

Unipol - UnipolSai Corporate presentation

Mission Evolve

UNIPOL 2019-2021
STRATEGIC PLAN



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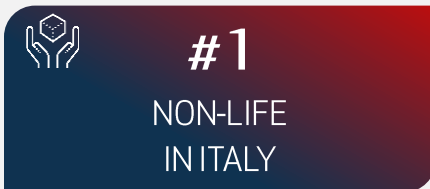
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premium income **7.9 € billion**
market share **21%**



market share **Motor 24%**
market share **Health 23%**



2,500 agencies ^a

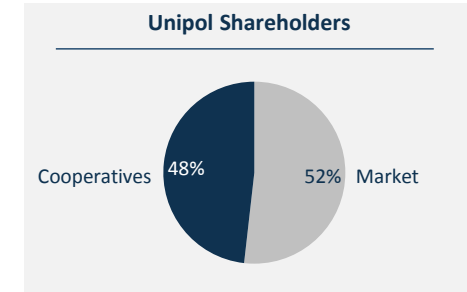
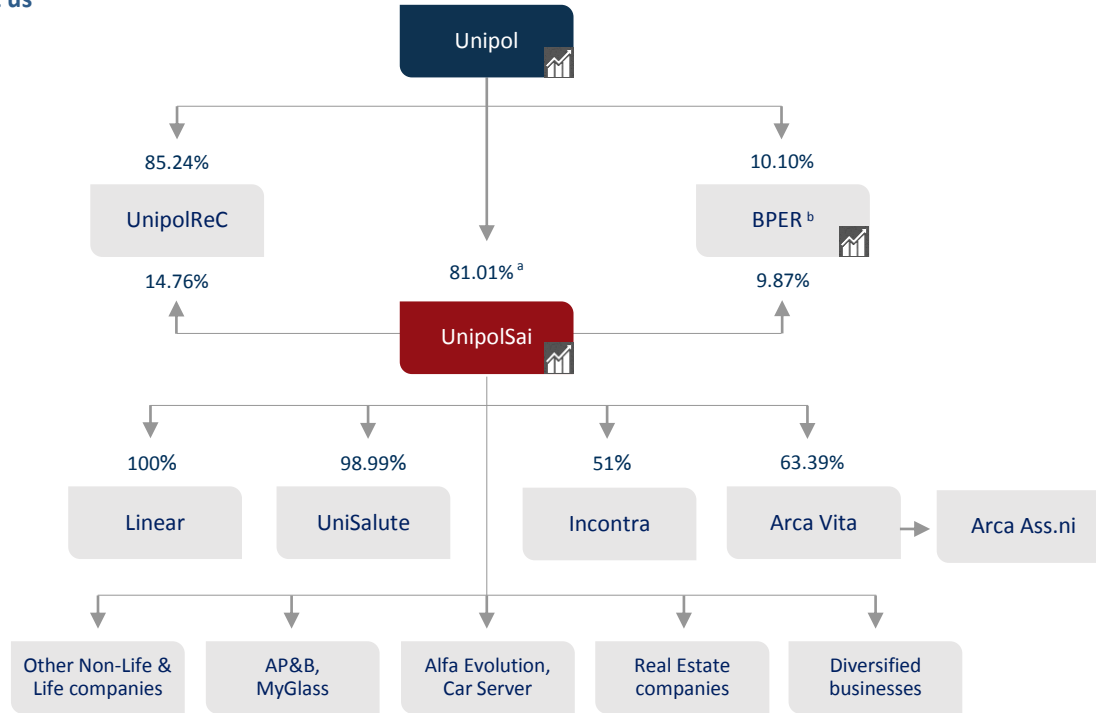


✓ **leader** in Europe
✓ market share **50%** in Italy

2018 figures
^a Figure at 9M19



- | | |
|---|---|
| <p>➤ Leader in Non-Life</p> | ➤ 1st Non-life insurance group in Italy with direct premium income of 7.9 €bn and a market share of ~21% |
| <p>➤ Leader in Telematics</p> | ➤ 1st insurer in Europe as to MV black-boxes distribution, with a market share of 50% in Italy |
| <p>➤ Leader in Pension Funds</p> | <p>➤ Leader in the Insurance Occupational Pension Funds Italian market, with 4.8 €bn AUM</p> <p>➤ Among the key players in the Italian Life business with direct income of 4.4 €bn and a market share of around 4%</p> |
| <p>➤ Primary Asset Manager</p> | ➤ Investment portfolio of 58.9 €bn |
| <p>➤ Claims Settlement Innovator</p> | ➤ Innovative approach to P&C claims settlement: telematics, reimbursement in kind, captive companies for spare parts/glasses |
| <p>➤ Largest Agency Network</p> | <p>➤ 2,500 agencies in Italy (more than 20,000 agents/sub-agents) and around 100 branches in Serbia</p> <p>➤ Agency network in the framework of a multichannel strategy, including:</p> <ul style="list-style-type: none"> • 5,000 banking branches (Bancassurance agreements with different banking partners as BPER, BPS, Unicredit and others) • Direct channel (Internet/telephone) |
| <p>➤ Experienced Consolidator</p> | ➤ Excellent track record in M&A and consolidation (2012 Fondiaria-Sai, 2003 Winterthur Italia, 2000 Aurora) |
| <p>➤ Reliable Partner</p> | ➤ Track record in reaching financial targets over the last 3 strategic plans |
| <p>➤ Generous Dividend Payer</p> | ➤ Appealing dividend policy. Unipol targets to pay 600 €m and UnipolSai 1.3 €bn dividends in the 3-year plan period (6% implicit dividend yield at market prices on the date of the Plan release) |



 Companies listed on the Italian Stock Exchange and included in the FTSE-MIB Index

^a As at 15 November 2019, including the shares held by Unipol Investment, UnipolPart I and Unipol Finance

^b Total Group stake 19.97%



Key Performance Indicators

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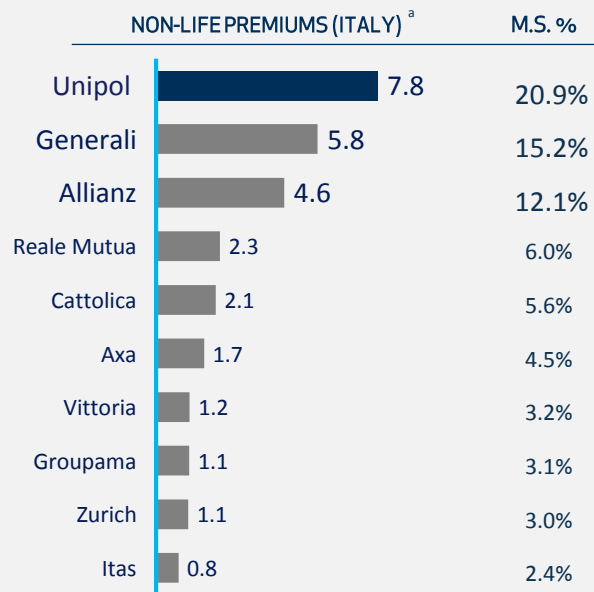
€m

UNIPOL	FY17	FY18
Premium income ^a	12,291	12,349
Non-Life	7,867	7,953
Life	4,424	4,396
Combined Ratio ^b	96.4%	94.2%
Consolid. Net Result	-169	628
Group Net Result	-346	401
EPS (€)	n.s.	0.56
Cons. Net Result (norm.)	598	645
Group Net Result (norm.)	409	472
EPS (norm., €)	0.57	0.66
Dividends	129	129
DPS (€)	0.18	0.18
Total Equity	7,453	6,327
Shareholders' Equity	5,486	5,032
BVPS (€)	7.65	7.01

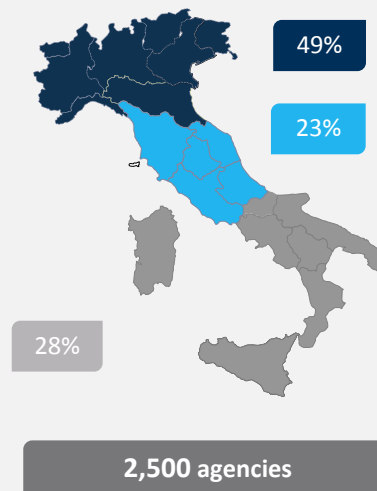
UNIPOLSAI	FY17	FY18
Premium income ^a	11,068	11,718
Non-Life	7,355	7,892
Life	3,713	3,826
Combined Ratio ^b	97.2%	94.3%
Consolid. net result	537	948
Group net result	504	905
EPS (€)	0.18	0.32
Cons. Net Result (norm.)	690	703
Group Net Result (norm.)	664	657
EPS (norm., €)	0.23	0.23
Dividends	410	410
DPS (€)	0.145	0.145
Total Equity	6,194	5,697
Shareholders' Equity	5,869	5,448
BVPS (€)	2.07	1.93

^a Direct business. ^b Net of reinsurance.

Normalised results are adjusted to exclude the impact of extraordinary operations (restruct. of the banking business, Unipol Banca write-down and Popolare Vita sale) and to reflect the change in the scope of consolidation (exclusion of Popolare Vita from, and inclusion of Linear, UniSalute and Arca in UnipolSai perimeter).



UNIPOLSAI SALES NETWORK^b



^a Figures at 18YE. Source: ANIA

^b Figures at 9M19

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INNOVATIVE AND DISTINCTIVE SOLUTIONS

- Product catalogue updated with over **50 new Motor, Property and Life Insurance products**
- **~ 55.0 €m in cumulative benefits** by using Telematics in Motor business
- **~ 40 €m in benefits** from **claims channelling** towards Auto Presto&Bene garage network and MyGlass, and **expansion of repair and assistance services**



SIMPLIFIED CUSTOMER AND AGENT EXPERIENCE

- **4 new digital touch points released** (App, reserved area, website, agency intranets)
- New **mobile sales** model available for the entire agency network
- **Integrated multichannel project launched: ~ 100,000 calls managed** by the contact centre in 2018 to support the agency network



MORE EFFECTIVE PHYSICAL DISTRIBUTION

- New '**UnipolSai 2.0 Agreement**' signed with **the entire agency distribution network**
- **Number of Agencies reduced** from 3,140 (FY 2015) to 2,615 (FY 2018) with an **increase in the average Non-Life portfolio** from **~2.0 €m to ~2.5 €m**
- Program launched to specialise the agency network by introducing **~ 1,100 professionals specialised in Family Welfare and SME**



EXCELLENCE OF THE BUSINESS OPERATING ENGINE

- **~ 46% of Motor claims settled using Telematics**
- **Medical networks supporting claim settlement** expanded (69 Medical Booking Centres and 99 Medical Booking Services)
- Investment in data and analytics skills (**100 new professionals hired**)



Strategic Plan 2016-2018: financial targets achieved

2019-2021 Strategic Plan – Results achieved

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Unipol
GRUPPO

1,847 €m cumulative net profit

on a consolidated normalised basis (vs. target 1,500 €m - 1,700 €m)

386 €m cumulative dividends

(vs. target ~ 400 €m)

Solvency ratio at 163%

(vs. target 120% - 160%)

UnipolSai
ASSICURAZIONI

1,866 €m cumulative net profit

on a consolidated normalized basis (vs. target 1,400 €m - 1,600 €m)

1,173 €m cumulative dividends

(vs. target ~ 1,000 €m)

Solvency ratio at 202%

(vs. target 150% - 200%)

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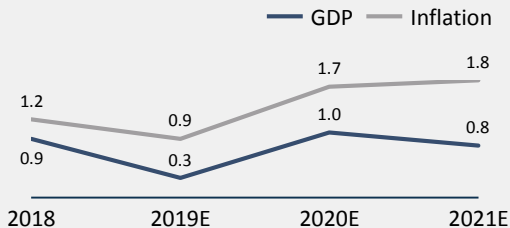


Macroeconomic scenario and financial assumptions underlying the 2019-2021 Industrial Plan

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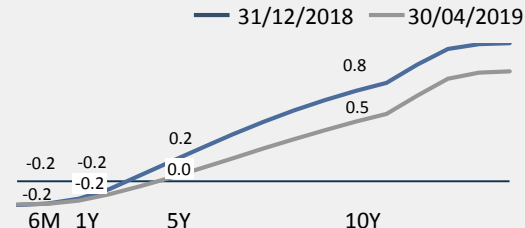
2019-2021 Strategic Plan – Market overview

Italian GDP and inflation (%)



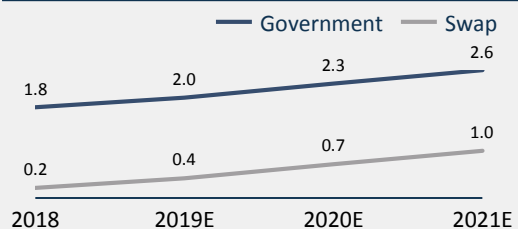
Forecast based on figures as at 31/12/2018

Swap rate curve (%)



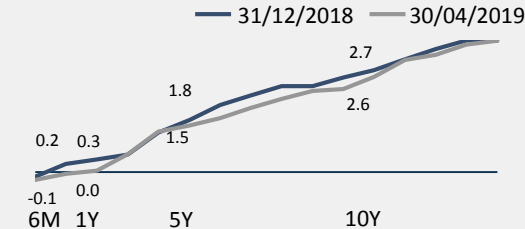
Curve as at 31/12/2018 and 30/04/2019

Italian government yield and swap rate – 5-year (%)



Forward rates based on the curve as at 31/12/2018

Italian sovereign yield curve (%)



Curve as at 31/12/2018 and 30/04/2019

Source: estimates of Unipol Group Research and Economic Department



Motor, Non-Motor and Life insurance market outlook 2019-2021

2019-2021 Strategic Plan – Market overview

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	PREMIUMS	PROFITABILITY	DISTRIBUTION CHANNELS
MOTOR			<ul style="list-style-type: none">> The agency channel will continue to grow and remain leader in the Non-Life market
NON-MOTOR			<ul style="list-style-type: none">> Growth in banking channel, especially in Non-Motor
LIFE			<ul style="list-style-type: none">> Leadership of the banking channel confirmed in the Life business> The agency channel will benefit from the overall growth in the Life market



Trends in the insurance market

2019-2021 Strategic Plan – Market overview

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CUSTOMERS

- **Very high user experience standards** set by digital leaders (e.g. Amazon, Apple, etc.)
- **New forms of asset ownership and use** (sharing economy)
- **Access to services 24/7 and from different channels** (hybrid Customer)



DIGITAL AND TECHNOLOGY

- **Internet of Things**
- **Artificial Intelligence**
- **Advanced Analytics and Big Data**
- **Robotization of business processes**
- **Blockchain**



COMPETITORS

- **Strong growth in the bancassurance channel**
- **New tech players in the market** (e.g. GAFA, InsurTech, etc.)



REGULATION

- **Distribution** (IDD/POG)
- **Payments** (PSD 2)
- **Privacy** (GDPR)
- **Accounting** (IFRS 17)



The insurance sector can still be profitable in today's decelerating macroeconomic environment but will have to deal with an evolving business

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INSURANCE LEADER

for market position in terms of both
non-life Customer base and market share

1ST Italian Non-Life
insurance Group



Leading Italian Group
in the Motor business

Leading Italian Group
in the Health business

1ST Agency Network



16 million Customers

1ST Group in technology applied to
insurance



European leader in telematics
with over 4 million black boxes



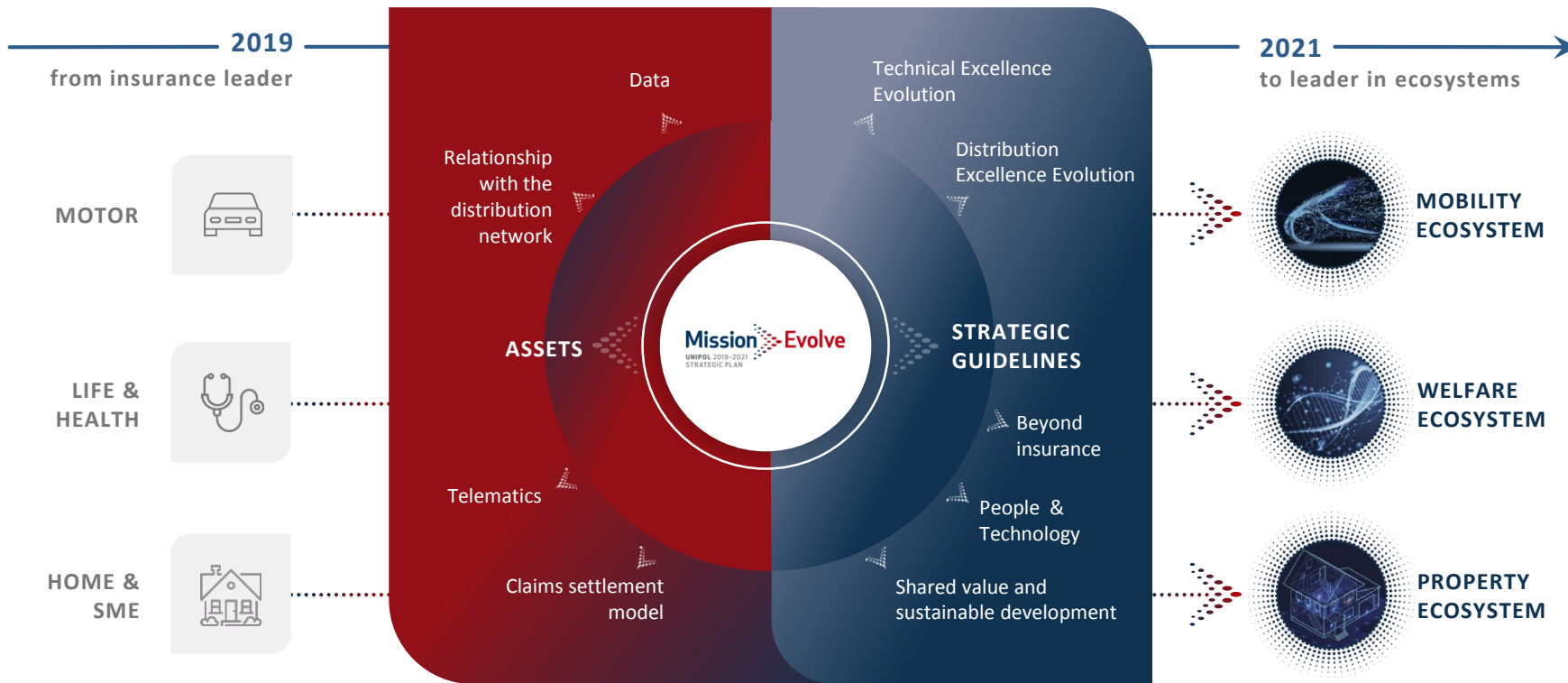
Leadership in insurance also based on Unipol best-in-class reputation



Mission Evolve: Strategy Framework

2019-2021 Strategic Plan – The strategic vision

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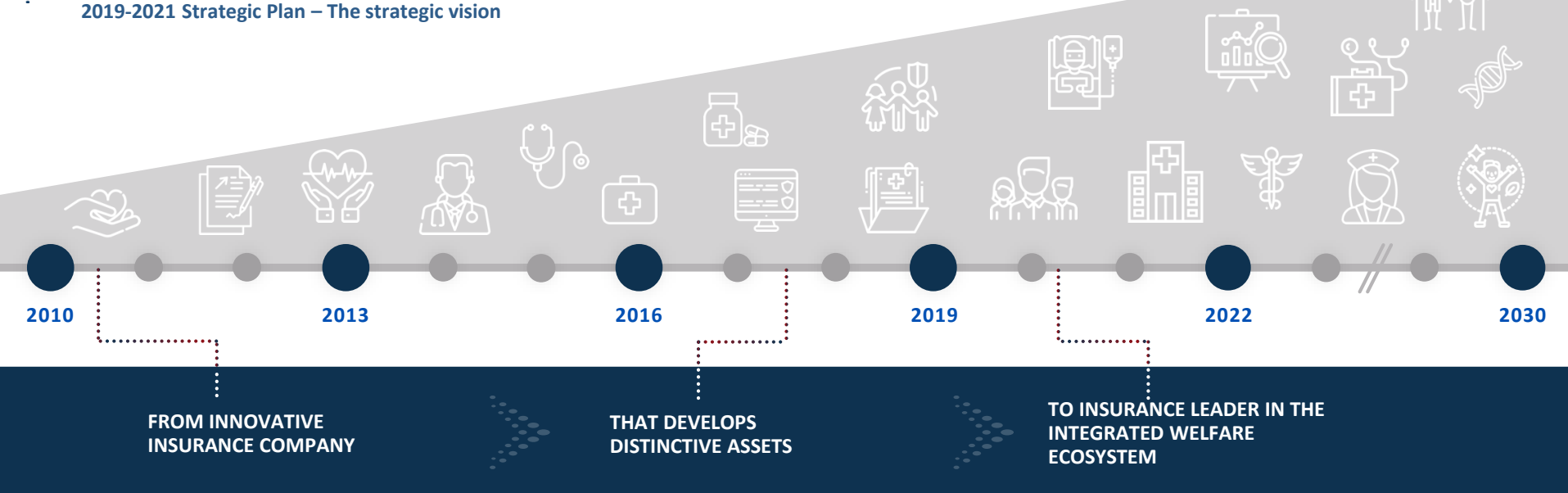
- ▶ Long-Term Rental
- ▶ Car broker
- ▶ Digital Payments
- ▶ New devices

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Group evolution in the Welfare ecosystem

2019-2021 Strategic Plan – The strategic vision

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- Consolidation of UniSalute's leadership position
- Management of third-party healthcare funds
- Development of a network of affiliated public and private facilities

- Establishment of SiSalute
- Commercial proposition to manage chronic illnesses
- Creation of modular customised prevention packages
- Proprietary specialist medical centres

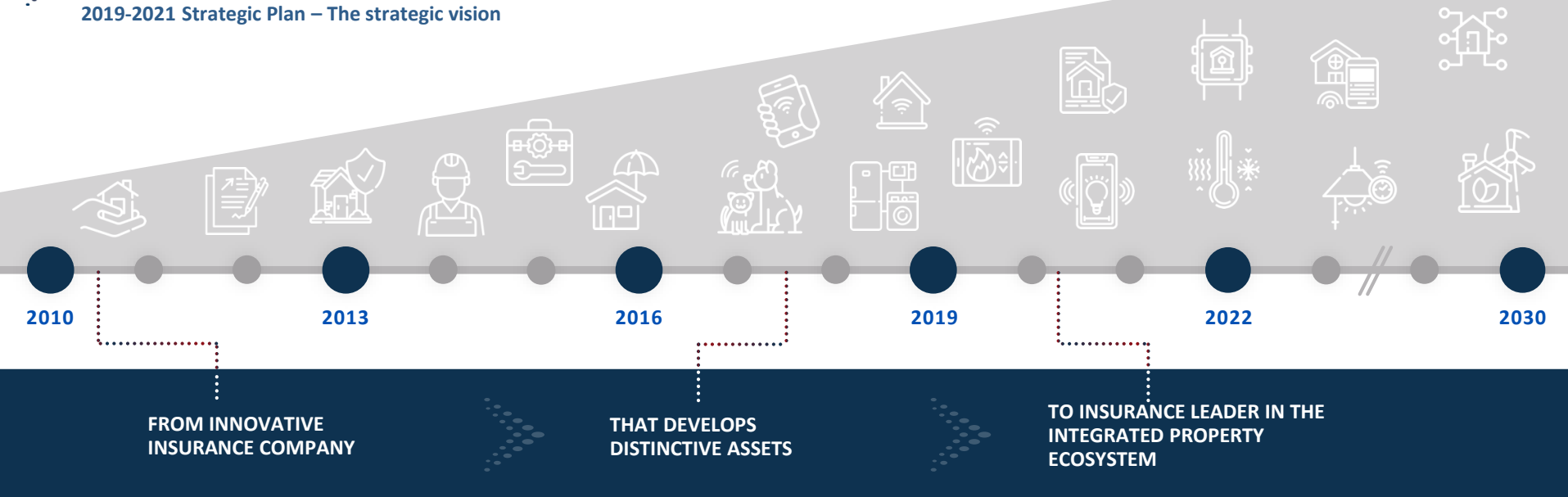
- Flexible benefits
- Medical centres development
- Expansion of industrial relations for welfare
- Support for non self-sufficiency

**INTEGRATED
WELFARE
ECOSYSTEM**

Group evolution in the Property ecosystem

2019-2021 Strategic Plan – The strategic vision

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- First Italian company to offer retail coverage for catastrophic events (earthquakes and flooding)
- Introduction of a product line with a flat rate for entry level coverage

- Telematics and home automation services for Homes, Businesses and Companies
- Direct repair service along with assistance
- Pet product with GPS device

- Energy Home Automation
- Personal Home Automation
- Anti-pollution air/ electrical Home Automation
- Utilities

**INTEGRATED
PROPERTY
ECOSYSTEM**

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Leader in terms of geographic coverage and professional competence of the Group distribution network, also thanks to the innovative “UnipolSai 2.0 Agreement”

Sales points
> 8,500

Insurance intermediaries
> 30,000



Settlement speed
> 86% Motor TPL
Property damage
> 52% Motor TPL
Bodily injury

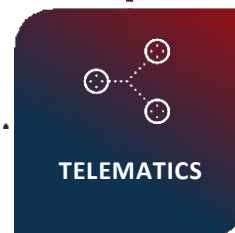
Leader in terms of quality and settlement speed

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EVOLUTION LEADERSHIP

Technological leadership in data management allowing the development of distinctive solutions in terms of products and services, pricing, claims management and sales targeting

Managed data
~ 350 TB



Black Boxes
> 4,0 m

Telematics leader as a distinctive element of Customer service, claim settlement processes efficiency and evolution of pricing models

Source: management figures 2018



Leader in geographic coverage and professional competence of the distribution network

2019-2021 Strategic Plan – Distinctive assets and strategic guidelines



RELATIONSHIP WITH THE
DISTRIBUTION NETWORK

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➤ Strategic partnership with the leading agency Network in Italy

also thanks to of the signing of the most **innovative agreement** between an insurance company and an agency Network: the UnipolSai 2.0 Agreement

➤ Significant investments to support the Network by the company

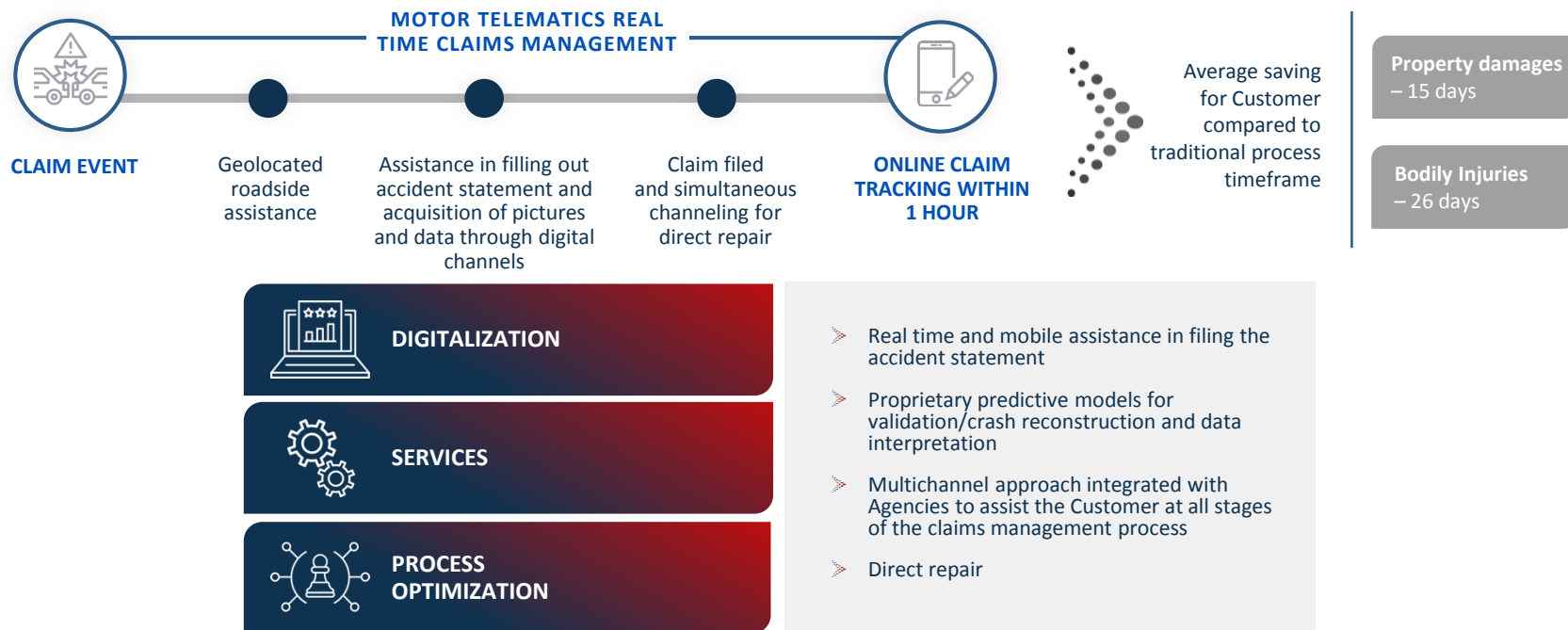
- ~ 400 managers supporting the Network
- ~ 30 €m cumulative IT investments in 2016-18 to digitalize processes



An UnipolSai sales point on average only 10 minutes from home

Development of a distinctive settlement service model in the Motor business

2019-2021 Strategic Plan – Distinctive assets and strategic guidelines



Double signature claims within the CARD agreement

We solve a Customer problem every 10 seconds



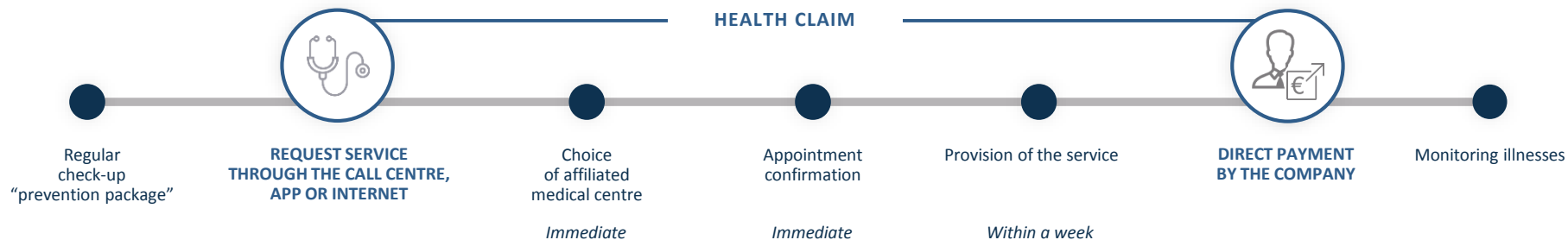
Development of a distinctive settlement service model in the Health business

2019-2021 Strategic Plan – Distinctive assets and strategic guidelines



CLAIMS
SETTLEMENT MODEL

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SERVICE ACCESSIBILITY



EVOLUTION OF PROCESSES



DEVELOPMENT OF AN AFFILIATED MEDICAL CENTRE NETWORK

- Innovative 'caring' models for Customers with chronic or long-term illnesses, including through IoT and Telemedicine
- Specific support centres specialised by Customer type, with over 20,000 calls managed every day
- ~ 10,000 participating facilities to offer increasingly better direct access to the services

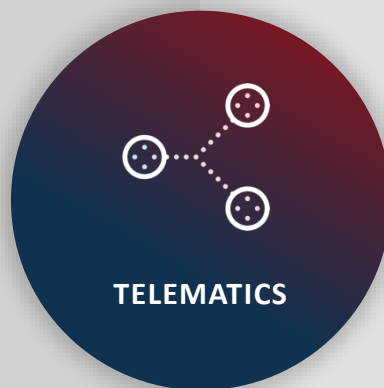


Telematics at the service of the Customer and the Company

2019-2021 Strategic Plan – Distinctive assets and strategic guidelines

Customer benefits

- **“Pay-as-you-drive” tariff** with up to 30% discount
- **Customer services**
 - Real time assistance to Customers in case of claim event
 - Geolocation of the vehicle and information on the journey
 - Finding vehicle in case of theft
 - Implementation of new services (house, health, agriculture, animals)
- **Better awareness of the real needs of Customers through:**
 - Analysis of big data
 - Use of data to develop specific proposals



Company benefits

- **Pricing sophistication** thanks to the portfolio risk size
- **Highly competitive tariffs** when UniBox is installed
- **High Customer retention rate** (+3 pp vs. market)
- **Reduction in the cost of claims**
 - Fraud reduction
 - Improvement of the claims mix (property vs injury)
 - Increase in settlement speed



We use telematics to create sustainable value for our Customers



Use of data to develop solutions with strong impacts on the business

2019-2021 Strategic Plan – Distinctive assets and strategic guidelines



DATA

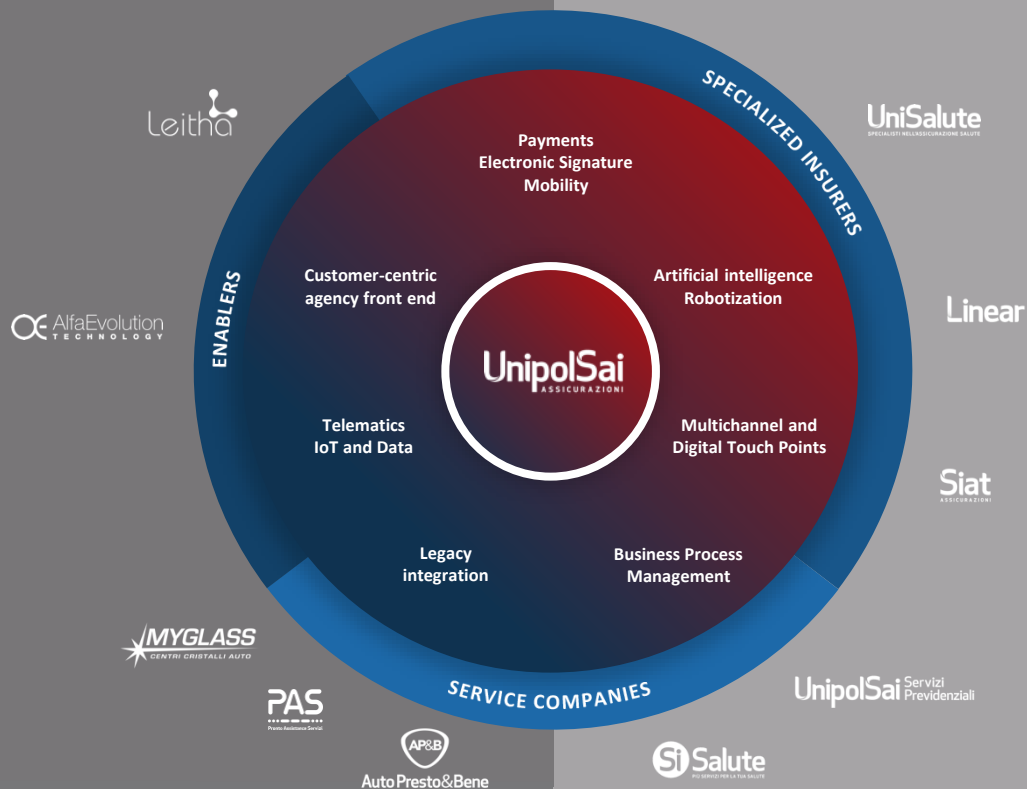
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EXAMPLES	INVESTMENTS	IMPACTS ON THE BUSINESS
Anti-fraud tool using graphs	➤ 100 data professionals hired	➤ ~ 6 €m per year in savings from additional detected frauds
Assessment of potential Customer value and propensity to purchase	➤ ~ 50 €m in IT investments for data in 2016-2018	➤ ~ 20% of high value Customers identified and segmented, to approach with a specific offer
Renewal bonus based on churn risk algorithm and expected profit margins	➤ Set-up of Leithà as the Group's competence centre in data analytics	➤ Further increase of 1.0 pp in the Motor retention rate (already market-leading)
Georeferencing for flood risks		➤ Greater ability to innovate in terms of products and services
		➤ Sophisticated pricing techniques



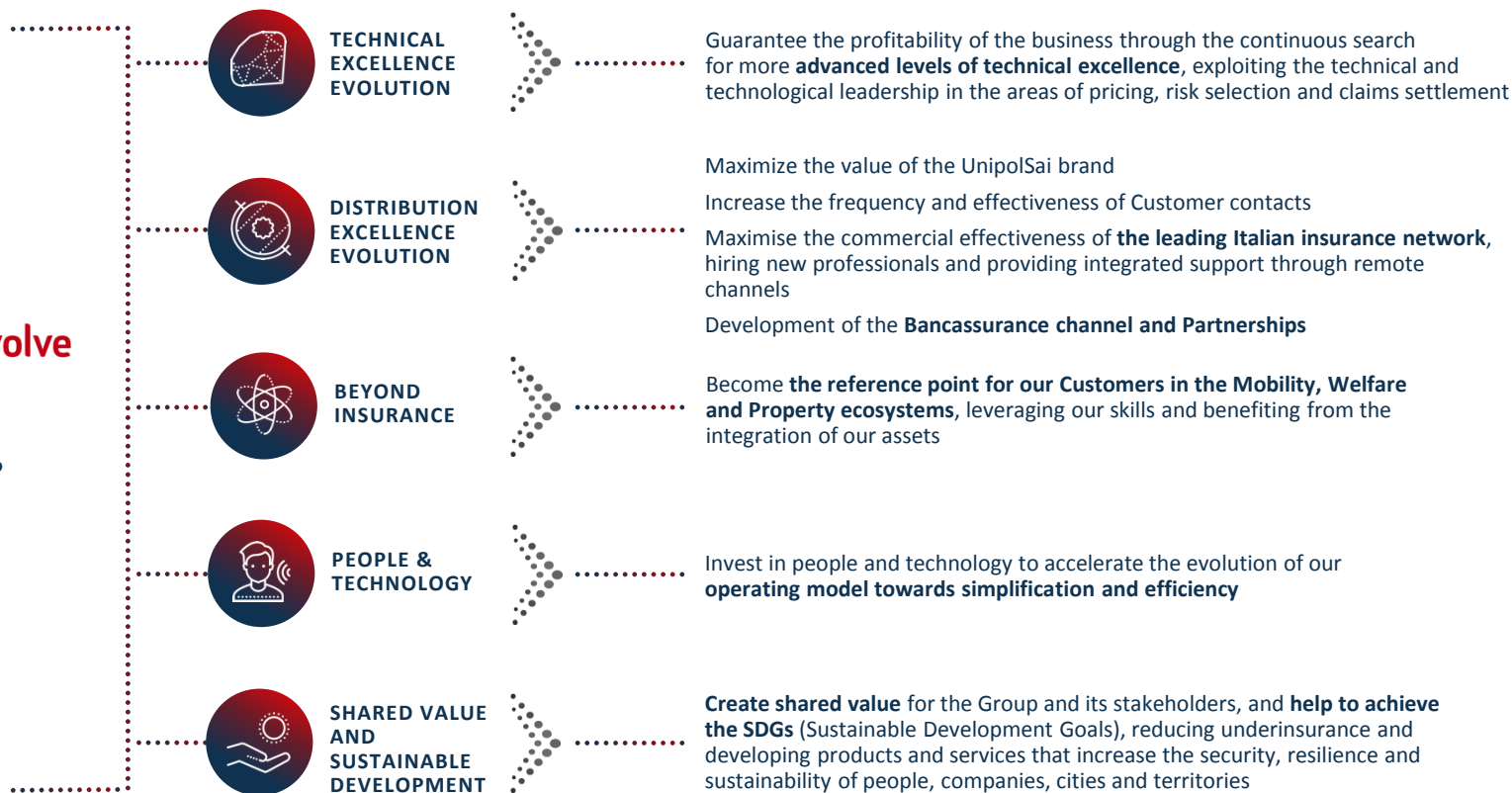
We invest in data with a concrete return for the business

INTEGRATED
FRAMEWORK BASED ON
THE GROUP'S SKILLS
AND DISTINCTIVE
ASSETS



TECHNOLOGY AS THE KEY
ELEMENT TO DEVELOP THE
BUSINESS MODEL AND
FACILITATE THE CREATION
OF INTEGRATED
ECOSYSTEMS

EVOLUTION LEADERSHIP



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Motor third party liability

- **Further pricing model innovation** leveraging new technical variables (e.g. micro geographical segmentation) and machine learning techniques
- **Innovative settlement processes** thanks to technology and internalisation of the Telematics margin
- **Promotion of best practices and convergence of the network's performance on settlements** for physical and material losses

Motor other damages

- **Pricing sophistication** in specific Motor OD guarantees and Assistance cover repricing
- Increase in **claim channelling** and evolution of **telematic settlements in Motor OD**

Target: CoR Motor

2018	94.9%
2021	~ 92.5%

Combined Ratio Motor TPL and Motor OD Direct Business Unipol Group

Confirm our leadership in a competitive, challenging environment also using Telematics and Data



Pricing and reforms

- Strong focus on **developing the high-margin retail segments**
- Dynamic pricing management of the **in-force business** to improve cover of the effective insured risk

Excellence in settlement processes

- Greater use of **direct repair techniques for Property and management of electrical event claims**

Innovative risk mitigation techniques

- **Innovative protection** of P&L from frequent **medium-level natural events, including through capital markets** (e.g. Atmos RE)

Target: CoR Non-Motor

2018	93.8%
2021	~ 90.0%

Combined Ratio Non-Motor Direct Business Unipol Group



Strengthen our leadership by integrating protection, technology and services

Welfare and Life proposition

- **Integrated view of the Customer across Life and Welfare** (specific BU has been established)
- **Integrated business model for the SME segment**, integrating corporate insurance services and products with Welfare services
- Development of the **Welfare model for the retail segment** through new products and services
- **New services** offered to generate further revenue areas and capture value of Customers' out-of-pocket healthcare expenditure
- **Digital** evolution of the Customer service model with a focus on **assistance, chronic illnesses and prevention**
- **Growth of Life income** by boosting distribution through the agency network and Family Welfare specialists
- Focusing on **Life income in the protection and pension segment**

Target: UnipolSai Life premium income

2018	3,129 €m
2021	~ 3,400 €m

Target: UniSalute premium income

2018	410 €m
2021	> 500 €m

Direct business income at UnipolSai S.p.A. solo level

Evolve towards an integrated proposition across Life and Welfare in SME and Retail

New business
management

- Evolution of advisory model 'from product to portfolio'
- Development of a pure risk range of products and services with additional cover for illness and non self-sufficiency risks

In-force
management

- Development of home insurance and payment system platform to **intensify Customer relations**
- Systematic **monitoring** of the product catalogue and **dynamic pricing**
- Agency network remuneration systems that reward **portfolio persistency**
- Review of collective agreement /pre-existing **pension fund conditions** at renewal

Target:
Present Value
Future Profit Margin

2018	2.2%
2021	~ 3.0%

Methodology for calculation of the Present Value Future Profit Margin aligned with Solvency II



Central role of the Agency Network

2019-2021 Strategic Plan – Insurance

Brand positioning

- Increase **investments in communication** to:
 - maximize the value of the UnipolSai brand as an innovation and service leader
 - generate commercial leads that allow significant growth

Targeting and multichannel

- **Intensification of commercial Customer contacts**, improving quality and effectiveness of proposals, based on:
 - **advanced Customer profiling**
 - use of **remote contact channels** (contact centre, Apps) integrated around the **centrality of the agency network**

Development of agency network structure

- **Strengthen territorial coverage** by promoting agency aggregations to increase size and presence across the country

Sales effectiveness of the agency network

- **Enhancement** of the agencies' commercial engine through the development and specialisation of the **sales force** (e.g. **Family Welfare, Business Specialist**) and of the **operating model**

Target: Non-Life premium income UnipolSai

2018	6,898 €m
2021	~ 7,300 €m

- **> 2.5 million leads** generated over the course of the plan
- **~ 50 million** Customer contacts per year
- **~ 2,000 salesforce specialists added** over the course of the plan
- **Over 1 million caring calls** to support the activities of the agency network per year

Direct business income at UnipolSai S.p.A. solo level

Confirm the central role of the leading Italian distribution network and support its evolution



Development of Bancassurance and Partnerships

2019-2021 Strategic Plan – Insurance

Bancassurance Arca

- **Maximize the value of distribution agreement** with BPER, Popolare di Sondrio and the other Banking partners
- **Integration of insurance** and banking products and services
- **Multichannel development** supporting **sales and marketing campaign** to increase product penetration
- Creation of **specific technical departments** to support BPER, Popolare di Sondrio and the other Banking partners

Bancassurance Incontra

- **Maximize the value of the distribution agreement** with UniCredit
- Strong ambition to **expand the range of distinctive products** (Individual Health Affluent, Mass and SME)
- **Investments** to update the **Company's operating engine** in terms of resources and information systems in order to support the banking channel

Partnerships Linear

- Development of **distribution agreements with players operating in other sectors** to maximize the value of mutual Customer bases
- Development of a **technological platform with a plug-and-play approach** to sell insurance products

Target: Premium income

Non-Life

2018	2021
120 €m	~ 160 €m

Life

2018	2021
1,077 €m	~ 1,600 €m

Non-Life

2018	2021
136 €m	~ 300 €m

Non-Life

2018	2021
180 €m	~ 220 €m

Direct business income



Distinctive positioning in Bancassurance and Partnership channels' growth path

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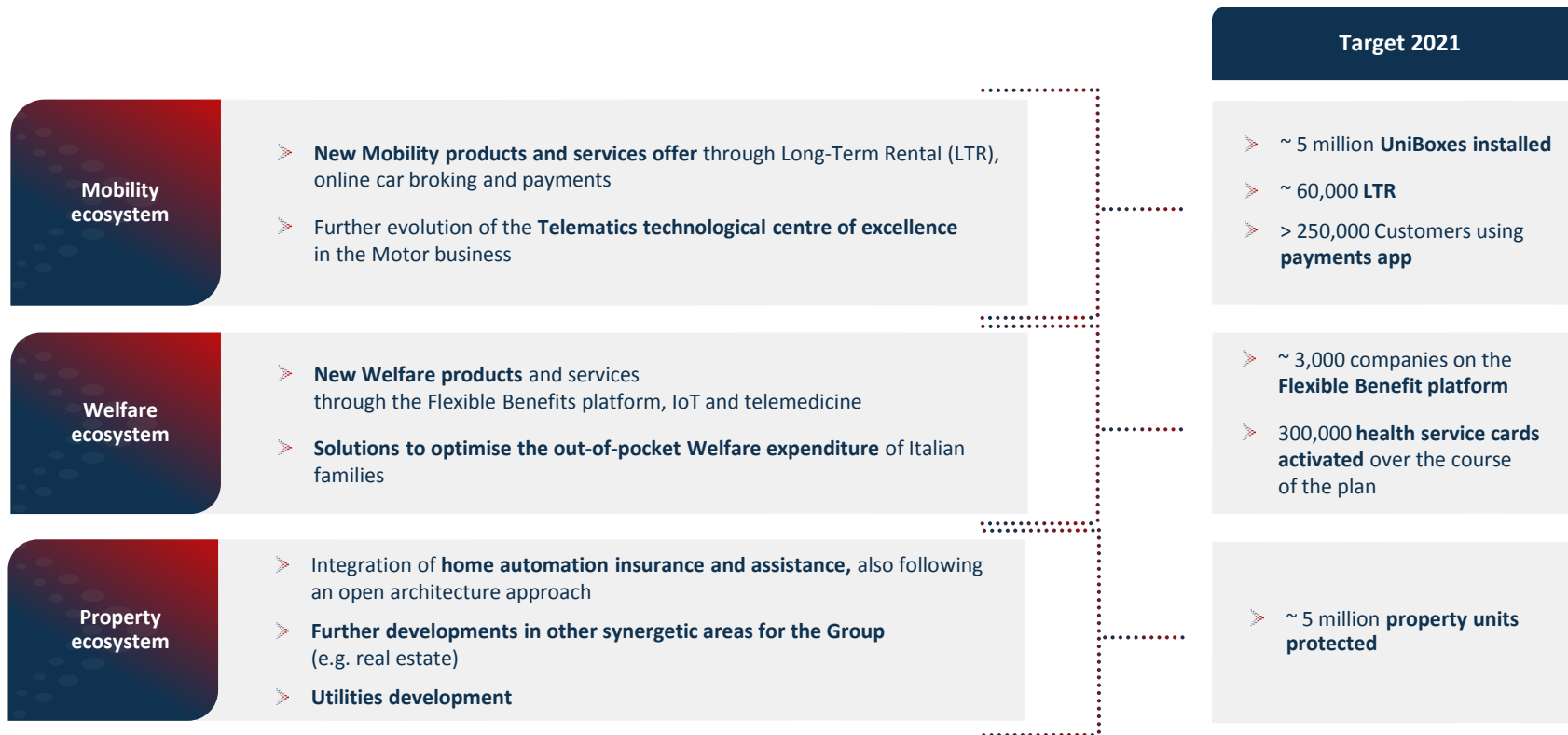
Development of Mobility, Welfare and Property ecosystems

2019-2021 Strategic Plan – Beyond insurance



BEYOND INSURANCE

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Establish ourselves as leader in the Mobility, Welfare and Property ecosystems



People and Technology evolution

2019-2021 Strategic Plan – Beyond insurance



People

Integrate the **skills and professional competence of our staff** with the new digital and emotional intelligence skills needed for the insurance of the future



Technology

Use **technology and automation** (e.g. artificial intelligence, RPA, etc.) to simplify the Company operating model

- > ~ 90 €m in provisions to the **Solidarity Fund** with ~ 600 forecasted voluntary exits
- > ~ 300 new colleagues hired in the **core** business areas
- > + 10% of **premium income** per employee
- > **Reduction of average age** by ~ 2 years
- > **Smart working**

- > **Over 200 €m IT investments** (+25% compared to the previous Plan) of which over 50 €m for **digitalization, process optimization and “core” systems evolution**
- > **Automation of the Group’s 100 most important processes**

WE WILL EVOLVE
refocusing our competences towards value-added activities








The impact on sustainable development and shared value

2019-2021 Strategic Plan – Beyond insurance



SHARED VALUE AND
SUSTAINABLE DEVELOPMENT

42

Contribution towards reaching the UN 2030 Agenda Sustainable Development Goals		Creation of concrete and measurable value		2018	2021
<div>3</div> <div>GOOD HEALTH AND WELL-BEING</div> <div></div>	<div>➤ Accessible solutions that integrate with public welfare, extending protection to a broader public and taking action in prevention</div> <div>➤ Widening distribution channels to reach new underinsured segments</div>	<div>Share of products with environmental and social value</div> <div>Increase the penetration of products with social and environmental impact on the overall insurance portfolio</div> <div>Premiums for products with a social and environmental impact on the total of the corresponding product families</div>	<div>22.7%</div>	<div>30%</div>	
<div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	<div>➤ Support for boosting the business and resilience of the agencies</div> <div>➤ Development of predictive models for climate risk for companies to increase the resilience of various sectors</div>	<div>Finance for the SDGs</div> <div>Increase in thematic investments for the SDGs</div> <div>Invested in support of Agenda 2030, in accordance with the upcoming EU Taxonomy rules</div>	<div>326 €m</div>	<div>600 €m</div>	
<div>11</div> <div>SUSTAINABLE CITIES AND COMMUNITIES</div> <div></div>	<div>➤ Integrated mobility products and services for individuals and companies, for greater security and sustainability of towns and people, also by exploiting the value of data generated through public-private partnerships</div>	<div>Reputational index</div> <div>Public perception of the company in the various sectors in which it operates</div> <div>Reputation score among general public, according to RepTrak® methodology</div>	<div>69</div>	<div>> average insurance business</div>	



Create shared value with stakeholders through business strategies that make a concrete contribution towards the sustainable development of people, businesses and territories



Strategic Asset Allocation

2019-2021 Strategic Plan – Beyond insurance

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Unipol
GRUPPO

UnipolSai
ASSICURAZIONI

Asset class	2018	2018	2021	Investment strategy
Government Bonds	60.4%	61.4%	➔	Slight increase in the government component over the course of the Plan
Corporate Bonds	23.6%	24.4%	↔	Stable with selective approach, characterized by high diversification
Equity	3.2%	3.1%	↔	Stable with focus on companies with high market cap and steady dividend yield
Real Estate	7.5%	7.7%	➔	Maximize the value of the non-instrumental real estate assets
Real Assets and Alternative Investments	1.6%	1.7%	➔	Increase in Real Assets investments with a liability driven approach and with considerable risk-adjusted return
Liquidity	3.7%	1.7%	➔	More efficient use of liquidity at Group level



Income stability combined with long-term value creation,
while protecting the Solvency II ratio and reducing Own Funds volatility

UNA Group

Development strategy

- **Leading Italian hotel chain**, with over 5,000 rooms in 40 hotels, resorts and aparthotels across 22 destination in 10 regions
- **Property portfolio to be expanded, through both direct management and management /franchising contracts** in prestigious metropolitan areas and leading tourist destinations
- **Overall investments** over the life of the Plan of **~ 28 €m** for **further improvements in service and product quality standards**



Target

Ebitda

2018	2021
~ 4	~ 15

UnipolReC

Search for value

- **Maximize and internalize the value of the NPL portfolio** under management
- **Run-off expected in the Gross Book Value** over the plan of **~ 1,500 €m**
- **Differentiated recovery strategies** in accordance with the type of loan (secured or unsecured), the size (large, medium and small), the type of counterparty (companies, private individuals) and the recovery methods (internal management, sale, repossession)
- **Operating model that integrates skills in credit management, real estate, intelligence information and transactions**



Target

Coverage ratio

2018	2021
84% ^a	~ 85%

Recovery ratio

2018	2021
31%	~ 30%

Mission > Evolve

UNIPOL 2019-2021
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Always one step ahead

Results achieved

Market overview

The strategic vision

Distinctive assets and strategic guidelines

The 2019-2021 Industrial Plan

Future targets

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Insurance KPIs

2019-2021 Strategic Plan – Future targets



	Target 2021	Δ vs 2018
Non-Life premiums	~ 8,700 €m	~ +750 €m
<i>of which Motor</i>	~ 4,400 €m	~ +220 €m
<i>of which Non-Motor</i>	~ 4,300 €m	~ +530 €m
CoR Non-Life (net of reinsurance)	~ 93%	~ -1.2%
Life premiums	~ 5,000 €m	~ +750 €m
Present Value Future Profit Margin	~ 3.0%	~ +0.8%



Financial targets 2019-2021

2019-2021 Strategic Plan – Future targets

	Unipol GRUPPO	UnipolSai ASSICURAZIONI
Cumulative consolidated net profit	~ 2,000 €m ^a	~ 2,000 €m
Cumulative dividends ^b	~ 600 €m	~ 1,300 €m
Solvency II ratio	140% - 160%	170% - 200% ^c

^a Considering the consolidation of BPER Banca based on equity method with a share of around 20% and without the positive accounting impact coming from goodwill valuation

^b Implicit dividend yield based on market prices of May 2019 over 6% for both Unipol Gruppo and UnipolSai

^c Consolidated Solvency II ratio based on economic capital

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UNIPOL 2019-2021
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Closing Remarks

2019-2021 Strategic Plan – Closing remarks

In an increasingly
CHALLENGING
insurance industry

counting on
our **ASSETS**

and our ability
to **EXECUTE**

we will strengthen
our **LEADERSHIP**

also extending
towards new
integrated **ECOSYSTEMS**

- Low economic growth
- More demanding Customers with changing requirements
- New competitors
- Innovative agreement with Agents
- Integrated management of proprietary data
- Best reputation in Italy among insurance companies and banks
- Capacity to achieve the targets set out in the Business Plans
- Non-life insurance leader in Italy
- Leader in number of agents and non-life insurance Customers in Italy
- Black box leader in Europe
- Leader in sustainability
- Evolution in the Mobility ecosystem
- Evolution in the Welfare ecosystem
- Evolution in the Property ecosystem

Unipol
GRUPPO



ALWAYS ONE STEP AHEAD



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9M19 Consolidated Results

Notice:

Unless otherwise specified:

- *all figures reported in the presentation refer to the Unipol Group*
- *9M18, FY18 and 9M19 figures and variations are reported on the basis of the current perimeter*



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2019-2021 Strategic Plan



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Appendix

Consolidated results by sector – normalised

9M19 Consolidated Results

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€m

UNIPOL

	9M18	9M19	
Consolidated pre-tax result	727	796	
<i>Non-life</i>	588	603	
<i>Life</i>	261	217	
<i>Holding and other</i>	-121	-23	
Consolidated net result	503	577	+14.6%
Group net result	363	450	+24.0%

UNIPOLSAI

	9M18	9M19	
Consolidated pre-tax result	800	793	
<i>Non-life</i>	589	598	
<i>Life</i>	262	219	
<i>Other</i>	-52	-23	
Consolidated net result	566	576	+1.8%
Group net result	527	557	+5.7%



Consolidated results – normalised and actual

9M19 Consolidated Results

52

€m

UNIPOL

	9M18	9M19	
Consolidated net result			
Normalised	503	577	Normalised
<i>gain on Pop. Vita sale</i>	<i>+309</i>	<i>+413</i>	<i>BPER 1st consolid. impact</i>
<i>perimeter normalisation ^a</i>	<i>+31</i>	<i>-67</i>	<i>Solidarity Fund</i>
Actual	843	923	Actual
Group net result			
Normalised	363	450	Normalised
<i>gain on Pop. Vita sale</i>	<i>+249</i>	<i>+380</i>	<i>BPER 1st consolid. impact</i>
<i>perimeter normalisation ^a</i>	<i>+27</i>	<i>-54</i>	<i>Solidarity Fund</i>
Actual	639	775	Actual

UNIPOLSAI

	9M18	9M19	
Consolidated net result			
Normalised	566	576	Normalised
<i>gain on Pop. Vita sale</i>	<i>+309</i>	<i>--</i>	<i>--</i>
<i>perimeter normalisation ^a</i>	<i>-12</i>	<i>-67</i>	<i>Solidarity Fund</i>
Actual	862	509	Actual
Group net result			
Normalised	527	557	Normalised
<i>gain on Pop. Vita sale</i>	<i>+309</i>	<i>--</i>	<i>--</i>
<i>perimeter normalisation ^a</i>	<i>-8</i>	<i>-67</i>	<i>Solidarity Fund</i>
Actual	828	490	Actual

^a Perimeter normalisation refers to Popolare Vita, Arca and Unipol Banca results



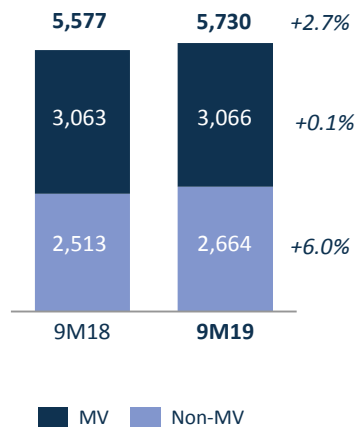
Non-Life premiums – direct business

9M19 Consolidated Results

53

€m

Direct premium income



Premiums by business line

	€m	%	Var%
Mobility	3,302	58%	+1.2%
Motor	3,066	54%	+0.1%
Other	236	4%	+17.6%
Welfare ^a	972	17%	+9.5%
Health	503	9%	+16.0%
Accident	469	8%	+3.3%
Property	1,455	25%	+2.2%
Fire/other damage	778	14%	+0.9%
General TPL	458	8%	+2.4%
Other	219	4%	+6.4%
Total	5,730	100%	+2.7%

Premiums by company

	€m	%	Var%
UnipolSai S.p.A.	4,868	85%	+0.9%
UniSalute	310	6%	+4.0%
Linear	138	2%	+3.7%
Incontra	139	2%	+81.0%
Arca Assicurazioni	99	2%	+14.9%
Siat, DDOR & PA	175	3%	+9.8%
Total	5,730	100%	+2.7%

Premiums by distribution channel

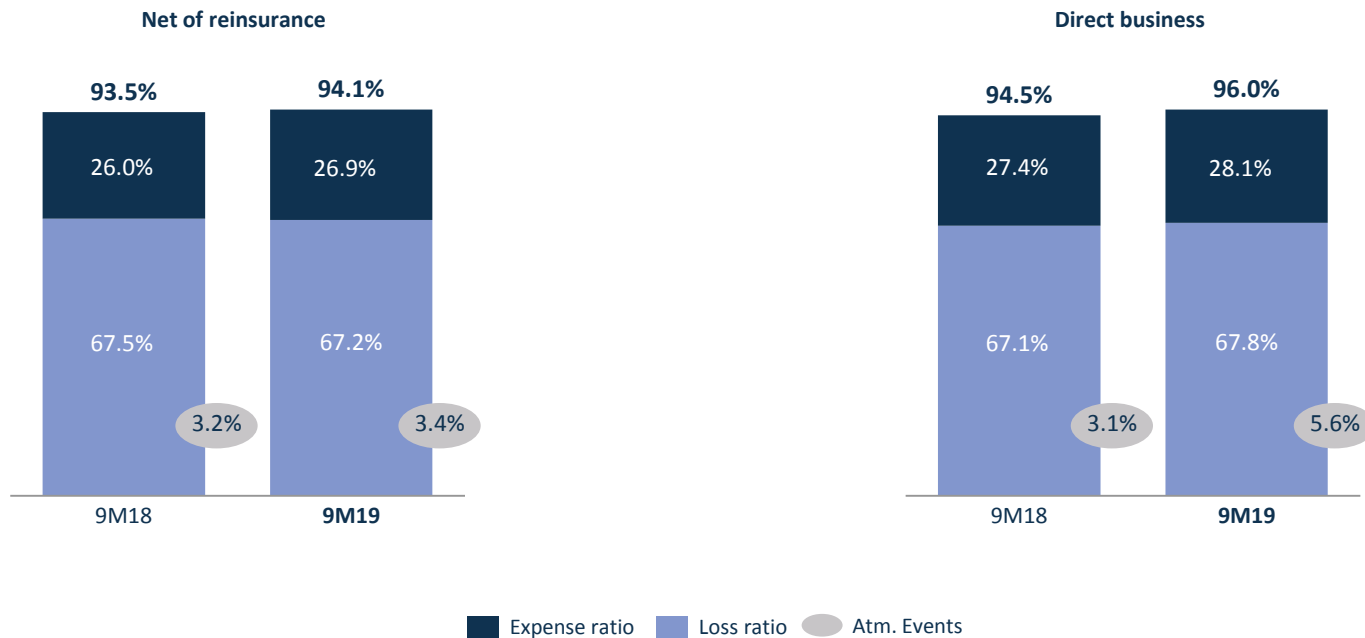
	€m	%	Var%
Agents	4,646	81%	+0.6%
Brokers/Head Office	637	11%	+7.2%
Bancassurance	238	4%	+46.0%
Direct and other	208	4%	+4.9%
Total	5,730	100%	+2.7%

^a The whole Welfare ecosystem also includes Life business for a total of 5.3 €bn Operating figures



Non-Life combined ratio

9M19 Consolidated Results



Combined ratios do not include Solidarity Fund charges.

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

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

Operating figures

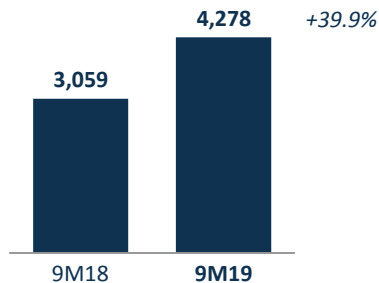


Life income

9M19 Consolidated Results

€m

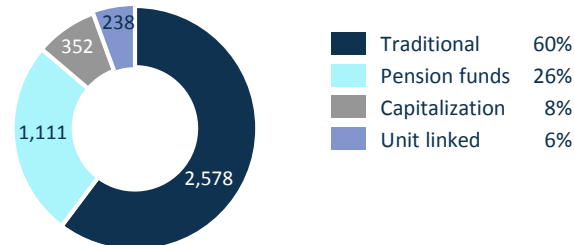
Direct premium income



Premiums by company

	€m	%	var%
UnipolSai S.p.A.	3,041	71%	+39.5%
Arca Vita + AVI	1,169	27%	+44.1%
Other companies	68	2%	+0.8%
Total	4,278	100%	+39.9%

Premiums by line of business



Premiums by distribution channel

	€m	%	var%
Agents	1,260	29%	+26.1%
Bancassurance/Fin. advisors	1,403	33%	+37.9%
Pension funds	1,064	25%	+114.0%
Brokers/Head Office	540	13%	+2.6%
Other	12	0%	-38.1%
Total	4,278	100%	+39.9%



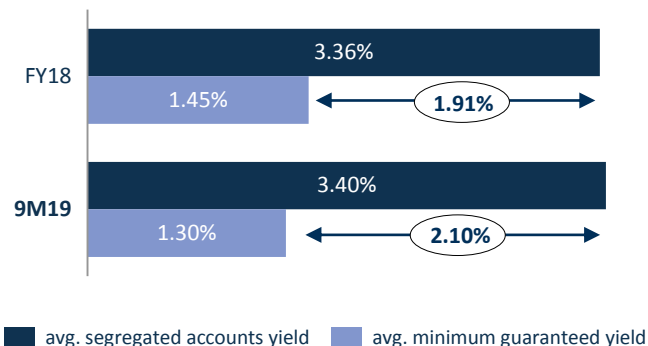
Life segregated accounts and minimum guaranteed yields

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€m

Segregated accounts and minimum guaranteed yields



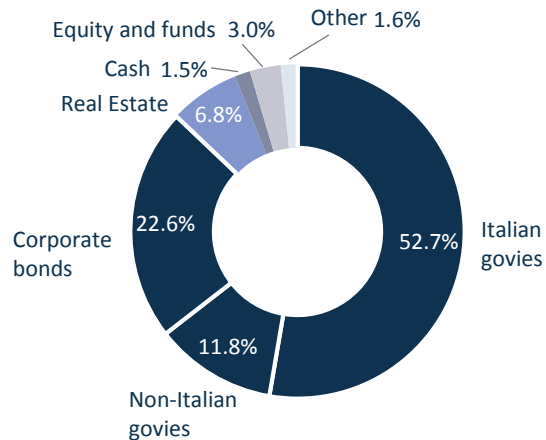
Technical reserves by minimum guaranteed ^a

Min. guar. yield	FY18		9M19	
	€bn	%	€bn	%
0%-1%	14.2	45%	16.6	52%
1%-2%	9.2	29%	7.7	24%
2%-3%	6.0	19%	5.5	17%
>3%	2.3	7%	2.2	7%
Total	31.7	100%	32.1	100%

^a Class I and Class V technical reserves
Operating figures



Total investments 58.9 €bn



Total bonds 87.1%

Financial investment yields

	Non-Life		Life		Total	
	€m	Yield	€m	Yield	€m	Yield
Coupons and dividends	296	3.2%	878	3.4%	1,183	3.3%
Realized and unrealized gains/losses	30	0.3%	45	0.2%	128	0.3%
Total	327	3.5%	923	3.6%	1,311	3.6%

Total investments duration (years)

	Non-Life	Life	Total
Assets	3.6	7.7	6.4
Liabilities	2.9	9.2	7.4
<i>Mismatch</i>	<i>1.3</i>	<i>-0.9</i>	<i>-0.4</i>

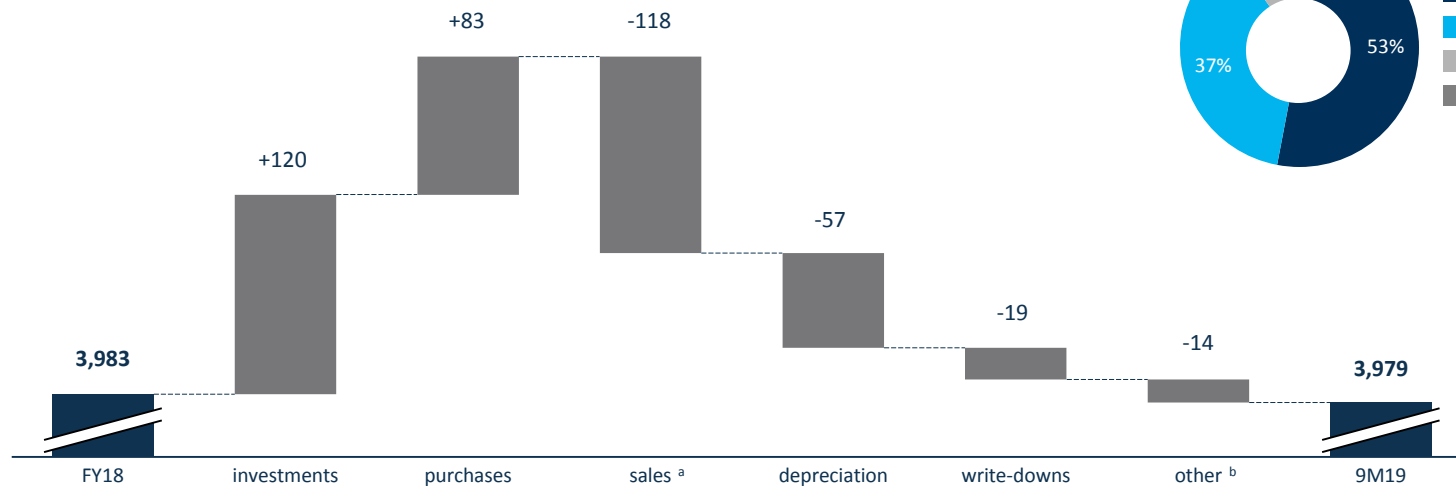
Total investments include assets pertaining to UnipolSai Group and Unipol S.p.A.
Operating figures



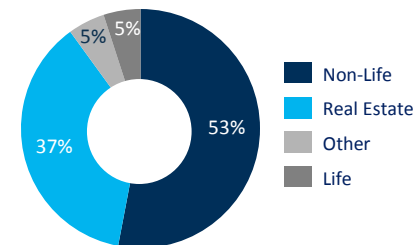
Total portfolio 4.0 €bn

Development of RE portfolio

€m



Breakdown by sector



^a N. 102 deeds as at 30 September 2019

^b Including exchange variation and operations on RE funds and associated SPV
Operating figures



€m

Incl. the portfolio acquired
from BPER ^a 1.2 €bn loans**NPEs stock**

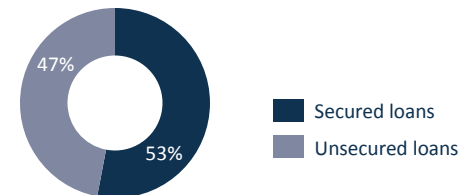
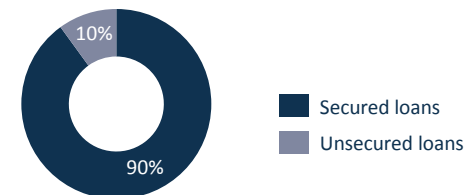
	FY18	9M19
Gross loans	2,590	3,563
Net loans	490	536
Coverage ratio	81%	85%

NPEs collection

	9M18	9M19
Collections	79	83
NPEs reduction (GBV)	250	266
Collections/GBV	32%	31%

Net result

	9M18	9M19
Net result	5	11

**Portfolio
breakdown****Collections
breakdown**



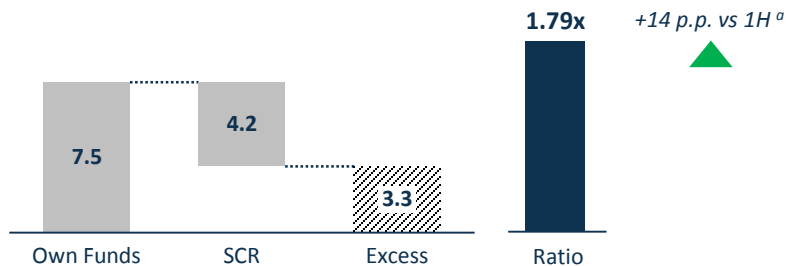
Solvency 2

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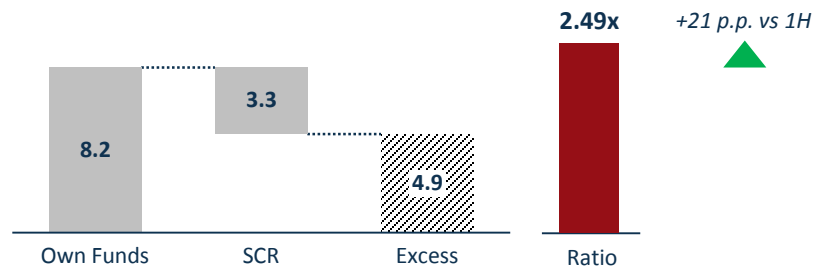
60

€bn

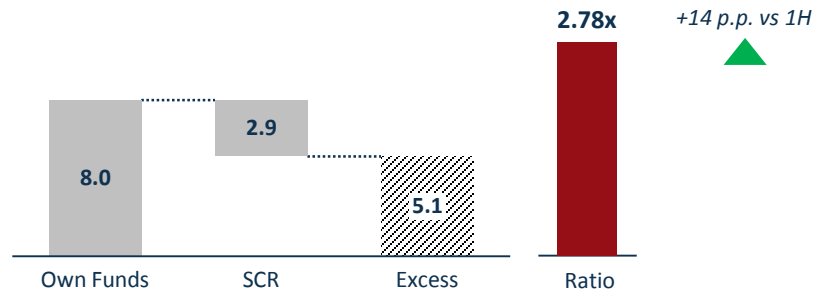
UNIPOL (consolidated) – Partial internal model



UNIPOLSAI (consolidated) – Economic capital



UNIPOLSAI (solo) – Partial internal model



^a 1.65x 1H19 pro-forma ratio after Unipol Banca sale (31 July 2019)

Mission Evolve

UNIPOL 2019-2021
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€m

UNIPOL

	9M18	9M19
Premium income ^a	8,636	10,008
Non-Life	5,577	5,730
Life	3,059	4,278
Combined Ratio ^b	93.5%	94.1%
Consolid. Net Result	843	923
Group Net Result	639	775
Cons. Net Result (norm.) ^c	503	577
Group Net Result (norm.) ^c	363	450

	FY18	9M19
Total Equity	6,327	8,286
Shareholders' Equity	5,032	6,677

^a Direct business

^b Net of reinsurance

^c Ref. p. 52 for details on normalisation

UNIPOLSAI

	9M18	9M19
Premium income ^a	8,636	10,008
Non-Life	5,577	5,730
Life	3,059	4,278
Combined Ratio ^b	93.5%	94.1%
Consolid. Net Result	862	509
Group Net Result	828	490
Cons. Net Result (norm.) ^c	566	576
Group Net Result (norm.) ^c	527	557

	FY18	9M19
Total Equity	5,697	6,997
Shareholders' Equity	5,448	6,726



Outstanding debt instruments - Unipol S.p.A. and UnipolSai S.p.A.

Appendix

€m

Issuer	Listed ^a	Amount	Sub./Sen./Hyb.	Maturity	Coupon	Tier
UnipolSai (ex Fondiaria Sai)	✓	320	Sub.	Jul, 2023	Eur6M+180bps	Tier I
UnipolSai (ex Unipol Ass.ni)	✓	300	Sub.	Jun, 2021	Eur3M+2.50%	Tier II
UnipolSai (ex Unipol Ass.ni)	✓	262	Sub.	Jul, 2023	Eur3M+2.50%	Tier II
UnipolSai	✓	750	Hyb.	--	5.75%	Tier I
UnipolSai	✓	500	Sub.	Mar, 2028	3.875%	Tier II
Total UnipolSai S.p.A.		2,132				
Unipol	✓	317	Sen.	Mar, 2021	4.375%	Senior
Unipol	✓	1,000	Sen.	Mar, 2025	3.00%	Senior
Unipol	✓	500	Sen.	Nov, 2027	3.50%	Senior
Total Unipol S.p.A.		1,817				
Total UnipolSai S.p.A. + Unipol S.p.A.^b		3,949				

^a Listed on the Luxembourg Stock Exchange

^b Excluding intercompany debt



Unipol Subsidiaries



UnipolSai: Non-Life and Life insurance company and holding company of the UnipolSai Group

Premiums: 10 €bn
Network: 2,500 agencies



UnipolReC: company focused on the recovery of banking loans

Loans: 536 €m at 9M19^a
Tangible Book Value: 0.4 €bn

UnipolSai Subsidiaries



Arca Vita: Bancassurance company (JV among Unipol, Banca Pop. Emilia, Banca Pop. Sondrio and other popolari banks) selling Life products (esp. savings products and pension schemes).

Premiums: 1.027 €m
Network: over 2,800 banking branches



Arca Assicurazioni: Bancassurance company (JV among Unipol, Banca Pop. Emilia, Banca Pop. Sondrio and other popolari banks), controlled by Arca Vita, selling MV, household and capital protection.

Premiums: 120 €m
Network: over 2,800 banking branches



Linear: Non-Life direct insurance company, which sells MV and Non-Motor products via Internet

Premiums: 180 €m
5th direct insurance company in Italy



UniSalute: Leader in Health insurance, operating in Italy through a network of agreed health centres, clinics and hospitals

Premiums: 410 €m; 3rd health ins. co. in Italy; 1st incl. UnipolSai health premiums



^a Including the NPL portfolio acquired from BPER on 31 July 2019



Unipol Group Subsidiaries

Appendix

UnipolSai Subsidiaries (continued)

	<p>Incontra: Insurance company resulting from the joint venture with Unicredit Group, focusing on Non-Life covers, especially credit protection and health</p>	<p>Premiums: 136 €m Network: 2,164 banking branches</p>
	<p>DDOR: Serbia-based insurance company, offering Non-Life and Life products through around 100 agencies</p>	<p>Premiums: 96 €m</p>
	<p>BIM Vita: Private Insurance Company resulting from the joint venture with Banca Intermobiliare which sells Life insurance products, with focus on pension schemes and savings</p>	<p>Premiums: 71 €m</p>
	<p>AlfaEvolution: The company is the standard bearer for technological evolution linked to telematics at UnipolSai and the other Group companies</p>	<p>Partner network: almost 2,700 centers</p>
	<p>Auto Presto&Bene: Company fully owned by UnipolSai providing customer services for MV claims handling</p>	<p>Partner repair centers: around 2,700 Claims managed: over 137,000</p>
	<p>MyGlass: UnipolSai in-house network focused on installation, repair and replacement of vehicle glasses</p>	<p>Repair centers: over 200 Claims managed: over 120,000</p>
	<p>Car Server: Long-term car rental company fully owned by UnipolSai (acquisition finalised on 1 August 2019)</p>	<p>No. of vehicles: over 50,000 Total revenues: 301 €m</p>



This presentation contains information and data, expectations, estimates, forecasts of results and events reflecting the current views and assumptions of Company Management.

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The company perimeter covered by the information contained herein should be understood as the current one, except for Unipol Banca, for which the effects of the sale, currently being finalised, have already been taken into account.

Pursuant to Article 154-bis, second paragraph, of the “Consolidated Law on Financial Intermediation”, Maurizio Castellina, financial reporting manager of Unipol Gruppo S.p.A. and UnipolSai Assicurazioni S.p.A., hereby declares that the information relating to the Company’s financial statements in the presentation corresponds to the accounting records.



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

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