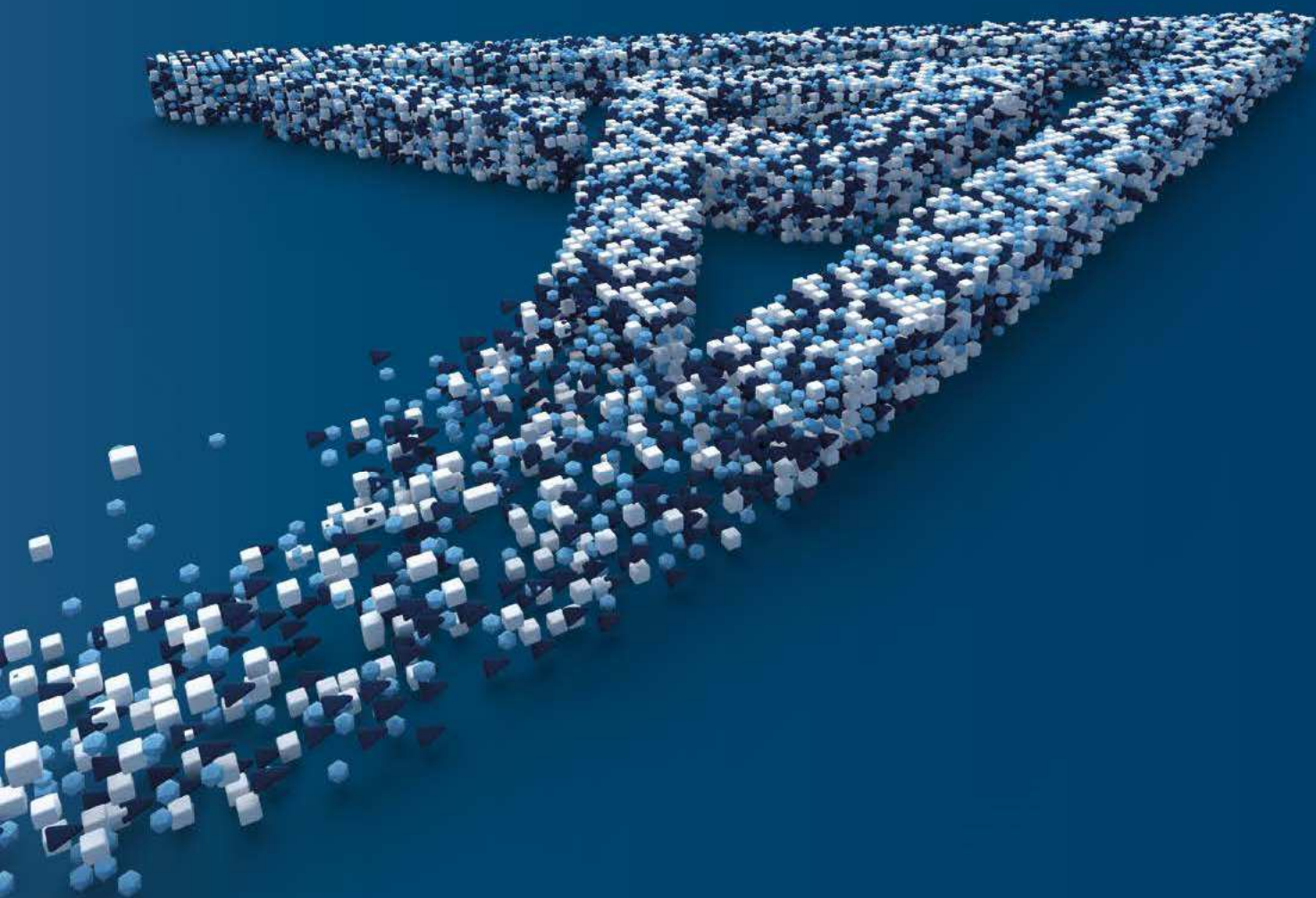


# Unipol Gruppo Annual Report 2022

The official document containing the 2022 Financial Statements, accompanied by the relative Management Report, prepared in accordance with the technical requirements set forth in Reg. (EU) 815/2019 (European Single Electronic reporting Format - ESEF), is available, within the terms of the law, on the Company's website ([www.unipol.it](http://www.unipol.it)).

This document in PDF format provides the text of the 2022 Financial Statements accompanied by the relative Management Report, for ease of reading.

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





## CREATING INNOVATION OPENING NEW WAYS

With the 2022 Annual Report, Unipol completes the first year of its 'Opening New Ways' Strategic Plan; even in a macroeconomic context influenced by the international geopolitical crisis and rising inflation, the Group has achieved and confirmed the ambitious goals set out in the Plan thanks to its strong positioning built over time and its truly distinctive assets.

A new path rooted in a bed of tradition and innovation, of results and experimentation, consolidating the Group's evolution from insurance leader to a leader in the Mobility, Welfare and Property ecosystems with further strengthening in bancassurance.

We want to continue to map out a history of insight and vision, to anticipate changes and understand all the needs of those who rely on us, building and shaping innovative and valuable solutions, piece by piece.

An arrow pointing to the future to indicate the direction we have chosen to follow, to continue being pioneers in what we do, forerunners of the new ways we wish to open.

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 2022, global GDP was estimated to have grown by 3.1% compared to +6.1% in 2021. The slowdown in economic growth was affected in particular by the intensification of inflationary pressures that had initially emerged with the reopening of production activities after the most acute phase of the pandemic and later exacerbated by the conflict between Russia and Ukraine. Another factor that led to the slowdown was the decline in global trade, mainly due to supply chain disruptions and China's "zero-Covid" policy.

In the **United States**, GDP increased by 2.1% in 2022, compared to +5.9% in 2021. However, in the first and second quarters, the reduction in trade with China led the US into recession. In fact, in the first quarter, GDP fell by 0.4% compared to the previous quarter, while in the second quarter it decreased by 0.1% compared to the first quarter. During the third quarter, on the other hand, there was a return to growth (+0.8% compared to the second quarter), which continued in the fourth quarter as well (+0.7% compared to the third quarter), mainly due to the recovery in trade and the growth in private consumption. The good economic performance was also reflected in the labour market, with an average unemployment rate of 3.7% in 2022 (5.4% in 2021). Growth occurred despite the negative effects of the sharp increase in the inflation rate, which in 2022 averaged 8.0%, prompting the Fed to adopt a highly restrictive monetary policy, raising interest rates and starting a process of downsizing its bond portfolio.

In **China**, GDP grew by 3.0% in 2022, a figure significantly lower, by 6.1%, than in 2021, mainly due to the low level of domestic demand deriving in turn from the "zero-Covid" policy, entailing restrictions on mobility and economic activity aimed at containing the Covid-19 pandemic. In this context, the average unemployment rate in 2022 was 5.6%, while the average annual inflation rate was 2%. In addition, in 2022 the Chinese economy grew less than the emerging countries bloc, which achieved estimated growth of 3.6%.

In **Japan**, average estimated GDP growth for 2022 was 1.3%. Japanese growth was negatively affected (especially in the first and third quarter) by trends in global trade and uncertain epidemic development. In this context, the unemployment rate remained stable at an average of 2.6% per year, while the inflation rate rose to 2.5%, a value higher than the 2021 deflation (-0.2%), but this did not change the Bank of Japan's expansionary monetary policy tone.

In the **Euro Area**, GDP rose by 3.4% in 2022 (+5.3% in 2021). After the growth in the first and second quarters (+0.6% and +0.8% on the respective previous quarters), the GDP growth rate in the third quarter (+0.3% on the second quarter) and in the fourth quarter (+0.1% on the third quarter) decreased mainly due to the effects of the energy crisis, in turn a consequence of the war between Russia and Ukraine. The energy crisis has, in fact, led to a sharp increase in the inflation rate, equal to an annual average of 8.4%, thus prompting the ECB to adopt a restrictive monetary policy characterised by rising policy rates and the interruption of its bond buying programmes (Quantitative easing). Despite the economic slowdown, the labour market continued to improve during the year, with an average unemployment rate of 6.7% in 2022 compared to 7.7% in 2021.

**Italian GDP** grew by 3.9% in 2022. After a first quarter of weak growth (+0.1% compared to the previous quarter), the GDP trend improved in the second quarter (+1.1% compared to the first quarter) and the third quarter (+0.5% compared to the second quarter) thanks to the positive results of consumption and investments. During the fourth quarter, however, GDP fell by 0.1% due to the sharp increase in the inflation rate, as a result of the energy crisis and, in particular, Italy's strong exposure to natural gas imports. In fact, while the average annual inflation rate was 8.2% (a value comparable to that of the Euro Area), during the year it increased to an average of 12.3% in the fourth quarter. Despite a slowdown in the cycle and inflationary pressures, the unemployment rate averaged 8.1%, down sharply compared to 2021 when it was 9.5%.

#### Financial markets

In 2022, the main central banks adopted restrictive policies in order to contain inflationary pressures in the Eurozone. The **Fed** has raised the Fed funds rate by 425 basis points since the beginning of the year, also embarking upon a process of downsizing the portfolio of securities purchased during the various quantitative easing programmes.

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Likewise, the **ECB** again raised monetary policy rates, bringing the deposit rate back into positive territory (to 2% at the end of 2022, from -0.5% at the end of 2021) and the main refinancing operations rate (refi) to 2.5% at the end of 2022, after a long period of expansionary policies. The ECB also interrupted its bond buying programme and made its targeted refinancing operations (TLTRO-III) more restrictive.

The restrictive action of the ECB drove up all European interest rate curves, especially on long maturities. The 3-month Euribor rate closed 2022 with a sharp rise to 2.13%, up by around 270 basis points compared to the figures at the end of 2021, while the 10-year Swap rate increased during the same period by roughly 290 basis points, closing 2022 at 3.20%.

The expectation of a more restrictive ECB monetary policy also supported government interest rates in the main Euro Area countries. In Germany, the **10-year Bund** closed 2022 at 2.54%, up by around 270 basis points on the values at the end of 2021, whilst in Italy the **10-year BTP** closed 2022 at 4.65%, up 346 basis points. The 10-year spread between Italian and German rates was therefore 211 basis points at the end of 2022, up by 76 basis points compared to the end of 2021.

2022 ended negatively for the European stock markets. The **Eurostoxx 50** index, referring to the Euro Area indexes, showed a reduction of 11.7% in 2022 compared to the values at the end of 2021. The **FTSE Mib** index, referring to Italian listed companies, recorded a decline of 13.3% in the same period. Lastly, the **DAX** index, referring to German listed companies, closed 2022 down by 12.3% compared to December 2021.

The Fed's restrictive approach has had a significant impact on US stock indexes. In fact, the **S&P 500** index closed 2022 down by 19.4% compared to the values at the end of 2021. The expansion of interest rate spreads between the United States and the Euro Area favoured the appreciation of the US dollar against the euro, with the **euro/dollar exchange** rate closing 2022 at 1.07 dollars to the euro compared to 1.13 at the end of 2021.

International stock markets also saw a sharp decline in 2022: the **Nikkei** stock index, referring to listed companies in Japan, closed 2022 with a loss of 9.37% compared to December 2021, while the **Morgan Stanley Emerging Markets** index, referring to emerging markets, recorded an even more significant decline in 2022 of -22.4%.

### Insurance Sector

The final figures reported for the third quarter of 2022 show premiums in the Italian and non-EU direct business **insurance market** of approximately €94.9bn, down 7.4% compared to the third quarter of 2021. These economic trends would translate into a decline for 2022 of around 8.0% compared to the previous year, with total premiums close to €129bn.

In the third quarter of 2022, Italian and non-EU direct premiums for the **Non-Life** business increased by 4.8% compared to the same quarter of 2021. Therefore, 2022 is expected to close with growth of approximately 4.4% compared to 2021, with premiums expected to exceed €35.5bn.

In the **MV** sector, consisting of the MV TPL, Marine Vessels TPL and Land Vehicle Hulls classes, premiums are forecast to be down by 0.4% compared to the same period of the previous year, penalised by the expected negative performance of **MV TPL + Marine Vessels TPL (-1.6%)**, while an expansionary trend is expected in the **Land Vehicle Hulls** component (+3.7%). The decline in MV TPL premiums is partly explained by the decrease in the **average MV TPL premium**, which **decreased by 2.8%** to €310 compared to €319 in the previous year (ANIA figure for the third quarter of 2022), consistent with ISTAT values **down by 0.2%**. With regard to the **Non-Life Non-MV** classes, at the end of 2022 the segment should record an **increase** of approximately **8.2%** (Health +11.6%, Property +7.6%, General TPL +9.5%).

During 2022, the **MV** sector **agency channel** is expected to record premiums **up** by approximately **0.2%** compared to 2021 and an **overall weight** of approximately **83.6%**, while a significant reduction is expected in the **Direct channel (-3.4%)** and **Brokers (-4.4%)**, with a milder contraction in the **banking channel (-1.5%)**.

In the **Non-MV** sector on the other hand, premiums are expected to increase across all channels. The most significant increase in premiums is expected from the **banking channel (+21.3%)**, followed by the **broker channel (+9.8%)**: for the **agency channel**, growth should be **5.7%**.

Italian and Non-EU Direct **Life** premiums, according to ANIA estimates, should **decrease** in 2022 by around **11%** compared to the end of 2021, due to the reduction in **Class III (-27.4%)** and **Class I (-2.7%)** premiums. On the other hand, premiums for **Classes IV, V and VI** should increase (**+25.0%**, **+7.5%** and **+33.4%**, respectively), reaching approximately €4.7bn in total (**+24.6%**).

The breakdown of Life business premiums by distribution channel in **2022** should remain strongly skewed towards the **banking channel**, with a share of **57%** of total premiums (despite a **reduction** in premiums of approximately **8.5%**, in line with the contraction seen in the entire sector). The other channels should reach a share close to **14%**, with the **Broker** and **Direct** channels bucking the trend, with premiums up by **0.3%**.

## Pension funds

In 2022, net deposits of **assets under management** (mutual funds, individual asset management, collective and individual pension plans) amounted to around €19.8bn, of which €15.5bn referring to collective management (open and closed funds) and €4.3bn in net deposits for portfolio management.

In the third quarter of 2022, net deposits of **pension assets** amounted to approximately €1.7bn, down sharply compared to the €2.2bn of net deposits recorded in the same quarter of the previous year. The assets managed by pension funds and individual pension plans therefore amounted to €99.2bn at the end of the third quarter of 2022 and represented 4.5% of total assets under management, down by 2.5% compared to the second quarter of 2022, continuing with the negative trend observed during the year.

In 2022, existing positions with **supplementary pension schemes**, reported by Covip, increased by 564 thousand units compared to the end of 2021. The 5.8% increase recorded at the end of the year confirms the upward trend observed in recent periods. In December 2022, there were therefore 10.3m existing positions, of which 7.5m held by employees (73.1%).

In December 2022, Covip recorded growth of 10.1% for **occupational funds**, with 349k more positions, for a total of €3.8m at year end, for which contributions were up by 4.5%. This growth is sustained, in particular, by the contribution of contractual enrolments, both in the private sector, which provides for nearly automatic subscription by new hires, incentivised by a minimum employer contribution (which contributed about 200k positions), and in the public sector, with the introduction of automatic registration for new public employees (about 80k positions). Market pension schemes were also up compared to the end of 2021, with an increase in existing positions of open funds (+6.1%) and "new" Personal Pension Funds (PiPs) (+2.3%) and an increase in contributions of 7.8% and 2.0% on an annual basis. The latest data available for pre-existing pension funds, based on the data available as at September 2022, show an increase in the number of positions of 4.0%.

The resources allocated to **supplementary pension benefits** were down by 3.6% at the end of 2022, i.e. equal to approximately €205bn compared to €213bn recorded in December 2021, due to capital losses linked to the performance of the financial markets and despite the overall increase in contributions. As regards yields at the end of 2022, there was a net one-year return of -9.8% for occupational funds, -10.7% for open funds and -11.5% for "new" unit-linked PiPs, while a slightly positive return was recorded for the segregated fund component of "new" PiPs (1.1%). Segregated fund assets are accounted for at historical cost and not at market values and the returns largely depend on the coupons collected on the securities held. All one-year returns are significantly below the revaluation threshold of post-employment benefits which, driven by strong inflationary pressure, recorded a return of approximately 8.3% at the end of 2022.

## Real Estate market

According to the Italian Tax Authorities' Real Estate Market Observatory, in 2022 the growth in **home sales** has slowed down to 5.8%, after the exceptional figure of 2021 (+34.2%), due to both tax incentives for renovations and stricter credit access conditions. In fact, due to the sudden hike in ECB policy rates and the resulting increase in the cost of credit for households, after more than 400k sales were made in the first half of 2022, an initial decline was observed in the second half of the year (-2.4% on the first half).

As reported by Nomisma, for the 13 major cities, prices of existing homes further increased by 2.8% in 2022, after growth of 1.0% recorded in 2021. Growth was widespread in all Italian cities, with particularly positive performance in Milan (5.8%), Bologna (4.3%), Rome (3.8%) and Florence (3.7%). Rents, up by 1.1% in 2022, did not show the same expansionary drive as prices, lowering cap rates and the overall attractiveness of the market. Furthermore, given high inflation, the home price growth rate is lower than the average growth in the consumption deflator (on average equal to 7.0%), again entailing a decline in home values in real terms.

In 2022, sales in the **non-residential sector** also recorded a slowdown in growth to +7.1% (+38.2% in 2021). Overall, in 2022, growth was highest for the production sector (+12.1%), followed by offices (+8.1%) and lastly by stores (+5.1%).

The recovery had less positive repercussions on the prices of non-residential properties than those observed for homes. In fact, the office price cycle, which had started its expansionary phase in the second half of 2020 after declining for 24 half-year periods, was reversed in the second half of 2022, recording a drop compared to the first half of the year, while that of stores has continued to decline for the last 28 half-year periods. Therefore, in 2022, both office and store prices recorded zero growth compared to 2021. However, price dispersion was high amongst the

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major Italian cities in 2022: prices were still down in Catania (-1.7%), Genoa (-0.7%), Venice (-0.6%), Padua (-0.3%) and Turin (-0.2%) as regards offices and in Palermo (-1.2%), Genoa (-1.0%), Padua (-0.8%), Catania (-0.7%) and Florence (-0.6%) for stores. On the other hand, sustained growth rates were observed in Milan for both segments (+2.3% for offices and +3.1% for stores). In addition, on average in the 13 major cities, in 2022 office cap rates were up compared to 2021 thanks to a growth, albeit modest, in rents (+0.2%) while, for stores and homes, the drop in rents (-0.8%) led to a reduction in cap rates.

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## Main regulatory developments

In 2022, the reference regulatory framework for the sectors in which the Group carries on business saw numerous innovations.

### Relevant regulations for the insurance sector

The main regulatory change for the insurance sector was IVASS Measure no. 121/2022, which modified the financial statement layouts contained in ISVAP Regulation no. 7/2007 to adjust domestic regulations to the provisions of Regulation (EU) 2021/2036 on IFRS 17, which applies to accounting periods from 1 January 2023 onwards. IFRS 17 is profoundly discontinuous with respect to IFRS 4 in terms of the methods for measuring and recognising profits from insurance contracts, especially in the Life business, introducing a market-consistent approach inspired by Solvency II and valuation methodologies based on embedded value, also in order to increase the transparency and comparability of accounting information.

On 14 December 2022, **Regulation (EU) 2022/2554 on digital operational resilience for the financial sector (DORA)** was approved, which introduces harmonised requirements for companies operating in the financial sector (including insurance companies) in terms of the overall management of ICT risk, ICT system resilience testing and management, classification and reporting of ICT incidents. In essence, 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, alternative investment fund managers and ICT service providers. 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, which will be obliged to comply with the provisions of DORA and have a stable presence in the European Union. DORA enters into force on 16 January 2023 and will apply from 17 January 2025.

At the level of primary Italian legislation, on 8 August 2022 Italian Legislative Decree no. 114/2022 was published in the Official Gazette. It contains the implementing provisions for **Regulation (EU) 2019/1238 on a pan-European Personal Pension Product (PEPP)**, which represents a new type of personal pension product intended for residents in the European Economic Area, envisaging the option for a taxpayer changing their country of residence to pay contributions to a sub-account in the new country of residence or to continue paying contributions to the sub-account of the previous country of residence (portability of the PEPP). While the European Regulation sets forth the general rules relating to the authorisation phase, the investment policy and the portability of the PEPP at European level, Italian Legislative Decree no. 114/2022 identifies the competent national authorities, establishes the conditions relating to the phase of accumulation and disbursement of benefits and defines the tax treatment applicable to the national PEPP sub-accounts. In particular, note that, unlike other pension products, the PEPP Regulation envisages the option of disbursement of the accumulated capital in a lump sum, but Italian Legislative Decree no. 114/2022 does not allow post-employment benefits (TFR) to be paid into the PEPP.

With regard to secondary legislation, in 2022 insurance sector policymakers paid particular attention to issues related to the relaunch of Life products and the enhancement of value for money, i.e. the costs-benefits ratio (in terms of insurance benefit and financial return) that the policyholder can expect from the insurance contract. In particular, following a 2021 Supervisory Statement on value for money, on 31 October 2022 EIOPA published a document on the **methodology for the assessment of value for money** in the unit-linked policies market, in which the Authority recommends that companies, inter alia, carefully assess the risks linked to inflation as part of product development and adequately value the biometric risk component contained in unit-linked policies, also in order to differentiate them from other investment instruments.

At domestic level, on 11 March 2022 IVASS officially began work on an overall **reform of Life product regulations**, publishing a draft Regulation for consultation that aims to align the asset allocation rules for linked policies with the similar Bank of Italy regulations on UCITS, in order to overcome certain procedural limitations and rigidities to which insurance companies are subject in the engineering of linked products and in the choice of underlying assets pursuant to ISVAP Circular no. 474/2002. In addition, on the same date, IVASS published a Discussion Document with which it submits proposals to the market so that insurance companies can better value the demographic guarantee element (biometric risk) in Class III products, as well as options regarding the terms and conditions under which insurance companies could propose to policyholders any changes to the rule for determining the average rate of return for the



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segregated funds to which the contracts are linked, envisaging application of the profit provision, which is allowed by regulations in force only for new contracts and not for existing contracts.

Also note that, on 30 August 2022, IVASS approved **IVASS Regulation no. 52** relating to the implementation of provisions on the temporary suspension of capital losses for non-durable securities following Decree Law 73/22, which stated that insurance companies, in compliance with specific conditions set out in the Regulation that include the need to establish an undistributable equity reserve, should have the right for 2022 to value short-term securities at their recognition value in the financial statements for the previous year rather than according to the respective realisable value (if lower than the purchase cost). IVASS Regulation no. 52 was further amended, with resolution 127/2023 introducing, by virtue of the provisions of Decree Law no. 176 of 18 November 2022, the right to determine the amount of the undistributable reserve to be allocated by deducting the portion, attributable to policyholders, deriving from not writing down the securities. Note that, within the Group, Arca Vita S.p.A. availed itself of the option envisaged in the aforementioned Regulation with reference to the 2022 financial statements.

Lastly, on 11 July 2022 the Official Gazette published **MISE Regulation no. 88/2022 on the requirements and eligibility criteria for the duties of corporate officer pursuant to Art. 76 of the Private Insurance Code**. MISE Regulation no. 88/2022 replaces the previous Ministerial Decree no. 220/2011 and implements the provisions of Art. 76 of the Private Insurance Code, introducing new requirements (which the related body must assess according to strict parameters) relating to formal independence and limits to the accumulation of offices, in addition to those already envisaged with regard to integrity and professionalism. Furthermore, MISE Regulation no. 88/2022 introduces eligibility criteria (for the assessment of which the related body has a certain degree of discretion) in relation to fairness, expertise, independence of judgment, time availability and the ideal collective composition of the body. Overall, the reform measures substantially align with the corresponding banking regulations dictated by MEF Decree no. 169/2020 and aim to increase the quality of corporate officers, also by encouraging turnover and the addition of new specific skills.

## Tax regulations

In 2022, the following regulatory measures were issued:

- Decree Law no. 4 of 27 January 2022 (Sostegni-ter Decree) containing "Urgent measures to support businesses and economic operators, employment, health and local services in relation to the Covid-19 emergency, as well as to contain the effects of price increases in the energy sector", converted to Law no. 25 of 28 March 2022. In particular, this decree introduced restrictive measures to the circulation of tax credits such as bonuses linked to construction works and anti-Covid emergency measures.
- Decree Law no. 17 of 1 March 2022 containing "Urgent measures to contain the costs of electricity and natural gas, for the development of renewable energies and for the relaunch of industrial policies" (Energy or Ukraine Decree) converted to Law no. 34 of 27 April 2022. Note the provision that deferred the deduction for Ires and Irap purposes of 12% of the total write-downs and impairment losses on receivables of credit and financial institutions and insurance companies envisaged for the current tax period at 31 December 2022, to the tax period at 31 December 2023 and the three periods thereafter on a straight-line basis, in addition to the granting of tax credits to businesses for purchases of electricity and natural gas.
- Decree Law no. 21 of 21 March 2022 containing "Urgent measures to counter the economic effects of the Ukrainian crisis" (Ukraine-bis Decree) converted to Law no. 51 of 20 May 2022. Through this measure, tax credits are recognised for purchases of both electricity and natural gas in the second quarter of 2022 by companies (other than those defined as energy-intensive and gas-intensive already subsidised by Decree no. 17/2022, the Ukraine Decree), usable by the company or transferable in full to other parties including financial intermediaries and insurance companies.
- Decree Law no. 50 of 17 May 2022 containing "Urgent measures on national energy policies, business productivity and investment attraction, as well as on social policies and the Ukrainian crisis" (Aid Decree) converted to Law no. 91 of 15 July 2022. Among the provisions of interest, note the changes introduced to the assignment of receivables deriving from building bonuses to correct the "bottleneck" at the beginning of the year attributed to their circulation by Decree Law no. 4/2022 (Sostegni-ter Decree).
- Decree Law no. 73 of 21 June 2022 containing "Urgent measures on tax simplifications and the issue of work permits, State Treasury and additional financial and social provisions" (Simplification Decree) converted to Law no. 122 of 4 August 2022. The Decree contains numerous measures to simplify tax obligations for companies, including by extending the relative terms.

- Decree Law no.115 of 9 August 2022 containing "Urgent measures relating to energy, water emergency, social and industrial policies" (Aid-bis Decree) converted to Law no.142 of 21 September 2022. Among the provisions of interest, note the extension to the third quarter of 2022 of the granting of tax credits for the purchase of both electricity and natural gas by companies (other than those defined as energy-intensive or gas-intensive), usable by the company or transferable in full to other parties including financial intermediaries and insurance companies.
- Decree Law no.144 of 23 September 2022 containing "Additional urgent measures on national energy policy, business productivity, social policies and for the implementation of the NRRP" (Aid-ter Decree) converted to Law no.175 of 17 November 2022. Among the provisions of interest, note the extension to include October and November 2022 of the granting of tax credits for the purchase of both electricity and natural gas by companies (other than those defined as energy-intensive or gas-intensive) in the same manner as in the previous Aid Decrees.
- Decree Law no.176 of 18 November 2022 containing "Urgent support measures in the energy and public finance sector" (Aid-quater Decree). Among the provisions of interest, note the decrease in the percentage deduction on the Superbonus to 90% instead of 110% (with specific exceptions), in addition to extension of the possibility of paying for use of the credit in instalments over 10 years. The granting of tax credits for the purchase of both electricity and natural gas by companies (other than those defined as energy-intensive or gas-intensive) is extended to December 2022 in the same manner as in the previous Aid Decrees.
- Decree Law no.198 of 29 December 2022 containing "Urgent provisions on legal deadlines" (Milleproroghe Decree) envisaging numerous provisions for the extension of tax obligations and return deadlines.
- Law no.197 of 29 December 2022 containing "State budget for the financial year 2023 and long-term budget for the three-year period 2023-2025" (Budget Law 2023). The provisions of interest include:
  - the increase to 0.50% from 2023 of the withdrawal on Life business mathematical provisions;
  - the introduction, for policyholders of Class I and Class V Life policies, of the possibility of releasing the related returns, based on a 14% substitute tax rate applied to the value of the mathematical provision for these policies at 31 December 2022, net of the relative premiums;
  - the introduction of numerous provisions for the settlement of existing or potential disputes with the Tax Authorities (Tax Peace).

## Other regulations

On 16 December 2022, the **Corporate Sustainability Reporting Directive (CSRD)** was published in the Official Journal of the EU. The CSRD aims to harmonise the disclosure of sustainability information by companies, so that financial companies, investors and the general public receive transparent, comparable and reliable information. In doing so, the Commission aspires to create a series of rules that over time will place sustainability reporting on the same level as financial reporting. To this end, the CSRD introduces some changes compared to the previous Non-Financial Reporting Directive (NFRD), including an extension of the scope of disclosure obligations to all large undertakings and listed companies (with the exception of micro-businesses listed on the stock exchange) and the introduction of the obligation to certify sustainability information. Furthermore, the CSRD specifies in greater detail the information that companies must report and requires them to disclose the information in compliance with mandatory EU principles on sustainability reporting (EU sustainability reporting standards), also establishing that all information must be published in the management reports drawn up by companies and disseminated in machine-readable digital format. The directive enters into force on 5 January 2023 and must be transposed into Member State laws by the end of 2024.

Also note that, on 25 July 2022, Regulation (EU) 2022/1288 was published, in force from 1 January 2023 on regulatory technical standards (RTS), which specify in particular the methodologies and presentation of information relating to sustainability indicators.

On 31 March 2022 the International Sustainability Standards Board (ISSB) issued the Exposure Draft (ED) "Climate-related Disclosures" on sustainability reporting, which remained in consultation until July 2022 and is currently being examined by the ISSB for the preparation of the final version of the standard.

Lastly, in February 2022, the European Commission adopted a proposal for a **directive on corporate sustainability due diligence (CSDD)**, which aims to promote more responsible conduct by large corporates and regulated financial undertakings with respect to violations of human rights (such as child labour and the exploitation of workers) and environmental damage (such as pollution and biodiversity loss) that occur along the entire value chain. To this end, the Commission proposal introduces common due diligence obligations to ensure that companies identify, prevent and end or mitigate the actual or potential negative effects on human rights and the environment deriving from their activities, the operations of subsidiaries and the operations along the value chain carried out by parties with which the

## Introduction

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company has consolidated business relationships. In the proposed directive, the violation of due diligence obligations entails civil liability of the company and the related obligation to provide compensation for damages that can be identified, avoided or mitigated with adequate management measures.

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# 1

## MANAGEMENT REPORT

## Share performance

### Information on share performance

At the end of December 2022 the official price of the Unipol share was €4.579, in the last 12 months recording a decrease of 3.9% against a decrease in the FTSE Italia All-share index of 14.1%.

### Capitalisation values

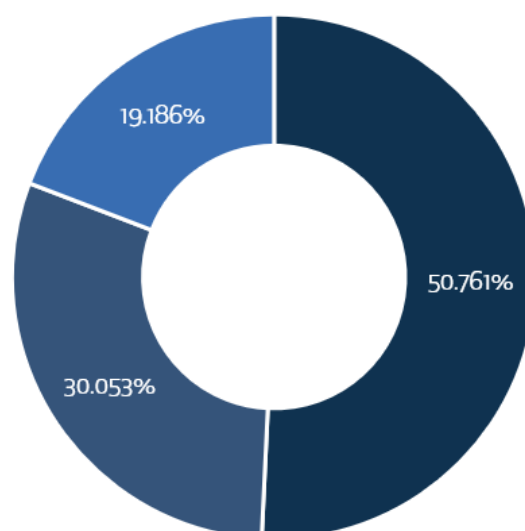
Total capitalisation was €3,270m at the end of December 2022 (€3,429m at 31/12/2021).



## Shareholding structure

The shareholding structure at 31 December 2022 is shown in the chart below:

- Market
- Shareholder's Agreement
- Additional shareholdings held by signing parties not allocated to the Shareholder's Agreement

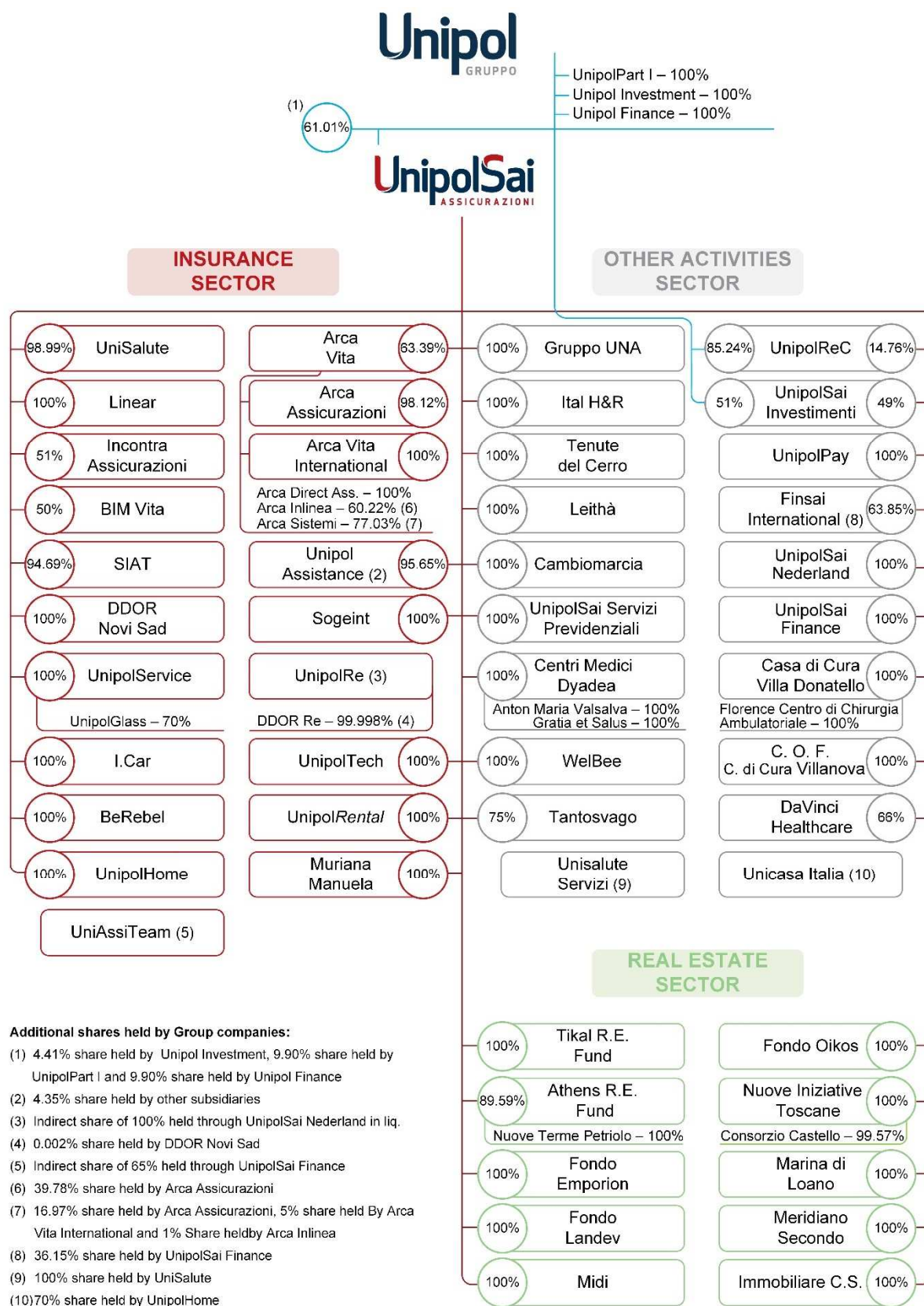


As then rendered public according to current legislation, 16 beneficiary companies signed a shareholders' agreement relating to Unipol Gruppo. That agreement, which was renewed on 15 December 2020, regarded 215,621,214 ordinary shares, representing 30.053% of the share capital of Unipol Gruppo. It should 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 2022 and at the date of this report, 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.	29.987%
Holmo S.p.A.	9.006%
Nova Coop Soc. Coop	8.306%
Cooperare S.p.A.	5.110%
Coop Liguria Soc. Coop. di Consumo	4.821%
Coop Lombardia Soc. Coop.	3.273%

## Group structure at 31 December 2022 (direct holding out of total share capital)



## Management Report

### Significant events during the year

#### Covid-19

After two years characterised by major repercussions related to the spread from February 2020 of the Covid-19 pandemic, in 2022, also thanks to the success of the vaccination campaign, a substantial return to normal was possible in the dynamics of social life and production activities.

With reference to the Non-Life insurance business, and in particular MV TPL, a return of road traffic to the levels of 2019 was therefore seen, with a consequent gradual recovery in the frequency of claims even if at levels lower than the pre-Covid period.

In the Non-Life Non-MV classes, the commercial drive by our sales networks along with the economic recovery in 2022 made it possible to considerably increase business.

As concerns the Life business, over the last few years the pandemic had no particular consequences in terms of premium trends or managed volumes.

#### Russia-Ukraine conflict

In the initial months of 2022, the international spotlight was dominated by the worsening of the conflict between Russia and Ukraine, which transformed into a large-scale war following Russia's invasion of Ukrainian territory. Aside from the heavy price in terms of human life and refugees, the effects of the conflict and the ensuing economic and financial sanctions imposed on Russia by the international community have had a considerable impact on the global economy. Some of the main impacts of the conflict are greater difficulty in the procurement of raw materials, with additional significant increases in the relative prices, and the risk of an already stressed supply chain becoming even more compromised.

This had repercussions on the cost of claims trend which, from the second half of 2022, saw significant increases in the average cost of claims settled with particular regard to MV TPL business. These increases, together with resumption of the frequency following the exit from the Covid emergency, led to the need for tariff adjustments to restore the technical balance of the class.

The ongoing conflict has also fuelled financial market tensions, with sharp declines in the international stock markets in the first part of the year, which then saw a partial recovery towards the end of 2022.

There was also a marked increase in interest rates deriving from the context of high inflation produced by sanctions on the export of raw materials of which Russia is an important producer and the response of central banks that have raised the cost of money on several occasions.

All this had repercussions on the Group's financial investments which, on the one hand, marked a significant deterioration in the net balance between implicit capital gains and losses, but on the other hand, thanks to the reinvestment of the flows produced, recorded better forward-looking profitability.

However, the Group does not carry out relevant economic activities in the area concerned by the conflict, does not hold, except to an extremely marginal extent, financial investments in securities of Russian or Ukrainian issuers, and is not a contractual party to any significant financial transactions with parties or entities subject to the international sanctions.

#### "Opening New Ways": 2022-2024 strategies

On 12 May 2022, the Board of Directors of Unipol approved the "Opening New Ways" 2022-2024 Strategic Plan. The new Strategic Plan is being unveiled within a macroeconomic context influenced by the international geopolitical crisis triggered by the conflict in Ukraine: a scenario characterised by a slowing economy, rising inflation due to a further acceleration in energy and food commodity prices, high financial market volatility and the expectation of higher interest rates. Despite this situation, the insurance market is expected to grow over the 2022-2024 three-year period.

In the sustainability area, the Group will contribute to achieving the Sustainable Development Goals of the UN 2030 Agenda.

As in the past, the Group's strategies aim to create value for all its stakeholders based on the following distinctive assets:

- Brand equity and high reputation as key elements to building customer loyalty;
- Large customer base with a high level of engagement;

# Management Report

- Integrated data and analytics along the entire insurance value chain and in support of Beyond Insurance initiatives;
- Integrated and distinctive Motor Model, a key element of market leadership in MV TPL;
- Integrated Health Model as a key element for further development of the Group's leadership;
- Central nature of the Agency Network in the development of Group strategies;
- Banking networks with high growth potential in terms of insurance penetration of their customer base.

By leveraging the distinctive assets, the Strategic Plan is broken down across five strategic areas:

1. "Data Driven Omnichannel Insurance", to consolidate the Group's technical and distribution excellence through increasingly intensive use of Data and Analytics and develop a new platform for the insurance offering aimed at natural persons, strengthening the effectiveness of the first national agency network and completing the omnichannel evolution of the distribution model;
2. "Health and Life-Cycle Focus", with a view to strengthening leadership in Healthcare by leveraging the UniSalute centre of excellence supporting all of the Group's Distribution Networks and offering Life products from a Life-Cycle perspective and with the optimisation of capital absorption;
3. "Bancassurance Boosting", to strengthen the bancassurance business model, drawing on the Group's distinctive capabilities for the benefit of its various banking partners;
4. "Beyond Insurance Enrichment", to accelerate the evolution of the Group's offer by further extending the Mobility ecosystem and reinforcing the Welfare and Property ecosystems;
5. "Tech & People Evolution", to guide the digital evolution of the operating model through the intensive use of new technologies, data, automation and the evolution of the organisation.

Convinced that the opportunities and well-being of customers and the people who interact with the Unipol Group every day are necessary conditions for market development capacity and for the sustainable success of the Group, in relation to each of the strategic areas the Plan identifies and integrates ESG objectives, i.e. lines of action that, starting from opportunities linked to social, environmental and governance aspects, aim to generate positive impacts for stakeholders and society as well and contribute to sustainable development.

## Early repayment of loan disbursed by UnipolSai to Unipol Gruppo maturing in 2024

On 1 March 2022, exercising the contractually envisaged right to early repayment, Unipol arranged full repayment of the €300m loan disbursed by UnipolSai on 1 March 2019, granted as part of the sale to Unipol of the shareholding in Unipol Banca SpA and in UnipolReC SpA.

## Sale of the UnipolReC loan portfolio en bloc

In May 2022, as a result of the interest formally expressed by some operators in the sector for the acquisition of the portfolio of non-performing loans held by the subsidiary UnipolReC (the "Portfolio"), a competitive selection process was launched for a buyer to be identified among the major market players.

As part of this process, at the end of the due diligence phase carried out with reference to the accounting situation at 31 March 2022, as a result of the binding offers received, the proposal of the company AMCO was selected, received on 2 August, and which provided for the sale en bloc without recourse of the Portfolio, for an amount of €307m, corresponding to 11.9% of the Gross Book Value at 31 March 2022, equal to €2.6bn. The sale was finalised on 14 December 2022 after obtaining Bank of Italy authorisation. Possible compensation in favour of the buyer was envisaged in the sale agreements if certain conditions were met, with respect to which the appropriate provisions were recognised in the financial statements of UnipolReC at 31 December 2022, which closed with a loss of €52m.

## Trade union agreement regarding Personnel and access to the Solidarity Fund

In October 2022 UnipolSai and the other 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. In view of preliminary enrolments by potential members of the pre-retirement plan, a charge of €199m (€137m net of taxes) was recognised at Group level.

Please also note that during the 2020-2021 two-year period, trade union agreements were entered into in relation to mutually agreed termination of employment contracts for executive personnel meeting pension requirements by 31 December 2024. These personnel will receive a cheque paid by the company that is equivalent to the future pension, until the state pension requirements are met. The mutually agreed termination of contract involved 12 executives of the subsidiaries in 2022.

## Operating performance

The Financial Statements of Unipol for the year ended 31 December 2022 closed with **net profit of €363m** (€335.1m in 2021), to which dividends received from Group companies totalling €449.4m (€430.2m in 2021) made a particular contribution.

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 **2022 Consolidated Financial Statements** of the Unipol Group, drafted in compliance with IAS/IFRS, show **a profit of €865.9m**, of which €683m attributable to the owners of the Parent and €182.9m 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	31/12/2022	31/12/2021
Non-Life direct insurance premiums	8,304	7,943
% variation	4.5	0.8
Life direct insurance premiums	5,341	5,386
% variation	(0.8)	24.4
of which Life investment products	1,831	1,272
% variation	44.0	123.4
<b>Direct insurance premiums</b>	<b>13,645</b>	<b>13,329</b>
% variation	2.4	9.2
<b>Net gains on financial instruments (*)</b>	<b>1,763</b>	<b>1,593</b>
% variation	10.6	20.8
<b>Consolidated profit (loss)</b>	<b>866</b>	<b>796</b>
% variation	8.8	(7.9)
<b>Balance on the statement of comprehensive income</b>	<b>(1,653)</b>	<b>746</b>
% variation	n.s.	(30.8)
<b>Investments and cash and cash equivalents</b>	<b>63,359</b>	<b>71,692</b>
% variation	(11.6)	0.6
<b>Technical provisions</b>	<b>51,766</b>	<b>57,128</b>
% variation	(9.4)	(1.0)
<b>Financial liabilities</b>	<b>11,587</b>	<b>10,771</b>
% variation	7.6	10.7
<b>Shareholders' Equity attributable to the owners of the Parent</b>	<b>6,130</b>	<b>7,780</b>
% variation	(21.2)	2.2
<b>Solvency ratio</b>		<b>214</b>
<b>No. staff</b>	<b>12,370</b>	<b>11,946</b>

(\*) excluding net gains and losses on financial instruments at fair value through profit or loss for which investment risk is borne by customers (index and unit-linked) and arising from pension fund management

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.

## 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 €466.1m (€440m in 2021) and mainly represent dividends agreed and collected during the year from subsidiaries (€449.4m) and associates (€8.9m).
- Value of production: amounted to €22.7m (€20.1m in 2021), primarily attributable for €9.3m to the recovery of costs for personnel seconded to Group companies (€16.2m at 31/12/2021), for €1.7m to remuneration paid to Company executives holding corporate offices in other Group companies (€1.9m at 31/12/2021) and for €5.9m to services provided to other Group companies (€1m at 31/12/2021).
- Costs of production: amounted to €45.5m (€57.3m in 2021) and included operating costs deriving from the core holding company activity, consisting primarily of personnel expenses of €19.2m (€27m in 2021) and costs for the acquisition of services amounting to €18.4m (€20m in 2021).
- Other net financial income/charges: these came to -€59.8m (-€88m at 31/12/2021). This item included primarily interest expense and other charges on bonds issued for €85.7m (€88.6m at 31/12/2021), income on short-term securities for €22.7m (€7.2m at 31/12/2021), income on long-term securities for €4.6m (€2m at 31/12/2021) and interest expense due to subsidiaries for €3m (€6.7m at 31/12/2021).
- Value adjustments to financial assets: these were negative for €33.4m (negative for €1.6m at 31/12/2021), of which €28.2m relating to write-down of the investment directly held in the subsidiary UnipolReC.
- Pre-tax profit: €350.1m (€313.1m at 31/12/2021).
- Income tax: this had a positive impact on the income statement for €12.9m (€22m at 31/12/2021). This effect derives from the valuation of the tax loss for the period that will be recovered due to participation in the tax consolidation.
- 2022 profit for the year: €363m (€335.1m at 31/12/2021).

Shareholders' Equity of the Company at 31 December 2022, including profit for the year, was €6,063.5m (€5,917.6m at 31/12/2021). The change primarily results from a €215.1m decrease due to distributed dividends and a €363m increase due to profits for the year 2022.

## 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

	31/12/2022	31/12/2021	Changes	
			value	%
<b>Property, plant and equipment</b>				
- Other assets	0.5	0.5	(0.0)	(0.4)
<b>Total</b>	<b>0.5</b>	<b>0.5</b>	<b>(0.0)</b>	<b>(0.4)</b>
<b>Intangible assets</b>				
- Concessions, licences, trademarks and similar rights	0.2	0.4	(0.2)	(43.4)
<b>Total</b>	<b>0.2</b>	<b>0.4</b>	<b>(0.2)</b>	<b>(43.4)</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS</b>	<b>0.8</b>	<b>0.9</b>	<b>(0.2)</b>	<b>(20.2)</b>

### 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

	31/12/2022	31/12/2021	Changes	
			value	%
<b>Financial fixed assets</b>				
-Investments				
-Subsidiaries	6,986.2	7,014.4	(28.2)	(0.4)
-Associates	318.5	298.1	20.4	6.8
<b>Total</b>	<b>7,304.6</b>	<b>7,312.5</b>	<b>(7.8)</b>	<b>(0.1)</b>
-Receivables				
-Subsidiaries		150.5	(150.5)	(100.0)
<b>Total</b>		<b>150.5</b>	<b>(150.5)</b>	<b>(100.0)</b>
Other securities	587.1	163.5	423.6	259.0
<b>TOTAL FINANCIAL FIXED ASSETS</b>	<b>7,891.7</b>	<b>7,626.5</b>	<b>265.2</b>	<b>3.5</b>

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

Amounts in €m

	2022	Changes compared to 2021
Insurance	5,169.3	
Banks and financial services	660.8	(7.8)
Other investments	1,474.6	
	<b>7,304.6</b>	<b>(7.8)</b>

Investment in Banks and financial services were represented at 31 December 2022 by the investment in the associate BPER Banca and in the subsidiaries UnipolReC and UnipolSai Investimenti SGR. Other investments included Unipol Finance S.r.l., Unipol Investment S.p.A. and UnipolPart I S.p.A.

Over the year, the investments held were subject to the changes summarised below.

#### UnipolReC S.p.A.

The value of the investment in UnipolReC at 31 December 2022 was written down for €28.2m. This adjustment was necessary to align the value of the equity investment recognised in the financial statements with the corresponding portion of shareholders' equity of the investee, taking into account the sale of the entire portfolio of non-performing loans held by UnipolReC.

#### BPER Banca S.p.A.

During the year, Unipol Gruppo acquired, in multiple tranches, 14,100,000 BPER Banca ordinary shares for a total value of €20.4m. At 31 December 2022, Unipol had a direct holding of 10.53% of the share capital of BPER Banca as well as an indirect holding through UnipolSai of 9.32%. The value of the investment at the end of 2022 was €318.5m.

#### Receivables from subsidiaries recognised under fixed assets

At 31 December 2022, there were no long-term receivables due from subsidiaries as the loan disbursed to UnipolRenta/S.p.A., which amounted to €150.5m at 31 December 2021, was paid off in full during 2022.

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 and shares of the holding company

At 31 December 2022, there were 477,543 treasury shares in the portfolio for an equivalent value of €2.4m, acquired to serve the compensation plans based on financial instruments (performance share type) for executive personnel. As part of these plans:

- 700,000 treasury shares were acquired in 2022, for a value of €3.5m;
- also in April 2022, shares were allocated to those entitled in implementation of the Short Term Incentive plan for the 2021 period.

At 31 December 2022, Unipol Gruppo also indirectly held a total of 651,889 treasury shares through:



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- UnipolSai Assicurazioni: 549,000 Unipol shares;
- UniSalute: 22,733 Unipol shares;
- Linear Assicurazioni: 14,743 Unipol shares;
- Arca Vita: 4,059 Unipol shares;
- SIAT: 28,748 Unipol shares;
- Unipol *Rental*: 20,910 Unipol shares;
- UnipolAssistance: 2,823 Unipol shares;
- Leithà: 8,873 Unipol shares.

With regard to treasury shares, the Shareholders' Meeting of 28 April 2022 approved, pursuant to Articles 2357 and 2357-ter of the Civil Code, the renewal for 18 months of the authorisation to purchase and use treasury shares within the limits set with a maximum expenditure limit of €300m.

## Current financial assets

They amounted to €110m, a decline of €37.2m compared to the previous year, caused by sales of securities and bonds during the year.

The breakdown of the item was as follows:

- government bonds for €51.7m (€50.3m at 31/12/2021);
- listed corporate bonds for €39.3m (€65.6m at 31/12/2021);
- listed Italian and foreign shares for €16.4m (€29.7m at 31/12/2021);
- listed shares of UnipolSai for €2m (€0.3m at 31/12/2021);
- Ermenegildo Zegna warrants, the market value of which was €0.7m (none at 31/12/2021).

The list of shares and securities recognised as current assets at 31 December 2022 is provided in Annex 7 of the Notes to the Financial Statements.

## Financial operations

Financial operations in 2022 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 sector, where the exposure to government bonds denominated in euros, and to bonds of financial and, to a lesser extent, industrial corporate issuers, increased.

Exposure to the equity sector declined marginally.

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 2022 offered trading opportunities; these activities, concentrated primarily in the equity segment, aimed to achieve the profitability objectives.

At 31 December 2022, the duration of the portfolio was equal to 1.31 years, up compared to the end of 2021 (0.58 years) following the transactions performed during the year, within the limits set by the Investment Policy.

## Cash and cash equivalents

At 31 December 2022, bank deposits and cash were €960.9m, with a decrease of €91.6m with respect to the balance at 31 December 2021.

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 2022, Unipol recorded cash pooling receivables of €13.2m (€6.2m at 31/12/2021) and cash pooling payables of €749.4m (€427m at 31/12/2021). 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 2022. At 31 December 2022, the breakdown of the share capital, subscribed and fully paid-up, was as follows:

	Share capital at 31/12/2022		Share capital at 31/12/2021	
	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
<b>Total</b>	<b>717,473,508</b>	<b>3,365,292,408.03</b>	<b>717,473,508</b>	<b>3,365,292,408.03</b>

## Debt

At 31 December 2022, the bonds issued by Unipol were €2,457.7m (€2,515.1m at 31/12/2021) 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 31/12/2021);
- €500m nominal value, 3.5% interest rate, 2027 maturity (same amount at 31/12/2021);
- €937.5m nominal value outstanding of the "green" senior bond, 3.25% interest rate, 2030 maturity (€1,000m at 31/12/2021), issued in two tranches in 2020, and during the course in the second half of 2022 subject to repurchases, for a total nominal value of €62.5m.

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.

On 1 March 2022, Unipol Gruppo carried out the full early repayment of the unsecured loan disbursed by UnipolSai Assicurazioni S.p.A. on 1 March 2019, indexed to the 3M Euribor plus a spread of 260 bps. The total amount paid to UnipolSai Assicurazioni S.p.A. amounted to €301.5m, of which €300m for principal.

At 31 December 2022, current financial payables included payables to Group companies due to the above-mentioned cash pooling agreement for a total of €749.4m.

Net debt (summarised in Annex 9 to the Notes to the Financial Statements) rose from €2,056m in the previous year to €2,137m at the end of 2022.

## 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 1.31 years at 31 December 2022. With specific reference to the bond portfolio, the duration was 3.28 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	53.51%	3.25	(1,130)	(5,649)
Financial	42.68%	3.22	(892)	(4,461)
Corporate	3.81%	4.22	(104)	(522)
<b>Bonds</b>	<b>100%</b>	<b>3.28</b>	<b>(2,126)</b>	<b>(10,632)</b>

# Management Report

## Credit risk

Management of the securities portfolio primarily involves investing in investment grade securities (86.49% of the bond portfolio). Specifically, 3.83% of bonds had an AA rating, 14.93% an A rating and 67.73% a BBB rating.

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 2022:

Amounts in €k

Rating	Breakdown	1 bps increase	10 bps increase	50 bps increase
AA	3.83%	(9)	(86)	(429)
A	14.93%	(39)	(388)	(1,938)
BBB	67.73%	(168)	(1,682)	(8,409)
Non Investment Grade	13.51%	(26)	(257)	(1,283)
<b>Bonds</b>	<b>100.00%</b>	<b>(241)</b>	<b>(2,412)</b>	<b>(12,059)</b>

## Equity risk

Equity risk is monitored by analysing the equity portfolio's sensitivity to changes in the reference markets represented by sector indices.

The following table shows the sensitivity at 31 December 2022:

Amounts in €k

Sector	Breakdown	Beta coefficient	Shock -10%
Utility	94%	0.91	(1,509)
Funds	0%	1.00	(1)
Consumer Discretionary	6%	1.30	(96)
<b>Equity</b>	<b>100%</b>	<b>0.93</b>	<b>(1,606)</b>

## Liquidity risk

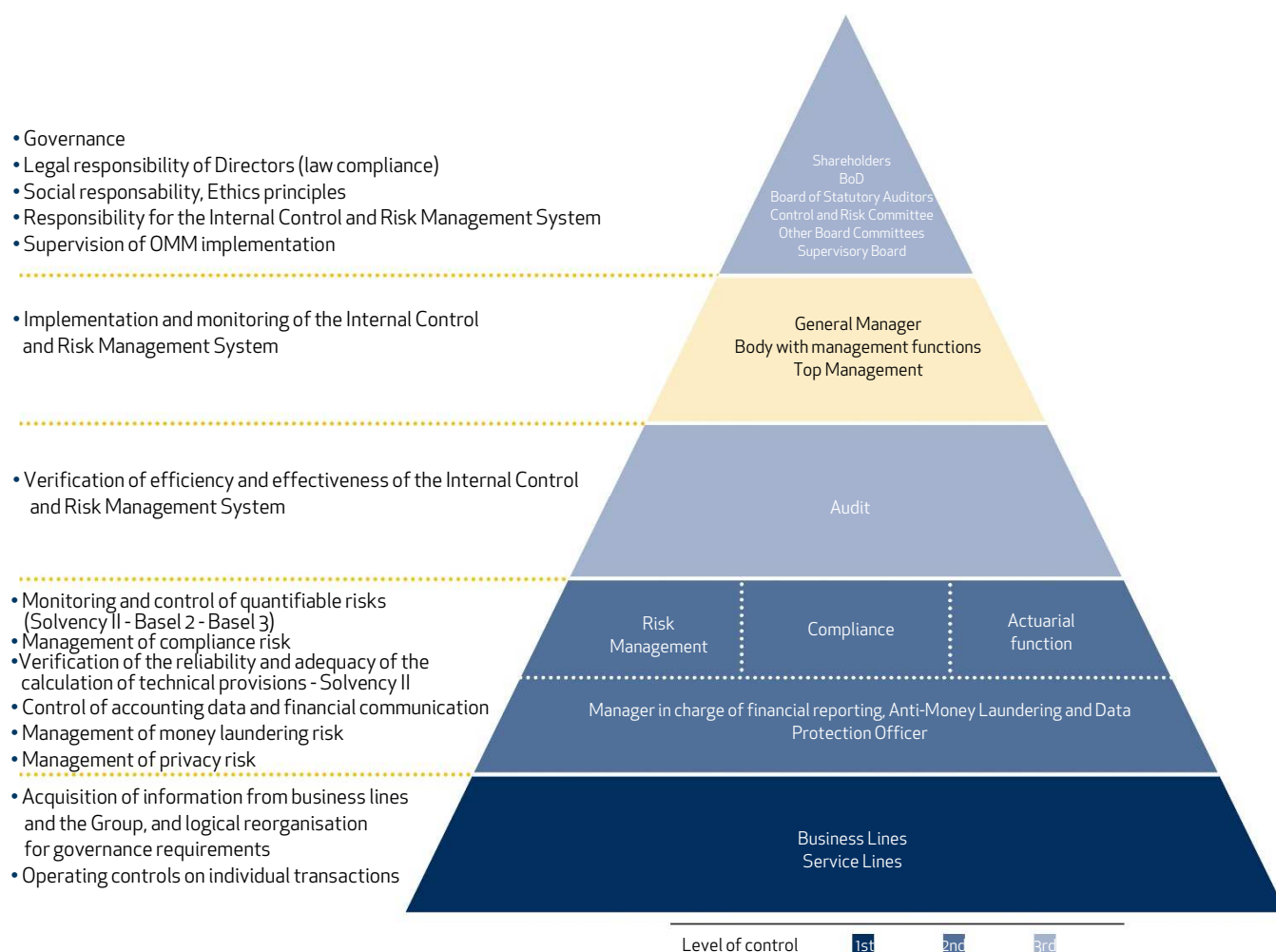
In the construction of the investment portfolio, priority is given to financial instruments that can be quickly transformed into cash and quantitative limits are specified for the purchases of securities that do not guarantee a rapid sale and/or a sale at fair conditions, because of their type or specific 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 Group<sup>1</sup>.

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

<sup>1</sup> 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 the companies in scope, identifying the roles and responsibilities of the corporate bodies and structures involved in the process. Through the model outlined in this policy, and the specific risk management policies, the Group defines suitable guidelines on activities which, on an ongoing basis, identify, assess, monitor and mitigate the risks to which the Group is exposed, also as a result of its strategic decisions, as well as taking into account the various business areas and different applicable regulations, changes to the nature and extent of business activities and in the market context, the emergence of new risks or changes in existing risks.

The corporate bodies and top management structures of the Group companies are committed to promoting the dissemination of a control culture, to enable the active contribution of the entire organisation to implementing the Internal Control and Risk Management System. So as to enhance the awareness of all corporate structures in this respect, over 7,500 Group employees participated in training courses (video conferences and e-learning) on risk management during 2022, up significantly on the 6,000 of 2021.

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## Monitoring of emerging risks

Taking into account the importance of anticipated and integrated management of emerging risks, the Unipol Group has created a dedicated Reputational & Emerging Risk Observatory to anticipate changing trends in the external context and prepare for future medium-long term risks and opportunities.

The systemic analysis of the Macro trends identified by the Observatory made it possible to identify **six main areas of emerging risk** (Technology and data, Climate Change and biodiversity, Demographics and health, Business transformation, Social polarisation and Economy and finance), which were subject to a structured assessment and prioritisation process with the involvement of a panel of external experts to assess the likelihood, impact, reference time horizon and interconnection with other risks.

The emerging risks identified as a priority for the Group are those linked to **Technology and data**, in particular cyber risk, and those linked to **Climate Change**, in particular acute physical risks.

The first emerging risk, defined as an increase in cyber risk due to the increasing digitalisation and the increased use of devices for the car, home and individuals, is particularly relevant also in view of the current delicate geopolitical situation, the increase in cyber crime attacks and the growing importance of interdependencies between business and cybersecurity. The main impact of this risk on the Group is a potential increase in the vulnerability of IT systems to external attacks. The controls adopted by the Group are described in detail in the paragraph "Cybersecurity and personal data protection".

The second emerging risk concerns Climate Change and in particular acute physical risks; this risk generates impacts for the Group mainly in terms of underwriting (see also the ESG risk map below). The actions taken to monitor it are briefly described in the paragraph "Insurance skills to support system resilience" in the chapter "Sustainable Development: the impacts generated by the Unipol Group", and in greater detail in the report "Unipol and climate change".

## Monitoring of environmental, social and governance risks and impacts

The monitoring of ESG 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 of risks and compliance, performed, among others, by the Compliance and Anti-Money Laundering, Risk Management and the Actuarial Function, and the third-level controls performed by Audit, each for its own area 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.

For the Group, ESG factor management is the result of a complex process using different tools to identify and assess risks ("risks incurred")<sup>2</sup> and negative current and potential impacts ("risks generated")<sup>3</sup>, related to environmental, social and governance issues.

Specifically, **ESG risks** are identified by focusing on risks emerging from environmental, social and governance aspects, identified through the **Reputational & Emerging Risk Observatory**. As part of the management process described above, for the main emerging ESG risks, an activity was launched that aims to define a framework for the identification of the exposures, with a forward-looking and integrated approach, on other categories of risk deriving from the potential direct and indirect impacts generated by the occurrence of these risks. To strengthen its ability to systematically monitor and manage the **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 Multinational Enterprises, 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.<sup>4</sup>

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**.

<sup>2</sup> Events representing a risk to the Group, which has no levers to prevent them but can only take action to control them, prevent them or mitigate their consequences, or to transform them into opportunities.

<sup>3</sup> Events for which the triggers are directly associated with Group operations, for which the Group has levers to prevent them or mitigate their consequences if they should materialise.

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

The ESG risks and negative impacts are also included in the Group **Risk Appetite Statement** and (with particular reference to negative impacts) monitored through a **dashboard dedicated to KRIs** (Key Risk Indicators) designed to assess the degree of risk associated with each of the three areas: environmental, social and governance. The Unipol Gruppo Board of Directors is informed of the results of this monitoring at least once a year.

With reference to the risks linked to climate change, the Unipol Group is continuing its implementation of **scenario analyses to measure the impacts of physical and transition risks**. More specifically, as regards physical risks and transition risks in the stress testing framework, planned and reported on in the ORSA Report, specific stresses are tested.

The impact analysis of climate change on physical risks in the ORSA Report is divided into three levels: short-, medium- and long-term analysis for the most significant acute physical risks (flood and convective storms), as well as long-term analysis for chronic risks (rising sea levels) and acute risks so far considered secondary perils (forest fires, drought).

In relation to the assessment of climate change impact on transition risks, the Group quantifies the losses in value of financial investments, in reference to 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).

Since the introduction in 2020 of the issue **"Nature and Biodiversity"** to the Reputational & Emerging Risk Observatory as an issue "to watch", the Group began the work of defining a biodiversity loss risk management framework as part of the Group's ERM framework. In particular, an activity was launched that aims to integrate the risk of biodiversity loss within the framework being defined for the main ESG emerging risks, dividing the definition into its various components and identifying the impacts on the various risk categories that make up the Group's ERM framework.

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

Given the different businesses conducted by the Group companies, Unipol holds numerous personal data, which relate to different moments in the life of individuals, their conduct, the resources available to them, their health, habits, preferences. The phenomenon will increasingly expand as the connection of new devices continues.

The Group's general guidelines on the protection of natural persons with regard to the processing of their personal data, as well as the organisational model (organisation and roles, people, culture and responsibilities), operating model (processes, rules and documentation) and architectural model (technologies and tools) 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**).

It should be remembered that in 2020 the Group approved the **"Unipol Data Vision"**, which integrates the privacy protection system with the commitment of fair and transparent data leveraging. The advanced data management supports a more knowledgeable assumption of risks, able to make the handling of any claims more sustainable and leading to an increasingly stronger capacity to protect customers in an accessible manner. The Unipol vision therefore represents an opportunity to create value that is shared among customers, the Group and the community as a whole, supporting the development of solutions with a common contribution from multiple players to satisfy the needs of the community.

Training on privacy topics involved most of the Group's collaborators (over 90% of employees in Italy) and numerous agents and sub-agents (more than 80% in both cases). In 2022, cyber security courses reached 17,891 people in the agency network, 3,693 in the Arca sales network and 5,194 employees.

In 2022, there were 270 data breaches in the Group companies, 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

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providing the utmost protection for the rights of data subjects. In 2 cases, the breaches were notified to the Personal Data Protection Authority.

In 2022, the Data Protection Authority received a documented report for an alleged privacy breach, which was answered promptly without any follow-up by the Authority.

Amongst the initiatives aimed at handling cyber risk, in terms of **Governance**, the Group Information Security Policy defines, also in accordance with the provisions of the ISO 27001<sup>5</sup> standard, the guidelines on cyber security, which support the implementation of the cyber security strategy and provide for the adoption of physical, logical and procedural security measures aimed at ensuring, for the information processed through the IT systems, appropriate and consistent protection throughout its entire lifetime.

The Governance, Standards, Continuity and IT Systems Security function, on the staff of the Group Chief Information officer, operates in liaison with the IT operating functions for the correct implementation of company cyber security guidelines, in alignment with the Control Functions and the DPO for adopting regulations and assessing the action taken to implement them. 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. The Chief Information Officer and the Head of the Governance, Standards, Continuity and IT Systems Security function report annually to the Board of Directors of the Parent and of the Companies falling within the scope of the Information Security Policy, as well as to the Control and Risk Committee of UnipolSai and Unipol Gruppo, to the extent of their responsibilities, with respect to the state of corporate cyber security in the reporting period.

The initiatives envisaged in the Strategic Plan to enhance and develop cyber security adopted in 2022 cover three main areas:

- updating of **company policies and procedures** based on regulatory developments and cyber threats, and conducting audits on Third Parties according to risk-based logics;
- strengthening of **Threat Intelligence, Antispam and Incident Detection & Response** services, also through collaboration with specialist technological partners at the forefront of the sector, and platform updating and development to support the monitoring of network, system, application and data security. Vulnerability assessment and penetration test sessions were also carried out on the Group's infrastructure and applications, with particular regard to those most critical and exposed on the internet, and tests for restarting IT systems after disaster events;
- Cyber Awareness initiatives for technical personnel and end users to mitigate cyber risk linked to the human factor, through the new "Cyber 2022" course for employees and intermediaries and a specific application security workshop for around 60 Group programmers.

During the year, despite the increase in threats and attempted attacks linked to cyber crimes and the Russia-Ukraine conflict, no 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 27001 for its Advanced Electronic Signature service since 2013 and is audited annually by external auditors.

The Companies operating in Serbia have implemented changes to the internal processes that regulate the protection of personal data to systematise and harmonise them to the European standard, with particular reference to the underwriting process, compensation claims and various customer assistance processes.

During 2022, training was provided to employees on the subject of privacy and information security, which reached 83% of total employees.

In terms of IT security, in 2022 DDOR Novi Sad renewed the ISO 27001 certification for its information security management system and its ISO 22301 Business Continuity Management certification, which supports the organisation in reducing the likelihood of incidents and ensuring the resumption of operations following disruptions. In 2022 in Serbia, there were no reports of critical issues either in terms of privacy or IT security, and no complaints were identified in this respect.

<sup>5</sup> The ISO/IEC 27001 standard is an international standard that defines the requirements to set up and manage the information security management system, and includes aspects relating to logical, physical and organisational security.



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

The Unipol Gruppo OMM, updated on 4 August 2022, makes provision for oversights and control instruments implemented to combat corruption in Special Part 1, with reference to the offences considered in Articles 318, 319, 319-ter, 319-quater, 320, 322, 322-bis and 346-bis of the criminal code, and in Special Part 2, with reference to the offence of corruption among private individuals stipulated in Art. 2635 of the civil code. The OMM is composed of a General Part and fourteen Special Parts, each dedicated to a category of crime that could theoretically take place within the Company.

In particular, the Special Part highlights the general conduct principles applied directly to the corporate bodies and employees, and to partners on the basis of dedicated contractual clauses.

These principles concern:

- the training of associates by Department Heads in contact with the Public Administration and the tracking of information flows to it;
- the assignment of representation duties to external parties through formal appointments;
- the inclusion in contracts with collaborators of their specific declarations on knowledge of Italian Legislative Decree 231/2001 and the commitment to comply with the OMM, and that they have not been convicted with a final or preliminary sentence for offences envisaged by Italian Legislative Decree no. 231/2001, without prejudice to rehabilitation effects.

In the Special Parts of the OMM, the specific principles of control for preventing the commission of each type of crime previously indicated are also laid out in detail.

The OMMs of the Unipol Group companies also envisage oversight and control mechanisms.

The OMM was disseminated to all Unipol Gruppo employees through publication on the company intranet Futur@; the related updates are communicated to employees via company communication sent via e-mail or similar electronic means. Every six months, the Chief Human Resources and Organisation Officer monitors whether the document has been read and accepted by the employees, reporting accordingly to the Supervisory Board.

In 2022, the training of Unipol Gruppo employees continued through the provision of a web training module; specific classroom training courses were also held for Unipol Gruppo managers.

The Unipol Group companies with an Organisation, Management and Control Model disseminate it to employees by similar methods.

The internal system for reporting violations has been formalised in a specific Whistleblowing Procedure for use by personnel who, having become aware of illegal acts or facts during the performance of their duties, decide to report them.<sup>6</sup> Personnel may use an IT platform to submit reports of unlawful conduct pursuant to Decree 231/01, acts or facts which could constitute violations of the OMM, as well as violations of other precisely defined regulations<sup>7</sup>, with methods that guarantee full confidentiality of the reporting party's identity and the content of the report<sup>8</sup>. The disciplinary system adopted envisages sanctions against those violating the whistleblower protection measures, and for those who with wilful misconduct or gross negligence submit reports that prove unfounded.

No reports were received via this channel in 2022.

The task of supervising the operation and observance of the OMM and ensuring its updating is entrusted to the Supervisory Board (SB), composed of all the members of the Control and Risk Committee, non-executive independent directors, and an external professional with suitable skills and professionalism.

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 intermediaries pursuant to Art. 106 of the Consolidated Law on Banking (UnipolReC), for asset management companies (UnipolSai Investimenti SGR) and for Electronic Money Institutions - IMEL (UnipolPay).

<sup>6</sup> Intended as such employees and those who operate on the basis of a contract, even in a form other than as employee, which determines their inclusion in the company organisation

<sup>7</sup> Reference is made to (i) Regulation (EU) no. 596/2014 relating to market abuse ("MAR"), (ii) Italian Legislative Decree no. 231 of 21 November 2007 on preventing the use of the financial system for money laundering and terrorist financing, (iii) Italian Legislative Decree no. 209 of 7 September 2005 ("Private Insurance Code"), (iv) Italian Legislative Decree no. 58 of 24 February 1998 ("Consolidated Law on Finance").

<sup>8</sup> The IT platform adopted by the Group makes it possible to (i) manage reports in pseudonymised form and (ii) keep track of the relative information in encrypted form. Access to the latter is limited to identified members of the company structures responsible for receiving, reviewing and evaluating whistleblowing reports.

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All of the Unipol Group Companies subject to the Decree have a dedicated structure responsible for managing the risk of money-laundering and terrorist financing.

The anti-money laundering monitoring aims to guarantee correct compliance with the provisions of the Decree on:

- customer due diligence obligations;
- storage obligations;
- reporting obligations;
- personnel training.

All the Unipol Group Companies subject to Anti-Money Laundering Regulations have a dedicated structure responsible for managing the risk of money-laundering and terrorist financing.

In 2022, the Group made available a new online course on the crime of money laundering, which provides updated and necessary information for the purposes of preventing money laundering and terrorist financing transactions.

Released in October 2022, by year end the new course had been used by 15% of the employees concerned<sup>9</sup> (100% for UnipolPay).

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 the prevention of money laundering and terrorist financing had been attended by 64% of employees at the end of 2022.

## 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 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 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:

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

Furthermore, quality objectives are defined in reference to compliance, emerging, strategic, reputational, ESG (Environmental, Social and Governance) and operational 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.

<sup>9</sup> The previous Anti-Money Laundering course covered over 90% of employees of the Italian insurance companies.

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 internal current and forward-looking 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 targets and in line with the risk appetite;
- maintain a sound and efficient capital structure, considering growth targets and risk appetite;
- outline 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, free cash flow and risk appetite, identifying and documenting any situations in which the postponement or cancellation of distributions from an element of own funds could arise;
- outlining the dividend distribution process for the definition of procedures to ensure sound and efficient capital management, considering that the growth and profitability targets are in line with the risk appetite;

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- define 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.

## Measurement of risks for the insurance sector

### Partial Internal Model

The Unipol Group and the subsidiaries UnipolSai Assicurazioni and Arca Vita are authorised by IVASS to use the Partial Internal Model to calculate the solvency capital requirement.

The Partial Internal Model is used to assess the following risk factors, as well as in the aggregation process:

- Non-Life and Health Technical Insurance risks relating to the earthquake catastrophe component;
- Life Technical Insurance risks;
- Market risk;
- Credit risk.

There is a plan for the extension of the Partial Internal Model to include all measurable risk modules and reach a Full Internal Model type configuration.

### Market Wide Standard Formula

For Group companies other than UnipolSai Assicurazioni and Arca Vita, risk is measured using the Market Wide Standard Formula.

## 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](http://www.unipol.it)). [http://www.unipol.it/](http://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 €2,003k

% holding: 85.22% - Direct holding of 61.01% 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.

Unfavourable financial market performance had a significant impact on the economic result of UnipolSai, which, as the right set forth in IVASS Regulation no. 52/2022 had not been exercised, ended 2022 with a net profit of €144.7m (€648.1m at 31/12/2021) after recognising value adjustments on financial assets classified as current (€582m). The result for 2022 was also impacted by extraordinary expenses of €193m (gross of tax effects), deriving from the trade union agreement entered into in 2022, concerning a pre-retirement plan, set forth in the 2022-2024 Strategic Plan, which will affect approximately 880 employees at Group level. With reference to the insurance business, in 2022 the Company recorded total premiums of €10,592.4m, broken down as follows:

Amounts in €m

Premiums	Non-Life	Life	Total 2022	Total 2021	% var.	Variation on 2021
Direct business	6,883.1	3,392.5	10,275.6	9,590.9	7.1	684.7
Indirect business	316.9		316.9	283.6	11.7	33.3
	<b>7,199.9</b>	<b>3,392.5</b>	<b>10,592.4</b>	<b>9,874.5</b>	<b>7.3</b>	<b>717.9</b>
Premiums ceded	299.4	7.9	307.2	290.2	5.9	17.0
Premiums retained	<b>6,900.5</b>	<b>3,384.7</b>	<b>10,285.2</b>	<b>9,584.3</b>	<b>7.3</b>	<b>700.9</b>
% breakdown	67.1	32.9	100.0			

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

The shareholders' equity of the Company, including the profit for the year, was €6,167m (€6,561.9m at 31/12/2021). In the course of 2022, the company paid the holding company Unipol Gruppo dividends of €328m.

## 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 company's financial year is from 1 July to 30 June.

At 30 June 2022, the company recorded a profit of €10.7m (€120m at 30/06/2021) due to dividends collected from the affiliate UnipolSai, amounting to €23.7m, partially offset by net charges originating from financial investments other than equity investments, against negative financial market performance, especially in the first half of 2022. It should also be recalled that the result at 30 June 2021 included the capital gain of €92.4m realised from the sale of 166,123,540 shares of the affiliate UnipolSai Assicurazioni S.p.A. to the affiliates Unipol Finance and Unipol Part I.

The aspects best characterising the operating performance in the year ended at 30 June 2022 were the following:

- Gains on investments of €45.2m (€122m at 30/06/2021), of which €23.7m in dividends received from the affiliate UnipolSai Assicurazioni S.p.A., €13.4m in capital gains from the trading of shares and units of mutual funds and €8.1m in dividends collected from other companies and income deriving from mutual fund units.
- Costs of production of €0.9m (€0.5m at 30/06/2021).
- Financial fixed assets of €240.3m (€220.5m at 30/06/2021) and relating to the equity investment, equal to 4.41% (4.128% at 30/06/2021), in the affiliate UnipolSai Assicurazioni S.p.A. The increase is attributable to the purchase in the regulated market, in March 2022, of 7,985,000 shares of the above-mentioned company, for a total of €19.8m.

At 30 June 2022, the shareholders' equity of the company, including profit (loss) for the year, was €606.3m (€695.6m at 30/06/2021).

In the course of 2022, the company paid the holding company Unipol Gruppo dividends of €10.7m.

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## Unipol Finance S.r.l.

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

The company's corporate purpose is to acquire interests and investments in other companies, not from the public, and increase their value for long-term investment purposes, rather than for placement or brokerage with the public. The company's financial year is from 1 July to 30 June.

At 30 June 2022, the company recorded a profit of €53.5m (€73.3m at 30/06/2021), due almost exclusively to the dividend collected from the affiliate UnipolSai Assicurazioni S.p.A. (€53.2m). It should be noted that the result for the year ended 30 June 2021 benefitted from capital gains realised on the trading of listed shares and mutual funds, transactions not replicated during the year ended 30 June 2022.

The aspects best characterising the operating performance in the year ended at 30 June 2022 were the following:

- Gains on investments of €54.4m (€86.3m at 30/06/2021), of which €53.2m in dividends received from the affiliate UnipolSai Assicurazioni S.p.A. and €1.2m in capital gains from the trading of shares and units of mutual funds.
- Financial fixed assets of €666.6m (unchanged compared to 30/06/2021), relating to the 9.9% investment in the affiliate UnipolSai Assicurazioni S.p.A.

At 30 June 2022, the shareholders' equity of the company, including profit (loss) for the year, was €735.6m (€682.1m at 30/06/2021).

In the course of 2022, the company paid the holding company Unipol Gruppo dividends of €53.5m.

## UnipolPart I S.p.A.

Registered Office: Bologna  
Share capital: €4,100k  
Carrying amount: €463,198k  
% holding: 100% direct

The company'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 company's financial year is from 1 July to 30 June.

At 30 June 2022, the company recorded a profit of €53.2m (€52.9m at 30/06/2021) due primarily to dividends collected from the investee UnipolSai.

The aspects best characterising the operating performance in the year ended at 30 June 2022 were the following:

- Gains on investments of €53.2m (unchanged compared to 30/06/2021), 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 30/06/2021).
- Financial fixed assets of €574m (unchanged compared to 30/06/2021), relating to the 9.9% investment in the affiliate UnipolSai Assicurazioni S.p.A.

At 30 June 2022, the shareholders' equity of the company, including profit (loss) for the year, was €630.1m (€576.9m at 30/06/2021).

In the course of 2022, the company paid the holding company Unipol Gruppo dividends of €53.2m.

## 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 €6.5m (net profit of €9m at 31/12/2021).

The aspects best characterising the operating performance in the year ended at 31 December 2022 were the following:

- Commission income of €15.2m (€14.7m at 31/12/2021), deriving from the management of the real estate investment funds mentioned above.
- €5.6m costs for services and miscellaneous (€2.5m at 31/12/2021), of which €5.3m due to UnipolSai Assicurazioni S.p.A. for seconded staff and miscellaneous services.
- €15.2m gross operating income (€15m at 31/12/2021, +1.1%).
- €9.6m net operating income (€12.7m at 31/12/2021).

The shareholders' equity of the company, including profit (loss) for the year, was €21.7m (€24.7m at 31/12/2021).

In the course of 2022, the company paid the holding company Unipol Gruppo dividends of €4m.

### 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

UnipolReC S.p.A., enrolled in the register of financial intermediaries pursuant to Art. 106 of the Consolidated Law on Banking (TUB) as from 2 July 2019, continued its non-performing loan collection activity in the course of 2022, managed both directly and by relying on external firms.

As part of this activity, in May 2022, as a result of the interest formally expressed by some operators in the sector for the acquisition of the portfolio of non-performing loans held by UnipolReC (the "Portfolio"), a competitive selection process was launched for a buyer to be identified among the major market players. As a result of this process, on 14 December 2022 the transfer to AMCO of the entire portfolio of non-performing loans held by UnipolReC was completed.

Taking into account the effects of the above-mentioned transaction, which include prudential provisions for the indemnities due to AMCO as part of the guarantees provided to it relating to the transferred Portfolio, UnipolReC recorded a loss for the year of €52.4m (profit of €1.5m at 31/12/2021).

The aspects best characterising the operating performance in the year ended at 31 December 2022 were the following:

- €34.1m gross operating loss (gross operating income of €17.7m at 31/12/2021).
- €36m net financial loss (net financial income of €12.9m at 31/12/2021).
- Operating costs of €28.8m (€13.6m at 31/12/2021), an increase due to the above-mentioned prudential provisions for indemnities due to AMCO.
- Income of €12.4m at 31 December 2022 for income taxes for the year (€2.2m at 31/12/2021), which include the benefit deriving from the transfer of the tax loss for the year to the Unipol tax consolidation.
- Total collections from non-performing loans for €327.6m (€81.8m collected in 2021, with a recovery ratio of 23%), including both ordinary collections of €53.3m (of which €5.6m as indemnity from BPER Banca S.p.A. and Banco di Sardegna S.p.A. on the portfolio acquired in 2019), and those deriving from the transfer of the portfolio to AMCO equal to €274.3m (net of collections pertaining to AMCO S.p.A. for €32.7m).
- Financial assets measured at amortised cost, amounting to €380.8m (€395.3m at 31/12/2021), refer entirely to the receivable from the holding company Unipol deriving from the existing cash pooling relationship with the Parent. The balance of non-performing loans was fully eliminated due to their sale to the company AMCO on 14 December 2022.
- The item Provisions for risks and charges at 31 December 2022 amounted to €25.9m (€0.9m at 31/12/2021).

The shareholders' equity of the company, including profit (loss) for the year, was €389m (€441.3m at 31/12/2021).



## 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 – prepared pursuant to Art. 4 of Consob Regulation no. 17221 of 12 March 2010 as amended (the “Consob Regulation”) and updated most recently by the Board of Directors of Unipol on 23 June 2022 – 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 2022, Unipol did not approve, or carry out, directly or through subsidiaries, any related party transactions qualified 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 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 along the entire insurance value chain and in support of Beyond Insurance initiatives, to support the growing importance of 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.

To offer innovative payment solutions in the areas of mobility, health, home and financial education, UnipolPay was established, an electronic money institution (IMEL) duly authorised to provide payment and electronic money services.

In the insurance sector, artificial intelligence and machine learning solutions are being studied to obtain granular information on risks and customers and to 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 oversight mechanisms that demonstrate its compliance with the GDPR provisions.

With regard to training, in 2022, with the support of the Group Data Protection Officer - who carries out the activities under his 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 their effectiveness and efficiency as well as 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 2022, the Company had 14 employees (16 at 31/12/2021), as shown in the table below.

	31/12/2022			31/12/2021		
	Average	Final	FTE	Average	Final	FTE
Permanent	14	13	13	15	15	15
Fixed-term	1	1	1	1	1	1
<b>Total</b>	<b>15</b>	<b>14</b>	<b>14</b>	<b>16</b>	<b>16</b>	<b>16</b>

## Training

The start of the new year saw the continuation of remote training initiatives. The new **MyUnica home page** was released, for a better user experience, with the expansion of the offer of online courses with self-enrolment for the development of personal skills, stimulating constructive dialogue between Managers and employees. The maintenance of the **ISO 9001:2015 certification of Unica's Quality Management System** was confirmed.

**Employee training activities** focused on implementing *courses with mandatory and regulatory, technical, commercial, managerial and behavioural content*. Part of the projects were also enacted with the support of funds from the Banks and Insurance Companies Fund. Training also focused on internal reorganisations, modifications to certain business applications and the optimisation of regulatory expertise linked to the management of specific topics.

## 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, solvency, creation of value for shareholders and ESG sustainability are achieved.

The 2019-2021 Compensation plan based on financial instruments (performance share type), if the prerequisites are 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 are met, it envisaged the assignment of UnipolSai and Unipol shares in at least three annual tranches starting from 2023.

The 2022-2024 Compensation plan based on financial instruments (performance share type), if the prerequisites are met, envisages the assignment of the same shares in at least three annual tranches with effect from 2026.

On 27 April 2022, 534,664 UnipolSai shares and 298,685 Unipol shares were delivered to eligible executives as short-term incentives for the 2021 financial year.

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.

# Management Report

## Trade Union agreements regarding Personnel

As part of the 2022-2024 Strategic Plan implementation activities, in October 2022 UnipolSai and the other Italian subsidiary insurance companies signed trade union agreements on voluntary early retirement arrangements for the employees of those companies that meet pension requirements by 2027.

The trade union agreements in question call for a total of up to 800 early retirements, reserving the right to consider accepting a greater number up to a maximum of 10% more than the numerical limit specified above.

## IT services

During 2022, activities were structured according to the areas set forth in the Strategic Plan and, in particular, along the following lines of action:

- **Process Automation and Insurance Core Business Digitalisation** through the intensive use of robotisation, process automation and artificial intelligence technologies;
- **Omnichannel and User Experience Evolution** by extending the hybrid sales model, introducing a new Data Driven Design (D3) approach, enabling the use of SPID for registration on the App and in the Reserved Area and creating a Digital Workplace for the Claims Department;
- **Integration and development of new ecosystems and Cybersecurity**, through the creation of new IT platforms for the management of electronic toll services (UnipolMove), payments (UnipolPay) and Property claim repairs (UnipolHome), the enhancement of Cyber platforms and the implementation of training and Cyber awareness initiatives.

## Internet

[www.unipol.it](http://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

The international macroeconomic forecasts for the year 2023 are characterised by extreme uncertainty, with positive effects generated by the drop in energy prices offset by the negative effects caused by the persistence of the conflict between Russia and Ukraine, sustained levels of inflation and the ensuing continuous interest rate hikes applied by the ECB, which will contribute towards limiting the development of the Eurozone economy. In Italy, after the decisive recovery seen in 2021 and 2022, GDP could record growth close to zero this year.

With reference to the financial markets, after a start to the year characterised by a generalised recovery in bond and equity prices, in March a phase of high volatility and declines began, linked to uncertainties about the capital strength and financial statements of some banking institutions, with fears of contagion risk and instability.

All of this reflects on the **Group's financial investments** and on the financial management which continues to be aimed, especially in the current highly volatile context, at the consistency of assets and liabilities and optimising the risk/return and liquidity profile of the portfolio, also in order to maintain an adequate level of solvency.

In 2023, the insurance business will be witnessing the evolution of important projects, envisaged in the 2022-2024 Strategic Plan and launched in 2022:

- UniSalute, leader in the Healthcare market, will distribute its products using all Group networks (both agents and bancassurance);
- UnipolSai will market its products with the possibility of monthly splitting of the premium at no additional cost to the customer.

In the Non-Life business, to combat the effects of inflation, we will aim to further strengthen our settlement specialisations thanks to the know-how gained by the Group in the area of telematics and a constant push to route MV claims to the UnipolService and UnipolGlass network, which offers excellent results in terms of the limitation of average repair costs.

In the Life business, considering the recovery in market interest rates, multisegment products were supported by the offer of traditional Class I products in order to favour the profitability of segregated funds.

In 2023, growth activities will continue in the Mobility ecosystem, where the commercial integration of the agency network with Unipol*Rental* continues with great success, in addition to the commercial expansion of UnipolMove, our device for the payment of motorway tolls and other services linked to mobility. Furthermore, in 2023, our offer will be enhanced with new services in the Welfare and Property ecosystems, which were strengthened during 2022 with new acquisitions.

The information currently available makes it possible to confirm, in the absence of currently unforeseeable events, also linked to the aggravation of the reference context, that its consolidated income trends for the year under way are in line with the objectives laid out in the 2022-2024 Strategic Plan.

Bologna, 23 March 2023

**The Board of Directors**





# 2

FINANCIAL  
STATEMENTS  
FOR THE YEAR 2022

## 2 Financial Statements for the year 2022

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

Amounts in €

ASSETS	31.12.2022	31.12.2021
<b>A) SUBSCRIBED CAPITAL, UNPAID</b>		
- of which called		
<b>B) FIXED ASSETS</b>		
I Intangible assets		
4) Concessions, licences, trademarks and similar rights	245,661	434,134
<b>Total</b>	<b>245,661</b>	<b>434,134</b>
II Property, plant and equipment		
4) Other assets	506,382	508,201
<b>Total</b>	<b>506,382</b>	<b>508,201</b>
III Financial fixed assets		
1) Investments in:		
a) subsidiaries	6,986,150,920	7,014,365,537
b) associates	318,489,688	298,098,507
<b>Total investments</b>	<b>7,304,640,608</b>	<b>7,312,464,044</b>
2) Receivables:		
a) from subsidiaries		150,491,770
- of which payable within 12 months		491,770
<b>Total receivables</b>		<b>150,491,770</b>
3) Other securities	587,106,419	163,541,312
<b>Total</b>	<b>7,891,747,027</b>	<b>7,626,497,125</b>
<b>TOTAL FIXED ASSETS</b>	<b>7,892,499,070</b>	<b>7,627,439,460</b>



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

Amounts in €

ASSETS		31.12.2022	31.12.2021
<b>C) CURRENT ASSETS</b>			
II	Receivables		
1)	from customers		71,340
2)	from subsidiaries	47,594,402	162,635,108
3)	from associates	2,121,469	177,887
5	bis) tax receivables	205,879,578	19,828,265
	- of which payable after 12 months	134,187,813	3,480,619
5	ter) deferred tax assets	268,634,569	311,807,377
	- of which payable after 12 months	218,847,733	260,533,016
5)	quater) from others	402,193	801,757
	- of which payable after 12 months	19,269	1,933
<b>Total</b>		<b>524,632,210</b>	<b>495,321,735</b>
III	Current financial assets		
1)	Investments in subsidiaries	2,002,579	343,260
4)	Other investments	16,359,357	29,721,370
5)	Financial derivative assets	656,290	
6)	Other securities	90,961,880	117,092,370
<b>Total</b>		<b>109,980,106</b>	<b>147,157,000</b>
IV	Cash and cash equivalents		
1)	Bank and post office deposits	960,852,486	1,052,432,261
	- of which from associates	960,816,041	1,052,419,758
3)	Cash at bank and in hand	15,930	14,774
<b>Total</b>		<b>960,868,417</b>	<b>1,052,447,036</b>
<b>TOTAL CURRENT ASSETS</b>		<b>1,595,480,733</b>	<b>1,694,925,771</b>
<b>D) ACCRUALS AND DEFERRALS</b>			
2)	Deferrals	701,495	359,119
<b>TOTAL ACCRUALS AND DEFERRALS</b>		<b>701,495</b>	<b>359,119</b>
<b>TOTAL ASSETS</b>		<b>9,488,681,298</b>	<b>9,322,724,349</b>

## 2 Financial Statements for the year 2022

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

Amounts in €

LIABILITIES	31.12.2022	31.12.2021
<b>A) SHAREHOLDERS' EQUITY</b>		
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	318,872,747	198,836,867
- Extraordinary reserve	318,872,747	198,836,867
IX Profit (loss) for the year	362,985,542	335,104,982
X Negative reserve for treasury shares	(2,358,657)	(339,222)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>6,063,527,709</b>	<b>5,917,630,704</b>
<b>B) PROVISIONS FOR RISKS AND CHARGES</b>		
3) Financial derivative liabilities		430,028
4) Other	12,818,600	24,074,060
<b>TOTAL PROVISIONS FOR RISKS AND CHARGES</b>	<b>12,818,600</b>	<b>24,504,089</b>
<b>C) POST-EMPLOYMENT BENEFITS</b>	<b>43,023</b>	<b>39,710</b>
<b>D) PAYABLES</b>		
1) Bonds	2,457,749,904	2,515,103,507
- of which payable after 12 months	2,457,749,904	2,515,103,507
5) Payables to other lenders		515,186
7) Trade payables	4,177,611	7,384,026
9) Payables to subsidiaries	922,105,523	758,934,793
- of which payable after 12 months		300,524,417
10) Payables to associates	1,133,949	822,253
12) Tax payables	667,430	77,747,945
13) Social security charges payable	442,488	1,075,769
14) Other payables	26,015,063	18,966,367
<b>TOTAL PAYABLES</b>	<b>3,412,291,967</b>	<b>3,380,549,846</b>
<b>TOTAL LIABILITIES</b>	<b>9,488,681,298</b>	<b>9,322,724,349</b>

## 2 Financial Statements for the year 2022

### Unipol Gruppo S.p.A. Income Statement

Amounts in €

	31.12.2022	31.12.2021
<b>A) VALUE OF PRODUCTION</b>		
1) Revenue from sales and services	5,916,203	1,048,257
5) Other revenue and income		
b) sundries	16,815,663	19,006,044
Total other revenue and income	16,815,663	19,006,044
<b>TOTAL VALUE OF PRODUCTION</b>	<b>22,731,866</b>	<b>20,054,300</b>
<b>B) COSTS OF PRODUCTION</b>		
6) Raw materials, consumables and goods for resale	148,886	151,545
7) Services	18,353,818	19,999,647
8) Use of third party assets	1,137,160	1,077,131
9) Personnel:		
a) wages and salaries	13,964,910	20,963,711
b) social security expenses	3,069,297	3,237,837
c) post-employment benefits	553,690	623,789
e) other costs	1,567,723	2,199,885
Total personnel	19,155,620	27,025,221
10) Amortisation, depreciation and write-downs:		
a) amortisation of intangible assets	195,674	338,057
b) depreciation of property, plant and equipment	1,818	22,982
Total amortisation, depreciation and write-downs	197,492	361,039
12) Provisions for risks	126,909	47,000
14) Sundry operating expenses	6,414,148	8,653,724
<b>TOTAL COSTS OF PRODUCTION</b>	<b>45,534,033</b>	<b>57,315,306</b>
<b>DIFFERENCE BETWEEN VALUE AND COSTS OF PRODUCTION (A-B)</b>	<b>(22,802,167)</b>	<b>(37,261,006)</b>
<b>C) FINANCIAL INCOME AND CHARGES</b>		
15) Gains on investments:		
a) in subsidiaries	449,377,331	430,190,548
b) in associates	8,947,910	5,401,273
d) in other companies	7,753,027	4,405,230
Total gains on investments	466,078,268	439,997,052
16) Other financial income:		
a) from receivables recognised under fixed assets	2,859,551	3,429,961
1) from subsidiaries	2,859,551	3,429,961
b) from securities held as fixed assets	4,575,961	2,044,385
c) from securities recognised under current assets	22,737,198	7,227,989
d) other income	9,295,776	590,833
1) from subsidiaries	178,711	131,403
2) from associates	2,647,145	1
4) from others	6,469,920	459,429
Total other financial income	39,468,484	13,293,168
17) Interest and other financial charges:		
a) subsidiaries	3,002,908	6,660,291
b) associates	16,168	27,559
d) others	97,157,207	95,026,663
Total interest and other financial charges	100,176,283	101,714,513
17-bis) Exchange gains (losses)	883,489	450,861
<b>TOTAL FINANCIAL INCOME AND CHARGES</b>	<b>406,253,958</b>	<b>352,026,568</b>

## Unipol Gruppo S.p.A. Income Statement

Amounts in €

	31.12.2022	31.12.2021
<b>D) VALUE ADJUSTMENTS TO FINANCIAL ASSETS</b>		
18) Write-ups:		
c) of securities recognised under current assets	499,177	404,994
d) of financial derivative instruments	680,361	
Total write-ups	1,179,538	404,994
19) Write-downs:		
a) of investments	31,220,933	383,148
c) of securities recognised under current assets	3,359,244	1,213,141
d) of financial derivative instruments		443,906
Total write-downs	34,580,177	2,040,195
<b>TOTAL ADJUSTMENTS</b>	<b>(33,400,639)</b>	<b>(1,635,201)</b>
<b>PRE-TAX PROFIT (LOSS)</b>	<b>350,051,152</b>	<b>313,130,360</b>
20) Income tax for the year: current and deferred		
a) Current taxes	(55,442,847)	(62,087,806)
b) Taxes related to prior years	(664,351)	880,490
<sup>c</sup> bis) Deferred tax assets	43,172,808	39,232,695
Total income tax for the year	(12,934,390)	(21,974,621)
<b>PROFIT (LOSS) FOR THE YEAR</b>	<b>362,985,542</b>	<b>335,104,982</b>

## 2 Financial Statements for the year 2022

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

Amounts in €

	31.12.2022	31.12.2021
<b>A. Cash flows arising from income management (indirect method)</b>		
<b>Profit (loss) for the year</b>	<b>362,985,542</b>	<b>335,104,982</b>
Income tax	(12,934,390)	(21,974,621)
Interest expense/(interest income)	79,499,607	81,996,341
(Dividends)	(449,377,331)	(430,190,548)
(Capital gains)/losses arising from disposal of assets	2,088,108	(2,258,800)
<b>1.Pre-tax profit (loss) for the year, interests, dividends and capital gains/losses on disposals</b>	<b>(17,738,464)</b>	<b>(37,322,647)</b>
<i>Adjustments for non-monetary items with no impact on net current assets</i>		
Allocation to provisions	126,909	2,845,488
Depreciation of fixed assets	197,492	361,039
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)	430,028
Other adjustments to non-monetary items	11,175,129	608,005
<i>Total adjustments to non-monetary items</i>	<i>39,028,194</i>	<i>4,244,560</i>
<b>2. Cash flows before adjustments to net current assets</b>	<b>21,289,730</b>	<b>(33,078,088)</b>
<i>Change in net current assets</i>		
Decrease (increase) in receivables from customers	71,340	
Decrease (increase) in trade payables	(3,206,416)	4,248,280
Decrease (increase) in prepayments and accrued income	(342,376)	15,291
Decrease (increase) in receivables from subsidiaries	122,049,771	(65,456,786)
Other changes in net current assets	100,492,334	(66,128,106)
<i>Total changes in net current assets</i>	<i>219,064,654</i>	<i>(127,321,321)</i>
<b>3. Cash flows after adjustments to net current assets</b>	<b>240,354,384</b>	<b>(160,399,409)</b>
<i>Other adjustments</i>		
Interest amounts collected (paid)	(79,499,607)	(81,996,341)
(Tax income paid)	(161,533,223)	(27,211,992)
Dividends received	449,377,331	430,190,548
(Use of provisions)	(11,382,369)	(22,048,444)
<i>Total other adjustments</i>	<i>196,962,131</i>	<i>298,933,771</i>
<b>Cash flows arising from income management (A)</b>	<b>437,316,515</b>	<b>138,534,362</b>

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

Amounts in €

	31.12.2022	31.12.2021
<b>B. Cash flows arising from investing activity</b>		
<i>Property, plant and equipments</i>		
Disposals		50,016
<i>Intangible assets</i>		
(Investments)	(10,733)	(9,479)
Disposals	3,533	
<i>Financial fixed assets</i>		
(Investments)	(443,339,413)	(98,738,012)
Disposals	150,000,000	42,532,910
<i>Financial current assets</i>		
(Investments)	(2,183,321)	(21,955,223)
Disposals	30,862,321	1,257,543,723
<b>Cash flows arising from investing activity (B)</b>	<b>(264,667,614)</b>	<b>1,179,423,936</b>
<b>C. Cash flows arising from financing activity</b>		
<i>Loans received</i>		
<i>Increase (decrease) of cash pooling liabilities</i>	315,390,704	(46,534,143)
Repayment of loans	(362,500,000)	(230,881,000)
<i>Equity</i>		
Sale (purchase) of treasury shares	(2,019,435)	940,585
(Dividends and interim dividends distributed)	(215,098,790)	(401,588,457)
<b>Cash flows arising from financing activity (C)</b>	<b>(264,227,520)</b>	<b>(678,063,015)</b>
<b>Increase (decrease) in cash and cash equivalents (A ± B ± C)</b>	<b>(91,578,619)</b>	<b>639,895,283</b>
<b>Cash and cash equivalents at 1 January</b>	<b>1,052,447,036</b>	<b>412,551,752</b>
of which:		
Bank and post office deposits	1,052,432,261	412,539,370
Cash at bank and in hand	14,774	12,382
<b>Cash and cash equivalents at 31 December</b>	<b>960,868,417</b>	<b>1,052,447,036</b>
of which:		
Bank and post office deposits	960,852,486	1,052,432,261
Cash at bank and in hand	15,930	14,774







NOTES  
TO THE FINANCIAL  
STATEMENTS

### 3 Notes to the Financial Statements

#### Structure and contents of the Financial Statements

Unipol 2022 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 re-stated 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. Consistent with the provisions of the Regulation, which starting this year has extended the information elements subject to the mark-up obligation, the consolidated financial statements contain the mark-up of numerical data contained in the statement of financial position, the income statement and the comprehensive income statement, the statement of changes in shareholders' equity and the statement of cash flows, as well as the information elements identified in Annex II of the regulation if they are reported in the explanatory notes to the consolidated financial statements.

## 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 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 management 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 (fixed financial 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 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 shareholder' 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 2022, 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 has renewed the option, as consolidating company, for 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	31/12/2022	31/12/2021
US Dollar	1.0666	1.1326
Pound Sterling	0.8869	0.8403
Swiss Franc	0.9847	1.0331
Yen	140.6600	130.3800
Danish Krone	7.4365	7.4364
Swedish Krona	11.1218	10.2503

## 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 2022 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

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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 2022 amounted to €246k (€434k at 31/12/2021) 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 €188k compared to the previous year's balance is due almost exclusively to amortisation for the year.

##### B) II - Property, plant and equipment

Property, plant and equipment totalled €506k at 31 December 2022 (€508k at 31/12/2021) 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 2022 was €7,304,641k, compared to €7,312,464k at the end of the previous year, recording a decrease of €7,823k.

Details are provided in the table below:

Amounts in €k

		% holding			
Company	Business activities	Share capital	direct	indirect	Carrying amount
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
Total					318,490
TOTAL					7,304,641

At 31 December 2022, Unipol also held 848,155 UnipolSai shares, classified among current financial assets. If these shares are also considered, the direct investment in UnipolSai is 61.01%.

The details of changes in item B.III.1) "Investments" are provided in Annex 6 to these Notes to the Financial Statements. During the year, the following should be noted:

- the write-down of €28,215k of UnipolReC S.p.A. in order to realign its carrying amount with the portion of shareholders' equity held in the investee company;

### 3 Notes to the Financial Statements

- the increase of €20,391k in BPER Banca, corresponding to the purchase cost of 14,100,000 ordinary shares of the investee company.

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 31/12/2022	Portion of shareholders' equity attributable
<b>Investments in subsidiaries:</b>				
UnipolSai Assicurazioni S.p.A.	5,169,262	60.98	6,166,988	3,760,629
Unipol Investment S.p.A.	528,577	100.00	595,636 (*)	595,636
Unipol Finance S.r.l.	482,800	100.00	682,115 (*)	682,115
UnipolPart I S.p.A.	463,198	100.00	576,922 (*)	576,922
UnipolReC S.p.A.	331,605	85.24	389,006	331,605
UnipolSai Investimenti SGR S.p.A.	10,710	51.00	21,669	11,051
<b>Total</b>	<b>6,986,151</b>		<b>8,432,337</b>	<b>5,957,959</b>
<b>Investments in associates:</b>				
BPER Banca	318,490	10.53	7,940,173 (**)	836,100
<b>Total</b>	<b>318,490</b>		<b>7,940,173</b>	<b>836,100</b>
<b>TOTAL</b>	<b>7,304,641</b>			<b>6,794,059</b>

(\*) The reference shareholders' equity is that of the most recent financial statements approved at 30 June 2022, net of the dividend paid to the holding company in November 2022.

(\*\*) The reference shareholders' equity is that set forth in the draft financial statements at 31 December 2022.

In particular, please note that 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, using:

- an excess capital version of a Dividend Discount Model (DDM) in relation to UnipolSai Assicurazioni – Non-Life;
- an Appraisal Value methodology for UnipolSai Assicurazioni - Life.

#### 2) Receivables

At 31 December 2022, there were no long-term receivables (€150,492k at 31/12/2021).

In November 2022, the loan outstanding with the subsidiary UnipolRenta/S.p.A. amounting to €150,000k was repaid early.

#### 3) Other securities

The item Other securities amounted to €587,106k (€163,541k at 31/12/2021) and included:

- government bonds totalling €314,875k (€118,394k at 31/12/2021);
- listed bonds for €272,231k (€45,147k at 31/12/2021).

## C. Current assets

### C) II – Receivables

The balance of this item at 31 December 2022 came to €524,632k, an increase of €29,310k compared to 31 December 2021. The breakdown for this item and the comparison with the previous year are shown in the following table:

Amounts in €k

	31/12/2022	31/12/2021
1) Receivables from customers		71
2) Receivables from subsidiaries	47,594	162,635
3) Receivables from associates	2,121	178
5 bis) Tax receivables	205,880	19,828
5 ter) Deferred tax assets	268,635	311,807
5 quater) Receivables from others	402	802
<b>Total</b>	<b>524,632</b>	<b>495,322</b>

The amounts due after 31 December 2023 are equal to €353,055k, of which €41,685k due after 31 December 2027.

“Receivables from subsidiaries” amounted to €47,594k (€162,635k at 31/12/2021), and mainly consisted of:

- receivables pertaining to the group tax consolidation, totalling €29,350k (€150,852k at 31/12/2021), due from the subsidiaries that individually have an Ires tax debt, net of advances paid;
- receivables of €13,221k (€6,212k at 31/12/2021) relating to the cash pooling agreement from the subsidiary Cambiomarcia;
- 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 €2,121k (€178k at 31/12/2021), and mainly consisted of receivables from BPER Banca for bank fees.

“Tax receivables” amounted to €205,880k (€19,828k at 31/12/2021), and mainly consisted of:

- €71,692k relating to tax receivables corresponding to the VAT balances of the companies in the Unipol VAT Group (€15,862k at 31/12/2021);
- €132,023k relating to receivables from the tax authorities corresponding to the Ires balance receivable in relation to the tax consolidation.

The balance of the deferred tax assets at 31 December 2022, equal to €268,635k, shows net decrease of €43,173k with respect to 31 December 2021. The changes during the year are summarised in the following table.

Amounts in €k

<b>Opening balance at 1/1/2022</b>	<b>311,807</b>
Increases in the year	3,039
Uses in the year	(46,211)
<b>Closing balance at 31/12/2022</b>	<b>268,635</b>

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 €802k at 31 December 2021 to €402k at 31 December 2022.

The decrease is mainly due to the return of collateral paid to Unicredit (€520k at 31/12/2021), against the closure of the relative derivatives.

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

### C) III - Current financial assets

The breakdown of this item, equal to €109,980k at 31 December 2022, is as follows:

### 3 Notes to the Financial Statements

Amounts in €k

	31/12/2022	31/12/2021
Investments in subsidiaries	2,003	343
Other investments	16,359	29,721
Financial derivative assets	656	
Other securities	90,962	117,092
<b>Total</b>	<b>109,980</b>	<b>147,157</b>

"Investments in subsidiaries", amounting to €2,003k at the end of 2022, consisted entirely of shares of the subsidiary company UnipolSai to serve the executive incentive plans (€343k at 31/12/2021).

"Other investments" rose from €29,721k at the end of 2021 to €16,359k at the end of 2022 and are represented by listed shares.

"Other securities" refer to:

- listed government bonds totalling €51,679k (€50,339k at 31/12/2021);
- listed bonds for €39,270k (€66,698k at 31/12/2021);
- foreign funds for €13k (€55k at 31/12/2021).

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 2022 were €960,868k (€1,052,447k at 31/12/2021), consisted almost entirely of bank and post office deposits, equal to €960,852k, of which €960,816k deposited with the associate BPER Banca S.p.A. (€1,052,432k at 31/12/2021, of which €1,052,420k deposited with the associate BPER Banca S.p.A.).

#### D. Accruals and deferrals

The Item "Accruals and deferrals" at 31 December 2022 was €701k (€359k at 31/12/2021), 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 2022 (excluding the results for the year), totalled €5,700,542k (€5,582,526k at 31/12/2021). The increase of €118,016k was due to the following effects:

- allocation to the extraordinary reserve of a share amounting to €120,006k of the profit for the year 2021;
- transfer to the extraordinary reserve of €30k relating to time-barred dividends;
- increase in the negative reserve for treasury shares in portfolio by €2,019k following the:
  - acquisition of 700,000 treasury shares for a value of €3,528k;
  - assignment of 305,507 shares for a value of €1,509k to those entitled as part of the performance share type long-term incentive (LTI) and short-term (STI) plans based on financial instruments.

At 31 December 2022 the share capital was €3,365,292k (unchanged with respect to 31/12/2021), subscribed and fully paid-up, and consisted of 717,473,508 shares, all ordinary shares.

The breakdown of equity reserves, €2,335,250k at 31 December 2022, is provided in the following table together with the previous year's values:

Amounts in €k

	31/12/2022	31/12/2021
A.II Share premium reserve	1,345,677	1,345,677
A.IV Legal reserve	673,058	673,058
A.VI Extraordinary reserve	318,873	198,837
A.X Negative reserve for treasury shares	(2,359)	(339)
<b>Total</b>	<b>2,335,250</b>	<b>2,217,233</b>

### 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 2022 were equal to €12,819k, (€24,504k at 31/12/2021).

Amounts in €k

	31/12/2021	Increases Provisions	Decreases Uses	Other	31/12/2022
<b>3) Financial derivative liabilities</b>					
Forward sales of currency	430			(430)	
<b>4) Other</b>					
Provision for sundry risks and charges	19,756	127	(10,868)	(515)	8,501
Provision for donations	2,150				2,150
Employee leaving provision	2,126				2,126
Provision for taxes from previous years	42				42
	<b>24,504</b>	<b>127</b>	<b>(10,868)</b>	<b>(945)</b>	<b>12,819</b>

The item "Provision for sundry charges and risks" includes the provision for loyalty bonuses to be paid to strategic executives, in compliance with Unipol Group Remuneration policies. This provision, which had a balance of €2,991k at 31 December 2022, including the relative social security contributions, was used in 2022 for a total of €10,716k to cover loyalty bonuses and the relative expenses paid out during the period.

## 3 Notes to the Financial Statements

Decreases other than uses were caused by provision surpluses released in the course of the year, due to the elimination of all or part of the relative risks.

The provision for charitable donations, amounting to €2,150k, was formed on 24 June 2021 by resolution of the Unipol Board of Directors, in compliance with Article 19 of the By-Laws, for social, welfare and cultural activity.

The "Employee leaving provision", amounting to €2,126k (unchanged compared to 31/12/2021), includes estimated expenses in relation to agreements entered into concerning pre-retirement arrangements for executive staff.

### 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 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.

### C. Post-employment benefits

The balance of post-employment benefits at 31 December 2022, was equal to €43k (€40k at 31/12/2021). The breakdown of the changes over the year is provided in the following table:

*Amounts in €k*

<b>Balance at 1/1/2022</b>	<b>40</b>
<b>Increases in the year</b>	
Provisions in the year	554
Other increases	0
<b>Decreases in the year</b>	
Transfer to pension fund	(356)
Transfers to INPS treasury fund	(103)
Other decreases	(92)
<b>Closing balance at 31/12/2022</b>	<b>43</b>

## D. Payables

The balance of Payables at 31 December 2022 was equal to €3,412,292k (€3,380,550k at 31/12/2021). The breakdown and related comparison with the previous year are provided in the following table:

*Amounts in €k*

	31/12/2022	31/12/2021
Bonds	2,457,750	2,515,104
Payables to other lenders		515
Trade payables	4,178	7,384
Payables to subsidiaries	922,106	758,935
Payables to associates	1,134	822
Tax payables	667	77,748
Social security charges payable	442	1,076
Other payables	26,015	18,966
<b>Total</b>	<b>3,412,292</b>	<b>3,380,550</b>

The amounts due after 31 December 2023 are equal to €2,457,750k, of which €945,869k due after 31 December 2027.

The item "Bonds" was €2,457,750k (€2,515,104k at 31/12/2021), and consists of the following:

- for a total of €1,011,867k (€1,006,495k at 31/12/2021) 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 €500,014k (€499,681k at 31/12/2021) of a non-convertible, non-subordinate and non-guaranteed 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 €945,869k (€1,008,928k at 31/12/2021) 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 second half of 2022, for a nominal value of €62,500k.

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 €79,500k (€81,996k at 31/12/2021).

The item "Trade payables" went from €7,384k at 31 December 2021 to €4,178k at 31 December 2022.

The balance of the item "Payables to subsidiaries" was €922,106k at 31 December 2022 (€758,935k at 31/12/2021).

On 1 March 2022, Unipol Gruppo carried out the full early repayment of the unsecured loan disbursed by UnipolSai Assicurazioni S.p.A. on 1 March 2019, indexed to the 3M Euribor plus a spread of 260 bps. The total amount paid to UnipolSai Assicurazioni S.p.A. amounted to €301,523k, of which €300,000k for principal.

The balance of the item at 31 December 2022 consisted primarily of:

- €101,712k due to subsidiaries for the current tax consolidation (€13,412k at 31/12/2021);
- €749.436k 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	31/12/2022	31/12/2021
Unipol Finance S.r.l.	13,551	4,594
UnipolSai Finance S.p.A.	24,746	23,034
Unisalute Servizi S.r.l.	12,069	
Centri Medici Dyadea S.p.A.	1,345	3,007
Unipol Investment S.p.A.	142,084	190,773
Midi S.r.l.	23,601	20,817
UnipolGlass S.r.l.	9,165	9,613
UnipolService S.p.A.	19,656	16,279
Tenute del Cerro S.p.A.	3,134	
UnipolSai Servizi Previdenziali S.r.l.	1,914	1,577
Sogeint S.r.l.	7,480	6,908
UnipolAssistance S.c.r.l.	9,847	14,882
GruppoUna S.p.A.	33,517	24,285
Marina Di Loano S.p.A.	11,283	9,670
Meridiano Secondo S.r.l.	6,622	20,392
Nuove Iniziative Toscane S.r.l.	727	
Alfaevolution Technology S.p.A.	12,569	23,737
Leithà S.p.A.	4,254	4,789
UnipolReC S.p.A.	380,825	38,138
UnipolRental S.p.A.	13,550	11,487
UnipolPart I S.p.A.	2,922	2,952
BeRebel S.p.A.	5,954	102
I.Car S.r.l.	5,061	
Muriana Manuela S.r.l.	415	
UnipolHome S.p.A.	989	
WelBee S.p.A.	2,158	
<b>Total</b>	<b>749,436</b>	<b>427,036</b>

The balance of "Tax payables" at 31 December 2022 was €667k, a decrease of €77,081k compared to the previous year, attributable to the Ires balance for the tax consolidation.

The balance of the "Social security charges payable" at 31 December 2022 was €442k (€1,076k at 31/12/2021). 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 2022 was €26,015k (€18,966k at 31/12/2021). The balance mainly referred to liabilities to employees of €19,202k (€16,570k at 31/12/2021).

## 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

	31/12/2022	31/12/2021
<b>Guarantees</b>		
Sureties given in the interest of subsidiaries		76,224
Sureties received from associates	19,995	
Sureties and endorsements given in the interest of third parties	8	8
Guarantees given by third parties in the interest of the company	36	36
Guarantees given by subsidiaries in the interest of the company	15	15
<b>Total</b>	<b>20,053</b>	<b>76,282</b>
<b>Commitments</b>		
Other commitments	3,694	12,314
<b>Total</b>	<b>3,694</b>	<b>12,314</b>
<b>Grand total</b>	<b>23,747</b>	<b>88,596</b>

The item "Sureties received from associates", amounting to €19,995k, referred to a surety issued by BPER Banca in favour of Tax Authorities, requested by Unipol to guarantee the 2021 VAT credit for which a refund was requested on behalf of the Unipol VAT Group.

With regard to the item "Other commitments", amounting to €3,694 at 31 December 2022 (€12,314k at 31/12/2021), the forward currency sale contract (dollars - USD) to hedge the exchange rate risk on Ermenegildo Zegna Holditalia S.p.A. shares was closed following the sale of such shares.

## 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 4 August 2022, 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.

The derivative positions open at the end of the year are described below.

#### A. Derivative contracts involving forward equity swaps

The value recognised is the settlement price of the contracts. For transactions in foreign currencies the agreed forward rate was applied:

*Amounts in €k*

Transaction description	No. of transactions	Notional value at 31/12/2022
Warrant	1	3,594
<b>Total</b>		<b>3,594</b>

The warrant agreement relates to the right to subscribe Ermenegildo Zegna Holditalia S.p.A. shares to be issued in the future.

#### B. Derivative contracts not involving forward equity swaps

At 31 December 2022 the Company did not hold contracts of this type.

## 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 2022 was €22,732k, against €20,054k at 31 December 2021.

#### A.1 Revenue from sales and services

Revenue from sales and services, relating to services rendered, amounted to €5,916k at 31 December 2022 (€1,048k at 31/12/2021) and related to services rendered.

#### A.5 Other revenue and income

"Other revenue and income" rose from €19,006k at 31 December 2021 to €16,816k at 31 December 2022.

The items included in the balance referred mainly to:

- recovery of costs for services of Unipol personnel seconded to Group companies, for €9,254k (€16,174k at 31/12/2021);
- remuneration charged back to the Company for Director duties performed by executives at other companies, for €1,694k (€1,897k at 31/12/2021);
- recovery of legal and expert expenses incurred for the claim relating to the criminal proceedings involving the top management regarding the merger with Premafin/Fondiarria-SAI, amounting to €4,726k;
- surpluses in provisions for risks and charges of €515k due to the elimination of all or part of the relative risks (€175k at 31/12/2021).

### B. Costs of production

The total value of the costs of production at 31 December 2022 was €45,534k against €57,315k at 31 December 2021.

#### B.6 Raw materials, consumables and goods for resale

The item, equal to €149k (€152k at 31/12/2021) consists of purchase costs of printed materials and stationery for the offices.

#### B.7 Costs for services

The item was equal to €18,354k at 31 December 2022 (€20,000k at 31/12/2021), broken down as follows:

*Amounts in €k*

	31/12/2022	31/12/2021
Subsidiary services	5,147	5,457
Advertising	4,594	1,575
Corporate bodies	3,894	3,883
Technical, legal and administrative consulting	2,109	6,879
Electricity, heating and cleaning	488	207
Associates services	300	300
Fees for auditing and other certification services	296	250
Conventions, meetings and corporate events	270	19
Corporate and Shareholders' Meeting costs	241	519
Costs for IT services	225	229
Seconded personnel services	84	82
Software maintenance, repairs and upgrades	54	40
Post and telephone	53	58
Other overheads	598	501
<b>Total</b>	<b>18,354</b>	<b>20,000</b>

### 3 Notes to the Financial Statements

#### B.8 Costs for use of third party assets

The item, equal to €1,137k at 31 December 2022 (€1,077k at 31/12/2021), mainly refers to rents due on properties used by the Company (€664k). The item also includes €188k for car rental contracts of cars allocated to executives, entered into with the subsidiary UnipolRenta/S.p.A.

#### B.9 Personnel costs

The cost of labour at 31 December 2022 amounted to €19,156k, compared to €27,025k in the previous year.

The Company workforce at 31 December 2022 was 14 (16 compared to 31/12/2021):

	31/12/2021	Recruitments	Terminations	31/12/2022
Personnel - Permanent	15		(2)	13
Personnel - Fixed-term	1			1
<b>Total</b>	<b>16</b>		<b>(2)</b>	<b>14</b>

The average workforce is specified below:

Average employees broken down by category	2022	2021
Executives	14	15
Employees	1	1
<b>Average employees</b>	<b>15</b>	<b>16</b>

#### B.10 Amortisation, depreciation and write-downs

The balance of this item, which at 31 December 2022 was €197k (€361k at 31/12/2021), can be broken down as follows:

- amortisation of intangible assets for €196k;
- depreciation of property, plant and equipment for €2k.

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 €47k at 31 December 2021 to €127k at 31 December 2022.

#### B.13 Other provisions

No provisions of this type were recognised during the year.

#### B.14 Sundry operating expenses

The item amounted to €6,414k at 31 December 2022 (€8,654k at 31/12/2021).

The main items making up this balance at 31 December 2022 were:

- contributions paid to supervisory authorities and other associations, for €3,934k (€1,598k at 31/12/2021);
- donations for €850k (€3,000k at 31/12/2021);
- corporate and shareholders' meeting costs for €498k (€682k at 31/12/2021);

### C. Financial income and charges

#### C.15 Gains on investments

The item amounted to €466,078k at 31 December 2022 (€439,997k at 31/12/2021), of which €449,377k referring to investments in subsidiaries (€430,191k at 31/12/2021), consisting entirely of dividends approved and distributed during the year by the subsidiaries UnipolSai, Unipol Finance, Unipol Investment, UnipolPart I and UnipolSai Investimenti SGR.

#### C.16 Other financial income

The composition of this item, with a total amount equal to €39,468k (€13,293k at 31/12/2021), is summarised in the following table:

Amounts in €k

	31/12/2022	31/12/2021
<b>A) Receivables recognised under fixed assets</b>		
1. Subsidiaries	2,860	3,430
<b>Total</b>	<b>2,860</b>	<b>3,430</b>
<b>B) Securities held as fixed assets</b>	<b>4,576</b>	<b>2,044</b>
<b>C) Securities recognised under current assets</b>	<b>22,737</b>	<b>7,228</b>
<b>D) Other income</b>		
1. Subsidiaries	179	131
2. Associates	2,647	
4. Others	6,470	459
<b>Total</b>	<b>9,296</b>	<b>591</b>
<b>Grand total</b>	<b>39,468</b>	<b>13,293</b>

Financial income from receivables recorded under fixed assets is represented by the interest on the loan granted to the subsidiary UnipolRental S.p.A., repaid in full in November 2022.

Income from securities recognised under fixed assets, totalling €4,576 k (€2,044k at 31/12/2021) was represented by interest on long-term securities (€3,959k) and capital gains from trading (€617k).

Income from securities recognised under current assets, equal to €22,737 k (€7,228 k at 31/12/2021), included mainly margins on trading on Italian and foreign bonds for €14,087k (€2,620k at 31/12/2021), interest from bonds for €2,844k (€3,213k at 31/12/2021) and gains on government bond redemption for €4,305k (€973k at 31/12/2021).

Other income, amounting to €9,296k (€591k at 31/12/2021), included capital gains deriving from the repurchase of the 3.25% Unipol Gruppo 2030 Senior loan for €5,946k (none at 31/12/2021), interest income on deposits with the associate BPER Banca for €2,647k (none at 31/12/2021), the issue premium on bond loans for €476k (€459k at 31/12/2021) and interest income deriving from the centralised treasury contract (cash pooling) for €179k (€131k at 31/12/2021).

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

Interest and other financial charges for €100,176k were recognised at 31 December 2022 (€101,715k at 31/12/2021); the item Exchange gains (losses) was positive for €883k (positive for €451k at 31/12/2021).

Amounts in €k

	31/12/2022	31/12/2021
<b>Interest and other financial charges:</b>		
a. Subsidiaries	(3,003)	(6,660)
b. Associates	(16)	(28)
d. Others	(97,157)	(95,027)
<b>Total</b>	<b>(100,176)</b>	<b>(101,715)</b>
Exchange gains (losses)	883	451
<b>Grand total</b>	<b>(99,293)</b>	<b>(101,264)</b>

Interest and other financial charges to subsidiaries, amounting to €3,003k (€6,660k at 31/12/2021), consisted of interest expense deriving from the centralised treasury contract (cash pooling) for €2,005k (€4k at 31/12/2021) and interest expense of €998k (€6,655k at 31/12/2021) accrued during the year on loans granted by UnipolSai.

Interest and financial charges to associates, totalling €16k (€28k at 31/12/2021), included bank charges and commissions to BPER Banca.

Interest and other financial charges to others totalled €97,157k (€95,027k at 31/12/2021) and mainly referred to:

- interest expense on bond loans for €79,500k (€81,996k at 31/12/2021);
- charges arising from the issue of bond loans for €6,179k (€6,568k at 31/12/2021);
- losses on share, bond and short-term mutual fund trading for €9,327k (€2,571k at 31/12/2021);

### 3 Notes to the Financial Statements

- 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 €1,083k (€3,436k at 31/12/2021).

#### D. Value adjustments to financial assets

At 31 December 2022 the item had a negative balance for €33,401k (negative for €1,635k at 31/12/2021), mainly due to the write-down of the investment in the subsidiary UnipolReC of €28,215k.

#### Income tax for the year: current and deferred

The item tax for the year included net income of €12,934k (income for €21,975k at 31/12/2021) consisting of:

- €55,443k relating to the valuation of the tax loss for the period;
- €43,173k relating to the net expense from deferred tax assets/liabilities;
- €664k for lower taxes from previous years, deriving from adjustments made in the 2021 income tax return.

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

Amounts in €k

	Ires	Total 2022	Ires	Total 2021
<b>Current taxes</b>	<b>55,443</b>	<b>55,443</b>	<b>62,088</b>	<b>62,088</b>
<b>Taxes pertaining to prior years</b>	<b>664</b>	<b>664</b>	<b>(880)</b>	<b>(880)</b>
Deferred tax assets and liabilities:				
- use of deferred tax assets	(46,211)	(46,211)	(43,059)	(43,059)
- recognition of deferred tax assets	3,039	3,039	3,826	3,826
<b>Balance of deferred tax assets/liabilities</b>	<b>(43,173)</b>	<b>(43,173)</b>	<b>(39,233)</b>	<b>(39,233)</b>
<b>Total</b>	<b>12,934</b>	<b>12,934</b>	<b>21,975</b>	<b>21,975</b>

No income or charges were recognised for Irap tax, since the taxable income for Irap purposes was negative and regulations do not allow Irap losses to be carried forward.

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

Amounts in €k

	2022	2021
<b>Pre-tax profit (loss)</b>	<b>350,051</b>	<b>313,130</b>
Taxes pertaining to prior years	664	(880)
Theoretical Ires - Income/(Expenses)	(84,012)	(75,151)
Increases:	(8,496)	(2,073)
- Interest expense	(832)	(914)
- PEX investments - write-downs	(6,801)	
- Other changes	(862)	(1,159)
Decreases:	104,778	100,079
- Use of provisions for tax liabilities		498
- Dividends excluded	104,745	99,323
- Other changes	33	257
<b>Ires pertaining to the year - Income/(Expenses)</b>	<b>12,270</b>	<b>22,855</b>
<b>Profit (loss) after taxes</b>	<b>362,986</b>	<b>335,105</b>

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.



## 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. A copy of the Consolidated Financial Statements at 31 December 2022 is available from the company's registered office and on the company's website ([www.unipol.it](http://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.	147
Other professional services	EY S.p.A.	Unipol S.p.A.	103
<b>Total Unipol Gruppo</b>			<b>250</b>

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

### Transactions with related parties

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

#### Loan to UnipolRental/S.p.A.

On 8 November 2019, a loan agreement was entered into between Unipol Gruppo and the subsidiary UnipolRental/S.p.A. ("UnipolRental") for a maximum amount of €150,000k, which may be called up until 31 July 2021 in tranches for a minimum of €5,000k at the rate of 2.216% and with maturity on 8 November 2023. In November 2022, this loan was repaid in full by the company UnipolRental in a single tranche.

Interest income accrued in 2022 amounted to €2,860k.

#### Loan disbursed by UnipolSai Assicurazioni S.p.A.

On 1 March 2019, as part of the sale to Unipol of the stake held in Unipol Banca and UnipolReC, an unsecured five-year loan of €300,000k, indexed to the 3-month Euribor plus a spread of 260 basis points, with bullet repayment in 5 years, was granted by UnipolSai.

On 1 March 2022, Unipol, exercising the early repayment option set forth in the contract, repaid the loan in full.

Interest expense accrued on that loan in 2022 amounted to €998k.

The other types of intragroup services provided in 2022 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:

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

### 3 Notes to the Financial Statements

- 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);
- 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;
- 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.

**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** carries out administrative and accounting services for inwards and outwards reinsurance with reference to treaties in run-off on behalf of UnipolSai.

**UnipolSai Investimenti SGR** administers on behalf of UnipolSai the units of real estate funds set up by third-party asset managers, owned by UnipolSai.

**In 2022, UnipolReC**, in its capacity as an agent, conducted credit collection, out-of-court recovery of receivables due from Customers, such as, by way of example, the analysis of the receivables assigned, the sending of dunning letters by post and/or credit collection by phone, monitoring the responses received, checking payments and reconciling the same, searching for individuals that are difficult to trace and any other activity required or related to said services on behalf of Gruppo UNA and Tenute del Cerro.

**UnipolTech** guarantees competitiveness to the Group insurance companies through continuous technological innovation and the evolution of ITC services:

- management of black 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. Black boxes are directly linked to the service centre (TSP) in order to guarantee secure insurance services through a complex data analysis based on crash recognition and reconstruction, assistance and theft up to value added services such as private emergency calls, plus the VASs available on the mobile app;
- IoT technology and safety and security services linked to home, store and commercial business insurance policies (smart home);
- telematic devices associated with insurance policies for pet protection.

The company has developed products offered through the UnipolSai agency network, 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 starting from March 2022, after the company received European electronic toll service accreditation (first company at national and European level).

Support was also provided to 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 App therefore include the opportunity to pay car parking fees, fines and road tax.

**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 a minimal extent also to 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

### 3 Notes to the Financial Statements

UnipolAssistance can advance medical expense payments on behalf of that member.

- contact centre activities for customers, specialists and agencies of the Group, whose services consist of:
  - providing front office services to existing or potential customers at all stages of relations with the consortium members 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 and consortium members;
  - providing contact centre activities dedicated to opening claims and relative requests for information (only for Tourism claims and for claims channelled to UnipolService or UnipolGlass).

**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, since 2022, 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, since 2022, Arca Sistemi has provided 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 in the home (houses and condominiums) for UnipolSai.

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;
- long-term vehicle rental;
- 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), 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, associates and others) carried out during 2022, 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	318,490	7,304,641	77.0 (1)	1,670.3 (3)
Fixed bonds		3,072	3,072	0.0 (1)	0.7 (3)
Other receivables	47,594	2,121	49,716	0.5 (1)	11.4 (3)
Bank deposits		960,816	960,816	10.1 (1)	219.7 (3)
Current shares and quotas	2,003		2,003	0.0 (1)	0.5 (3)
<b>TOTAL ASSETS</b>	<b>7,035,748</b>	<b>1,284,500</b>	<b>8,320,247</b>	<b>87.7 (1)</b>	<b>1,902.6 (3)</b>
Sundry payables	922,106	1,134	923,239	9.7 (1)	211.1 (3)
<b>TOTAL LIABILITIES</b>	<b>922,106</b>	<b>1,134</b>	<b>923,239</b>	<b>9.7 (1)</b>	<b>211.1 (3)</b>
Dividends and other income from shares and holdings	449,377	8,948	458,325	130.9 (2)	104.8 (3)
Other financial income	3,038	2,647	5,685	1.6 (2)	1.3 (3)
Other revenue and income	16,643	197	16,840	4.8 (2)	3.9 (3)
<b>TOTAL INCOME</b>	<b>469,058</b>	<b>11,792</b>	<b>480,850</b>	<b>137.4 (2)</b>	<b>110.0 (3)</b>
Interest and financial charges	3,003	16	3,019	0.9 (2)	0.7 (3)
Costs for services	5,742	419	6,162	1.8 (2)	1.4 (3)
Costs for use of third party assets	861		861	0.2 (2)	0.2 (3)
Sundry operating expenses	850		850	0.2 (2)	0.2 (3)
<b>TOTAL EXPENSES</b>	<b>10,456</b>	<b>436</b>	<b>10,891</b>	<b>3.1 (2)</b>	<b>2.5 (3)</b>

(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

### 3 Notes to the Financial Statements

Other receivables from subsidiaries included primarily the receivables relating to Group tax consolidation, due from the subsidiaries that individually had a payable Ires tax position (€29,350k) and receivables from the subsidiary Cambiomarcia relating to the centralised treasury contract (cash pooling) (€13,221k).

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 centralised treasury contract (€749,436k) and the payable to subsidiaries due in relation to the tax consolidation (€101,712k).

Other revenue and income from subsidiaries mainly included recoveries for administrative and personnel expenses for (€9,254k) and for services rendered to Group companies (€5,916k).

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 2022 due to Directors, Statutory Auditors and Key Managers of the Parent, for carrying out their duties in Unipol, was €13,216k, with breakdown as follows:

*Amounts in €k*

Directors and General Manager	9,418
Statutory Auditors	256
Other Key Managers	3,542 (*)

(\*) mainly includes compensation of employees.

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.

The values of the remuneration indicated in the table above include the portion pertaining to the period of the loyalty bonus and stability agreements due to Key Managers accrued in 2022, equal to €932k, net of the relative social security contributions.

Also note that during the year loyalty bonuses were paid for a total of €8,520k to the Key Managers, almost exclusively accrued in previous years and allocated to a dedicated provision for risks and charges.

Taking into account the payments made during the year, the residual amount relative to loyalty bonuses and stability agreements, to be paid to Managers on achieving the targets stated in the Group Remuneration Policies, recognised in the balance sheet liabilities, amounted to €4,249k at 31 December 2022, including the relative social security contributions.

In 2022 the Group companies paid Unipol the sum of €1,567k as remuneration for the activities carried out by the Chairman, the Chief Executive Officer, the General Manager and the Key Managers of those companies.

#### 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 2022 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.



## 3 Notes to the Financial Statements

### Significant events after the reporting period

#### Partnership renewed between UnipolSai and Ducati Corse

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

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

On 2 February 2023, following the unanimous approval of the final liquidation financial statements by the ordinary Shareholders' Meeting, the associate Hotel Villaggio Città del Mare SpA in liquidazione was cancelled from the Register of Companies of Modena. No allocation was made as the final assets were equal to zero.

#### Application for 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 will be submitted for approval to an upcoming Shareholders' Meeting of UnipolReC, subject to the issue by the Bank of Italy of the authorisation required pursuant to Bank of Italy Circular no. 288 of 3 April 2015, as requested on 24 February 2023.

#### Merger by incorporation of UnipolRe Dac into UnipolSai

The Boards of Directors of UnipolRe DAC and UnipolSai Assicurazioni SpA, which met on 20 March and 23 March 2023, respectively, approved the plan to merge by incorporation UnipolRe DAC into UnipolSai Assicurazioni. This merge, conditional upon the necessary authorisation, has no accounting effects on the consolidated financial statements as UnipolRe is a wholly-owned subsidiary.

#### Integration of SIFÀ into UnipolRental

At its meeting on 23 March 2023, the UnipolSai Assicurazioni S.p.A. Board of Directors approved an industrial project in the long-term rental business with BPER Banca S.p.A. which calls for, inter alia, the integration via merger by incorporation of SIFÀ - Società Italiana Flotte Aziendali S.p.A. (a BPER Group company) into UnipolRental S.p.A. This project is part of the "Beyond Insurance Enrichment" strategic area, more specifically the Mobility ecosystem, of the "Opening New Ways" 2022-2024 Strategic Plan and is aimed at creating an operator of national significance in the long-term rental sector. As a result of this merger, BPER will hold a 20% investment in the share capital of UnipolRental.

## 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 2022 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 2022;
- having examined the results of said draft financial statements, which recorded a profit for the year of €362,985,541.58;
- having viewed the Management Report of the Board of Directors at 31 December 2022;
- 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 2022, accompanied by the Management Report and recording profit for the year of €362,985,541.58."

### **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 2022, which recorded a profit for the year of €362,985,541.58 ("Profit for the year");
- having acknowledged that the legal reserve existing at 31 December 2022 and unchanged at the current date, has already reached the limit of 20% of the share capital;
- having also acknowledged that as things currently stand, the Company holds 202,664 ordinary treasury shares,

hereby resolves

- to approve the proposed allocation of the Profit for the year at 31 December 2022, in compliance with Art. 19 of the By-Laws as follows:
  - to the Extraordinary Reserve, €97,595,329.30;
  - the remainder of the profit, equal to 73.11% of the total, to the dividend for the 717,270,844 ordinary shares outstanding, at €0.37 per share and thus for a total of €265,390,212.28;
- 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 €0.37 for each entitled ordinary share, for a total of €265,390,212.28, 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 24 May 2023 (ex-dividend date of 22 May 2023 and record date of 23 May 2023)."

Bologna, 23 March 2023

**The Board of Directors**



# 4



TABLES APPENDED  
TO THE NOTES  
TO THE FINANCIAL  
STATEMENTS



## Reclassified Income Statement

Amounts in €k

	31.12.2022	31.12.2021
1) Gains on investments:		
in subsidiaries	449,377	430,191
in associates	8,948	5,401
in other companies	7,753	4,405
<b>Total gains on investments</b>	<b>466,078</b>	<b>439,997</b>
2) Other financial income:		
a) from receivables recognised under fixed assets	2,860	3,430
from subsidiaries	2,860	3,430
b) from securities held as fixed assets	4,576	2,044
c) from securities recognised under current assets	22,737	7,228
d) income other than above	9,296	591
from subsidiaries	179	131
from associates	2,647	
from others	6,470	459
<b>Total other financial income</b>	<b>39,468</b>	<b>13,293</b>
3) Interest expense and other financial charges:		
subsidiaries	(3,003)	(6,660)
associates	(16)	(28)
other	(97,157)	(95,027)
<b>Total interest expense and other financial charges</b>	<b>(100,176)</b>	<b>(101,715)</b>
Exchange gains (losses)	883	451
<b>TOTAL FINANCIAL INCOME AND CHARGES</b>	<b>406,254</b>	<b>352,027</b>
4) Write-ups:		
c) of securities recognised under current assets	499	405
d) of financial derivative instruments	680	
<b>Total write-ups</b>	<b>1,180</b>	<b>405</b>
5) Write-downs:		
a) of investments	(31,221)	(383)
c) of securities recognised under current assets	(3,359)	(1,213)
d) of financial derivative instruments		(444)
<b>Total write-downs</b>	<b>(34,580)</b>	<b>(2,040)</b>
<b>TOTAL ADJUSTMENTS</b>	<b>(33,401)</b>	<b>(1,635)</b>
6) Other operating income	22,732	20,054
<b>TOTAL OTHER OPERATING INCOME</b>	<b>22,732</b>	<b>20,054</b>
7) Costs for non-financial services	(18,503)	(20,151)
8) Costs for use of third party assets	(1,137)	(1,077)
9) Personnel costs	(19,156)	(27,025)
10) Amortisation, depreciation and write-downs	(197)	(361)
11) Provisions for risks	(127)	(47)
13) Sundry operating expenses	(6,414)	(8,654)
<b>TOTAL OTHER OPERATING COSTS</b>	<b>(45,534)</b>	<b>(57,315)</b>
<b>PRE-TAX PROFIT (LOSS)</b>	<b>350,051</b>	<b>313,130</b>
16) Income tax for the year	12,934	21,975
<b>17) PROFIT (LOSS) FOR THE YEAR</b>	<b>362,986</b>	<b>335,105</b>

## 4 Tables appended to the Notes to the Financial Statements

### Statement of changes in shareholders' equity

Amounts in €k

				Equity reserves	
	Share capital	Share premium reserve	Revaluation reserves	Legal reserve	Reserve for treasury/holding company shares
<b>BALANCES AT 31 DECEMBER 2020</b>	<b>3,365,292</b>	<b>1,345,677</b>		<b>673,058</b>	
Shareholders' Meeting resolutions of 29 April 2021					
Allocation of 2020 profit					
- extraordinary reserve					
- dividend to shareholders					
Distribution of the dividend f.y. 2019					
Dividend limitation period					
Allocation of treasury shares to third parties					
Purchase of treasury shares					
Profit (loss) for the year 2021					
<b>BALANCES AT 31 DECEMBER 2021</b>	<b>3,365,292</b>	<b>1,345,677</b>		<b>673,058</b>	
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					
<b>BALANCES AT 31 DECEMBER 2022</b>	<b>3,365,292</b>	<b>1,345,677</b>		<b>673,058</b>	



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
	<b>284,054</b>			<b>316,349</b>	<b>(1,280)</b>	<b>5,983,152</b>
	115,555			(115,555)		
				(200,794)		(200,794)
	(200,794)					(200,794)
	22					22
					6,926	6,926
					(5,985)	(5,985)
				335,105		335,105
	<b>198,837</b>			<b>335,105</b>	<b>(339)</b>	<b>5,917,631</b>
	120,006			(120,006)		
				(215,099)		(215,099)
	30					30
					1,509	1,509
					(3,528)	(3,528)
				362,986		362,986
	<b>318,873</b>			<b>362,986</b>	<b>(2,358)</b>	<b>6,063,528</b>

## 4 Tables appended to the Notes to the Financial Statements

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## Statement of use and availability of equity reserves at 31/12/2022

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
<b>Share capital</b>	<b>3,365,292</b>				
<b>Capital reserves</b>					
Share premium reserve	1,345,677	A, B, C	1,345,677 (a)		
Legal reserve	455,556 (b)	B			
<b>Income-related reserves</b>					
Legal reserve	217,502	B			
Extraordinary reserve	318,873	A, B, C	318,873		
<b>Negative reserve for treasury shares in portfolio</b>	<b>(2,358)</b>		<b>(2,358)</b>		
<b>Total</b>	<b>5,700,542</b>		<b>1,662,192</b>		
Non-distributable portion					
<b>Distributable portion</b>			<b>1,662,192</b>		

- (\*) 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 31/12/2021
Concessions, licences, trademarks and similar rights	7,697	(7,263)	434
<b>TOTAL</b>	<b>7,697</b>	<b>(7,263)</b>	<b>434</b>

### Statement of changes in property, plant and equipment

Amounts in €k

	OPENING POSITION		
	Historical cost	Accumulated depreciation	Net amount at 31/12/2021
Plant and equipment	289	(289)	
Other assets	2,774	(2,266)	508
<b>TOTAL</b>	<b>3,063</b>	<b>(2,555)</b>	<b>508</b>

Annex 4

MOVEMENTS DURING THE PERIOD					CLOSING POSITION		
HISTORICAL COST		AMORTISATION					
Increases	Decreases		Increases	Decreases			
Purchases	Sales	Reversals	Pro-rata current portion	Sales	Historical cost	Amortisation	Net amount at 31/12/2022
11	(4)		(196)		7,704	(7,459)	246
<b>11</b>	<b>(4)</b>		<b>(196)</b>		<b>7,704</b>	<b>(7,459)</b>	<b>246</b>

Annex 5

MOVEMENTS DURING THE PERIOD				CLOSING POSITION		
HISTORICAL COST		ACCUMULATED DEPRECIATION				
Increases	Decreases	Increases	Decreases			
Purchases	Sales	Current portion	Sales	Historical cost	Accumulated depreciation	Net amount at 31/12/2022
		(2)		2,774	(2,267)	506
		<b>(2)</b>		<b>2,774</b>	<b>(2,267)</b>	<b>506</b>

## 4 Tables appended to the Notes to the Financial Statements

### Statement of changes in fixed investments

Amounts in €k

CARRYING AMOUNT AT 31/12/2021

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	359,819
Unipol Finance S.r.l.	1	482,800
UnipolPart I S.p.A.	4,100,000	463,198
<b>Total subsidiaries</b>	<b>1,982,495,141</b>	<b>7,014,366</b>
BPER Banca S.p.A.	135,031,835	298,099
<b>Total associates</b>	<b>135,031,835</b>	<b>298,099</b>
<b>TOTAL B.III.1)</b>	<b>2,117,526,976</b>	<b>7,312,464</b>

INCREASES IN THE YEAR				DECREASES IN THE YEAR				CARRYING AMOUNT AT 31/12/2022	
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
							(28,215)	247,312,193	331,605
								1	482,800
								4,100,000	463,198
							(28,215)	<b>1,982,495,141</b>	<b>6,986,151</b>
14,100,000	20,391							149,131,835	318,490
<b>14,100,000</b>	<b>20,391</b>							<b>149,131,835</b>	<b>318,490</b>
<b>14,100,000</b>	<b>20,391</b>						(28,215)	<b>2,131,626,976</b>	<b>7,304,641</b>

## 4 Tables appended to the Notes to the Financial Statements

Annex 7

### List of shares and securities included in current assets at 31/12/2022

Amounts in €k

ISIN Code	Security description	No. of shares/holdings at 31/12/2022	Carrying amount at 31/12/2022	Current value at 31/12/2022	Write-downs	Type
IT0004827447	UnipolSai Ord.	848,155	2,003	2,003	(124)	Listed Italian shares
IT0003128367	Enel ord.	3,000,000	15,440	15,440	(2,273)	Listed Italian shares
DE000A1EWWW0	Adidas AG new	7,500	919	919	(610)	Listed foreign shares
<b>Total listed shares</b>		<b>3,855,655</b>	<b>18,362</b>	<b>18,362</b>	<b>(3,006)</b>	
unipwcs9215	Banca di Rimini Credito Cooperativo Scrl	1				Unlisted Italian shares
EQUINOXA	Equinox Two S.C.A. A shares	28,652				Unlisted foreign shares
EQUINOX	Equinox Two S.C.A. R shares	4,970,950	13	13	(41)	Unlisted foreign shares
<b>Total unlisted shares</b>		<b>4,999,603</b>	<b>13</b>	<b>13</b>	<b>(42)</b>	
Codice ISIN	Security description	Nominal value at 31/12/2022 (in €)	Carrying amount at 31/12/2022	Current value at 31/12/2022	Write-downs	Type
XS2206380573	Amco 1,50% 17/07/2023	5,000,000	4,955	4,955	(43)	Other listed bonds
XS2528155893	Banco sabadell 5,375% 08/09/2026 cble	3,000,000	2,994	3,004		Other listed bonds
XS1793250041	Banco santander 4,75% 19/03/2025-perp cble sub	2,600,000	2,305	2,305	(314)	Other listed bonds
XS1752894292	Mps 5,375% 18/01/2028 cble sub	10,000,000	8,286	8,286		Other listed bonds
XS1756703275	Raiffeisen bk 4,5% 15/06/2025-prp cble sub	5,200,000	3,700	3,700	(1,500)	Other listed bonds
XS2026295126	Ubi banca 4,375% 12/07/2024-29 cble sub	7,500,000	7,493	7,493	(87)	Other listed bonds
XS2121441856	Unicredit 3,875% 03/06/2027-perp sub cble	5,000,000	3,821	3,821	(968)	Other listed bonds
XS1619015719	Unicredit 6,625% 03/06/2023-perp cble sub	5,000,000	4,910	4,910	(90)	Other listed bonds
<b>Total listed bonds</b>		<b>43,300,000</b>	<b>38,464</b>	<b>38,474</b>	<b>(3,001)</b>	
IT0005410912	Btp Italia 1,40% 26/05/2025	50,000,000	51,609	52,024		Listed government bonds
<b>Total listed government bonds</b>		<b>50,000,000</b>	<b>51,609</b>	<b>52,024</b>		
<b>TOTAL SHARES AND SECURITIES INCLUDED IN CURRENT ASSETS</b>			<b>108,449</b>	<b>108,874</b>	<b>(6,049)</b>	



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

Amounts in €k

DEFERRED TAX ASSETS	2021		INCREASES		DECREASES		2022	
	Taxable amount	Tax effect	Taxable amount	Tax effect	Taxable amount	Tax effect	Taxable amount	Tax effect
Unrealised losses relating to current investments evaluation	383	92	2,883	692	383	92	2,883	692
Excess amortisation/depreciation	58	14	7	2			65	16
Provisions for personnel expenses	21,908	5,258	9,645	2,315	7,608	1,826	23,945	5,747
Provision for future charges	17,605	4,225	127	30	10,868	2,608	6,864	1,647
Realigned goodwill	1,259,243	302,218			173,689	41,685	1,085,554	260,533
<b>TOTAL</b>	<b>1,299,197</b>	<b>311,807</b>	<b>12,662</b>	<b>3,039</b>	<b>192,548</b>	<b>46,211</b>	<b>1,119,311</b>	<b>268,635</b>

## 4 Tables appended to the Notes to the Financial Statements

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## Information on debt at 31 December 2022

Amounts in €k

	31/12/2022	31/12/2021
A Cash and cash equivalents	960,868	1,052,447
- of which associates	960,816	1,052,420
- of which others	36	13
B Cash equivalents		
C Other current financial assets	123,201	153,369
<b>D Cash and cash equivalents (A) + (B) + (C)</b>	<b>1,084,070</b>	<b>1,205,816</b>
E Current financial payable	(749,436)	(427,036)
F Current portion of non-current financial payable	(33,683)	(34,764)
<b>G Current financial debt (E) + (F)</b>	<b>(783,119)</b>	<b>(461,801)</b>
<b>H Net current financial debt (G) - (D)</b>	<b>300,950</b>	<b>744,015</b>
I Non-current financial payable		(300,000)
J Debt instruments	(2,437,500)	(2,500,000)
K Trade payables and other non-current payables		
<b>L Non-current financial debt (I) + (J) + (K)</b>	<b>(2,437,500)</b>	<b>(2,800,000)</b>
<b>M Total financial debt (H) + (L)</b>	<b>(2,136,550)</b>	<b>(2,055,985)</b>





## 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 2022 - 31 December 2022.
2. The assessment of the adequacy of the administrative and accounting procedures for preparing the financial statements at 31 December 2022 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 2022:
    - 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, 23 March 2023

The Manager in charge  
of financial reporting  
*Luca Zaccherini*

The General Manager  
*Matteo Laterza*

(signed on the original)







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 2022, 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 provisions<sup>10</sup>, 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.

Please note that the current Board of Statutory Auditors was appointed by the Shareholders' Meeting of 28 April 2022, which renewed its composition, retaining the Chairman as an element of continuity with the previous Control Body.

### 1. Preliminary evidence regarding the legal provisions governing the preparation of the Financial Statements of Unipol Gruppo S.p.A. at 31 December 2022

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 2022, and was 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).

Unipol which, at the date of the 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 the consolidated financial statements ("**Consolidated Financial Statements**") in compliance with International Accounting Standards, but cannot apply those standards to the company's Financial Statements submitted for your approval, in accordance with Art. 4 of Italian Legislative Decree no. 38 of 28 February 2005.

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.

Given that there are no substantial changes in the standards applied compared to the previous year, the section "New accounting standards not yet in force" of the Notes to the Consolidated Financial Statements contains the information regarding the transition to IFRS 17 and IFRS 9 accounting standards, both applicable to the entire scope of the Group from 1 January 2023 and to the main choices made by the Company in relation to the main areas of impact. The Board of Statutory Auditors received regular reports on the activities carried out by the competent company functions and on the underlying reflections carried out in this regard.

It is also observed that, in the implementation of the Transparency Directive<sup>11</sup>, 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 the European Commission Delegated Regulation no. 2019/815 of 17 December 2018 (the "**ESEF Regulation**"), starting from the 2021 financial year, the Separate Financial Statements and the Consolidated Financial Statements of Unipol have been prepared and

<sup>10</sup> In particular, please refer to Regulation no. 38 issued by IVASS on 3 July 2018.

<sup>11</sup> 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 real estate assets traded on a European regulated market.

published in XHTML (*Extensible Hypertext Markup Language*) format, 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 accordance with the specific provisions of the ESEF Regulation, starting from the financial year 2022, the Company's Consolidated Financial Statements contain the mark-up of numerical data reported in the statement of financial position, income statement and statement of comprehensive income, 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 itself if these are reported in the explanatory notes.

The Board of Statutory Auditors has verified the 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, has taken note of what has been communicated in relation to certain information contained in the explanatory notes that, when extracted from the XHTML format in an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information that can be displayed in the consolidated financial statements in XHTML format, due to certain technical limitations recognised by ESMA itself in the ESEF Reporting Manual published by the latter, and which, therefore, may cause difficulties in the readability of the extracted information. The same circumstance is illustrated by the Independent Auditors in the paragraph concerning the opinion of 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 2022

In 2022, the Board of Statutory Auditors exercised its supervision, holding 19 meetings, including those held by the previous Control Board, of 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 10 meetings of the Control and Risk Committee;
- the 6 meetings of the Committee for Transactions with Related Parties ("**Related Party Transactions Committee**");
- the 6 meetings of the Remuneration Committee;
- the 4 meetings of the Appointments, Governance and Sustainability Committee (formerly the Appointments and Corporate Governance Committee),

and was informed of the proceedings of the 2 meetings of the Sustainability Committee and Ethics Committee<sup>12</sup>, as well as the 6 meetings of the Strategic Committee<sup>13</sup>.

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 Board;
- the Supervisory Board established pursuant to Italian Legislative Decree no. 231 of 8 June 2001 ("**Italian Legislative Decree 231/2001**"), Art. 6, par. 1, letter b);
- the representatives of the independent auditors, EY S.p.A. (hereinafter also "**EY**" or "**Independent Auditors**"), within the framework of relationships between control board and independent auditors required by laws and regulations in force.

<sup>12</sup> starting from 12 May 2022, the respective activities of the Sustainability Committee and Ethics Committee have been included in the competence of the Appointments, Governance and Sustainability Committee.

<sup>13</sup> formerly the Chairman's Committee.

## 6 Board of Statutory Auditors' Report

Pursuant to Art. 151 of the Consolidated Law on Finance, the Control Board 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:

- monitored compliance with laws and by-laws and compliance with the rules of proper administration, particularly in 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 believe 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 notes that it has received information regarding the effects on the operating performance deriving from:

- the evolution of the COVID-19 coronavirus respiratory syndrome ("**COVID-19**"), characterised by a substantial normalisation of the dynamics of social life and production activities. In this regard, we point out, with reference to the Non-Life insurance business and in particular the MV TPL class, a return of road traffic to the levels of 2019, with a consequent gradual recovery in the frequency of claims, albeit at levels lower than the pre-pandemic period; in the Non-Life Non-MV classes, a significant growth in production resulting from the commercial drive imparted by the sales networks, together with the economic recovery that affected the year 2022; while as regards the Life business, there are no significant consequences on the trend of premiums written and managed assets;
- the escalation of the conflict between Russia and Ukraine, which has turned into a war on a broad front, and the consequent economic-financial sanctions imposed on Russia by the international community, which had a significant impact on global economy, particularly generating difficulties in the procurement of raw materials, with consequent upward pressure on the relative prices and the risk of compromising the already stressed supply chain. This had repercussions on the cost of claims trend which, from the second half of 2022, saw certain rises in the average cost of claims settled with particular regard to the MV TPL class. These increases, together with the above-mentioned resumption of the frequency of claims, led to the need for tariff adjustments to restore the technical balance of the class. The conflict has furthermore fuelled financial market tensions, with sharp declines in the international stock markets in the first part of the year, which saw a partial recovery at the year end. The period also saw a sharp rise in interest rates resulting from the high inflation environment produced by the aforementioned sanctions as well as the response of central banks, which raised the cost of money on several occasions. All this had repercussions on the Group's financial investments, which marked a significant deterioration in the net balance between implicit capital gains and losses, but recorded, thanks to the reinvestment of the flows produced, better forward-looking profitability. The Control Board also verified that Unipol and the Group companies do not carry out relevant economic activities in the area concerned by the conflict, do not hold, except to an extremely marginal extent, financial investments in securities of Russian or Ukrainian issuers and are not a contractual party to any relevant financial transactions with subjects or entities subject to the international sanctions. The development of this context and the relative impacts on the company's outlook are continuously monitored by the relevant company functions;
- the phase of high volatility and declines started in March of the current year, linked to uncertainties about the capital and financial soundness of some banking institutions with fears of contagion risk and instability, which affects investments and the operations of the financial management of the Group that continues to be aimed at the consistency between assets and liabilities, the optimisation of the risk-return profile and the liquidity of the portfolio in order to also maintain an adequate level of solvency.

### 3.2 Main significant events

In regard to the main events and the most significant economic, financial and equity transactions carried out by the Company and its subsidiaries in 2022, the Board of Statutory Auditors reports as follows.

Approval of the Strategic Plan for the three-year period 2022-2024. On 12 May 2022, the Board of Directors of Unipol approved the Strategic Plan for the three-year period 2022-2024 called "*Opening New Ways*" (the "**2022-2024 Strategic Plan**" or the "**Plan**"), aimed, like the previous ones, to create value for all its stakeholders by leveraging its specific distinctive assets. The Plan is structured along the following five strategic areas: Data Driven Omnichannel Insurance; Health and Life-Cycle Focus; Bancassurance Boosting; Beyond Insurance Enrichment; Tech & People Evolution. In relation to each of the areas, the Plan identifies and integrates Environmental, Social and Governance ("ESG") objectives, i.e. lines of action that, starting from opportunities linked to social, environmental and governance aspects, are aimed at generating positive impacts for stakeholders and the company as well and contributing to sustainable development.

Early repayment of loan disbursed by UnipolSai Assicurazioni S.p.A. to Unipol maturing in 2024. On 1 March 2022, exercising the option of early repayment contractually provided, Unipol fully repaid the loan of €300m disbursed by UnipolSai Assicurazioni S.p.A. ("**UnipolSai**") on 1 March 2019, in the context of the exercise of the put option relative to 27.49% of the share capital of Unipol Banca S.p.A. and UnipolReC S.p.A. ("**UnipolReC**"), due to it with respect to Unipol itself due to the option contract subscribed on 31 December 2013 between the then Fondiaria-Sai S.p.A. and Unipol.

Trade union agreement regarding Personnel and access to the Solidarity Fund. In October 2022, UnipolSai and the other 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.

UnipolReC - sale of the loan portfolio en bloc. On 14 December 2022, following a competitive buyer selection process launched during the year, the sale to AMCO - Asset Management Company S.p.A. ("**AMCO**") of the entire portfolio of non-performing loans held by the subsidiary UnipolReC was finalised.

UnipolSai - Renewal of the bancassurance agreement with BPER Banca S.p.A. and Banca Popolare di Sondrio S.p.A. On 22 December 2022, UnipolSai signed agreements for renewal of the bancassurance partnership with BPER Banca S.p.A. ("**BPER**") and Banca Popolare di Sondrio S.p.A. ("**BPSO**"), relating to the distribution of Life and Non-Life insurance products of Arca Vita S.p.A., Arca Assicurazioni S.p.A. and Arca Vita International DAC. When these agreements were renewed, the distribution by the above-mentioned banks of the "health" insurance products of UniSalute S.p.A. ("**UniSalute**") was also governed by autonomous agreements that were also entered into. The agreements make it possible to continue the partnership with BPER and BPSO for a period of 5 years, starting from 1 January 2023, at terms substantially aligned with those expiring at the end of December 2022.

UnipolSai - Exercise of the put option on the Incontra Assicurazioni S.p.A. equity investment. On 1 July 2022, UnipolSai received formal notice from UniCredit S.p.A. ("**Unicredit**") of termination of the shareholders' agreement signed on 30 October 2017 between the two parties in relation to Incontra Assicurazioni S.p.A. ("**Incontra**"). Subsequently, on 29 July 2022, UnipolSai exercised its put option regarding the investment held in Incontra, due to it on the basis of the agreement. UnipolSai and UniCredit have 14 months (subject to legal authorisations) to finalise the transfer of the equity investment.

UnipolSai - Termination of the agreement with Intesa Sanpaolo S.p.A. 10 February 2022 saw the conclusion of the jointly-agreed termination of the agreement signed on 17 February 2020 between UnipolSai and Intesa Sanpaolo S.p.A. ("**Intesa**") in the broader context of Intesa's launch of a public exchange offer on 100% of UBI Banca S.p.A. ("**UBI Banca**") shares and the related acquisition of business units referring to one or more insurance company investees of UBI Banca. This termination was the result of the assessment, agreed between the parties, of the transaction no longer being convenient and of mutual interest, taking into account the implementation costs and complexities.

UnipolRental S.p.A. - Completion of a securitisation transaction. In November 2022, UnipolRental S.p.A. ("**UnipolRental**") completed a securitisation transaction, carried out through the granting by a special purpose vehicle of a loan pursuant to Art. 7, paragraph 1, letter (a) of Italian Law no. 130 of 30 April 1999, the repayment of which is guaranteed by special-purpose assets set aside pursuant to Art. 4-bis of Italian Decree Law 162/2019 (Milleproroghe Decree), which includes the car rental contracts held by UnipolRental, as well as the vehicles underlying these contracts. The transaction, which saw a leading investment bank act as Arranger and provider of the Senior Loan to

## 6 Board of Statutory Auditors' Report

the SPV, leverages a guarantee established on the core company assets (long-term rental contracts and the fleet of motor vehicles) and has the primary objective of supporting the strategic plan of UnipolRental. The net liquidity acquired at closing amounted to €481m, against net debt of €520m and sums withheld by the lender as an accessory guarantee of €39m.

UnipolSai - Acquisition of I.Car S.r.l. and Muriana Manuela S.r.l. On 13 January 2022, UnipolSai acquired 100% of I.Car S.r.l. share capital at the estimated total price of €77m and 100% of Muriana Manuela S.r.l. share capital for €3m. The acquisition of these two companies, operating in the vehicle anti-theft system sector and insurance brokerage sector, respectively, is consistent with development of the Mobility ecosystem undertaken by the Group in recent years.

UnipolSai - Establishment of UnipolHome S.p.A. On 20 January 2022, UnipolHome S.p.A. ("**UnipolHome**"), a wholly-owned subsidiary of UnipolSai, was established with the aim of integrating the Group's insurance offer into the Property ecosystem sector. In particular, the company aims on one hand to create and coordinate a network of craftsmen through a digital platform to manage the provision of direct compensation for damages relating to claims on insured properties, with potential expansion in the activity of property maintenance, and on the other hand to enter the condominium management market, also by acquiring already specialised companies, and possibly act as a business procurer with reference to energy market services. On 1 July and 26 October 2022, UnipolSai, at the request of the subsidiary, made capital contributions of €2.7m and €2.6m, respectively, to provide UnipolHome with the financial resources required to implement the "Craftsmen Network Platform" and acquire a controlling interest in Unicasa Italia S.p.A., a company operating in the area of condominium administration.

UnipolSai - Acquisition of Tantovsago S.r.l. On 6 July 2022 and 26 October 2022, by purchasing shares and subscribing to a reserved capital increase, UnipolSai acquired, at a total price of €15.9m, a stake representing 75% of the share capital of the company Tantovsago S.r.l. ("**Tantovsago**"), which operates in the flexible benefits market (i.e., goods and services that a company can provide as part of its welfare plan for its employees) in the role of aggregator, possessing the technology and know-how to purchase and aggregate individual products/services provided by various suppliers within a digital catalogue of services designed to be integrated into special platforms.

UnipolSai - Establishment of Welbee S.p.A. On 6 July 2022, the company Welbee S.p.A. was established, a wholly-owned subsidiary of UnipolSai, with a view to performing platform provider activities in the flexible benefits market, in the welfare and healthcare sectors, within the framework of the Beyond Insurance Enrichment strategic area defined in the 2022-2024 Strategic Plan.

UnipolSai - Acquisition of the Santagostino Medical Centres. On 16 December 2022, UnipolSai signed the contract to acquire the entire share capital of Società e Salute S.p.A., a company operating in the private healthcare sector under the brand name "Centro Medico Santagostino", from the L-GAM investment fund. The transaction, which is part of the Beyond Insurance Enrichment strategic area of the 2022-2024 Strategic Plan, constitutes a significant component of the welfare ecosystem, concerning the development and direct management of a network of health centres. It is expected that, having obtained the necessary authorisations, the transaction will be completed by April 2023.

Other acquisitions. With the aim of developing the welfare ecosystem, in 2022 additional equity investments were acquired in companies operating in the healthcare field (Anton Maria Valsalva S.r.l., the company that manages the multi-specialty health centre of the same name in Imola; Gratia et Salus S.r.l., a company that manages medical clinics specialised in occupational medicine; DaVinci Healthcare S.r.l., a company that manages telemedicine services).

More information on these transactions and additional events is provided in the Management Report and the Notes to the Financial Statements at 31 December 2022.

### 3.3. Significant events after the end of the financial year

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

UnipolReC - application for cancellation from the Register of financial intermediaries (Article 106 of the Consolidated Law on Banking). On 7 February 2023, in acknowledging that following the sale en bloc without recourse of the entire loan portfolio in favour of AMCO, 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, the UnipolReC Board of Directors resolved,

among other things, on the proposal to adopt a new corporate purpose with consequent waiver of exercise of the activity reserved to it pursuant to Art. 106 of the Consolidated Law on Banking. This proposal will be submitted for approval to an upcoming Shareholders' Meeting of UnipolReC, subject to the issue by the Bank of Italy of the authorisation required pursuant to Bank of Italy Circular no. 288 of 3 April 2015, as requested on 24 February 2023.

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.

UnipolSai - Integration of SIFÀ - Società Italiana Flotte Aziendali S.p.A. into UnipolRental. At its meeting on 23 March 2023, the Board of Directors of UnipolSai approved an industrial project in the long-term rental business which, inter alia, calls 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. This project is part of the "Beyond Insurance Enrichment" strategic area, more specifically the "Mobility" ecosystem, of the 2022-2024 Strategic Plan and is aimed at creating an operator of national significance in the long-term rental sector. As a result of the merger, BPER will hold an approximate 20% investment in the share capital of UnipolRental.

UnipolSai - Subscription of the share capital increase of the subsidiary DDOR Novi Sad. On 20 February 2023, the share capital increase of approximately €5m approved by the Shareholders' Meeting of the Serbian subsidiary DDOR Novi Sad on 30 January 2023 was fully subscribed and paid up.

### 3.4 Dispute proceedings

In regard to disputes involving the Company and the Group in 2022, the Board of Statutory Auditors was informed and kept up to date in regard to the ongoing sanction and legal proceedings, described in the Notes to the Financial Statements at 31 December 2022, 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**"), lastly updated on 23 June 2022, and an Operating Guide for the application of the same. The Board of Statutory Auditors acknowledged the amendments made to the RPT Procedure in order to incorporate in the document the changes in the top management organisational and managerial structure, verifying its compliance with the principles established in the Consob Regulation.

The Board of Statutory Auditors also 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. With regard to this, please note that in 2022, Unipol did not approve, or carry out, directly or through subsidiaries, any related party transactions qualified as of "Major Significance", or which significantly influenced the financial position or results of the Company, pursuant to Art. 5, paragraph 8 of CONSOB Regulation.

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 accompanying the Consolidated Financial Statements.

In 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 Board has also shown that the transactions with counterparties within the Group were carried out in compliance with the Inter-



## 6 Board of Statutory Auditors' Report

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 2022 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. It should also be noted that Unipol and some subsidiaries second their staff to other Group companies to optimise the synergies in the management of Group resources.

In regard to the relations between Unipol and the Group companies, as well as other related parties, the Control Board believes the disclosure provided in the Management Report and the Notes to the Financial Statements at 31 December 2022 to be adequate.

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.

Also noting that, as reported in the 2022 Annual report on corporate governance and ownership structures ("**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, it is noted that some internal company committees have been set up, mainly consisting of the Heads of Unipol's Top Management, with the task of supporting the General Manager in the implementation and monitoring of the policies of direction, coordination and operational strategy defined by the Board of Directors and implemented by the Top Management itself, including the Group Risk Committee which 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 Board 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, par. 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 Board 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 Board of Directors, most recently on 23 June 2022, which govern, among other things, 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.

## 6 Board of Statutory Auditors' Report

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. 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.

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 Board 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. In particular, following specific in-depth analysis regarding the future outlook for cyber-security risks, on the possible impact on security/operations of the Group companies and on the protection systems introduced at this regard, 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 Supplementary Report ("**Supplementary 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 the Non-Life and Life underwriting policies, the Investment Policy, the Outsourcing and supplier selection policy, and the Policy on the protection and leveraging of personal data, 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 also checked, with the assistance of the Financial Reporting Senior Officer and the Sustainability Manager, 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 provide, with reference to environmentally sustainable economic activities of companies, specific obligations of reporting in the NFS, to be gradually implemented starting from the statement relating to 31 December 2021 up to the full implementation in the reporting for the 2023 financial year.

The Control Board also acknowledged that, on 5 April 2023, 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.

## 6 Board of Statutory Auditors' Report

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 Board 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 some 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 2022 ("**Independent Auditors' Report**") issued by EY contained no findings in this regard.

The Board of Statutory Auditors has acknowledged that the Administrative Board has proceeded with the annual assessment of its functioning, size and composition, as well as in relation to the board committees established ("**Board Performance Evaluation**"), availing itself of the support of a leading consultancy company, and has also checked the correct application of the criteria and procedures put in place by the same Board of Directors for the assessment of independence of non-executive Directors, in compliance with what is set out by the Corporate Governance Code and pursuant to Art. 147-ter, paragraph 4, of the Consolidated Law on Finance.

In the first few months of 2023, in line with what is recommended in Principle Q.1.1. of the Principles of conduct, issued by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (National Institute of Chartered Accountants), the Control Board in turn carried out - relying on the support of the same consultant used by the Board of Directors for its Board Performance Evaluation - the self-assessment on its composition and functioning, examining and sharing its overall results at the meeting of the same on 20 March 2023. The topics dealt with concerned in particular: the qualitative and quantitative 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 itself. The emerging result pointed to an overall positive picture and full satisfaction with the effectiveness of the work performed in 2022 by the Board of Statutory Auditors as a whole, as well as the individual contribution provided by each Statutory Auditor.

The Board has also checked that the independence requirements of the members of the same Board 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 Policy on eligibility for office adopted by the Company ("**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 ("**Issuer's Regulation**") in regard to the fulfilment of the independence requirements laid out in Art. 148, paragraph 3, of the Consolidated Law on Finance by the 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 what is described 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 the legal and regulatory provisions in force regarding the business sectors in which the Company and the Group operate, paying special attention to the specific regular controls by the Chief Risk Officer requested by IVASS.

The Board of Statutory Auditors has also acknowledged the update by the Company, on 23 June 2022, of the policy for the management of the dialogue with all Investors (as defined in the policy) which require a contact with the Administrative Board on matters relating to their specific competence (the "**Dialogue Policy**")<sup>14</sup>. With regard to this,

<sup>14</sup> 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 has verified the compliance with legal provisions, also in terms of self-regulation, of the Dialogue Policy 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 has 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.

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, par. 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 2022, 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 in regard to the Management Report relating to the Financial Statements at 31 December 2022, 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 reviewed, acting as Internal Control and Audit Committee, the Additional Report, which has not brought to light issues worth reporting.

## 6 Board of Statutory Auditors' Report

The Control Board 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 in 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 2022 does not contain findings or requests for information. In addition, no significant errors were brought to light in regard to the Management Report, 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. It also contains the aforementioned paragraph relating to the technical limits characterising the Consolidated Financial Statements in the XBRL 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 particular, the Control Board examined the proposals for assignment of further consultancy tasks and professional services to EY submitted to it during the financial year, checking both the compatibility of such tasks with the bans pursuant to the above mentioned Art. 5 of Regulation (EU) no. 537/2014, and the absence of potential risks for the independence of the independent auditors deriving from the performance of the same services in the light of the provisions in Italian Legislative Decree no. 39/2010 (Art. 10 et seq.) and in the Issuer's Regulation (Art. 149-bis et seq.). At the outcome of these investigations, the Board of Statutory Auditors considered that the tasks examined did not represent a risk for the independence of the Independent Auditors and approved the assignment of the same to EY. The fees agreed for the services in question are reported in detail in the Notes to the Financial Statements, to which reference is made.

In this regard, it should be noted that, on the initiative of the Board of Statutory Auditors of Unipol and the subsidiary UnipolSai, in the early months of 2023 the Company adopted a specific procedure aimed at regulating the transfer to the Independent Auditors, as well as to entities belonging to the network of the same, of assignments concerning services other than the statutory audit.

The Control Board then 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 same Independent Auditors, taking into account the nature of the engagements 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 said firm 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.

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

In 2022, 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 Board

The Board of Statutory Auditors - noting that Unipol, an issuer of financial instruments listed on regulated markets and Parent of the Unipol Insurance Group, draws up, 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, the Consolidated Financial Statements - informs that it has verified that the obligation to draft the Consolidated Financial Statements was fulfilled by the Board of Directors on 23 March 2022.

The Consolidated Financial Statements - composed of: statement of financial position; income statement and statement of comprehensive income; statement of changes in shareholders' equity; statement of cash flows; explanatory notes to the financial statements, as well as annexes to the 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, Part 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 2022 of Unipol were prepared and published, in compliance with the ESEF Regulation, in the XHTML (Extensible Hypertext Markup Language) format, also marking up some information elements with XBRL (Extensible Business Reporting Language) specifications.

In their Report on the Consolidated Financial Statements, the Independent Auditors expressed an opinion on its compliance with the aforementioned Regulation. 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 2022, the consolidation scope is constituted by the combination of the Unipol data with those of 64 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, real estate, holding and other businesses), the asset and financial management, the pending disputes, the 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 does not note any impediments, as far as it is aware, to the approval of the financial statements for the year ended 31 December 2022, as presented by the Board of Directors.

With regard to the proposal to allocate the profit for the year and to distribute a dividend of €0.37 per share, as formulated by the Board of Directors at the meeting held on 23 March 2023 and represented in the Report to the Shareholders' Meeting called for 28 April 2023, the Board of Statutory Auditors examined the contents of the

## 6 Board of Statutory Auditors' Report

communication disclosed to the market by IVASS on 13 March, in which - in view of the closure of the accounts for the financial year 2022, and taking into account the macroeconomic situation and the possible evolution of risk factors linked to the Russia-Ukraine conflict, the ensuing energy crisis and the start of Quantitative Tightening by the European Central Bank, as well as the rise in inflation, the increase in interest rates and the worsening of conditions of access to financing for households and businesses - the Supervisory Authority for Private Insurance *"recommends adopting at individual and group level [...] extreme prudence in resolutions for the distribution of dividends and other capital elements, ensuring their compatibility with the potential impacts of further exacerbations of the relevant factors"*.

In this regard, the Board of Statutory Auditors has acknowledged that:

- Unipol boasts significant current and forward-looking capital strength, with a consolidated Solvency Ratio at 31 December 2022 of 200% (calculated using the Partial Internal Model as authorised by IVASS), with excess capital of roughly €4.6bn, determined having already deducted the dividend proposed for distribution for the year 2022;
- the current and forward-looking capital adequacy level of the Unipol Group (considering the payment of planned dividends) is adequate to cover Solvency II, prudential requirements, including with reference to the most severe stress scenario identified during the own risk and solvency assessment ("ORSA"). Similar conclusions are reached with reference to the financial position on the basis of the forward-looking liquidity analyses performed, also with reference to stress scenarios.

In conclusion, the Board of Statutory Auditors believes that it shares the considerations of the Board of Directors with regard to the existence of the conditions for proceeding with the distribution of the dividend to the extent proposed, in compliance with prudence criteria.

Bologna, 5 April 2023

*On behalf of the Board of  
Statutory Auditors*

The Chairman  
Dott. Mario Civetta









# 7

INDEPENDENT  
AUDITORS' REPORT



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## Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation 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, 2022, the income statement, the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at December 31, 2022, 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.

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Consob al progressivo n. 2 delibera n. 10831 del 16/7/1997

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We identified the following key audit matter:

Key Audit Matter	Audit Responses
<p><b>Valuation of investments in subsidiaries</b></p> <p>Investments in subsidiaries, classified among financial fixed assets, are recorded in the financial statements at 31 December 2022 for an amount of Eur 6,986.151 thousand, representing around 74% 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"> <li>• 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;</li> <li>• 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;</li> <li>• the reperforming of the determination of the recoverable amount.</li> </ul> <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 EU Regulation 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 EU Regulation 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, 2022 with the provisions of the Delegated Regulation.

In our opinion, the financial statements as at December 31, 2022 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, 2022, 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, 2022 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, 2022 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, 5<sup>th</sup> April 2023

EY S.p.A.

Signed by: Paolo Ancona, Auditor

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



**Unipol Gruppo S.p.A.**

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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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