



**Consolidated interim
financial report
at 30 June 2022**





**Unipol Gruppo S.p.A.
Consolidated interim
financial report at 30 June 2022**

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

Company bodies

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GENERAL MANAGER		Matteo Laterza
BOARD OF STATUTORY AUDITORS	CHAIRMAN	Mario Civetta
	STATUTORY AUDITORS	Maurizio Leonardo Lombardi Rossella Porfido
	ALTERNATE AUDITORS	Massimo Gatto Luciana Ravicini
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INDEPENDENT AUDITORS		EY SpA

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Macroeconomic background and market performance

Macroeconomic background and market performance

Over the course of 2021, global economic growth was 5.9%, making it possible to recover the levels of economic activity prior to the pandemic. However, starting from 2022, there were signs of a slowdown, with GDP growing, compared to the previous quarter, by 0.3% in the first quarter and by 0.1% in the second quarter. The origin of the slowdown in growth is to be attributed to the deterioration of the global geo-political scenario (the war in Ukraine and the sanctions on the Russian Federation) and to the prolonged supply difficulties in the value chains (accentuated by the Zero-Covid policies implemented by China), factors that led to a sharp increase in the prices of both raw materials and components, determining negative effects on economic growth.

In the United States, GDP increased by 5.7% in 2021. In the first quarter of 2022, GDP fell by 0.4% on the previous quarter, a slowdown that continued in the second quarter with a drop of 0.2% on the first quarter. The slowdown is mainly due to lower trade with China, which led to a sharp drop in net exports. However, rising inflation (+8.3% on average in the first half of 2022), which in June rose to 9.1%, also contributed in a significant way. One of the causes of the high inflation rate was a tight labour market, with unemployment standing at 3.6% in June. In response to rising prices, the Fed has made its monetary policy direction more restrictive, bringing its bond buying programme to an end (starting a tightening process on the bonds held) and hiking the Fed Funds rate from 0-0.25% in December 2021 to 1.50-1.75% in June 2022 and, lastly, to 2.25-2.50% in July 2022.

In China, after the strong growth in GDP of 2021 (+ 8.4%), the new epidemic waves and the Zero-Covid policies (which are leading to lockdowns and restrictions to contain the spread of the virus) led, in the first half of 2022, a significant slowdown in growth. In the first quarter, growth was 0.4% compared to the previous quarter, while in the second quarter it fell by 0.7% compared to the first quarter. The decreased growth in economic activity in the first half of the year resulted in an inflation rate that is limited (+1.7% on average) but in continuous increase as a result of tensions on prices in international markets, up to 2.5% in June. In this context, the unemployment rate in the first half stood at 5.7% on average, with a slight decline in June (5.5%). During this phase, the Chinese economy grew on average less than the total of the bloc of emerging countries, which recorded a GDP quarterly change of 0.9% in the first quarter and of -0.2% in the second quarter.

In 2021, Japan recorded an economic growth of 1.7%. In the first quarter of 2022, GDP fell by 0.1% compared to the previous quarter due to the decline in investments and net exports, while in the second quarter of 2022, GDP was estimated to have grown by 1% compared to the previous quarter. In this context, the unemployment rate in the first half stood at 2.6% on average, a value confirmed also for June. The average inflation rate in the first half was 1.7%, with significant growth in the second quarter and 2.4% in June. Nonetheless, the Bank of Japan has confirmed an accommodating monetary policy, maintaining the policy rate at -0.1% in June.

In the Eurozone, after the rebound in GDP observed in 2021 (+ 5.3%), the economy continued to grow also in the first half of 2022. In spite of the economic effects of the war in Ukraine, the economy is still being supported by an expansionary fiscal policy and a booming real estate market. In particular, in the first quarter of 2022 there was a growth of 0.6% on the previous quarter, while in the second quarter the quarterly growth was 0.7%. In this context, the job market continued to be particularly dynamic, with an unemployment rate which was down to 6.8% in the first quarter and further down to 6.6% in May. However, the inflation rate rose significantly, with an average of 7.1% in the first half of the year and 8.6% in June. To limit price increases, the ECB suspended its bond buying, as part of the PEPP as well as the APP, and in July raised rates by 50-basis-point, as well as announcing a further increase in rates in September, whose extent will be evaluated on the basis of inflation rate data.

Italian GDP grew by 6.6% in 2021, but this did not allow recovery to reach pre-pandemic levels. During the first quarter of 2022, GDP grew by 0.1% compared to the previous quarter, before accelerating in the second quarter with a 1% growth compared to the previous quarter thanks to the positive contribution of the industrial sector and services. In this context, the unemployment rate continued to fall, from an average of 8.5% in the first quarter of 2022 to 8.1% in May. However, similarly to other European countries, there was a sharp increase in the inflation rate mainly due to the

energy component, such that, in the first half of 2022, the inflation rate was 6.6% on average, while in June it rose to 8%.

Financial markets

Continuing inflationary pressure, also fuelled by tensions in the energy market and the conflict between Russia and Ukraine, and the expectation that the ECB will soon make its policies more restrictive, drove a significant increase across all European interest rate curves, especially on longer maturities. The 3-month Euribor rate closed the first half of 2022 at -0.20%, up by more than 30 basis points compared to the figures at the end of 2021, while the 10-year Swap rate rose in the same period by nearly 200 basis points, closing last June at 2.19%, up from 0.30% at the end of 2021.

The expectation of a more restrictive ECB monetary policies also supported government interest rates in the main Euro Area countries. In Germany, the 10-year Bund closed the first half of 2022 at 1.35%, up 151 basis points on the values at the end of 2021, while in Italy the 10-year BTP reached 3.23%, up by more than 200 basis points. The 10-year spread between Italian and German rates was therefore 188 basis points at the end of the first half of 2022, up by 55 basis points compared to the end of 2021.

The first half of 2022 closed in the red for the European stock markets which, after a strong rally in 2021, are now facing the outlook of higher interest rates and increased investor risk aversion, driven by the intensification of concerns about a recession as well as geopolitical tensions linked to the conflict between Russia and Ukraine. The Eurostoxx 50 index, referring to the Euro Area prices, showed a 19.62% decline in the first half of 2022 compared to the values at the end of 2021, while the FTSE Mib, referring to Italian listed companies, declined by 22.13% in the same period. The DAX index, referring to German listed companies, closed the first half of 2022 down, albeit to a more limited extent, by 19.52% compared to the end of 2021.

While outlooks concerning higher monetary policy rates in Europe materialised only starting from the third quarter, in the United States the Fed has already increased rates by 150 basis points in an effort to control inflation, also announcing a quantitative tightening policy. At the end of June, the more restrictive monetary policy, combined with geopolitical tensions, drove a 20.58% decline in the S&P 500 compared to the end of 2021, after the 26.89% increase recorded in 2021. In this context of higher interest rates in the United States and increased risk aversion in the international markets, the US dollar, which as a safe haven currency tends to strengthen during risk-off phases, closed the first half of the year at 1.04 against the euro, appreciating by 8.07% compared to the end of 2021.

The first half of 2022 also closed down for the main international stock indexes: the Nikkei stock index, referring to listed companies in Japan, was down by 8.33% at the end of the first half of 2022, while the Morgan Stanley Emerging Markets index, referring to emerging markets, experienced a 18.78% drop during the same period.

Insurance Sector

In the first quarter of 2022, taking into consideration available actual data, the Italian insurance market recorded premiums of €34.7bn, down 6.3% compared to the first quarter of 2021. This decline in premiums is also expected to continue in the second quarter.

In the first quarter of 2022, total premiums of the Italian direct portfolio in the Non-Life business (only direct business) rose by 3.7% compared to the first quarter of 2021 and should maintain stable growth for the second quarter. In the MV sector, consisting of MV TPL, MV TPL, Marine Vessels TPL and Land Vehicle Hulls, premiums were down compared to the first quarter of 2021 (-1.6%). This decline is expected to continue, although with less intensity, in the second quarter. In the first quarter, total premiums in the MV TPL + Marine Vessels TPL business declined by 3.2%, while Land Vehicle Hulls was up by 4.2%. According to ANIA data, in March 2022 the average premium in the MV TPL business saw a decrease of 3.6% compared to March 2021, to €307. The ISTAT index of the MV TPL prices, the value of which reflects the price lists and not those actually applied by companies, instead recorded a 1.3% decline in March 2022.

In the first quarter of 2022, non-Life non-MV premiums recorded growth of 8.3% compared to the first quarter of 2021. This growth should remain high throughout the second quarter, although at a less intense pace compared to the first quarter. The Healthcare segment rose by 7.0%, due to the strong growth in Health (+8.6%) and the more limited increase in Accident (+5.3%). The Property class was up by 5.5% thanks to the good performance of Other Damage to

Property (+5.2%) and the Fire class (+5.8%). Other Non-Life premiums instead rose by 10.7% thanks to the increase in Credit (+44.3%), Pecuniary Losses (+30.4%) and Bonds (+9.7%), while General TPL rose by 13.7%.

In the MV sector, the negative trend for the agency channel continued in the first quarter of 2022, with premiums down by 1.1% compared to the first quarter of 2021 and an overall weight of 82.9% on total premiums, against strong growth in premiums in the banking channel (+2.3%) and a reduction in premiums in the Brokers channel (-7.4%) and the Direct channel (-4.2%). Non-MV premiums in the agency channel increased by 9.9%, in the banking and Brokers channel they rose by 21.0% and 3.1% respectively, while premiums from the Direct channel decreased by 8.1%.

Life segment premiums (only direct business) decreased in the first quarter of 2022 by 9.2% compared to the first quarter of 2021, due especially to the strong decline in Class I premiums (-9.5%) and Class III premiums (-9.6%). This trend is also expected to continue in the second quarter. However, premiums were up in the first quarter for Class IV (+34.2%) and Class V (+5.3%), while Class V premiums were down (-7.8%). These trends are also expected to continue in the second quarter.

In the first quarter of 2022, the agency channel in the Life segment was down by 11.9%, with an overall weight of 14.0% on total premiums. The Consultants and Banks channels also recorded lower premiums, by 14.9% and 8.7%, respectively, compared to the first quarter of 2021, accounting for 74.0% of total premiums, whilst the Direct and Brokers channels rose by 0.8%.

Real Estate market

According to the Real Estate Market Observatory of the Tax Authorities, after recording annual growth of 34.2% in 2021, sales of residential properties in the first half of 2022 recorded further growth of 12.2% over the first half of 2021. The expansion was more significant in small urban centres while, among major cities, Milan excelled once again with growth of 20.5%. Therefore, strong expansion in the residential real estate market is confirmed, despite the complex international scenario (Russia-Ukraine conflict, new wave of the COVID-19 pandemic, supply chain bottlenecks and high inflation on commodities), with the price discount requested in the first quarter of 2022 reaching 8.5% and an average time between the assignment of the engagement and the sale of 5.8 months. Both of these values are the lowest ever recorded since data started being kept in 2012.

The strong expansion in investments in residential real estate continues to drive rising home prices in the 13 major cities, which were up in the first half of 2022 by 2.9% over the first half of 2021, after recording annual growth of 1.0% in 2021. The home price growth rate however is still lower than inflation, with the consumption deflator up by 4.7% in the first quarter of 2022, therefore again entailing a decline in home values in real terms. However, there was an increase in real terms in Milan, with home prices rising by 6.3%, and in Bologna, with prices up by 4.7%.

In the 13 major cities, residential rents also continued to expand in the first half of 2022, rising by 1.3%, after growing by 0.9% in 2021. Rent, which is impacted most by low growth in real income, however marked a growth rate lower than that of used home prices (equal to 3.2% in the first half of 2022), thus triggering a sharp decline in cap rates. The decrease in cap rates is a phenomenon characterising all of the major cities due to low rent growth, which, however, turned out to be positive in the majority of cities. In the first half of 2022, the greatest growth was recorded in Bologna (3.8%), while rents were down in Venice (-1.7%), Palermo (-1.4%) and Turin (-1.0%).

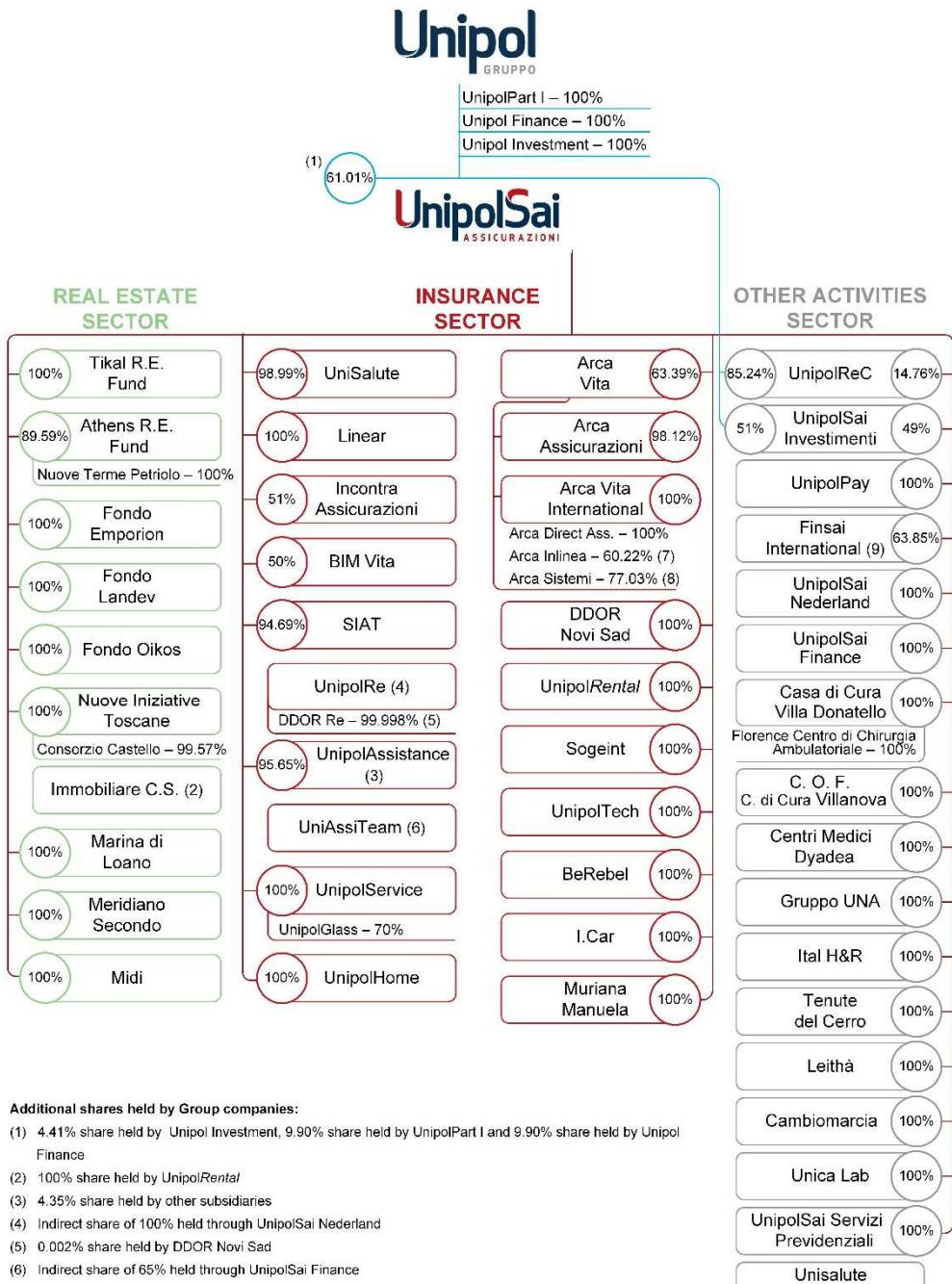
The non-residential sector is also experiencing strong expansion in terms of sales, which overall in the first half of 2022 marked a 22.9% increase, after +38.2% in 2021. The highest performing segment continues to be production (+32.6%, +42.8% in 2021), followed by offices (+21.0%, +31.1% in 2021) and stores (+20.3%, +38.9% in 2021).

Despite the strong increase in sales, inflationary pressures on office and store prices are much lower than those on housing prices. In the first half of 2022, the prices of stores and offices started to rise once again after declining for 28 consecutive half-year periods.

As regards non-residential rental markets, on average in major cities in the first half of 2022 store rents were down by 0.5%, with a contracting cap rate, while cap rates were up for offices due to a 0.7% increase in rents, higher than the +0.5% recorded for prices.

Consolidation Scope at 30 June 2022

(line-by-line method - direct holding out of total share capital. For more details see the table appended to the Notes "Consolidation Scope")



1. Management Report

1 Management Report

Group highlights

	Amounts in €m	30/6/2022	30/6/2021	31/12/2021
Non-Life direct insurance premiums		4,152	3,923	7,943
% variation		5.8	(0.1)	0.8
Life direct insurance premiums		2,480	2,629	5,386
% variation		(5.7)	21.0	24.4
of which Life investment products		699	614	1,272
% variation		13.7	154.4	123.4
Direct insurance premiums		6,632	6,552	13,329
% variation		1.2	7.4	9.2
Net gains on financial instruments (*)		1,082	940	1,593
% variation		15.2	42.3	20.8
Consolidated profit (loss)		684	652	796
% variation		4.8	5.7	(7.9)
Balance on the statement of comprehensive income		(1,143)	769	746
Investments and cash and cash equivalents		65,591	71,445	71,692
% variation		(8.5)	0.2	0.6
Technical provisions		53,295	57,136	57,128
% variation		(6.7)	(1.0)	(1.0)
Financial liabilities		10,443	9,471	10,771
% variation		(3.0)	(2.7)	10.7
Non-current assets or assets of a disposal group held for sale		106	143	133
Liabilities associated with disposal groups held for sale		3	3	3
Shareholders' Equity attributable to the owners of the Parent		6,595	8,026	7,780
% variation		(15.2)	54	2.2
Solvency ratio (**)		201	212	214
No. staff		12,499	11,993	11,946

(*) 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.

(**) Value at 30/6/2022 calculated based on information available as of today. The definitive results will be reported to the Supervisory Authority with the timing required by regulations in force.

Alternative performance indicators¹

Alternative performance indicators	classes	30/6/2022	30/6/2021	31/12/2021
Loss ratio - direct business (including OTI ratio)	non-life	62.7%	63.2%	64.0%
Expense ratio calculated on written premiums - direct business	non-life	28.5%	28.1%	28.5%
Combined ratio - direct business	non-life	91.1%	91.4%	92.5%
Loss ratio - net of reinsurance (including OTI ratio)	non-life	65.6%	65.0%	67.1%
Expense ratio (calculated on earned premiums) - net of reinsurance	non-life	28.4%	27.5%	27.9%
Combined ratio - net of reinsurance (*)	non-life	94.1%	92.6%	95.0%
Premium retention ratio	non-life	92.4%	93.5%	94.4%
Premium retention ratio	life	99.1%	99.3%	99.6%
Premium retention ratio	total	94.4%	95.4%	96.1%
Group pro-rata APE (amounts in €m)	life	210	220	465
Expense ratio - direct business	life	6.2%	5.2%	5.1%

(*) with expense ratio calculated on earned premiums

¹ These indicators are not defined by accounting rules; rather, they are calculated based on economic-financial procedures used in the sector.

Loss ratio: primary indicator of the cost-effectiveness of operations of an insurance company in the Non-Life sector. This is the ratio of the cost of claims for the period to premiums for the period.

OTI (Other Technical Items) ratio: ratio of the sum of the balance of other technical charges/income and the change in other technical provisions to net premiums for the period.

Expense ratio: percentage indicator of the ratio of total operating expenses to premiums written as far as direct business is concerned, and the premiums as far as retained business, net of reinsurance, is concerned.

Combined ratio: indicator that measures the balance of Non-Life technical management, represented by the sum of the loss ratio and the expense ratio.

APE – Annual Premium Equivalent: the new Life business expressed in APE is a measurement of the volume of business relating to new policies and corresponds to the sum of periodic premiums of new products and one tenth of single premiums. This indicator is used to assess the business along with the in force value and the Life new business value of the Group.

The premium retention ratio is the ratio of premiums retained (total direct and indirect premiums net of premiums ceded) to total direct and indirect premiums. Investment products are not included in calculating this ratio.

1 Management Report

Unipol Group Performance

Information on significant events during the first six months

Opening New Ways, the Unipol Group's new 2022-2024 Strategic Plan

On 12 May 2022, the Board of Directors of UnipolSai approved the 2022-2024 Strategic Plan "Opening New Ways". 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.

Through "Opening New Ways", UnipolSai aims to "open new ways" in its Mobility, Welfare and Property ecosystems, as well as in Bancassurance.

By leveraging its distinctive assets, the "Opening New Ways" Plan is structured based on five strategic guidelines:

-Data Driven Omnichannel Insurance, aiming to consolidate the Group's technical and distribution excellence through increasingly intensive use of Data and Analytics and develop a new platform for the Retail insurance offering, strengthening the effectiveness of the first agency network and completing the omnichannel evolution of the distribution model.

-Health & 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.

-Bancassurance boosting by strengthening the bancassurance business model, drawing on the Group's distinctive capabilities in synergy with its banking partners.

-Beyond Insurance Enrichment accelerating the evolution of the offer through a further extension of the Mobility ecosystem and the simultaneous reinforcement of the Welfare and Property ecosystems. In the Mobility arena, UnipolSai will be a 360° partner, consolidating its positioning throughout the mobility life cycle, particularly through UnipolRental, the largest entirely Italian-owned player in the Long-Term Rental market, and UnipolMove, the first alternative in the world of electronic toll payments, which will make it possible to develop the UnipolSai mobile payments offering.

Within the Welfare ecosystem, UnipolSai will develop additional initiatives to strengthen its positioning, while in the Property ecosystem it will become a reference player in services relating to housing and condominiums.

-Tech & People evolution with the aim of evolving the operating model through the intensive use of new technologies, data and process automation and organisational development.

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

Acquisition of I.Car Srl

On 13 January 2022, UnipolSai acquired 100% of I.Car Srl share capital at the price of €60m and 100% of Muriana Manuela Srl share capital for €3m. The acquisition of these two companies, operating respectively in the motor vehicle anti-theft and insurance brokerage sectors, is consistent with development of the Mobility Ecosystem undertaken by the Group in recent years. On 1 June 2022, in application of the criteria set forth in the sale agreement, UnipolSai paid a surcharge over the I.Car purchase price of an additional €10m. The I.Car price could later be integrated with the payment of an additional variable tranches of around €10m, which will be determined after approval of the I.Car financial statements for 2022.

Establishment of UnipolHome

On 20 January 2022 the company UnipolHome was established, as a wholly owned subsidiary of UnipolSai, with share capital of €200k and the purpose of developing all business initiatives in the Property ecosystem.

1 Management Report

The Company will offer insurance as well as Beyond Insurance services and will initially be active in the following business lines: artisan network management and condominium administration.

Dyadea inaugurates the first paediatric hub

On 20 June 2022 the first paediatric hub dedicated to patients from 0 to 14 years old opened at the Bologna **Centri Medici Dyadea**. The hub is coordinated by a paediatrician and will include a team of professionals consisting of 27 physicians covering 21 specialities to meet all healthcare needs, the only private multi-disciplinary paediatric hub in Bologna which is also equipped to handle emergencies. In particular, the hub consists of two departments: Maternity and Paediatrics.

Termination of the agreement with Intesa Sanpaolo SpA

10 February 2022 saw the conclusion of the jointly agreed termination of the agreement signed on 17 February 2020 between UnipolSai and Intesa Sanpaolo SpA in the broader context of Intesa Sanpaolo's launch of a public exchange offer on 100% of 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.

Early repayment of loan disbursed by UnipolSai and 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.

Moody's increased Unipol and UnipolSai ratings

On 24 May 2022, the Moody's rating agency increased the Insurer Financial Strength Rating (IFSR) of UnipolSai Assicurazioni SpA from "Baa3" to "Baa2", or one notch above Italy's rating (Baa3/Stable outlook). As a result, the Long-Term Issuer Default Rating (IDR) assigned to Unipol Gruppo S.p.A. also went from "Ba1" to "Ba2" and the ratings of the Unipol Group's debt issues all improved as follows:

- the rating of the senior bonds of Unipol Gruppo SpA increased by one notch to "Ba1";
- the rating of the subordinated bonds of UnipolSai Assicurazioni SpA increased by one notch to "Ba1";
- the rating of the RT1 perpetual subordinated bond of UnipolSai Assicurazioni SpA increased by two notches to "Ba2 (hyb)".

At the same time, the rating agency maintained the outlook of the above-mentioned ratings at "stable".

In its decision, the Moody's Committee recognised the improvement of the Group's credit profile and increased resilience in the face of potential stress scenarios, particularly with reference to Italian government securities. The Agency also recognised the validity of the strategy, a very strong market position and distribution capacity and the improvement in the financial profile, particularly as regards profitability and capital strength, with a solvency ratio less sensitive to market fluctuations.

COVID-19 – Impacts on the business

The spread of the Covid-19 pandemic, which began in February 2020, had significant repercussions on the insurance business both in 2020 and in the first part of the 2021 financial year, still characterised by restrictions on the movement of people through selective lockdowns.

From the second half of 2021 to date, although waves of infection have continued, the increasing success of the vaccination campaign has meant that no further restrictions have been introduced to the circulation of people and the reopening of businesses, such as those linked to winter tourism, which were suspended in previous years.

Therefore, in the first half of 2022, with respect to the Non-Life insurance business, in the MV TPL class there was a return to road traffic levels basically aligned with 2019, with a resulting progressive recovery in the claims frequency which, given currently strong competition, has not yet offset an increase in rates which, over the last two years, continued to fall due to

discounts applied for customers. In this regard, note the UnipolSai initiative titled #UnMesePerTe, which provided for a discount of 1/12 (one month) of the premium paid previously for policyholders.

On the other hand, in the Non-Life non-MV classes, the commercial drive by our networks along with the economic recovery in 2021 and which continued, albeit with less intensity, in the first part of 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 either premium trends or managed volumes.

As far as the Group's other businesses are concerned, the pandemic, as described extensively in the Financial Statements of previous years, had significant effects on the hotel business managed by Gruppo UNA, which, despite the continuation of infections and geopolitical tensions under way, is recording a significant recovery especially in individual trips for tourism, while a considerable delay continues to be observed in business travel.

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 are affecting the global economy. Some of the main impacts of the conflict include increased difficulties 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.

These situations of uncertainty and fears of the potential impacts created financial market tensions, with plummeting international share prices and sharp upward trends in interest rates, also due to the strong increase in inflation currently under way. All this reflects on the Group's financial investments, which have marked a significant deterioration of the net balance of implicit capital gains and losses, and on financial management, which in any event continues to be aimed at the consistency of assets and liabilities and optimising the risk/return profile of the portfolio, also with regard to the maintenance of an adequate level of solvency.

The continuing uncertainty of the current context and, especially, its future evolution, does not make it possible to fully determine its effects on the financial situation and economic results of the Group. 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 relevant financial transactions with subjects or entities subject to the international sanctions.

1 Management Report

Operating performance

The Unipol Group closed the first half of 2022 with a **consolidated net profit** of €684m, inclusive of the contribution, for 318m, deriving from the consolidation with the equity method of BPER Banca, of which €236m originating from the effects of the recognition of goodwill deriving from the acquisition of CARIGE and €42m for the change in the equity investment shareholding of the Unipol Group in BPER Banca. The profit of €652m in the same period of the previous year was positively impacted by a significant real estate capital gain, as well as several extraordinary events, including:

- €138m deriving from the pro-rata consolidation of BPER Banca's result, in turn affected by €158m by the goodwill originating from the acquisition in the half-year of the former UBI Banca and Intesa Sanpaolo business units;
- €85m deriving from the tax benefit resulting from UnipolSai opting for the realignment of tax values with statutory values with reference to both real estate and goodwill;
- €33m (€42m gross of taxes) relating to the net income recorded against the finalisation of the settlement agreement regarding pending legal cases for corporate liability action against former directors and statutory auditors.

In the first half of 2022, **direct insurance premiums**, before transfers to reinsurance, stood at €6,632m (+1.2% compared to €6,552m at 30/6/2021).

Non-Life direct premiums amounted to €4,152m at 30 June 2022, marking an increase of 5.8% compared to €3,923m in the first half of 2021.

The MV segment, with premiums of €1,967m, was up slightly, +1.1%, compared to the first half of 2021, continuing to feel the effects of a highly competitive scenario in the MV TPL business, offset by continuous development in other accessory guarantees. On the other hand, growth in non-MV premiums was very sustained, at €2,184m, +10.5% compared to €1,977m at 30 June 2021, which benefitted from the commercial drive applied by our agency and bancassurance sales networks.

MV segment trends concerned in particular the parent company UnipolSai, which recorded premiums of €3,390m, +2.5% compared to 30 June 2021, and Linear, up by 5.4%, with premiums of €99m. UniSalute's premiums were particularly good, surpassing €300m and marking a +10.5% increase; the bancassurance channel also performed well, with Arca Assicurazioni achieving growth of 46.8% and Incontra of 85.7%: the Health component drove the excellent performance of these companies. SIAT, active in the Transport sector, reached €91m, up by 35.8% thanks to increased tariffs provoked in the sector by ongoing geopolitical tensions and collection mismatches linked to the renewal of some policies.

The Group's **combined ratio**, net of reinsurance, was 94.1% compared to 92.6% at 30 June 2021, with a loss ratio of 65.6%, against 65% in the first half of 2021 and an expense ratio at 28.4% of premiums for the period (27.5% at 30/6/2021).

The loss ratio was impacted by the recovery in the claims frequency in the MV TPL class, which was expected considering that in the first half of 2021 it was positively influenced by the restrictions imposed on the circulation of people intended to combat the pandemic, as well as the initial effects on average costs of claims deriving from a higher inflation scenario, aggravated by production and spare part procurement issues and recent adjustments in the reference values of losses for minor injuries and family member losses.

Trends in other classes were positive, as was the stability of the claims provisioning of previous years, as demonstrated by consistent savings on claims settled.

The Non-Life **pre-tax profit** was €627m, inclusive of the contribution, for €129m, deriving from the consolidation with the equity method of BPER Banca, of which €111m originating from the effects of the recognition of goodwill deriving from the acquisition of CARIGE. The result of the first six months of 2021 (€618m) was influenced by better technical performance, the capital gain realised on the sale of Torre Velasca (€71m), the share of the result of BPER Banca (€68m, inclusive of the €78m deriving from the recognition of the goodwill originating from the acquisition in the half-year of the former UBI Banca and Intesa Sanpaolo business units) as well as the income recognised against the settlement agreement with former directors and statutory auditors for €22m.

In the **Life business**, the Unipol Group recorded premiums of €2,480m in the first six months of 2022, marking a decline of 5.7%. The business of our networks concentrated on multisegment and unit linked products, which were certainly not favoured by the negative financial market situation, with a view to reducing the average guaranteed minimum rate and optimising capital absorption.

UnipolSai recorded direct premiums of €1,261m (-10.6%, also influenced by the comparison with the first half of 2021, when there were several non-recurring collective/corporate contracts), while in the bancassurance channel, Arca Vita, along with its subsidiary Arca Vita International, made a positive contribution with direct premiums of €1,190m (+2.1% compared to €1,165m in the first half of 2021).

The **pre-tax result** in the Life segment came to €145m, compared to €111m in the first six months of 2021, positively influenced by a rising interest rate scenario during the half-year as well as in future forecasts.

As far as **financial investment management** is concerned, in the first half of 2022 the gross profitability of the Group's insurance financial investment portfolio obtained a yield of 3.2% of the invested assets (in line with profitability at 30/6/2021), of which 3.2% relating to the coupons and dividends component (compared to 2.9% in the first half of 2021). Also in this first half of the year, asset allocation diversification and the optimisation of the portfolio's risk-return profile continued, reducing exposure to Italian government securities and privileging core Euro Area government securities and infrastructural investments.

As concerns the **other sectors** in which the Group carries on business, the long wave of the COVID-19 emergency and social/political instability linked to the Russia-Ukraine war continued to have negative repercussions on the hotel sector in which, with the summer season, a significant recovery is being observed, especially in tourism, while UnipolReC once again turned a profit. The other businesses that are less relevant for the Group have basically broken even.

The **pre-tax profit** of the Real Estate, Holding and Other Businesses sectors, which also includes UnipolReC, was €96m, inclusive of the contribution, for €189m, deriving from the consolidation with the equity method of BPER Banca, of which €125m deriving from the effects of the recognition of badwill originating from the acquisition of CARIGE and €43m for the change in the equity investment of Unipol Group in BPER Banca. (€14m at 30 June 2021, which was positively impacted by the contribution of the pro-rata consolidation of BPER Banca for €70m (inclusive of the contribution of €80m relative to the badwill deriving from the acquisition in the half-year of the former UBI Banca and Intesa Sanpaolo business units) and income recognised against the settlement agreement with former directors and statutory auditors for €12m).

At 30 June 2022, **consolidated shareholders' equity** amounted to €8,218m (€9,722m at 31/12/2021). Shareholders' Equity attributable to the owners of the Parent amounted to €6,595m (€7,780m at 31/12/2021). The decline can be attributed to the effect of the distribution of dividends as well as the negative trend in bond (influenced by increases in market yields) and equity prices.

As regards the Group **solvency ratio** at 30 June 2022, the ratio between own funds and the capital requirement was equal to 2.01², down compared to 31 December 2021 (2.14).

² Value at 30 June 2022 calculated on the basis of the information available as of today. The definitive results will be reported to the Supervisory Authority with the timing required by regulations in force.

1 Management Report

Condensed Consolidated Operating Income Statement broken down by business segment

Amounts in €m	Non-Life business		Life business		Insurance Sector				
	Jun-2022	Jun-2021	%	Jun-2022	Jun-2021	%	Jun-2022	Jun-2021	%
Net premiums	3,891	3,849	1.1	1,766	2,002	(11.8)	5,656	5,851	(3.3)
Net commission income	(26)		n.s.	6	10	(34.9)	(19)	9	n.s.
Financial income/expense (**)	406	352	15.3	546	534	2.2	951	886	7.4
<i>Net interest income</i>	172	141		532	501		703	642	
<i>Other income and charges</i>	186	98		30	22		216	120	
<i>Realised gains and losses</i>	11	99		(9)	(15)		1	84	
<i>Unrealised gains and losses</i>	38	14		(7)	25		31	39	
Net charges relating to claims	(2,491)	(2,410)	3.3	(1,996)	(2,270)	(12.1)	(4,487)	(4,681)	(4.1)
Operating expenses	(1,131)	(1,083)	4.4	(134)	(128)	4.0	(1,265)	(1,212)	4.4
<i>Commissions and other acquisition costs</i>	(891)	(848)	5.1	(60)	(60)	0.8	(952)	(908)	4.8
<i>Other expenses</i>	(240)	(235)	2.1	(73)	(69)	6.8	(313)	(304)	3.2
Other income/charges	(21)	(89)	75.8	(43)	(35)	(20.5)	(64)	(124)	48.4
Pre-tax profit (loss)	627	618	1.5	145	111	30.1	772	729	5.9
Income taxes	(136)	(79)	72.1	(65)	(20)	n.s.	(201)	(99)	103.5
Profit (loss) from discontinued operations									
Consolidated profit (loss)	491	539	(8.9)	80	92	(12.8)	571	630	(9.4)
<i>Profit (loss) attributable to the Group</i>									
<i>Profit (loss) attributable to non-controlling</i>									

(*) the Real Estate sector only includes Group real estate companies

(**) 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 factors that marked the economic performance of the Group included the following:

- **direct insurance premiums**, gross of reinsurance, totalled €6,632m (€6,552m at 30/6/2021, +1.2%). Non-Life direct premiums amounted to €4,152m (€3,923m at 30/6/2021, +5.8%) whereas Life direct premiums amounted to €2,480m (€2,629m at 30/6/2021, -5.7%), of which €699m was related to Life investment products (€614m at 30/6/2021);
- **net premiums earned**, net of reinsurance transfers, amounted to €5,656m (€5,851m at 30/6/2021, -3.3%), of which €3,891m in the Non-Life business (€3,849m at 30/6/2021, +1.1%) and €1,766m in the Life business (€2,002m at 30/6/2021, -11.8%);
- **net charges relating to claims**, net of reinsurance, amounted to €4,487m (€4,681m at 30/6/2021, -4.1%), of which €2,491m from Non-Life business (€2,410m at 30/6/2021, +3.3%) and €1,996m from Life business (€2,270m at 30/6/2021, -12.1%), including €279m in net losses on financial assets and liabilities at fair value (net gains of €44m at 30/6/2021);
- **operating expenses** amounted to €1,379m (€1,304m at 30/6/2021, +5.7%). In the Non-Life business, operating expenses amounted to €1,131m (€1,083m at 30/6/2021, +4.4%), €134m in the Life business (€128m at 30/6/2021, +4%), €106m in the Holding and Other Businesses sector (€87m at 30/6/2021) and €19m in the Real Estate sector (€17m at 30/6/2021). Intersegment eliminations amounted to €12m (€11m at 30/6/2021);

Holding and Other businesses Sector			Real Estate Sector (*)			Intersegment elimination		Total Consolidated		
Jun-2022	Jun-2021	% var.	Jun-2022	Jun-2021	% var.	Jun-2022	Jun-2021	Jun-2022	Jun-2021	% var.
7	7	(0.2)	3	(4)	n.s.	(7)	(7)	(20)	9	n.s.
136	66	105.5	(1)	(1)		(9)	(8)	1,082	940	15.2
(20)	(29)		28	25		(9)	(8)	683	612	
195	73		(1)					431	210	
(6)	26		(22)	(28)				(6)	110	
(33)	(3)							(25)	8	
(106)	(87)	22.2	(19)	(17)	16.1	12	11	(4,487)	(4,681)	(4.1)
(106)	(87)	22.2	(19)	(17)	16.1	11	11	(1,379)	(1,304)	5.7
								(952)	(908)	4.8
								(427)	(396)	7.8
77	39	100.3	(2)	10	n.s.	4	5	15	(71)	n.s.
114	25	n.s.	(18)	(11)	(65.7)			868	743	16.8
16	8	92.7	1		n.s.			(184)	(91)	102.7
130	33	n.s.	(17)	(11)	(53.1)			684	652	4.8
								575	537	
								109	115	

- the **combined ratio**, net of reinsurance, of the Non-Life business was 94.1% (92.6% at 30/6/2021);
- **net gains on investments and financial income** from financial assets and liabilities (excluding net gains on financial assets and liabilities at fair value relating to Life business), which included the effect of the consolidation with the equity method of BPER Banca for €318m, amounted to €1,082m (€940m at 30/6/2021);
- **taxes** for the period represented a net expense of €184m (€91m at 30/6/2021, which was impacted by the net benefit of €85m deriving from the exercise of the option for the realignment of tax values by UnipolSai).

1 Management Report

Insurance Sector performance

The Group's insurance business closed the period with a **total pre-tax profit of €772m** (€729m at 30/6/2021, +5.9%), of which €627m relating to the Non-Life sector (€618m at 30/6/2021, +1.5%) and €145m relating to the Life sector (€111m at 30/6/2021). It should be noted that the current result for the period was impacted, for €129m, by the contribution of the consolidation with the equity method of BPER Banca, inclusive of the non-recurring effects of the recognition of the acquisition of CARIGE and the change in the equity investment of the Unipol Group in BPER Banca, while the pre-tax profit at 30 June 2021 benefited for €30m from the income deriving from the settlement with former directors and statutory auditors, and for €68m from the pro-rata result of BPER influenced, in turn, by the recognition of the goodwill originating from the acquisition during the half-year of former UBI Banca and Intesa Sanpaolo business units for €78m.

Investments and cash and cash equivalents of the Insurance sector totalled, at 30 June 2022, €60,357m (€66,952m at 31/12/2021), of which €15,718m in the Non-Life business (€16,666m at 31/12/2021) and €44,638m in the Life business (€50,286m at 31/12/2021).

Technical provisions amounted to €53,295m (€57,128m at 31/12/2021), of which €14,846m in the Non-Life business (€14,715m at 31/12/2021) and €38,449m in the Life business (€42,413m at 31/12/2021).

Financial liabilities amounted to €8,009m (€8,372m at 31/12/2021), of which €1,353m in the Non-Life business (€1,429m at 31/12/2021) and €6,656m in the Life business (€6,943m at 31/12/2021).

Total premiums (direct and indirect premiums and investment products) at 30 June 2022 amounted to €6,763m (€6,744m at 30/6/2021, +0.3%). Non-Life premiums amounted to €4,283m (€4,114m at 30/6/2021, +4.1%) and Life premiums amounted to €2,480m (€2,630m at 30/6/2021, -5.7%), of which €699m related to investment products (€614m at 30/6/2021, +13.7%).

All Non-Life premiums of the Group insurance companies are classified under insurance premiums, as they meet the requirements of the IFRS 4 standard (presence of significant insurance risk).

As for Life premiums, investment products at 30 June 2022, for €699m, related to class III (Unit- and Index-Linked policies) and class VI (pension funds).

Direct premiums amounted to €6,632m (€6,552m at 30/6/2021, +1.2%), of which Non-Life premiums totalled €4,152m (+5.8%) and Life premiums €2,480m (-5.7%).

	Amounts in €m	30/6/2022	% comp.	30/6/2021	% comp.	% var.
Non-Life direct premiums		4,152	62.6	3,923	59.9	5.8
Life direct premiums		2,480	37.4	2,629	40.1	(5.7)
Total direct premium income		6,632	100.0	6,552	100.0	1.2

Indirect premiums from Non-Life and Life businesses at 30 June 2022 amounted to €132m (€191m at 30/6/2021, -31.2%), almost entirely attributable to the Non-Life business.

	Amounts in €m	30/6/2022	comp. %	30/6/2021	% comp.	% var.
Non-Life indirect premiums		132	99.9	191	99.9	(31.2)
Life indirect premiums			0.1		0.1	(11.4)
Total indirect premiums		132	100.0	191	100.0	(31.2)

Group **premiums ceded** totalled €342m (€281m at 30/6/2021), €326m of which from Non-Life premiums ceded (€267m at 30/6/2021) and €16m from Life premiums ceded (€14m at 30/6/2021). Retention ratio remained substantially stable in both the Non-Life and Life businesses.

	Amounts in €m	30/6/2022	comp. %	30/6/2021	% comp.	% var.
Non-Life ceded premiums		326	95.3	267	95.2	22.2
<i>Retention ratio - Non-Life business (%)</i>		92.4%		93.5%		
Life ceded premiums		16	4.7	14	4.8	17.2
<i>Retention ratio - Life business (%)</i>		99.1%		99.3%		
Total premiums ceded		342	100.0	281	100.0	21.9
<i>Overall retention ratio (%)</i>		94.4%		95.4%		

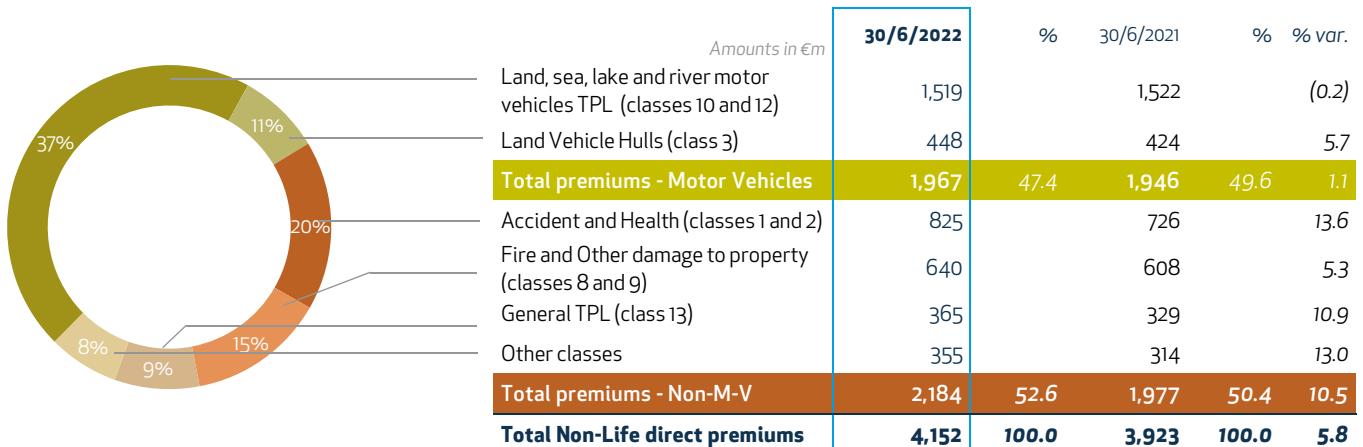
The retention ratio is the ratio of premiums retained (total direct and indirect premiums net of premiums ceded) to total direct and indirect premiums. Investment products are not included in calculating this ratio.

At 30 June 2022, the transfers to reinsurance from the Non-Life and Life businesses generated a profit for the reinsurers.

Non-Life business

Total Non-Life premiums (direct and indirect) at 30 June 2022 were €4,283m (€4,114m at 30/6/2021, +4.1%). **Direct business** premiums alone amounted to €4,152m (€3,923m at 30/6/2021, +5.8%).

Non-Life business direct premiums



In the **MV business**, premiums in the MV TPL business were €1,519m, basically in line with 30 June 2021. An increase of 5.7% was instead reported in the Land Vehicle Hulls business with premiums equal to €448m (€424m at 30/6/2021). The **Non-MV segment**, with premiums amounting to €2,184m, recorded a 10.5% growth.

1 Management Report

Non-Life claims

As already mentioned in the previous paragraphs, during the first half of 2022 the claims frequency rose in the MV TPL class, while the initial effects were also seen on average costs of claims deriving from a higher inflation scenario, aggravated by production and spare part procurement issues and recent adjustments in the reference values of losses for minor injuries and parental losses.

On the other hand, trends in other classes were positive, as was the stability of the claims provisioning of previous years, as demonstrated by consistent savings on claims settled.

The **loss ratio** (for Non-Life direct business alone), including the OTI ratio, stood at 62.7% (63.2% at 30/6/2021).

The number of claims reported, without considering the MV TPL class, fell by 4.5%.

Number of claims reported (excluding MV TPL)

	30/6/2022	30/6/2021	% var.
Land Vehicle Hulls (class 3)	169,492	144,333	17.4
Accident (class 1)	54,805	46,914	16.8
Health (class 2)	2,173,315	2,353,926	(7.7)
Fire and Other damage to property (classes 8 and 9)	129,157	139,130	(7.2)
General TPL (class 13)	43,686	44,905	(2.7)
Other classes	240,775	213,523	12.8
Total	2,811,230	2,942,731	(4.5)

As regards the MV TPL class, where the CARD agreement is applied, in the first six months of 2022, cases relating to "fault" claims (Non-Card, Debtor Card or Natural Card) totalled 271,355, up by 14.1% compared to 30 June 2021.

In June 2022 the recovery in claims continued compared to the first half of 2021, in which there was decreased circulation of vehicles due to the governmental restrictions imposed to limit the spread of the Coronavirus. Claims reported that present at least a Debtor Card claim numbered 158,311, up 14.7% compared to 30 June 2021.

Handler Card claims totalled 196,769 (including 41,687 Natural Card claims, claims between policyholders at the same company), up by 13.5% compared to 30 June 2021. The settlement rate in the first six months of 2022 was 64.4% against 66.3% recorded in the same period of the previous year.

The weight of cases to which the Card agreement may be applied (both Handler Card and Debtor Card claims) out of the total cases (Non-Card + Handler Card + Debtor Card) as at June 2022 was equal to 83.3% (83.6% as at June 2021).

Expense ratio of the Non-Life direct business was 28.5% (28.1% at 30/6/2021).

The **Combined ratio**, calculated on direct business, was at 30 June 2022 equal to 91.1% (91.4% at 30/6/2021).

Non-Life premiums of the main Group insurance companies

The direct premiums of **UnipolSai**, the Group's main company, stood at €3,390m (+2.5%), of which €1,831m in the MV classes (+0.7%) and €1,558m in the Non-MV classes (+4.7%).

UnipolSai Assicurazioni Spa - Non-Life business direct premiums

	Amounts in €m	30/6/2022	% comp.	30/6/2021	% comp.	% var.
Land, sea, lake and river motor vehicles TPL (classes 10 and 12)	1,410			1,417		(0.5)
Land Vehicle Hulls (class 3)	422			401		5.2
Total premiums - Motor Vehicles	1,831	54.0	1,818	55.0	0.7	
Accident and Health (classes 1 and 2)	387			384		0.7
Fire and Other damage to property (classes 8 and 9)	593			568		4.3
General TPL (class 13)	351			317		10.7
Other classes	228			220		3.8
Total premiums - Non-M-V	1,558	46.0	1,489	45.0	4.7	
Total Non-Life premiums	3,390	100.0	3,306	100.0	2.5	

As regards MV premiums, €1,410m related to the MV TPL + Marine, Lake and River Vessels TPL classes (€1,417m at 30/6/2021, roughly -0.5%).

In the **MV** business, the decline in premiums continued in the MV TPL class (-0.5%), although it is constantly improving, due to the contraction in the average premium and the portfolio, while good performance was confirmed for the Land Vehicle Hulls component (+5.2%). In particular, the MV TPL class was influenced by ongoing competitive pressure, which does not allow for a full recovery in the rate following the actions undertaken during the pandemic with the extraordinary **#UnMesePerTe** campaign, which permitted our customers to save 1 month of the premium paid. Therefore, premiums remained at the levels recorded in the previous year, although the expected frequency recovery was observed as a result of the lifting of restrictions on free circulation still in place in the first part of 2021. Furthermore, the initial tensions on average costs are being seen in relation to inflationary pressures, emphasised by issues in the procurement of spare parts to repair vehicles, which the company is combating with increasing recourse to channelling to authorised repair shops.

In the **Non-MV** segment, the growth was generalised across all classes, with the sole exception of Health, which remained stable (-0.3%).

Arca Assicurazioni had direct premiums of around €124.9m (up by around 46.8% compared to the first half of 2021). Specifically, there was an increase in the MV segment (roughly +12.8%) and in the Non-MV segment (around +57.4%). In terms of the result for the period, this company recorded a net profit of €18.1m, higher than the profit at end of the first half of 2021 (€13.5m). The analysis of premiums written by distribution channel shows that banks, with premiums of €123.7m (+47.1% compared to 30/6/2021), in fact represent 99.0% of premiums (98.8% at 30/6/2021). In the MV segment, considering the progressive return to normal of circulation after the limitations imposed by the COVID-19 emergency and the resulting increase in the claims frequency, as of 1 March action has been taken to adjust the average premium, while in any event protecting rate competitiveness.

Compagnia Assicuratrice Linear, specialised in the direct sale of insurance products through "electronic" channels, issued premiums totalling €99.2m in the first six months of 2022, up compared to the same period of the previous year (+5.4% with €94.1m), mainly concentrated in the MV classes. Contracts in the portfolio were close to 697k units (+5.9% on June 2021), while the combined ratio was 98%, up 3.4 percentage points on the first half of 2021. At 30 June 2022, it recorded a profit of €6.8m (in line with the result of €6.7m at 30/6/2021). Lastly, please note that there is a partnership in place with Poste Italiane, which has identified Linear as the company through which it sells insurance products to its customers.

1 Management Report

DDOR Novi Sad recorded a total loss (Non-Life and Life segments) at 30 June 2022 of approximately €2.3m (profit of €1.5m at 30/6/2021), even against an increase in premiums (Non-Life and Life segments) from €57.2m at 30 June 2021 (of which roughly €48.5m in the Non-Life segment) to €63.3m at 30 June 2022 (of which roughly €53.9m in the Non-Life segment). With respect to the same period of last year, the result was influenced by the impact of extraordinary items linked to several claims of considerable amounts. In particular, the non-life business was impacted primarily by the trend of some large industrial and agricultural claims and a higher claims frequency in the MV segment as well as an increase in the average cost of those claims caused by inflation, due to the higher expenses of spare parts and healthcare services.

Incontra Assicurazioni recorded an approximately €14m profit at 30 June 2022 (€6.9m at 30/6/2021), premiums nearly doubling compared to the previous year, i.e., from €50m at the end of the first half of 2021 to roughly €93m at 30 June 2022, mainly concentrated in the Health and Pecuniary Losses classes. At 30 June 2022, the volume of total investments reached roughly €289m (€277m at 31/12/2021), while gross technical provisions reached €365m (€342m at 31/12/2021).

The first half of 2022 recorded a profit of €3.2m for **SIAT** (profit of €2.9m at 30/6/2021). Total gross premiums (direct and indirect) were up by 30.2% to €101.3m (€77.8m at 30/6/2021). In particular, in the Hulls segment, the increase in business is represented by renewals of significant policies and Fincantieri new construction. As concerns the Goods sector, the increase in business is represented by new business, particularly for the third-party liability and carrier's liability and cargo insurance, as well as the increase in raw materials with a resulting increase in premiums. In both segments "war risks" rose (driven upwards by the outbreak of the well-known war between Russia and Ukraine), generating both a considerable increase in "premiums for war risks", which rose considerably with respect to the same period of last year, and a positive effect in the spread between fee and commission expense and income as they are ceded with a higher average fee than commission expense.

UniSalute an insurance company specialising in the health segment, recorded premiums for around €322m at 30 June 2022, also inclusive of indirect business, up 12.2% on 30 June 2021 (€287m). The first half of 2022 recorded a profit of €30.3m, compared to €13.2m at 30 June 2021. In the course of the first half of 2022, UniSalute activated a number of initiatives that confirmed its top-level role in the welfare ecosystem, with a 360-degree health offering. Business in the first half of 2022 showed: new acquisitions including, in particular, FASI RAI and Fondo Banca Intesa (for former UBI Banca employees), reforms of health plans already in the portfolio, such as BPER and Fondo E.B.M., the increase in the insured population in the main sector funds and the increase in the annual premium per capita for several important Funds (Sanilog, San.Arti.).

New products

In the MV TPL and Land Vehicle Hulls segment, the "**UnipolMove**" device has been marketed since March 2022, which is UnipolSai's new electronic toll payment offer which establishes no restrictions in the case of withdrawal and is easy to use with a dedicated app. Through their reserved area on the website or the app, customers can check their movements, manage the offer and receive assistance. The offer also provides free insurance coverage against theft or loss of the device and, in the coming months, it will be possible to purchase an additional range of Land Vehicle Hulls guarantees.

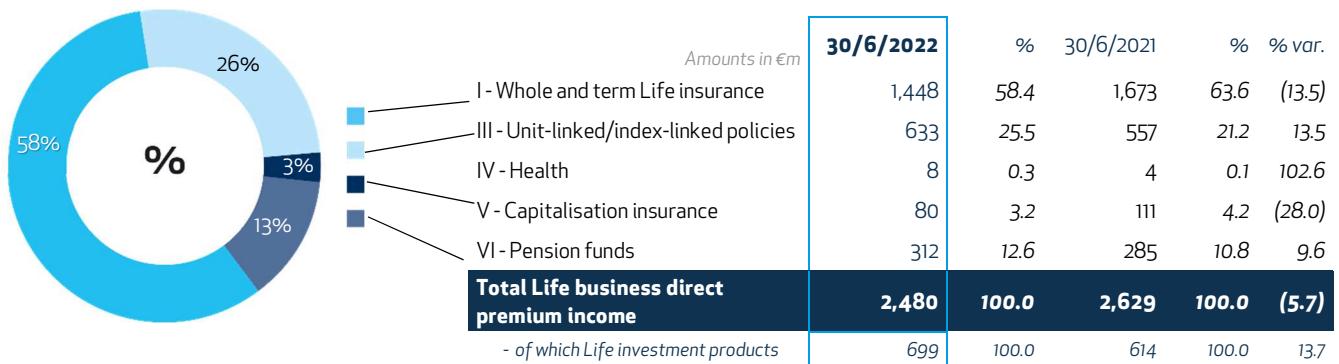
During the period, MV rates were adjusted as of 1 March 2022, with a revision of the discounts applied to new vehicle sector policies through the installation of **Unibox**, with a view to improving especially competitiveness with customers who use their vehicles to a limited extent.

To further promote the marketing of policies with Unibox, with an initiative that will conclude on 31 October 2022, the cost of the fee will be reduced by €10 for new installations of all types of devices. The initiative will concern both new policies and new installations on policies in the portfolio that have not yet opted for a device.

Life business

Life **direct premiums**, which represent almost the entirety of premiums, amounted to a total €2,480m (€2,629m at 30/6/2021), of which €699m in investment products concerning primarily Class III (€614m at 30/6/2021), and were composed of the following:

Life business direct premiums



New business in terms of **APE**, net of non-controlling interests, amounted to €210m at 30 June 2022 (€220m at 30/6/2021, -4.8%), of which €67m contributed by bancassurance companies and €142m by traditional companies.

The **expense ratio** of Life direct business was 6.2% (5.2% at 30/6/2021).

Pension Funds

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

At 30 June 2022, UnipolSai was managing a total of 22 **Occupational pension fund** mandates (17 of them for accounts "with guaranteed capital and/or minimum return"). At the same date resources under management totalled €3,899m (€3,318m with guaranteed capital). At 31 December 2021, UnipolSai managed a total of 21 Occupational Pension Fund mandates (17 of which "with guaranteed capital and/or minimum return"); resources under management totalled €4,032m (of which €3,389m with guaranteed capital).

As regards **Open Pension Funds**, at 30 June 2022 the Group managed 2 Open-Ended Pension Funds (UnipolSai Previdenza FPA and Fondo Pensione Aperto BIM Vita) that at that date amounted to a total of 41,080 members for total assets of around €887m. At 31 December 2021, those Funds had total assets of €963m and a total of 41,370 members.

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Life premiums of the main Group insurance companies

Direct premiums for UnipolSai were equal to €1,261m (€1,410m at 30/6/2021, -10.6%).

UnipolSai Assicurazioni Spa - Life business direct premiums

	Amounts in €m	30/6/2022	% comp.	30/6/2021	% comp.	% var.
I Whole and term life insurance		738	58.5	892	63.2	(17.3)
III Unit-linked/index-linked policies		126	10.0	121	8.6	4.4
- of which investment products		126	10.0	121	8.5	4.3
IV Health		8	0.6	4	0.3	102.6
V Capitalisation insurance		80	6.3	111	7.9	(28.0)
VI Pension funds		310	24.6	283	20.1	9.5
- of which investment products		131	10.3	72	5.1	80.5
Total Life business		1,261	100.0	1,410	100.0	(10.6)
- of which investment products		256	20.3	193	13.7	32.9

The **individual policy** sector recorded a 15.1% decline. Periodic premiums rose (+6.4%), while single premiums decreased (-13.6%). Please also note that Class I and V single premiums remained limited to customers reinvesting sums deriving from the benefits due from the Company on the basis of other insurance contracts.

Again in the individual policies sector, the strong increase in Class IV premiums continued (+102.6%), bearing witness to the market's growing interest in products with long-term care coverage.

In the first half of the year, there was also a slight increase in Class III premiums (+4.4%) thanks to the good performance of Unit-linked products and premiums from the Unit-linked component of Multisegment products.

During the period, the Multisegment product offer was renewed with the restyling of GestiMix products. In new products, the weight of the Unit-linked component increased from 20% to 30%, also innovating the underlying financial engines and expanding customisation possibilities for customers.

BIM Vita recorded a profit of €0.8m at 30 June 2022, in line with the result at the end of the first half of 2021. Its premiums amounted to around €12.7m (€30.6m at 30/6/2021, -58.6%), in addition to financial products for €6.9m (€14.5m at 30/6/2021). The volume of investments stood at €602.9m (€704m at 31/12/2021).

The bancassurance channel of the **ArcaVita Group** (Arca Vita and Arca Vita International) posted direct premiums (including investment products) for around €1,190m (roughly €1,165m, at 30/6/2021 +2.1%) an increase compared to the first half of last year, primarily attributable to the Class I products. The increase can be attributed to the Irish subsidiary Arca Vita International. As the context of global instability, also as a result of the ongoing conflict between Russia and Ukraine, generates a situation of uncertainty that does not favour the placement of insurance products, especially those in which the investment risk is borne by the Insured (class III), the offer of products for placement in the first half of the year remained essentially unchanged, continuing to focus on the offer of class I Multisegment products. Lastly, please note that on 31 March 2022 Arca Vita was authorised by IVASS to extend its insurance business to life class IV. The marketing of class IV products is expected to begin in the first quarter of 2023.

New products

During the first half of 2022, the Group renewed its offer of Multisegment products by modifying the Gestimix line products, UnipolSai Investimento Gestimix and UnipolSai Risparmio Gestimix. The main new features regard the introduction of new internal funds, with the replacement of the Segment 3 benchmark fund in favour of three flexible funds **Valore Equilibrato**, **Valore Dinamico** and **MegaTrend**, as well as an increase of the minimum investment in the class III share from 20% to 30% of the invested capital.

The structure of the products calls for two investment profiles (Balanced and Dynamic) and the presence of a free managed balancing service, which enables customers to delegate the Company to make decisions for the allocation of their investment, within the minimum and maximum limits prescribed by the selected profile. With the update of the Gestimix products, changes were made to the cost structure, the redemption penalties and the death bonus. For the "**UnipolSai Risparmio Gestimix**" product, an update was also made of the financial guarantee for the component linked to segregated funds, offering a minimum benefit equal to the invested capital recognised on maturity, in the case of death or redemption only starting from the tenth anniversary of the contract start date. This change was made to make the financial guarantee of the Savings product consistent with that already provided for the Investment product. At the same time, the minimum contract duration was extended to 15 years.

Continuing with premium placement activities, to optimise flows and returns of the Segregated Funds, the Group updated the segregated fund underlying the "**UnipolSai Investimento MixSostenibile**" multisegment product.

Reinsurance

Unipol Group reinsurance policy

With regard to the risks underwritten in the Non-Life business, the Group reinsurance strategy proposed the same cover structures in place in 2021, maximising the effectiveness of the most operational of the main non-proportional treaties. The renewal for 2022 took place in continuity with those expiring.

At Group level, the following cover was negotiated and acquired:

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

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

As regards the Life business, the renewal of reinsurance covers relating to 2022 occurred fully in line with that expiring, therefore the risks underwritten are mainly covered at Group level with two proportional treaties, one for individual risks and one for collective risks in excess of the risk premium. Retention is protected with a non-proportional cover in excess of loss by event that regards the Life and/or Accident classes. There are also three proportional covers for LTC guarantees, one proportional cover for Individual Serious Illnesses and one for Weighted Risks.

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Real Estate Sector performance

The main **income statement figures for the Real Estate sector** are summarised below:

Income Statement - Real Estate Sector

	Amounts in €m	30/6/2022	30/6/2021	% var.
Gains on other financial instruments and investment property	38	34	10.2	
Other revenue	20	28	(27.2)	
Total revenue and income	58	62	(6.5)	
Losses on other financial instruments and investment property	(34)	(39)	(10.6)	
Operating expenses	(19)	(17)	16.1	
Other costs	(22)	(18)	25.5	
Total costs and expenses	(76)	(73)	4.3	
Pre-tax profit (loss) for the year	(18)	(11)	(65.7)	

The **pre-tax result** at 30 June 2022 was negative for €18m (-€11m at 30/6/2021, inclusive of income of €11m deriving from the settlement with former directors and statutory auditors), after depreciation of real estate investments and tangible assets for €27m (€25m at 30/6/2021).

Investments and cash and cash equivalents of the Real Estate sector (including properties for own use) totalled €2,514m at 30 June 2022 (€2,342m at 31/12/2021), consisting mainly of Investment property and Properties for own use amounting to €2,394m (€2,214m at 31/12/2021).

Financial liabilities, at 30 June 2022, were €235m (€202m at 31/12/2021).

Main property transactions

During the half-year period, investments were made privileging high-value locations in Rome and the logistics sector. Specifically, in Rome, two properties were acquired (office and residential use) while, with respect to the logistics sector, a property was acquired in Caviglia (AR), near the A1 motorway. An office/showroom property in Milan and a store in Rome were also purchased.

Investment geographical diversification activities also continued, through the selective purchase of pan-European core funds, for €50m.

As concerns sales, around fifteen properties (land and buildings) or units deemed unprofitable were sold. The reduction was facilitated by the support received by the sector from tax incentives promoted by the Italian government, which sustained the market of real estate to be renovated.

Real estate asset renovation and development activities continued on more than 100 properties for around €50m. The sector was impacted by difficulties in obtaining raw materials and the resulting price increase, a trend that was accentuated in Italy by the tax incentives promoted by the government. In this scenario, the Russia-Ukraine conflict also had a negative impact, leading to a strong increase in energy prices.

The main projects developed over the course of the period regard office real estate located in the Milan area.

Specifically, note that construction continued on a new multi-storey headquarters building in Piazza Gae Aulenti (Porta Nuova Garibaldi area). The project calls for constructing a building in an elliptical shape, roughly 100 metres tall, with 23 floors above ground and 3 floors underground, for a total surface area of 31,000 m². The tower was designed to receive the best certification in terms of energy and water saving and ecological quality of the spaces (Leed Platinum certification).

Holding and Other Businesses Sector Performance

The main **income statement figures for the Holding and Other Businesses sector** are summarised below:

Income Statement - Holding and Other Businesses Sector

	Amounts in €m	30/6/2022	30/6/2021	% var.
Commission income		7	7	(1.0)
Gains (losses) on financial instruments at fair value through profit or loss		(28)	24	n.s.
Gains on investments in subsidiaries, associates and interests in joint ventures		192	73	162.0
Gains on other financial instruments and investment property		38	36	6.5
Other revenue		123	67	84.3
Total revenue and income		332	207	60.7
Commission expense			(1)	(12.5)
Losses on other financial instruments and investment property		(66)	(66)	(0.9)
Operating expenses		(106)	(87)	22.2
Other costs		(46)	(28)	62.3
Total costs and expenses		(218)	(182)	19.9
Pre-tax profit (loss) for the year		114	25	n.s.

The **pre-tax result** at 30 June 2022 was a profit of €114m (€25m at 30/6/2021). It should be noted that the pre-tax result for the current year benefited for €189m from the effects of the consolidation with the equity method of BPER Banca, affected by the recognition of the goodwill originated by the acquisition of CARIGE and the change in the equity investment of the Unipol Group in BPER Banca. On the other hand, the pre-tax profit at 30 June 2021 benefited for €70m from the pro-rata result of BPER influenced, in turn, by the recognition of the goodwill originating from the acquisition during the half-year of former UBI Banca and Intesa Sanpaolo business units for €80m).

The items Other revenue and Other costs include revenue and costs for secondment of personnel and for services provided to and received from companies of the Group belonging to other sectors, eliminated during the consolidation process.

At 30 June 2022, the **Investments and the cash and cash equivalents** of the Holding and Other Businesses sector (including properties for own use for €154m) were €3,200m (€3,183m at 31/12/2021).

Financial liabilities amounted to €2,679m (€2,981m at 31/12/2021) and mainly consist for €2,528m of three senior bond loans issued by Unipol with a total nominal value of €2,500m (€2,515m at 31/12/2021, nominal value of €2,500m) and for €122m of the payable of Unipol to the Group companies not belonging to the Holding and Other Businesses sector in relation to the cash pooling relationship. The figure at 31 December 2021, amounting to €434m, included the €300m loan disbursed by UnipolSai to Unipol on 1 March 2019 as part of the sale to Unipol of the shareholding in Unipol Banca, which was fully repaid by Unipol on 1 March 2022, exercising the right to early repayment set forth in the agreement.

In the first half of 2022, the companies in this sector worked within a context of slow recovery, with several after-effects of the COVID-19 emergency influencing first quarter results, while in the second the effects on costs and revenues caused by the international scenario were seen. The structures worked with a view to the normalisation of activities, whenever possible, with a focus on cost curbing and respect for the economic and business plans developed.

As regards the **hotel sector**, the revenues of the subsidiary Gruppo UNA rose compared to 30 June 2021 by around 370% (from around €12.3m to around €57.7m), reflecting the recovery in the tourism market starting from the end of the first quarter. At 30 June 2022, 30 facilities under direct management were open out of a total of 33. Primarily due to the performance in the first three months of the year and the increase in energy costs, the period closed with a loss of approximately €5m.

In the **health sector**, Casa di Cura Villa Donatello closed the first half of 2022 with revenue of €20m, up by around 11.5% compared to 30 June 2021 (€17.9m). Revenue performance confirms the positive trend in activities regarding all specialities

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(hospitalisations, outpatient surgery, visits and diagnostics). The company posted a profit of €1m, up compared to 30 June 2021 (€0.9m).

As concerns **agricultural activities**, packaged wine sales of the company Tenute del Cerro recorded an increase of 13% compared to 30 June 2021 - from €3.8m to €4.3m - while total revenues rose by 16.2%, from €4.3m to €5m also as a result of the excellent performance of agri-tourism businesses. Despite goods business trends, the period closed with a loss of €3.6m deriving substantially from capital losses on sales of land for a total of €4.4m.

Asset and financial performance

Investments and cash and cash equivalents

At 30 June 2022, Group **Investments and cash and cash equivalents** totalled €65,591m (€71,692m at 31/12/2021), after reclassifying €106m pursuant to IFRS 5 (€132m at 31/12/2021):

Investments and cash and cash equivalents - Breakdown by business segment

	Amounts in €m	30/6/2022	% comp.	31/12/2021	% comp.	% var.
Insurance sector	60,357	92.0		66,952	93.4	(9.9)
Holding and other businesses sector	3,200	4.9		3,183	4.4	0.5
Real Estate sector	2,514	3.8		2,342	3.3	7.4
Intersegment eliminations	(480)	(0.7)		(785)	(1.1)	(38.8)
Total Investments and cash and cash equivalents	65,591	100.0		71,692	100.0	(8.5)

The breakdown by investment category is as follows:

	Amounts in €m	30/6/2022	comp. %	31/12/2021	% comp.	% var.
Property (*)						
Investments in subsidiaries, associates and interests in joint ventures	3,833	5.8		3,656	5.1	4.8
Held-to-maturity investments	1,590	2.4		1,304	1.8	21.9
Loans and receivables	366	0.6		367	0.5	(0.2)
Debt securities	4,703	7.2		4,754	6.6	(1.1)
Deposits with ceding companies	4,044	6.2		4,019	5.6	0.6
Other loans and receivables	117	0.2		106	0.1	10.5
Financial assets at amortised cost	542	0.8		629	0.9	(13.9)
Loans and receivables from bank customers	331	0.5		357	0.5	(7.3)
Available-for-sale financial assets	331	0.5		357	0.5	(7.3)
Financial assets at fair value through OCI	43,973	67.0		50,194	70.0	(12.4)
Financial assets at fair value through profit or loss	563	0.9		495	0.7	13.9
of which held for trading	8,644	13.2		8,625	12.0	0.2
of which at fair value through profit or loss	352	0.5		230	0.3	53.5
of which mandatorily at fair value	8,151	12.4		8,345	11.6	(2.3)
Cash and cash equivalents	141	0.2		51	0.1	174.6
Total investments and cash and cash equivalents	1,589	2.4		1,939	2.7	(18.0)
Total investments and cash and cash equivalents	65,591	100.0		71,692	100.0	(8.5)

(*) Including properties for own use

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Transactions carried out in the first half of the year

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

In the first half of 2022, the investment policies adopted in the financial area continued to apply, in the medium/long term, the general criteria of prudence and preservation of asset quality, in compliance with the Guidelines defined in the Group Investment Policy.

Specifically, financial operations were geared towards reaching profitability targets consistent with the asset return profile and with the trend in liabilities over the long-term, maintaining a high-quality portfolio through a process of selecting issuers on the basis of their diversification and strength, with a particular focus on the liquidity profile.

As regards **bonds**, a prudent approach was maintained, assuming a positioning consistent with a context of an increase in interest rates and growing inflation.

The half-year period was characterised by a restructuring of the exposure to government bonds and a reduction in exposure to Italian government bonds.

The non-government bond component recorded an increase in the Life segment and a reduction in the Non-Life segment during the half-year period, concerning primarily financial issuers in the category of subordinated bonds to reduce the portfolio's risk profile, also in view of the now upcoming transition to the new IFRS 9 accounting standard.

Exposure to level 2 and 3 structured bonds remained essentially unchanged during the first half of 2022.

Amounts in €m	30/6/2022			31/12/2021			variation	
	Carrying amount	Market value	Implied +/-	Carrying amount	Market value	Implied +/-	Carrying amount	Market value
Structured securities - Level 1	14	14		40	40	1	(26)	(26)
Structured securities - Level 2	262	228	(34)	262	262			(34)
Structured securities - Level 3	2	1	(1)	2	1		(1)	
Total structured securities	278	243	(34)	303	303		(25)	(60)

Share exposure rose in the course of the first half of 2022 by €501m. Transactions concerned securities of issuers diversified in terms of both sector criteria and geographical factors, reducing the exposure to ETFs (Exchange Traded Funds) and privileging single stock acquisitions. Almost all equity instruments belong to the main share indexes of developed countries.

Strategies in options (calls and call spreads) at 3 and 5 years were also carried out, replicating the acquisition of the Eurostoxx50 index, for a total value of roughly €500m. This strategy makes it possible to benefit from any market increase over the next 5 years, limiting negative impacts to only the expense incurred for the acquisition of the premium.

Exposure to **alternative funds**, a category that includes Private Equity Funds, Hedge Funds and investments in Real Assets, amounted to €1,808m, an increase by approximately €223m relative to 31 December 2021.

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

The overall duration was 5.69 years for the Group, down on the 6.46 years recorded at the end of 2021. The Non-Life segment duration was 2.97 years (3.14 years at the end of 2021); the Life duration was 6.92 years (7.80 years at the end of 2021). The Holding portfolio duration was 1.06 years, up compared to the end of the previous year (0.75 years). The fixed rate and floating rate components of the bond portfolio amounted respectively to 91.1% and 8.9%. The government component

accounted for approximately 62.5% of the bond portfolio whilst the corporate component accounted for the remaining 37.5%, split into 26.5% financial and 11% industrial credit.

88.5% of the bond portfolio was invested in securities with ratings above BBB-.

Net gains on investments and financial income

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

Net investment income

	Amounts in €	30/6/2022	% comp.	30/6/2021	% comp.	% var.
Gains/losses on investment property	(5)	(0.5)	61	5.9	(108.8)	
Gains/losses on investments in subsidiaries and associates and interests in joint ventures	321	27.6	141	13.8	126.9	
Net gains on held-to-maturity investments	8	0.7	9	0.9	(12.9)	
Net gains on loans and receivables	91	7.8	63	6.1	44.5	
Net gains on financial assets recognised at amortised cost	1	0.1	9	0.8	(86.8)	
Net gains on available-for-sale financial assets (*)	937	80.8	552	53.7	69.8	
Net gains on financial assets at fair value through OCI	16	1.3	7	0.7	126.5	
Net gains on financial assets at fair value through profit or loss (**)	(208)	(17.9)	185	18.0	n.s.	
Total net gains on financial assets, cash and cash equivalents	1,160	100.0	1,027	100.0	13.0	
Net losses on other financial liabilities	(78)		(87)		(10.4)	
Total net losses on financial liabilities	(78)		(87)		(10.5)	
Total net gains (***)	1,082		940		15.2	
Net gains on financial assets at fair value (****)	(797)		212			
Net losses on financial liabilities at fair value (****)	517		(168)			
Total net gains on financial instruments at fair value (****)	(279)		44			
Total net gains on investments and net financial income	803		984		(18.4)	

(*) excluding the valuations of financial assets available for sale subject to hedge accounting

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

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

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

Net revenue as at 30 June 2022, amounting to €1,082m, include the net revenue of €318m, deriving from the consolidation with the equity method of BPER Banca, of which €236 originating from the effects of the recognition of goodwill deriving from the acquisition of CARIGE and €42m for the change in the equity investment shareholding of the Unipol Group in BPER Banca.

Impairment losses on financial instruments classified in the Available-for-sale asset category amounted to €9m (€4m at 30/6/2021). The item Gains/losses on investment property included €25m in depreciation (€22m at 30/6/2021).

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Shareholders' equity

At 30 June 2022, Shareholders' equity amounted to €8,218m (€9,722m at 31/12/2021). **Shareholders' equity attributable to the owners of the Parent**, standing at €6,595m (€7,780m at 31/12/2021), was composed of:

	Amounts in €m	30/6/2022	31/12/2021	variation in amount
Share capital		3,365	3,365	
Capital reserves		1,639	1,639	
Income-related and other equity reserves		1,465	1,055	411
(Treasury shares)		(5)	(1)	(4)
Reserve for foreign currency translation differences		4	3	
Gains/losses on available-for-sale financial assets		(342)	1,139	(1,481)
Gains/losses on financial assets at fair value through OCI		(13)	20	(33)
Other gains or losses recognised directly in equity		(94)	(67)	(27)
Profit (loss) for the year		575	627	(52)
Total shareholders' equity attributable to the owners of the Parent		6,595	7,780	(1,185)

The main changes over the period were as follows:

- a decrease due to dividend distribution for €215m;
- a decrease of €1,481m as a result of the change in the provision for gains and losses on available-for-sale financial assets;
- an increase of €575m as a result of the Group profit at 30 June 2022.

The **Shareholders' equity attributable to non-controlling interests** amounted to €1,624m (€1,942m at 31/12/2021), composed of one perpetual regulatory capital instrument (Restricted Tier 1) for €496m issued by UnipolSai in 2020. The main changes over the year were as follows:

- a decrease due to dividend distribution for €106m;
- a decrease of €282m due to the decrease in the third party share of reserves directly posted to shareholders' equity;
- a decrease of €12m net of taxes, to pay the coupon to holders of the Restricted Tier 1 capital instrument issued by UnipolSai;
- an increase of €109m due to profit attributable to non-controlling interests.

Treasury shares

At 30 June 2022, the treasury shares held by Unipol and its subsidiaries totalled 1,129,432 (279,298 at 31/12/2021), of which 477,543 shares held directly. The changes during the first half of the year concerned the following transactions being carried out in execution of Compensation Plans based on financial instruments of a performance share type, intended for the executives of Unipol and of its subsidiaries:

- purchase of 1,700,000 Unipol shares by Unipol and its subsidiaries;
- assignment, in April, of 849,866 Unipol shares in implementation of the Short Term Incentive compensation plan based on financial instruments for the year 2021.

Technical provisions and financial liabilities

At 30 June 2022, technical provisions amounted to €53,295m (€57,128m at 31/12/2021) and financial liabilities amounted to €10,443m (€10,771m at 31/12/2021).

Technical provisions and financial liabilities

	Amounts in €m	30/6/2022	31/12/2021	% var.
Non-Life technical provisions	14,846	14,715	0.9	
Life technical provisions	38,449	42,413	(9.3)	
Total technical provisions	53,295	57,128	(6.7)	
Financial liabilities at fair value	6,042	6,357	(5.0)	
<i>Investment contracts - insurance companies</i>	5,885	5,911	(0.4)	
Other	157	446	(64.7)	
Financial liabilities at amortised cost	4,401	4,414	(0.3)	
<i>Subordinated liabilities</i>	1,415	1,446	(2.1)	
Other	2,986	2,968	0.6	
Total financial liabilities	10,443	10,771	(3.0)	
Total	63,738	67,899	(6.1)	

Unipol Group Debt

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

Group debt structure

	Amounts in €m	30/6/2022	31/12/2021	variation in amount
Subordinated liabilities issued by UnipolSai	1,415	1,446	(31)	
Debt securities issued by Unipol	2,528	2,515	12	
Other loans	319	322	(3)	
Total debt	4,262	4,283	(21)	

The subordinated liabilities issued by UnipolSai Assicurazioni SpA amounted to €1,415m and relate for €1,250m to hybrid bonds and for €160m to subordinated bonds. This item includes accruals of gross coupons for a total of €15m.

The Debt securities issued by Unipol, net of intragroup subscriptions, amounted to €2,528m and relate to two senior unsecured bond loans listed on the Luxembourg Stock Exchange, with a total nominal value of €1,500m, and a 10-year senior green bond loan with a nominal value of €1,000m, listed on the Luxembourg Stock Exchange, issued in two tranches on 23 September and 26 November 2020. The issues described above were implemented as part of the Euro Medium Term Notes (EMTN Programme), with a maximum total nominal amount of €3,000m, established in December 2009 for €2,000m with the latest renewal and increase to €3,000m in September 2020.

With respect to Other loans amounting to €319m (€322m at 31/12/2021), these primarily related to the loan taken out for property purchases and improvement works by the Athens R.E. Closed Real Estate Fund for €149m and by the Closed Real Estate Fund Tikal R.E. for €37m, as well as loans taken out by UnipolRental from banks and other lenders for a total of €48m. The item also includes the financial liabilities deriving from the present value of future lease payments due for lease agreements accounted for on the basis of IFRS 16 for a total of €85m.

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Transactions with related parties

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.

This being said, in the first half of 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 the CONSOB Regulation.

The information required by IAS 24 and Consob Communication DEM/6064293/2006 is provided in paragraph 4.5 of the Notes to the financial statements - Transactions with related parties.

Other information

UnipolSai and Linear: partnership with Pedius

In February 2022, **UnipolSai** and **Linear** announced the launch of the roadside assistance service as part of the Pedius app, which integrates functions for the hearing impaired and all individuals who cannot, temporarily or permanently, communicate verbally, transforming into a voice message any text entered and thereby removing communication barriers through the use of voice recognition and synthesis technologies.

Partnership between UnipolSai and Ducati Corse

8 March 2022 saw the renewal, for the sixth consecutive year, of the partnership between UnipolSai and the Borgo Panigale team for the 2022 MotoGP World Championship.

Trade union agreement regarding Personnel and access to the Solidarity Fund

Please note that during the 2019-2020 two-year period, trade union agreements were entered into in relation to jointly agreed termination of employment contracts for non-executive personnel meeting pension requirements by 31 December 2023. The aforementioned staff will either receive their pension directly from INPS, if they have already met the requirements, or they will have access to the extraordinary section of the Solidarity Fund, where they will receive an allowance at the expense of the company equivalent to the future pension until they accrue the right to a pension. In this regard, please note that during the first half of 2022 no worker was involved in the consensual termination of the employment relationship to access the Solidarity Fund or direct retirement.

Please also note that during the 2020-2021 two-year period, trade union agreements were entered into in relation to jointly 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 agreed termination of contract involved 12 executives in the first half of 2022.

Recognitions

MF Insurance Awards

At the insurance excellence awards night on 24 February 2022, **UnipolSai**, **UniSalute** and **Arca Vita** received different recognitions in the "Companies of Value" category. Added to these was the Special ESG Insurance Elite Award for the best Standard Ethics sustainability rating for an Italian insurance company, which went to UnipolSai.

Best Phygital Brands

On 31 March 2022, as part of the **Best Brands 2022** programme, **UnipolSai** came in third in the "Best Phygital Brands" ranking. This initiative, in its seventh edition this year, ranks the best Italian Brands according to the Best Brands research conducted by GfK and Serviceplan Italia in collaboration with traditional partners Rai Pubblicità, 24ORE System, IGP Decaux and ADC Group and with the support of UPA.

Brand Finance Ranking: UnipolSai one of the strongest brands

According to the most recent Brand Finance ranking, dated 9 May 2022, the UnipolSai brand is growing and reached second place after Ferrari based on brand strength.

Intranet Italia Day 2022

On 19 May 2022, as part of Intranet Italia Day, the **Unipol Group** won first prize in the "Digital Workplace" category with the project dedicated to the claims area, a virtual space in which people, technologies and organisational processes meet, thus favouring collaboration and communication within a single integrated environment.

Italy Protection Forum Awards 2022

During May 2022 the Italy Protection Forum Awards were awarded, recognising insurance sector companies based on their insurance protection and market personality. **UnipolSai** received a recognition for its agency network, thanks to its

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excellent health performance and, in non-life protection, with the "Agricoltura e Servizi" product. **Incontra Assicurazioni** was also awarded for the emphasis it places on ESG issues, for the benefit of its customers' well-being.

Milano Verticale - UNA Esperienze wins at the Italian Mission Awards 2022

In May 2022, the iconic Milan urban design hotel once again won the "Best business hotel for business travellers" award at the ninth edition of the Italian Mission Awards, an event dedicated to leading operators in the business travel sector at national and international level.

Significant events after the reporting period and business outlook

Significant events after the reporting period

Acquisition of Tantosvago Srl

On 6 July 2022, UnipolSai acquired an overall equity investment amounting to 68.865% of the share capital of the company Tantosvago at a price of €11.7m. As set forth in the sale agreement, on the same date, a €4.2m share capital increase reserved to UnipolSai was also approved, subscribed and paid in, bringing the percentage of capital held from 68.865% to 75%. The shareholding sale agreement also calls for a system of option calls on all of the interests of the non-controlling shareholders in favour of UnipolSai, exercisable within contractually defined time windows, and a separate right to sell the non-controlling interests to UnipolSai, provided UnipolSai has not previously exercised the option call.

Tantosvago is active in the flexible benefit market (or the goods and services that a company can provide within the welfare plan for its employees), with the role of aggregator, holding the technology and the know-how to proceed with the acquisition and aggregation of individual products/services provided by various suppliers (such as insurance companies, healthcare facilities, gyms, travel agencies, training organisations) within a digital catalogue of services set up to be integrated within dedicated platforms.

Establishment of Welbee SpA

Also on 6 July 2022, the company Welbee was established, a wholly-owned subsidiary of UnipolSai, through the payment of the entire share capital of €200k, with a view to performing platform provider activities in the flexible benefit market, in the welfare and healthcare sectors, within the framework of the Beyond Insurance Enrichment strategic policy set forth in the 2022-2024 Business Plan.

Exercise of the put option on the equity investment in Incontra Assicurazioni

On 1 July 2022, UnipolSai received formal termination from UniCredit SpA of the shareholders' agreement signed on 30 October 2017 between the two parties in relation to the company Incontra Assicurazioni SpA (the "Agreement"). Following this termination, on 29 July 2022, UnipolSai exercised the put option due to it on the basis of the Agreement, concerning the equity investment held in Incontra Assicurazioni, equal to 51% of its share capital (the "Equity Investment"). Pursuant to the Agreement, UnipolSai and UniCredit have 14 months (subject to legal authorisations) to finalise the transfer of the Investment. The Agreement requires the definition of the sale price of the Investment to an expert identified by the parties or, in the absence of an agreement, by the President of the Court of Milan between investment banks and international consulting firms. The expert must proceed with their determinations in application of the methodologies defined in the Agreement.

Agreement for the 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 bad loans held by UnipolReC (the "Portfolio"), a competitive selection process was launched, through the advisor PWC, 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 as 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 provides 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 March 31, 2022, equal to € 2.6bn. The sale, subject to the prior authorization of the Bank of Italy, is expected to be completed by the end of the current year.

With respect to the carrying amounts recorded as at 30 June 2022, it is estimated that the transaction will have a negative impact on the income statement in the second half of 2022 of approximately € 27m, net of the related tax effects.

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Business outlook

On 21 July, the ECB decided to hike the refinancing transaction rate by 0.5 percentage points and forecast additional future increases based on the evolution of the macroeconomic scenario. A period of negative interest rates that lasted for eight years was therefore brought to an end, following the concerns for the surge in inflation, aggravated by the war between Russia and Ukraine that caused an increase in energy and agricultural product costs within an environment already compromised by the pandemic. The situation in our highly indebted country is aggravated by the political instability that triggered the recent government crisis and puts at risk respect for the commitments made to take advantage of the Next Generation EU funds, which represent a significant opportunity for the Italian economy.

All of this impacts the financial markets, particularly the equity markets, which in July demonstrated a certain degree of agitation, and the stability of the spread, even within a scenario in which the ECB continues to protect it. The financial operations of the Group continue to aim for consistency between assets and liabilities and the maintenance of a high standard of portfolio quality through issuer diversification criteria, maintaining a particular focus on their strength and liquidity as well as safeguarding the Group's solvency position.

With regard to the trends of the business sectors in which the Group operates, there are no particularly significant events to report with respect to the trends recorded throughout the first half of 2022. Inflationary pressure is growing on the cost of claims, particularly in the MV TPL segment as a result of higher spare part costs and recent legislative provisions on losses with injuries, which the Group is facing by boosting channelling towards authorised repair shops and a number of actions to improve the management of injuries as set forth in our Business Plan.

The marketing of the UnipolMove electronic toll payment devices is continuing successfully. In the first five months of marketing, about 300,000 devices have already been distributed.

The performance recorded in the first half of the year and the information currently available enable the Group to confirm, in the absence of currently unforeseeable events, 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 Business Plan.

Bologna, 4 August 2022

The Board of Directors

2. Condensed Consolidated Half-Yearly Financial Statements at 30 June 2022

Tables of Consolidated Financial Statements

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

2 Consolidated Financial Statements

Statement of financial position

Assets

		<i>Amounts in €m</i>	30/6/2022	31/12/2021
1	INTANGIBLE ASSETS			
1.1	Goodwill		2,151.4	2,080.8
1.2	Other intangible assets		1,684.4	1,630.8
2	PROPERTY, PLANT AND EQUIPMENT		467.0	450.0
2.1	Property		2,672.9	2,514.7
2.2	Other tangible assets		1,569.5	1,584.0
3	TECHNICAL PROVISIONS - REINSURERS' SHARE		1,103.4	930.7
4	INVESTMENTS		905.7	831.3
4.1	Investment property		62,432.3	68,169.0
4.2	Investments in subsidiaries, associates and interests in joint ventures		2,263.1	2,072.5
4.3	Held-to-maturity investments		1,590.1	1,304.4
4.4	Loans and receivables		365.9	366.7
4.4bis	Financial assets at amortised cost		4,702.6	4,754.0
4.5	Available-for-sale financial assets		331.0	357.2
4.5bis	Financial assets at fair value through OCI		43,972.7	50,194.4
4.6	Financial assets at fair value through profit or loss		563.3	494.6
4.6.1	<i>Held-for-trading financial assets</i>		8,643.5	8,625.2
4.6.2	<i>Financial assets at fair value</i>		352.2	229.5
4.6.3	<i>Other financial assets mandatorily at fair value</i>		8,150.8	8,344.5
4.6.3			140.6	51.2
5	SUNDY RECEIVABLES		2,837.0	3,432.9
5.1	Receivables relating to direct insurance business		1,085.5	1,398.0
5.2	Receivables relating to reinsurance business		180.6	204.5
5.3	Other receivables		1,570.9	1,830.4
6	OTHER ASSETS		2,125.0	1,290.8
6.1	Non-current assets or assets of a disposal group held for sale		105.9	132.6
6.2	Deferred acquisition costs		106.4	100.1
6.3	Deferred tax assets		941.8	427.0
6.4	Current tax assets		22.3	9.6
6.5	Other assets		948.6	621.4
7	CASH AND CASH EQUIVALENTS		1,589.4	1,938.9
	TOTAL ASSETS		74,713.6	80,258.5

Statement of financial position

Shareholders' equity and liabilities

		Amounts in €m	30/6/2022	31/12/2021
1	SHAREHOLDERS' EQUITY			
1.1	attributable to the owners of the Parent		8,218.1	9,721.5
1.1.1	Share capital		6,594.6	7,780.0
1.1.2	Other equity instruments		3,365.3	3,365.3
1.1.3	Capital reserves		1,639.4	1,639.4
1.1.4	Income-related and other equity reserves		1,465.4	1,054.9
1.1.5	(Treasury shares)		(5.5)	(1.1)
1.1.6	Reserve for foreign currency translation differences		3.8	3.3
1.1.7	Gains or losses on available-for-sale financial assets		(342.4)	1,138.6
1.1.7bis	Gains or losses on financial assets at fair value through OCI		(12.7)	20.0
1.1.8	Other gains or losses recognised directly in equity		(93.6)	(67.0)
1.1.9	Profit (loss) for the year attributable to the owners of the Parent		574.9	626.6
1.2	attributable to non-controlling interests		1,623.6	1,941.5
1.2.1	Share capital and reserves attributable to non-controlling interests		1,584.4	1,554.3
1.2.2	Gains or losses recognised directly in equity		(69.4)	217.7
1.2.3	Profit (loss) for the year attributable to non-controlling interests		108.6	169.6
2	PROVISIONS		418.5	446.9
3	TECHNICAL PROVISIONS		53,295.2	57,128.3
4	FINANCIAL LIABILITIES		10,442.8	10,770.8
4.1	Financial liabilities at fair value through profit or loss		6,041.9	6,356.9
4.1.1	<i>Financial liabilities held-for trading</i>		157.3	445.9
4.1.2	<i>Financial liabilities at fair value</i>		5,884.6	5,911.0
4.2	Other financial liabilities		4,400.9	4,413.9
5	PAYABLES		1,310.1	1,095.5
5.1	Payables arising from direct insurance business		133.9	187.6
5.2	Payables arising from reinsurance business		156.3	104.5
5.3	Other payables		1,019.9	803.5
6	OTHER LIABILITIES		1,029.0	1,095.4
6.1	Liabilities associated with disposal groups held for sale		0.0	3.1
6.2	Deferred tax liabilities		31.9	115.3
6.3	Current tax liabilities		18.7	40.3
6.4	Other liabilities		978.3	936.6
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES			74,713.6	80,258.5

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Income statement

		Amounts in €m	30/6/2022	30/6/2021
1.1	Net premiums		5,656.2	5,850.8
1.1.1	<i>Gross premiums earned</i>		5,931.7	6,077.6
1.1.2	<i>Earned premiums ceded to reinsurers</i>		(275.5)	(226.8)
1.2	Commission income		24.8	22.3
1.3	Gains and losses on financial instruments at fair value through profit or loss		(254.6)	213.9
1.4	Gains on investments in subsidiaries, associates and interests in joint ventures		320.9	141.7
1.5	Gains on other financial instruments and investment property		1,331.7	1,021.7
1.5.1	<i>Interest income</i>		756.7	692.2
1.5.2	<i>Other income</i>		157.7	101.1
1.5.3	<i>Realised gains</i>		415.7	207.4
1.5.4	<i>Unrealised gains</i>		1.5	21.0
1.6	Other revenue		571.8	459.7
1	TOTAL REVENUE AND INCOME		7,650.7	7,710.1
2.1	Net charges relating to claims		(4,207.8)	(4,724.6)
2.1.1	<i>Amounts paid and changes in technical provisions</i>		(4,283.0)	(4,806.5)
2.1.2	<i>Reinsurers' share</i>		75.2	82.0
2.2	Commission expense		(44.7)	(13.7)
2.3	Losses on investments in subsidiaries, associates and interests in joint ventures		(0.3)	(0.4)
2.4	Losses on other financial instruments and investment property		(594.7)	(393.2)
2.4.1	<i>Interest expense</i>		(76.0)	(82.7)
2.4.2	<i>Other charges</i>		(20.5)	(18.3)
2.4.3	<i>Realised losses</i>		(218.3)	(70.9)
2.4.4	<i>Unrealised losses</i>		(279.9)	(221.2)
2.5	Operating expenses		(1,378.8)	(1,304.4)
2.5.1	<i>Commissions and other acquisition costs</i>		(951.5)	(907.9)
2.5.2	<i>Investment management expenses</i>		(67.7)	(59.3)
2.5.3	<i>Other administrative expenses</i>		(359.6)	(337.1)
2.6	Other costs		(556.4)	(530.9)
2	TOTAL COSTS AND EXPENSES		(6,782.8)	(6,967.1)
	PRE-TAX PROFIT (LOSS) FOR THE YEAR		868.0	743.0
3	Income taxes		(184.4)	(91.0)
	PROFIT (LOSS) FOR THE YEAR AFTER TAXES		683.6	652.1
4	PROFIT (LOSS) FROM DISCONTINUED OPERATIONS			
	CONSOLIDATED PROFIT (LOSS)		683.6	652.1
	<i>of which attributable to the owners of the Parent</i>		574.9	536.7
	<i>of which attributable to non-controlling interests</i>		108.6	115.4

Comprehensive income statement

	Amounts in €m	30/6/2022	30/6/2021
CONSOLIDATED PROFIT (LOSS)			
Other income items net of taxes not reclassified to profit or loss	683.6	652.1	
Change in the shareholders' equity of the investees	(12.1)	23.9	
Change in the revaluation reserve for intangible assets	8.3	24.4	
Change in the revaluation reserve for property, plant and equipment			
Gains and losses on non-current assets or disposal groups held for sale			
Actuarial gains and losses and adjustments relating to defined benefit plans	(2.8)	(2.3)	
Gains or losses on equity instruments at fair value through OCI	(17.6)	3.0	
Reserve deriving from variation on credit risk on financial liabilities at fair value through profit or loss			
Other items		(1.2)	
Other income items net of taxes reclassified to profit or loss	(1,815.0)	92.9	
Change in the reserve for foreign currency translation differences	0.5	(0.0)	
Gains or losses on available-for-sale financial assets	(1,766.8)	100.0	
Gains or losses on financial assets (other than equity instruments) at fair value through OCI	(17.3)	1.7	
Gains or losses on cash flow hedges	15.7	(15.5)	
Gains or losses on hedges of a net investment in foreign operations			
Change in the shareholders' equity of the investees	(47.0)	6.8	
Gains and losses on non-current assets or disposal groups held for sale			
Other items			
TOTAL OTHER COMPREHENSIVE INCOME (EXPENSE)	(1,827.1)	116.8	
TOTAL CONSOLIDATED COMPREHENSIVE INCOME (EXPENSE)	(1,143.5)	768.9	
<i>of which attributable to the owners of the Parent</i>	<i>(965.0)</i>	<i>637.9</i>	
<i>of which attributable to non-controlling interests</i>	<i>(178.5)</i>	<i>131.0</i>	

2 Consolidated Financial Statements

Statement of changes in shareholders' equity

	<i>Amounts in €m</i>	Balance at 31/12/2020	Changes to closing balances	Amounts allocated	Adjustments from reclassificati on to profit or loss	Transfers	Changes in investments	Balance at 30/6/2021
Equity attributable to the owners of the Parent	Share capital	3,365.3						3,365.3
	Other equity instruments							
	Capital reserves	1,639.4						1,639.4
	Income-related and other equity reserves	771.0		482.6			(0.4)	1,253.2
	(Treasury shares)	(2.7)		(0.2)				(2.9)
	Profit (loss) for the year	707.4		30.0		(200.7)		536.7
	Other comprehensive income (expense)	1,133.2		(230.8)	332.5		(0.5)	1,234.4
	Total attributable to the owners of the Parent	7,613.6		281.5	332.5	(200.7)	(0.9)	8,026.0
Equity attributable to non-controlling interests	Share capital and reserves attributable to non-controlling interests	1,525.8		40.7			2.2	1,568.8
	Profit (loss) for the year	156.7		81.3		(122.7)		115.4
	Other comprehensive income (expense)	229.2		(48.9)	64.1		0.5	244.8
	Total attributable to non- controlling interests	1,911.7		73.1	64.1	(122.7)	2.7	1,928.9
Total	9,525.3			354.6	396.6	(323.4)	1.9	9,954.9

	<i>Valori in milioni di euro</i>	Balance at 31/12/2021	Changes to closing balances	Amounts allocated	Adjustments from reclassificati on to profit or loss	Transfers	Changes in investments	Balance at 30/6/2022
Equity attributable to the owners of the Parent	Share capital	3,365.3						3,365.3
	Other equity instruments							
	Capital reserves	1,639.4						1,639.4
	Income-related and other equity reserves	1,054.9		398.1			12.4	1,465.4
	(Treasury shares)	(1.1)		(4.4)				(5.5)
	Profit (loss) for the year	626.6		163.3		(214.9)		574.9
	Other comprehensive income (expense)	1,095.0		(1,612.2)	67.8		4.4	(444.9)
	Total attributable to the owners of the Parent	7,780.0		(1,055.2)	67.8	(214.9)	16.8	6,594.6
Equity attributable to non-controlling interests	Share capital and reserves attributable to non-controlling interests	1,554.3		51.6			(21.5)	1,584.4
	Profit (loss) for the year	169.6		44.7		(105.7)		108.6
	Other comprehensive income (expense)	217.7		(291.8)	9.1		(4.4)	(69.4)
	Total attributable to non- controlling interests	1,941.5		(195.5)	9.1	(105.7)	(25.8)	1,623.6
Total	9,721.5			(1,250.7)	76.9	(320.6)	(9.0)	8,218.1

Statement of cash flows (indirect method)

	Amounts in €m	30/6/2022	30/6/2021
Pre-tax profit (loss) for the year	868.0	743.0	
Change in non-monetary items	1,630.2	(678.4)	
Change in Non-Life premium provision	67.1	3.5	
Change in claims provision and other Non-Life technical provisions	(3.2)	(16.6)	
Change in mathematical provisions and other Life technical provisions	(3,971.5)	(591.6)	
Change in deferred acquisition costs	(6.3)	(8.7)	
Change in provisions	(28.5)	(25.4)	
Non-monetary gains and losses on financial instruments, investment property and investments	427.3	(185.3)	
Other changes	5,145.2	145.7	
Change in receivables and payables generated by operating activities	(159.3)	507.2	
Change in receivables and payables relating to direct insurance and reinsurance	295.5	289.1	
Change in other receivables and payables	(454.7)	218.1	
Paid taxes	(157.8)	(54.1)	
Net cash flows generated by/used for monetary items from investing and financing activities	(911.3)	16.9	
Liabilities from financial contracts issued by insurance companies	146.8	522.8	
Payables to bank and interbank customers			
Loans and receivables from banks and interbank customers			
Other financial instruments at fair value through profit or loss	(1,058.1)	(505.8)	
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	1,269.8	534.6	
Net cash flow generated by/used for investment property	(189.7)	56.7	
Net cash flow generated by/used for investments in subsidiaries, associates and interests in joint ventures (*)	(62.9)	0.1	
Net cash flow generated by/used for loans and receivables	(306.3)	91.8	
Net cash flow generated by/used for financial assets at amortised cost	33.1	(125.4)	
Net cash flow generated by/used for held-to-maturity investments	2.8	6.3	
Net cash flow generated by/used for available-for-sale financial assets	(328.5)	449.7	
Net cash flow generated by/used for financial assets at fair value through OCI	(118.8)	1,216.7	
Net cash flow generated by/used for property, plant and equipment and intangible assets	(326.9)	(92.2)	
Other net cash flows generated by/used for investing activities	7.1	88.8	
TOTAL NET CASH FLOW GENERATED BY/USED FOR INVESTING ACTIVITIES	(1,290.1)	1,692.5	
Net cash flow generated by/used for equity instruments attributable to the owners of the Parent			
Net cash flow generated by/used for treasury shares	(4.0)	0.2	
Dividends distributed attributable to the owners of the Parent	(214.9)	(200.7)	
Net cash flow generated by/used for share capital and reserves attributable to non-controlling interests	(118.0)	(106.7)	
Net cash flow generated by/used for subordinated liabilities and equity instruments			
Net cash flow generated by/used for financial liabilities at amortised cost	7.5	(561.7)	
TOTAL NET CASH FLOW GENERATED BY/USED FOR FINANCING ACTIVITIES	(329.4)	(1,105.4)	
Effect of exchange rate gains/losses on cash and cash equivalents			
CASH AND CASH EQUIVALENTS AT 1 JANUARY (**)	1,939.1	1,094.9	
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(349.7)	1,121.7	
CASH AND CASH EQUIVALENTS AT 31 DECEMBER (***)	1,589.4	2,216.6	

(*)The 2022 figure includes the difference between the purchase price paid for I.Car and Muriana Manuela and cash and cash equivalents transferred post-acquisition.

(**) Include cash and cash equivalents of non-current assets or those of a disposal group held for sale (2022 €0.2m, 2021 €0.1m).

(***) Include cash and cash equivalents of non-current assets or those of a disposal group held for sale at 30/6/2021 €0.4m.

3. Notes to the Financial Statements

3 Notes to the Financial Statements

1. Basis of presentation

The condensed consolidated half-yearly financial statements of the Unipol Group at 30 June 2022 are drawn up in application of IAS 34 and in compliance with the provisions of Art. 154-ter of Italian Legislative Decree 58/1998 (Consolidated Law on Finance) and with ISVAP Regulation no. 7 of 13 July 2007. They do not comprise all the information required for the annual financial statements and must be read together with the supplemented financial statements at 31 December 2021.

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

It is noted that the Unipol Group availed itself of the faculty envisaged by Art. 4, paragraph 2-quater of the Regulation³ and therefore supplemented the consolidated financial statements with the special items envisaged for the reporting of financial instruments measured in compliance with IFRS 9, as set out by the Regulation in relation to the insurance companies that opted for a deferral in the application of IFRS 9.

The condensed, consolidated half-yearly financial statements of the Unipol Group at 30 June 2022 comprise the following:

- Statement of Financial Position;
- Income Statement and Comprehensive Income Statement;
- Statement of Changes in Shareholders' Equity;
- Statement of Cash Flows;
- Notes to the Financial Statements;
- Tables appended to the notes to the financial statements.

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

The accounting standards used, to which special reference is made and which are an integral part hereof, the recognition and measurement criteria, as well as the consolidation principles applied in drawing up the condensed, consolidated half-yearly Financial Statements at 30 June 2022, conform to those adopted in preparing the Consolidated Financial Statements at 31 December 2021, except for expressly specified in the following section "New accounting standards".

While drawing up the condensed consolidated half-yearly financial statements at 30 June 2022, by reason of the fact that it is an interim report, the Management had to make a greater use of evaluations, estimates and assumptions that affect the application of the accounting standards and the amounts related to assets and liabilities, as well as costs and revenue recognised in the accounts. However, it should be noted that, as these are estimates, the final results will not necessarily be the same as amounts disclosed herein. These estimates and assumptions are reviewed on a regular basis. Any changes resulting from the review of the accounting estimates are recognised in the period in which such review is performed and in the related future periods.

The presentation currency is the euro and all the amounts shown in the Notes to the financial statements are disclosed in €m, except when specifically indicated, rounded to one decimal place; therefore, the sum of the individual amounts is not always identical to the total.

The Condensed Consolidated Half-Yearly Financial Statements at 30 June 2022 are subject to a limited audit by the company EY SpA, charged to audit the accounts for the years 2021 to 2029.

³Article 4, paragraph 2- quarter of the Regulation sets out the following: "As per article 3, paragraph 1, letter c-bis of this Regulation, financial conglomerates that, for accounting periods beginning on 1 January 2021, elects not to apply IFRS 9 to entities operating in the insurance sector, pursuant to article 2 of the Commission Regulation (EU) 2017/1988 of 3 November 2017, shall integrate financial statements, as per attachments 5 and 7, with differential items taken from statements 5 bis and 7 bis, respectively, while clarifying the accounting standard applied to each single item".

Consolidation scope

Investments consolidated on a line-by-line basis and those measured using the equity method are listed in the tables showing the Consolidation scope and Details of unconsolidated investments, respectively, which are appended to these Notes.

Changes in the consolidation scope compared with 31 December 2021 and other transactions

On 13 January 2022, on obtaining authorisation from the Italian Competition Authority, the proposed contract for the purchase by UnipolSai of 100% of I.Car Srl and 100% of the share capital of Muriana Manuela Srl was executed.

On 20 January 2022 the Articles of Association of UnipolHome SpA, 100%-owned by UnipolSai, were registered with the Register of Companies.

On 10 February 2022, UnipolSai Investimenti Sgr SpA, as the management company and in name and on behalf of the closed-end real estate investment fund Athens R.E. Fund, acquired 100% of the share capital of the sole member limited liability company Nuove Terme Petriolo Srl.

On 7 April 2022, the 100%-owned subsidiary MNTTN SpA changed its company name to BeRebel SpA.

Information about business combinations

As stated above, on 13 January 2022, UnipolSai acquired 100% of I.Car Srl share capital at the price of €60m and 100% of Muriana Manuela Srl share capital for €3.3m. The two companies operate in the motor vehicle alarm sector and insurance brokerage sector, respectively. On 1 June 2022, in application of the criteria set forth in the sale agreement, UnipolSai paid an additional €10m as a purchase price adjustment for I.Car. The I.Car price will be subject to subsequent integration through the payment of an additional variable tranche of around €10m, which will be determined after approval of the I.Car financial statements for 2022.

The values of the assets and liabilities acquired, calculated on the accounting positions of those companies at 31 December 2021, are reported below:

	Amounts in €k	31/12/2021
Other intangible assets		18.1
Property, plant and equipment		4.2
Other receivables		33.1
Other assets		0.7
Cash and cash equivalents		11.2
Provisions		(2.7)
Other financial liabilities		(2.8)
Other payables		(29.7)
Current tax liabilities		(0.5)
Other liabilities		(2.8)
Total Net identifiable assets		28.7

The values of the assets acquired and the liabilities assumed are still considered provisional and may be recalculated within 12 months of the acquisition, as laid out in IFRS 3. On the basis of these values, the difference between the acquisition cost (estimated at €82.3m including the future price adjustment) and the net identifiable assets led to the recognition of goodwill for €53.6m.

3 Notes to the Financial Statements

Segment reporting

Segment reporting is provided according to the provisions of IFRS 8 and structured on the basis of the major business segments in which the Group operates:

- Non-Life insurance business;
- Life insurance business;
- Real estate business;
- Holding and other businesses.

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

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

New accounting standards

The changes to the accounting standards previously in force are summarised below, whose application took effect from 1 January 2022, for which no accounting impacts worthy of note were recorded.

Amendments to IFRS 3, IAS 16, IAS 37 and Annual Improvements 2018-2020

Regulation (EU) 2021/1080 of 28 June 2021 endorsed several amendments to IAS/IFRS which include some limited amendments to three accounting standards, as well as improvements to certain standards, namely:

- IFRS 3 "Business combinations": the reference present in IFRS 3 to the new revised Conceptual Framework was updated to resolve certain issues linked to the distinction between the acquisition of a business and the acquisition of a group of assets. This specification does not make any amendment to the provisions of that standard;
- IAS 16 "Property, plant and equipment": introduced the prohibition of deducting from the cost of the asset the amount received from the sale of goods produced prior to when the asset is ready for use. These sales revenues and the relative costs should therefore be recognised in the income statement;
- IAS 37 "Provisions, contingent liabilities and contingent assets": a clarification has been included with respect to the cost items to be considered in order to evaluate whether a contract could be defined as onerous;
- Annual Improvements: minor amendments were made to IFRS 1 "First-time Adoption of International Financial Reporting Standards", IFRS 9 "Financial instruments", IAS 41 "Agriculture" and to the illustrative examples accompanying IFRS 16 "Leases".

Information on the application of IFRS 17 and IFRS 9

The standards IFRS 17 and IFRS 9, both applicable to the entire scope of the Group from 1 January 2023, will significantly change the accounting representation of insurance contracts and financial instruments. As mentioned in previous years, starting from 2018, for companies that are parent companies of a financial conglomerate which, at that date, meet the conditions set out in Regulation (EU) 2017/1998, due to the strict correlation between the two standards, undertakings or groups that conduct insurance business had the option to defer the application of IFRS 9 up to the date of first-time adoption of IFRS 17. That right was also exercised by the Unipol Group, which deferred the application of IFRS 9 only for UnipolSai and its subsidiaries. It is also noted that, specifically due to the close interrelation of the two standards, the Group intends to adopt the option provided for by the "classification overlay" to ensure full representation of the joint impact of the new context of the accounting standards, substantively adopting both IFRS 9 and IFRS 17 in determining the comparative data for 2022 which will be presented in the accounting reports for 2023.

The main changes introduced by the above standards and disclosure on the main accounting standards that the Group intends to adopt are illustrated below, limited only to the areas in which the Group deems to have acquired a significant confidence level.

Also note that, primarily referring to IFRS 17, the methodological and valuation approaches used and reported below may be subject to change, also pending the consolidation of the interpretations of specific issues and additional analyses that will be conducted for the actual application of the standard, starting with interim and annual financial statements referring to 2023. In that context, also considering the close interrelation between the two standards, it is not considered possible to currently provide a sufficiently reliable estimate of the impacts deriving from the application of the two standards on the statement of financial position at 1 January 2022.

IFRS 17 – Insurance contracts

IFRS 17 "Insurance Contracts", applicable from 1 January 2023, establishes new criteria for measuring and accounting rules for insurance products, replacing IFRS 4, an "interim" standard issued in 2004, which provided for the application of local accounting practices, potentially different from each other, complicating the comparison of the financial results of insurance companies. The process of formation and approval of the standard was particularly complex: specifically, in the version of the standard approved by the IASB on 18 May 2017, the date of entry into force was set for 1 January 2021. With the two following interventions by the IASB, the date of entry into force was postponed to 1 January 2023, also considering the numerous requests to amend the standard proposed by the various stakeholders in the months immediately following the publication of the first version of the standard. The amendments to the standard were adopted by the IASB on 25 June 2020 and, following that amendment, the process of endorsement of the standard in the European Union was activated, which was completed on 23 November 2021 with the publication of Regulation EU 2021/2036. It is noted that, in the endorsement phase, in line with that desired by the Italian and European industry, in contrast with that set out in the version of the standard approved by the IASB, the possibility was introduced of not applying the grouping into annual cohorts of life insurance contracts characterised by intergenerational mutualisation and cash flow consistency.

Very briefly, the IFRS 17 standard will introduce the following changes:

- a) change in aggregation criteria of insurance contracts: the new accounting model entails an increase in the number of units of insurance contracts that bear similar characteristics (so-called Units of Account - UOA), according to which the financial and equity components should be determined;
- b) Market-consistent values: insurance liabilities must be measured at current values (based on up-to-date information), weighted by the probability of realisation and discounted to take into consideration the time value of money, the characteristics of cash flows and the characteristics of liquidity of the insurance contracts;
- c) explicit measurement of risk adjustment: it shall be estimated in a distinct way from liabilities related to cash flows estimated to fulfil contract obligations undertaken;
- d) recognition of the estimated profit that is implicit in the insurance contracts in portfolio: the so-called "Contractual Service Margin" (CSM), estimated as the difference between the cash flows (i.e., premiums) due to the company and the aggregate contract charges undertaken, including risk adjustment. This amount, if positive, i.e., in case of non-onerous contracts at the subscription date, will be recognised in the income statement over the entire period of the insurance coverage, with the function of suspending the expected profit. If the CSM is negative, on initial recognition or even subsequently in the event of adverse changes in the expected profitability due, for example, to higher expected claims than initially estimated, the implicit loss deriving from the insurance contract is fully recognised in profit and loss;
- e) profit or loss based on margins: a new way of disclosing profit in the income statement was introduced by envisaging a recognition based on margin (divided by underwriting activities and investment activities). Specifically, the insurance margin deriving from underwriting activities will be represented by the difference between:
 - a. insurance revenue, mainly comprised of:
 - the amount of charges for insurance services that the insurer expects to incur during the year;
 - the evolution of liability due to the explicit adjustment for risk for the component relating to future services;
 - the attribution to the year of a portion of the CSM based on the portion of services provided, gross of the component of acquisition charges.
 - b. insurance costs, mainly comprised of:

3 Notes to the Financial Statements

- the amount of charges for insurance services actually incurred during the year under way (claims occurring and change in liabilities for claims occurring and administration expenses);
 - the attribution to the year of a portion of contract acquisition charges;
 - the losses on onerous contracts and the related reversal.
- The net financial result will be calculated as the difference between the result of the investment in financial instruments and net financial costs/revenue relating to insurance contracts issued.
- f) various accounting approaches: depending on the characteristics of the insurance contracts, it is possible to use three difference accounting approaches:
- The Building Block Approach (BBA): standard model that provides for the separate accounting for the components of insurance liabilities/assets, comprised of the present value of expected future cash flows, the explicit adjustment for risk and the CSM. The components of insurance liabilities/assets are constantly adjusted based on the market conditions, taking account of the updated estimates and the evolution of the market scenario. In particular:
 - o the changes in the present value of cash flows deriving from changes in the discounting rate used result in an equivalent adjustment of the present value of cash flows with an offsetting entry in the income statement or, as an option, in other comprehensive income, in the event that the so-called "FVOCI Option" is adopted;
 - o the changes in the estimated liabilities relating to future services result in an adjustment to the CSM;
 - o the changes observed in the expected cash flows for the period (recognised under revenue from insurance services) and those actually incurred in the period (recognised under costs for insurance services), instead, impact the income statement for the year.
 - Premium Allocation Approach ("PAA"): simplified approach - applicable to contracts with coverage equal to or less than 12 months and, only under specific conditions, also to contracts with a longer duration - which provides for the recognition of a single liability (so-called "Liability for Remaining Coverage" or LRC) without explicitly distinguishing between the relative component identified above, different to the BBA. The LRC is recognised in the income statement according to systematic logic (i.e., pro-rata temporis) based on the contractual coverage period. In the pro-rata case, the methods for recognizing revenues are similar to those applicable for the recognition of the "Premium reserve" on the basis of IFRS 4;
 - Variable Fee Approach ("VFA"): an approach that constitutes a variation of the BBA applicable to cases of insurance contracts with direct participation, which require that the policyholder obtain from the insurance company remuneration based on a substantial share of the returns of a portfolio of identifiable financial assets. Under this approach, the CSM substantially represents the fee for the financial management service provided by the insurer. Different from that set out for the BBA, any changes in the estimate of the CSM that derive from the performance of the underlying financial assets and, therefore, are due to market variables, result in a change in the CSM without direct impacts on the income statement or statement of comprehensive income.
- g) accounting options: to allow for representation that is more consistent with the substantive nature of insurance contracts, the faculty is provided to recognise the effects of changes in market rates on the value of liabilities or assets linked to the fulfilment of the insurance contract (so-called "Fulfilment Cash Flow" or FCF, comprised of the sum of the present value of expected cash flows and the risk margin) as an offsetting entry to items of other comprehensive income, thus reducing the volatility of the income statement results.
- h) disclosure: to complete information reported in the income statement and in the statement of financial position, various statements shall be drawn up showing the changes occurred during the year related to the single components making up the insurance liabilities.

Implementation of IFRS 17 for the Unipol Group

The Unipol Group has been strongly committed to planning for the future application of IFRS 17 since 2017, with extensive involvement of the main corporate functions. After a thorough assessment to determine the impact of this standard and measuring the gaps in terms of processes, IT systems, accounting, actuarial calculations, business and risk, at the beginning of 2018 the IFRS 17 transition project was launched which, under the guidance of UnipolSai, has gradually also involved the other insurance companies in the Group, with a view to implementing a single data processing and management model within the Group, leveraging common policies, processes and IT applications. Following long, extensive work of analysis, development and testing, during the second quarter of 2022, the parallel run phase was launched, which firstly involved UnipolSai and subsequently will involve the other insurance companies of the Group. This important phase of parallel

application of IFRS 17 and IFRS 4 will make it possible, on one hand, to verify the implementations made, extensively testing data flows, systems, results of actuarial and accounting engines and, on the other, to ensure greater awareness of the actual impact of the new standard which will be definitively calculated only after the definition of the transition values.

The main choices of the Unipol Group

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

Scope of application

IFRS 17 will be applied to all products featuring significant insurance risk and to insurance contracts with elements of direct participation. Based on that criterion, the scope of application will include Non-Life contracts and, with reference to the Life business, all products in class I, IV and V and a limited portion of products in the other classes, where they contain a significant insurance risk higher than the investment risk.

With regard to the scope of cash flows included in the contract boundary for the purpose of accounting for insurance contracts compared to the scope considered based on the current accounting criteria, the following changes are expected:

- the estimate of initial net liabilities will also include a portion of the indirect acquisition costs, which, instead, are directly charged to the income statement when they are incurred, based on the provisions of IFRS 4;
- the possible onerousness on the issue of a UOA will be calculated considering a larger scope of cash flows, including all those for which the insurance company cannot modify the rate or benefits to align them with the risk assumed.

Method of aggregating groups of contracts

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

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

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

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

With regard to the aggregation criteria used under IFRS 4, the different level of granularity introduced by IFRS 17 could result in an increased possibility of recognising onerous UOAs, in the initial accounting phase, resulting in the recording of the expected loss directly in the year of issue.

Calculating discount rates

To determine the discount rate to apply to future cash flows, the Group decided to apply a bottom-up approach. That approach entails the identification of a risk free curve adjusted based on an Illiquidity Premium that expresses the characteristics of illiquidity of the insurance contracts. To identify the risk free curve, the Group aims to adopt a methodology similar to the one used in the area of prudential supervision. The Illiquidity Premium will be calculated using an approach consistent with the methodological framework of the Solvency II Volatility Adjustment, also considering the expected changes proposed in the context of the revision of the standard formula, while using the characteristics of the real asset portfolio underlying insurance liabilities. In line with that approach, the Illiquidity Premium will be differentiated

3 Notes to the Financial Statements

based on the liquidity characteristics of the cash flows being discounted, distinguishing, for example, between flows that are dependent on the returns of a portfolio of underlying financial assets and those that are not.

As previously noted, the introduction of an explicit discount rate to apply to all insurance liabilities/assets is one of the main changes introduced by the standard IFRS 17, as the calculation of technical provisions under IFRS 4, with the exception of any additional provisions for Shadow Accounting and the LAT, is based on specific valuation methods set out in the national regulations of each of the Group companies. Considering that context, the classification of most of the Group's portfolio of financial assets based on fair value and the method of calculating the discount rates partially linked to the current rates of return of the asset portfolio, compared to the current accounting situation, the Group expects lower volatility in the total shareholders' equity in relation to fluctuations in market rates of return.

Calculation of the adjustment for risk deriving from non-financial risks

As stated, the separate valuation of the risk adjustment for non-financial risks is a change on the accounting regulations currently in force. The Group intends to calculate the Risk Adjustment using the analysis tools deriving from those previously developed to implement the internal model adopted for Solvency II purposes, based on the probability distribution of the set of risks to which cash flows are subject, thus also considering the benefits of diversification existing between the various UOAs.

Accounting approaches applied

For insurance contracts, the Group plans to generally apply the following accounting approaches:

- the PAA will be applied to all Non-Life contracts with coverage of up to 12 months;
- The VFA will be applied to contracts with direct participation (mainly comprised of revaluable policies linked to segregated funds);
- the BBA will be applied to all insurance contracts not included in the above categories, i.e., mainly to long-term Non-Life and Life policies.

Adoption of options to reduce accounting misalignment

The Group intends to adopt the options to reduce accounting misalignment deriving from the methods of valuation of liabilities and assets subject to IFRS 17 and/or IFRS 9. Specifically, the options set out in paragraphs 88, 89 and 90 of IFRS 17 allow for recognising at FVOCI, instead of through profit and loss, a portion of the finance income or expenses relating to insurance contracts. That option will make it possible:

- with regard to contracts accounted for using the BBA or PAA, to recognise any changes in insurance assets and liabilities deriving from changes in the discount rates as an offsetting entry through other comprehensive income, leaving in the income statement the effects of the reversal of the discount rate identified on initial recognition (the "locked-in" rate);
- with regard to contracts accounted for using the VFA, to eliminate the net financial profitability recognised in the income statement deriving from the assets underlying the insurance contracts and from the revaluation of insurance liabilities. That approach will make it possible to move on from the shadow accounting practice currently used, with the aim of reducing the existing accounting misalignment between the valuation criteria of financial assets and those of the correlated insurance liabilities.

Approach to the transition

On first-time adoption, the standard IFRS 17 requires the recalculation of the statement of financial position and income statement balances at the transition date (which, for the Unipol Group, is 1 January 2022, as the 2023 Financial Statements must present the previous year's statement of financial position and income statement for comparative purpose) based on the full retrospective approach, i.e., assuming that the standard had been applied from the date of initial recognition of the insurance contracts entered into. Based on the complexity of the standard and the changes introduced to the existing accounting methods, the standard also provides the option, where it is not possible to retrospectively apply the standard, to use two simplified approaches, as alternatives to each other, to calculate the amount of accounting items linked to insurance contracts (the modified retrospective approach and the fair value approach). As previously indicated, the accounting criteria set out on full application of IFRS 17 presumed that a great deal of information is to be managed, which attribute to the reference UOA the actual and estimated cash flows and related changes that historically occurred in estimating cash flows and the applicable discount rates for initial recognition of the contracts issued. Based on the analyses

conducted, that information could only be obtained by incurring excessive valuation efforts, unreasonable costs and/or adopting excessively arbitrary assumptions and simplifications. In that context, the Group deemed that the full retrospective method is not applicable for the transition to IFRS 17 and aims to apply both the fair value approach and the modified retrospective approach.

IFRS 9 - Financial instruments

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

- *Classification and Measurement: classification categories were envisaged for financial assets, based on a business model and the characteristics of the contractual cash flows;*
- *Impairment: an incurred loss model is replaced by an expected loss model, with the introduction of a new concept of staging allocation;*
- *Hedge Accounting: thanks to this new model, hedge accounting is further aligned to risk management processes.*

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

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

Implementation of IFRS 9 for the Unipol Group

On completion of a process of analysis and implementation in the management, IT and accounting systems, the Group activated a parallel management and accounting environment aligned with the requirements of IFRS 9 for the entities that hold financial instruments (different from those not in the insurance sector, which applied the IFRSs starting from 2019). It is noted that, to ensure a more accurate application of the rules set out for the VFA, it was necessary to identify and autonomously manage a higher number of portfolios of financial assets than in the context of the current IAS 39. Specifically, a portfolio of financial instruments was activated for each portfolio to which the VFA is applied.

The main choices of the Unipol Group

A brief examination of the activities carried out in relation to the main areas of impact is provided below. It is noted that, to the extent applicable, the approach followed for the first-time adoption of IFRS 9 on the scope of financial instruments held by UnipolSai and its subsidiaries is consistent with that adopted at the time for the first-time adoption of the standard for the other entities in the Unipol Group.

Classification and measurement of financial instruments

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

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

As regards the first classification element of financial assets, initiatives and procedures have been performed aimed at evaluating whether the contractual cash flows of debt securities in portfolio, at the date of transition to the standard, exclusively reflect the payment of principal and interests accrued on the amount of capital to be returned (so-called SPPI

3 Notes to the Financial Statements

Test – Solely Payment of Principle and Interest, supplemented by the Benchmark Test in the absence of a perfect correspondence between the periodical redefinition of the interest rate and the related tenor).

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

- a slim portion of debt securities, classified under categories Available-for-sale financial assets and Loans and Receivables, which did not pass the SPPI test, will be classified in the category Financial assets measured at fair value through profit or loss. Securities under this classification feature characteristics other than the measurement of credit risk and of time value of money;
- it has been deemed that the management model of the overall bond portfolio, performed by Group entities for which IFRS 9 is applied, can be mainly included within the HTCS "Held to Collect & Sell" business model. This model, in fact, has the target to collect both cash flows that are contractually envisaged by financial assets and those resulting from the sale of financial assets themselves. In light of both the changes in the regulatory context and of contractual terms related to financial assets under evaluation, which generate cash flows, at predetermined dates, representing only the repayment of the principal and the payment of interest accrued, most of the securities already in the IAS 39 portfolio at the date of transition (previously classified as IAS 39 Available-for-sale financial assets, Loans and Receivables and Held-to-maturity investments), with the only exception of securities that did not pass the SPPI test, will be classified as Financial assets measured at fair value through other comprehensive income (FVOCI);
- the residual portion of debt securities, managed using the HTC "Hold To Collect" business model, will be classified in the category of Financial assets measured at amortised cost;
- equity securities, which, due to their nature, do not pass the SPPI test, will be recognised in the category FVOCI, as permitted by the option granted by the standard for those instruments;
- UCITS units, closed and open funds, whose cash flows do not pass the SPPI test and cannot be classified as equity instruments, will therefore be recognised under the FVTPL category;
- all financial assets included in the portfolios linked to investment products (e.g., unit-linked and pension funds without significant insurance risk) were classified in the category FVPL, which also includes the related liabilities to underwriters.

Impairment model

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

All exposures that showed objective evidence of loss were classified in Stage 3.

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

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

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

Hedge Accounting

As regards Hedge Accounting, the Group intends to exercise the faculty to maintain the accounting model as envisaged by IAS 39.

2. Notes to the Statement of Financial Position

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

In application of IFRS 5, assets and liabilities held for sale are shown respectively under items 6.1 in Assets and 6.1 under Liabilities. As regards Non-current assets or assets of a disposal group held for sale, please refer to paragraph 4.4, for more information on their composition and measurement criteria.

ASSETS

1 Intangible assets

	Amounts in €m	30/6/2022	31/12/2021	<i>variation in amount</i>
Goodwill		1,684.4	1,630.8	53.6
resulting from business combinations		1,684.2	1,630.7	53.6
other		0.2	0.2	
Other intangible assets		467.0	450.0	17.0
portfolios acquired under business combinations		28.1	38.2	(10.1)
software and user licences		402.3	392.1	10.2
other intangible assets		36.6	19.7	16.9
Total intangible assets		2,151.4	2,080.8	70.6

The change in Goodwill is attributable to the consolidation difference, provisionally determined as permitted by IFRS 3, deriving from the acquisition of the subsidiaries I.Car Srl and Muriana Manuela Srl. Reference should be made to the Basis of Presentation, "Information about Business Combinations" section, of these Notes for further details of the accounting method for those acquisitions.

The item **portfolios acquired as a result of business combinations**, equal to €28.1m (€38.2m in 2021), decreased by €10.1m due to amortisation for the year on the values related to the acquired Non-Life (€6.2m) and Life portfolios (€3.9m).

2. Property, plant and equipment

At 30 June 2022, Property, plant and equipment, net of accumulated depreciation, amounted to €2,672.9m (€2,514.7m in 2021), €1,569.5m of which was property for own use (€1,584m in 2021) and €1,103.4m was other tangible assets (€930.7m in 2021).

3. Technical provisions - Reinsurers' share

The Reinsurers' share of Non-Life technical provisions at 30 June 2022 amounted to €905.7m (€831.3m in 2021), and was broken down as follows:

- Non-Life provisions, in the amount of €875.6m (€808.1m at 31/12/2021), of which €289.5m related to premium provisions (€224.1m at 31/12/2021), and €586m related to claims provisions (€584m at 31/12/2021);
- Life provisions, in the amount of €30.2m (€23.2m at 31/12/2021), of which €24.2m related to mathematical provisions (€17.1m at 31/12/2021), and €6m related to provisions for amounts payable (€6m at 31/12/2021).

3 Notes to the Financial Statements

4. Investments

At 30 June 2022, total investments (investment property, equity investments and financial assets) amounted to €62,432.3m (€68,169m in 2021), broken down by type as follows:

	Amounts in €m	30/6/2022	% comp.	31/12/2021	% comp.	% var.
Investment property		2,263.1	3.6	2,072.5	3.0	9.2
Investments in subsidiaries, associates and interests in joint ventures		1,590.1	2.5	1,304.4	1.9	21.9
Financial assets (excl. those at fair value through profit or loss)		50,428.3	80.8	56,447.6	82.8	(10.7)
<i>Held-to-maturity investments</i>		<i>365.9</i>	0.6	<i>366.7</i>	0.5	(0.2)
<i>Loans and receivables</i>		<i>4,702.6</i>	7.5	<i>4,754.0</i>	7.0	(1.1)
<i>Financial assets at amortised cost</i>		<i>331.0</i>	0.5	<i>357.2</i>	0.5	(7.3)
<i>Available-for-sale financial assets</i>		<i>43,972.7</i>	70.4	<i>50,194.4</i>	73.6	(12.4)
<i>Financial assets at fair value through OCI</i>		<i>563.3</i>	0.9	<i>494.6</i>	0.7	13.9
<i>Held-for-trading financial assets</i>		<i>352.2</i>	0.6	<i>229.5</i>	0.3	53.5
<i>Financial assets mandatorily at fair value</i>		<i>140.6</i>	0.2	<i>51.2</i>	0.1	174.6
Financial assets at fair value through profit or loss		8,150.8	13.1	8,344.5	12.2	(2.3)
Total Investments		62,432.3	100.0	68,169.0	100.0	(8.4)

The item Investments in subsidiaries, associates and interests in joint ventures includes the interests with significant influence in BPER Banca (€1,501.8m).

Financial assets - items 4.3, 4.4, 4.4 bis, 4.5, 4.5 bis and 4.6

(excluding Financial assets measured at fair value through profit or loss)

	Amounts in €m	30/6/2022	<i>% comp</i>	31/12/2021	<i>% comp</i>	% var
Held-to-maturity investments		365.9	0.7	366.7	0.6	(0.2)
Listed debt securities		365.9		366.7		(0.2)
Unlisted debt securities		(0.0)		(0.0)		(0.0)
Loans and receivables		4,702.6	9.3	4,754.0	8.4	(1.1)
Unlisted debt securities		4,044.1		4,018.9		0.6
Deposits with ceding companies		116.9		105.8		10.5
Other loans and receivables		541.6		629.3		(13.9)
Financial assets at amortised cost		331.0	0.7	357.2	0.6	(7.3)
Loans and receivables from bank customers		331.0		357.2		(7.3)
Available-for-sale financial assets		43,972.7	87.2	50,194.4	88.9	(12.4)
Equity instruments at cost		4.5		4.4		0.6
Listed equity instruments at fair value		1,579.2		1,244.3		26.9
Unlisted equity instruments at fair value		200.8		201.5		(0.3)
Listed debt securities		37,756.2		44,315.2		(14.8)
Unlisted debt securities		396.4		462.0		(14.2)
UCITS units		4,035.7		3,967.0		1.7
Financial assets at fair value through OCI		563.3	1.1	494.6	0.9	13.9
Listed equity instruments at fair value		164.7		195.8		(15.9)
Listed debt securities		398.6		298.7		33.4
Held-for-trading financial assets		352.2	0.7	229.5	0.4	53.5
Listed debt securities		49.3		80.5		(38.8)
Unlisted debt securities		0.2		0.2		(0.2)
UCITS units		1.9		1.9		(0.4)
Derivatives		300.8		146.9		104.8
Financial assets at fair value through profit or loss		140.6	0.3	51.2	0.1	174.6
Listed debt securities		14.1		18.1		(22.3)
UCITS units		126.5		33.1		n.s.
Total financial assets		50,428.3	100.0	56,447.6	100.0	(10.7)

3 Notes to the Financial Statements

Details of Financial assets measured at fair value through profit or loss by investment type:

	Amounts in €m	30/6/2022	comp.%	31/12/2021	comp.%	var.%
Financial assets at fair value through profit or loss		8,150.8	100.0	8,344.5	100.0	(2.3)
Listed equity instruments at fair value	125.7	1.5	155.0	1.9	(18.9)	
Listed debt securities	3,383.5	41.5	3,206.1	38.4	5.5	
Unlisted debt securities	0.3	0.0	0.3	0.0	(23.5)	
UCITS units	4,164.7	51.1	4,266.5	51.1	(2.4)	
Other financial assets	476.6	5.8	716.6	8.6	(33.5)	

The information required by paragraphs 12 and 12A of IFRS 7 is contained in the appendix "Details of reclassified financial assets and their effects on the income statement and comprehensive income statement".

For information on fair value, reference should be made to paragraph 4.6 of Section 4 "Other information" of these Notes to the financial statements.

5. Sundry receivables

	Amounts in €m	30/6/2022	31/12/2021	% var.
Receivables relating to direct insurance business	1,085.5	1,398.0	(22.3)	
Receivables relating to reinsurance business	180.6	204.5	(11.7)	
Other receivables	1,570.9	1,830.4	(14.2)	
Total sundry receivables	2,837.0	3,432.9	(17.4)	

The item Other receivables included:

- tax receivables amounting to €575.9m (€780.7m at 31/12/2021);
- substitute tax receivables on the mathematical provisions totalling €403.3m (€350.6m at 31/12/2021);
- trade receivables amounting to €261.8m (€224.7m at 31/12/2021);
- payments made as cash collateral, against derivative exposure, totalling €185.7m (€387.7m at 31/12/2021).

6. Other assets

	Amounts in €m	30/6/2022	31/12/2021	% var.
Non-current assets or assets of a disposal group held for sale		105.9	132.6	(20.2)
Deferred acquisition costs		106.4	100.1	6.3
Deferred tax assets		941.8	427.0	120.5
Current tax assets		22.3	9.6	131.9
Other assets		948.6	621.4	52.6
Total other assets		2,125.0	1,290.8	64.6

Non-current assets or assets of a disposal group held for sale include the assets primarily represented by investment properties. For more information reference is made to paragraph 4.4 of these notes to the financial statements.

The item Deferred tax assets is shown net of the compensation carried out, pursuant to IAS 12, with the corresponding taxes (IRES or IRAP) recorded in Deferred tax liabilities, as described in chapter 2 "Main accounting standards" in the Consolidated Financial Statements at 31 December 2021.

The item Other assets includes, inter alia, deferred commission expense, prepayments and accrued income and miscellaneous items to be settled.

7. Cash and cash equivalents

At 30 June 2022, Cash and cash equivalents amounted to €1,589.4m (€1,938.9m at 31/12/2021).

3 Notes to the Financial Statements

LIABILITIES

1. Shareholders' equity

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

	Amounts in €m	30/6/2022	31/12/2021	variation in amount
Share capital		3,365.3	3,365.3	
Capital reserves		1,639.4	1,639.4	
Income-related and other equity reserves		1,465.4	1,054.9	410.5
(Treasury shares)		(5.5)	(1.1)	(4.4)
Reserve for foreign currency translation differences		3.8	3.3	0.4
Gains/losses on available-for-sale financial assets		(342.4)	1,138.6	(1,481.0)
Gains/losses on financial assets at fair value through OCI		(12.7)	20.0	(32.7)
Other gains or losses recognised directly in equity		(93.6)	(67.0)	(26.6)
Profit (loss) for the year		574.9	626.6	(51.7)
Total shareholders' equity attributable to the owners of the Parent		6,594.6	7,780.0	(1,185.5)

At 30 June 2022, the Parent Unipol's share capital amounted to €3,365.3m, fully paid-up, and was made up of 717,473,508 ordinary shares (unchanged compared with 31/12/2021).

The main changes over the period in the Shareholders' equity attributable to the owners of the Parent were as follows:

- a decrease due to dividend distribution for €214.9m;
- a decrease of €1,481m as a result of the decrease in the provision for Gains and losses on available-for-sale financial assets;
- an increase of €574.9m due to a Group profit at 30 June 2022.

Shareholders' equity attributable to non-controlling interests was €1,623.6m (€1,941.5m at 31/12/2021).

The main changes over the year related to:

- a decrease due to dividend distribution for €105.7m;
- a decrease of €282.4m due to the decrease in the third party share of reserves directly posted to shareholders' equity;
- a decrease of €12.3m net of taxes, to pay the coupon to holders of the Restricted Tier 1 capital instrument issued by UnipolSai;
- an increase of €108.6m due to profit attributable to non-controlling interests.

Treasury shares or quotas

At 30 June 2022, the treasury shares held directly or indirectly by Unipol totalled 1,129,432 (279,298 at 31/12/2021), of which 477,543 shares were held directly and 651,889 shares held by the following subsidiaries:

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

2. Provisions

The item "Provisions" totalled €418.5m at 30 June 2022 (€446.9m at 31/12/2021) and mainly consisted of provisions for litigation, various disputes, charges relating to the sales network, provisions for salary policies and personnel leaving-incentive schemes.

Ongoing disputes and contingent liabilities

This section reports updated information on proceedings, whose developments in the first half of 2022 are worth reporting herein. For exhaustive information on the ongoing causes and contingent liabilities, reference is made to information given in the 2021 Integrated Consolidated Financial Statements.

Relations with the Tax Authorities

UnipolSai/UniSalute/Siat

With regard to the dispute of these insurance companies, deriving from the application of VAT to assignment fees for coinsurance operations with other companies in the insurance sector, whose charge had been allocated by accrual in the previous financial years, please note that, during the first half of 2022, UnipolSai and UniSalute provided to define, in compliance with the pertinent Regional Office of the Italian Revenue Agency, the year 2018 which was still pending, with the full use of the provisions allocated. As regards Siat, in the first half of 2022, the years 2016 and 2017 were settled, with the year 2018 remaining to be settled, for which specific provisions were posted to the financial statements.

It is also deemed that current provisions in the financial statements are sufficient to cover the potential estimated liabilities deriving from already formalised charges, for which no tax dispute has yet been brought.

Antitrust Authority proceedings

By measure notified on 20 May 2021, the Antitrust Authority approved the initiation of a preliminary investigation into Compagnia Assicuratrice Linear S.p.A. ("Linear") in order to ascertain any breach of the prohibition on agreements restricting competition pursuant to Art. 101 of the Treaty on the Functioning of the European Union, in relation to an alleged agreement concerning and/or resulting in the alteration of competition trends in the MV TPL policy direct sales market, which allegedly affected certain companies active, including through their websites, in the market of comparing and marketing offers relating to various types of services, including insurance services, as well as a number of Italian insurance companies (and other intermediaries).

Although Linear considers the alleged assumptions in fact and in law by virtue of which the proceedings were lodged to be completely groundless, along with the other parties it submitted its commitments pursuant to Art. 14-ter of Law no. 287/90. With measure notified on 13 May 2022, the Antitrust Authority accepted the above-mentioned commitments, making them obligatory for Linear and the other parties involved in those proceedings, closing the proceedings without verified infringements and, thus, without imposing any penalties.

IVASS assessments

By notice served on the Company on 11 October 2021, IVASS ordered the initiation of inspections intended, in relation to MV TPL underwriting and settlement processes, to ascertain the adoption of recent regulatory provisions, respect for the CARD convention and the connected governance and control aspects. The inspections were completed on 21 January 2022 and IVASS, with an inspection report notified on 22 June 2022, formulated some findings, to which UnipolSai replied with a note of 4 August 2022 containing its considerations in relation to the same, also representing, in view of a "partially favourable" opinion on the results of the assessments conducted, the implementation of specific improvement actions to further refine and perfect certain processes.

3 Notes to the Financial Statements

3. Technical provisions

	Amounts in €m	30/6/2022	31/12/2021	% var.
Non-Life premium provisions	3,508.0	3,375.5		
Non-Life claims provisions	11,314.1	11,312.6		
Other Non-Life technical provisions	24.2	26.9		
Total Non-life provisions	14,846.3	14,714.9		0.9
Life mathematical provisions	36,409.9	35,787.4		
Provisions for amounts payable (Life business)	306.1	337.1		
Technical provisions where the investment risk is borne by policyholders and arising from pension fund management	2,288.7	2,445.8		
Other Life technical provisions	(555.9)	3,843.1		
Total life provisions	38,448.9	42,413.4		(9.3)
Total technical provisions	53,295.2	57,128.3		(6.7)

4. Financial liabilities

At 30 June 2022, financial liabilities were €10,442.8m (€10,770.8m at 31/12/2021).

4.1 Financial liabilities at fair value through profit or loss

This item, which amounted to €6,041.9m (€6,356.9m at 31/12/2021), is broken down as follows:

- Held-for-trading financial liabilities totalled €157.3m (€445.9m at 31/12/2021);
- Financial liabilities designated at fair value totalled €5,884.6m (€5,911m at 31/12/2021). This category included investment contracts issued by insurance companies where the investment risk was borne by the policyholders and there is no significant insurance risk borne by the Group these include Class III and VI contracts and residual liabilities for low amounts on other contracts no longer placed.

4.2 Financial liabilities at amortised cost

	Amounts in €m	30/6/2022	31/12/2021	% var.
Subordinated liabilities	1,415.1	1,446.1		(2.1)
Deposits received from reinsurers	138.9	130.5		6.4
Debt securities issued	2,527.6	2,515.1		0.5
Other loans obtained	319.1	321.6		(0.8)
Sundry financial liabilities	0.1	0.6		(90.6)
Total financial liabilities at amortised cost	4,400.9	4,413.9		(0.3)

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

Issuer	Nominal amount outstanding	Subord. level	Year of maturity	call	Rate	L/NL
UnipolSai	€160.0m ^(*)	tier I	2023	every 6 months	6M Euribor + 180 b.p. ^(**)	NQ
UnipolSai	€750.0m	tier I	in perpetuity	every 3 months from 18/06/2024	fixed rate 5.75% ^(***)	Q
UnipolSai	€500.0m	tier II	2028		fixed rate 3.875%	Q

(*) on 22 July 2022 the forth tranche of 80.0 million euro was repaid as indicated in the planned amortisation plan contractually

(**) since September 2014, in application of the contractual clauses ("Additional Costs Clauses"), UnipolSai and Mediobanca signed an agreement to modify a Loan Agreement to cover the subordinated loan expiring in 2023. This agreement provides for the amendment of several economic terms, including payment by way of compromise, of an annual indemnity (additional spread) equal to 71.5 basis points, which increases the previous spread (thereby raising the total spread from 1.80 to 2.515 basis points) provided for in the Loan Agreement

(***) from June 2024 floating rate of 3M Euribor + 518 b.p.

Subordinated liabilities of the Group, at 30 June 2022, were €1,415.1m (€1,446.1m at 31/12/2021).

Debt securities issued - Other loans obtained - Sundry financial liabilities

At 30 June 2022, **Debt securities issued by Unipol**, totalling €2,527.6m (€2,515.1m at 31/12/2021) were related to three senior unsecured bonds listed on the Luxembourg Stock Exchange, with a total nominal value of €2,500m (€2,500 at 31/12/2021):

- €1,000m of nominal value, 3% fixed rate, 10-year duration, maturity in 2025;
- €500m of nominal value, 3.5% fixed rate, 10-year duration, maturity in 2027;
- €1,000m of nominal value, 3.25% fixed rate, 10-year duration, maturity in 2030.

Other loans obtained totalled €319.1m (€321.6m at 31/12/2021). The sub-item includes €84.5m in financial liabilities for leases accounted for using the financial method based on IFRS 16.

5. Payables

	Amounts in €m	30/6/2022	31/12/2021	% var.
Payables arising from direct insurance business		133.9	187.6	(28.6)
Payables arising from reinsurance business		156.3	104.5	49.6
Other payables		1,019.9	803.5	26.9
Policyholders' tax due		123.7	159.9	(22.6)
Sundry tax payables		43.8	120.5	(63.6)
Trade payables		383.9	318.5	20.5
Post-employment benefits		55.1	52.6	4.9
Social security charges payable		37.9	39.3	(3.5)
Sundry payables		375.4	112.7	n.s.
Total payables		1,310.1	1,095.5	19.6

3 Notes to the Financial Statements

6. Other liabilities

	Amounts in €m 30/6/2022	31/12/2021	% var.
Current tax liabilities	18.7	40.3	(53.6)
Deferred tax liabilities	31.9	115.3	(72.3)
Liabilities associated with disposal groups held for sale	0.0	3.1	(99.7)
Commissions on premiums under collection	82.3	101.2	(18.7)
Deferred commission income	12.7	10.4	22.8
Accrued expense and deferred income	90.4	85.2	6.0
Other liabilities	792.9	739.8	7.2
Total other liabilities	1,029.0	1,095.4	(6.1)

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

3. Notes to the Income Statement

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

REVENUE

1.1 Net premiums

	Amounts in €m	30/6/2022	30/6/2021	% var.
Non-life earned premiums				
Non-Life written premiums		4,150.1	4,062.1	2.2
Changes in Non-Life premium provision		4,283.3	4,114.1	4.1
Life written premiums		(133.2)	(52.0)	156.1
Non-life and life gross earned premiums		1,781.6	2,015.5	(11.6)
Non-life earned premiums ceded to reinsurers		5,931.7	6,077.6	(2.4)
Non-Life premiums ceded to reinsurers		(259.5)	(213.2)	21.7
Changes in Non-Life premium provision - reinsurers' share		(326.2)	(267.0)	22.2
Life premiums ceded to reinsurers		66.6	53.8	24.0
Non-life and life earned premiums ceded to reinsurers		(15.9)	(13.6)	17.2
Total net premiums		(275.5)	(226.8)	21.4
Total net premiums		5,656.2	5,850.8	(3.3)

1.2 Commission income

	Amounts in €m	30/6/2022	30/6/2021	var.%
Commission income from investment contracts		18.5	15.0	23.2
Other commission income		6.2	7.3	(14.2)
Total commission income		24.8	22.3	11.0

1.3 Net gains on financial instruments at fair value through profit or loss

	Amounts in €m	30/6/2022	30/6/2021	% var.
Net gains/losses:				
on held-for trading financial assets		52.5	146.3	(64.1)
on other financial assets mandatorily at fair value		(27.8)	23.7	n.s.
on financial assets/liabilities at fair value through profit or loss		(279.3)	43.9	n.s.
Total net gains/losses		(254.6)	213.9	n.s.

1.4 Gains on investments in subsidiaries, associates and interests in joint ventures

As at 30 June 2022, they amount to €320.9m, inclusive of the contribution of the net-equity method consolidation of BPER Banca for €318m, of which €236.5 deriving from the effects of the recognition of goodwill deriving from the acquisition of CARIGE and €42.4m deriving from the change in the equity investment shareholding of the Unipol Group in BPER Banca. Please note that the figure at 30 June 2021 (€141.7m) included €138.4m deriving from the pro-rata consolidation of the

3 Notes to the Financial Statements

results of BPER Banca, influenced by the goodwill recognised in the half-year resulting the acquisition of former UBI Banca and Intesa Sanpaolo business branches.

1.5 Gains on other financial instruments and investment property

	Amounts in €m	30/6/2022	30/6/2021	% var.
Interests		756.7	692.2	9.3
on held-to-maturity investments	7.9	9.1	(12.9)	
on loans and receivables	84.8	62.7	35.1	
on financial assets at amortised cost	8.3	9.4	(12.0)	
on available-for-sale financial assets	640.0	606.0	5.6	
on financial assets at fair value through OCI	9.1	3.4	168.3	
on sundry receivables	6.2	1.1	n.s.	
on cash and cash equivalents	0.4	0.4	2.1	
Other income	157.7	101.1	56.0	
from investment property	39.5	34.3	15.1	
from available-for-sale financial assets	112.3	63.7	76.1	
from financial assets at fair value through OCI	6.0	3.0	96.8	
Realised gains	415.7	207.4	100.4	
on investment property	0.6	72.0	(99.2)	
on loans and receivables	35.2	0.0	n.s.	
on financial assets at amortised cost	8.8	14.8	(40.7)	
on available-for-sale financial assets	370.5	120.1	n.s.	
on financial assets at fair value through OCI	0.7	0.6	15.2	
Unrealised gains and reversals of impairment losses	1.5	21.0	(92.9)	
on available-for-sale financial assets	19.3	(100.0)		
on financial assets at fair value through OCI	0.3	0.5	(33.1)	
on other financial liabilities	1.2	1.2	1.1	
Total item 1.5	1,331.7	1,021.7	30.3	

1.6 Other revenue

	Amounts in €m	30/6/2022	30/6/2021	% var.
Sundry technical income	43.1	38.7	11.4	
Exchange rate differences	45.6	14.3	n.s.	
Extraordinary gains	9.5	17.5	(45.4)	
Other income	473.6	389.2	21.7	
Total other revenue	571.8	459.7	24.4	

COSTS

2.1 Net charges relating to claims

	Amounts in €m	30/6/2022	30/6/2021	% var.
Net charges relating to claims - direct and indirect business		4,283.0	4,806.5	(10.9)
Non-life business		2,554.9	2,481.6	3.0
Non-Life amounts paid		2,641.5	2,597.3	
changes in Non-Life claims provision		3.2	(45.1)	
changes in Non-Life recoveries		(91.4)	(71.6)	
changes in other Non-Life technical provisions		1.6	1.0	
Life business		1,728.1	2,324.9	(25.7)
Life amounts paid		1,344.9	1,728.6	
changes in Life amounts payable		(31.4)	(233.9)	
changes in mathematical provisions		585.7	715.0	
changes in other Life technical provisions		(28.5)	(9.1)	
changes in provisions where the investment risk is borne by policyholders and arising from pension fund management		(142.6)	124.4	
Charges relating to claims - reinsurers' share		(75.2)	(82.0)	(8.3)
Non-life business		(64.1)	(71.1)	(9.9)
Non-Life amounts paid		(79.2)	(98.2)	
changes in Non-Life claims provision		0.1	22.3	
changes in Non-Life recoveries		15.0	4.7	
Life business		(11.1)	(10.8)	2.3
Life amounts paid		(3.8)	(7.1)	
changes in Life amounts payable		(0.1)	1.0	
changes in mathematical provisions		(6.7)	(4.3)	
changes in other Life technical provisions		(0.5)	(0.5)	
Total net charges relating to claims		4,207.8	4,724.6	(10.9)

2.2 Commission expense

	Amounts in €m	30/6/2022	30/6/2021	% var.
Commission expense from investment contracts		15.7	9.2	71.1
Other commission expense		29.1	4.6	n.s.
Total commission expense		44.7	13.7	n.s.

2.3 Losses on investments in subsidiaries, associates and interests in joint ventures

At 30 June 2022, these totalled €0.3m (€0.4m at 30/6/2021).

3 Notes to the Financial Statements

2.4 Losses on other financial instruments and investment property

	Amounts in €m	30/6/2022	30/6/2021	% var.
Interests:		76.0	82.7	(8.1)
on loans and receivables		0.1	0.0	n.s.
on other financial liabilities		75.2	81.8	(8.1)
on payables		0.7	0.9	(24.0)
Other charges:		20.5	18.3	11.9
from investment property		12.4	12.7	(2.4)
from available-for-sale financial assets		4.1	1.4	193.9
from financial assets at fair value through OCI		0.1	0.1	(40.9)
from other financial liabilities		3.9	4.1	(3.3)
from sundry payables		0.1	0.1	(23.7)
Realised losses:		218.3	70.9	n.s.
on investment property		4.7	0.1	n.s.
on loans and receivables		34.5	0.0	n.s.
on financial assets at amortised cost		6.3	3.9	59.4
on available-for-sale financial assets		172.5	66.4	159.9
on financial assets at fair value through OCI		0.3	0.5	(40.2)
on other financial liabilities		0.1	2.4	(96.7)
Unrealised losses and impairment losses:		279.9	221.2	26.5
on investment property		28.4	32.5	(12.8)
on financial assets at amortised cost		9.7	11.7	(17.3)
on available-for-sale financial assets		241.7	174.6	38.4
on financial assets at fair value through OCI		0.2	0.0	n.s.
on other financial liabilities		0.1	2.4	(96.7)
Total item 2.4		594.7	393.2	51.3

The Unrealised losses and impairment losses relating to investment property related to depreciation for €24.6m and impairment for €3.8m (at 30/6/2021, they referred to depreciation for €21.5m and impairment for €11m).

2.5 Operating expenses

	Amounts in €m	30/6/2022	% comp.	30/6/2021	% comp.	% var.
Insurance sector		1,265.1	91.7	1,211.8	92.9	4.4
Holding and Other Businesses Sector		106.1	7.7	86.8	6.7	22.2
Real Estate Sector		19.2	1.4	16.5	1.3	16.1
Intersegment eliminations		(11.5)	(0.8)	(10.7)	(0.8)	7.3
Total operating expenses		1,378.8	100.0	1,304.4	100.0	5.7

Below are details of **Operating expenses in the Insurance sector**:

	Amounts in €m	Non- Life			Life			Total	
		Jun-2022	Jun-2021	% var.	Jun-2022	Jun-2021	% var.	Jun-2022	Jun-2021
Acquisition commissions	728.7	666.3	9.4	37.8	38.2	(1.1)	766.5	704.5	8.8
Other acquisition costs	181.8	174.8	4.0	22.7	21.0	8.4	204.5	195.8	4.4
Changes in deferred acquisition costs	(2.8)	(2.0)	39.0	(0.9)	(1.6)	(45.8)	(3.6)	(3.6)	1.0
Collection commissions	79.2	76.5	3.6	2.8	3.0	(7.9)	82.0	79.5	3.1
Profit sharing and other commissions from reinsurers	(95.8)	(67.6)	41.8	(2.0)	(0.7)	n.s.	(97.8)	(68.2)	43.3
Investment management expenses	24.8	24.0	3.7	24.3	23.9	1.5	49.1	47.9	2.6
Other administrative expenses	215.4	211.3	1.9	49.0	44.7	9.7	264.4	256.0	3.3
Total operating expenses	1,131.4	1,083.3	4.4	133.6	128.5	4.0	1,265.1	1,211.8	4.4

2.6 Other costs

	Amounts in €m	30/6/2022	30/6/2021	% var.
Other technical charges		149.0	166.9	(10.7)
Impairment losses on receivables		8.5	8.6	(0.9)
Other charges		398.8	355.3	12.2
Total other costs		556.4	530.9	4.8

3. Income tax

Against pre-tax profit of €868m, taxes pertaining to the year of €184.4m were recorded, corresponding to a tax rate of 21.2% (12.2% at 30/6/2021).

Note that the net charge for income tax at 30 June 2021 included the economic benefit of €84.7m deriving from UnipolSai's application of the option, set out in Italian Legislative Decree no. 104/2020, of the tax values and the financial statement values of goodwill and properties.

3 Notes to the Financial Statements

4. Other Information

4.1 Hedge Accounting

Fair value hedges

During the first half of 2022, no new transactions were carried out concerning fair value hedging.

Existing positions at 30 June 2022 related to IRS contracts for a nominal value of €1,000m, to hedge fixed rate bond assets recorded in Available-for-sale assets, with a hedged synthetic notional value equal to €970.1m. At 30 June 2022, the fair value change related to the hedged bonds came to a negative €232.8m, while the fair value change of IRS amounted to a positive €255.5m, with a positive net economic effect of €22.7m, including tax of €7.0m.

Cash flow hedges

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

The positions outstanding at 30 June 2022 relate to hedges on bond securities recorded in the Available-for-sale asset portfolio through the sale of IRSs for a notional value of €338.5m (€883.5m at 31/12/2021).

The cumulative negative effect on Shareholders' Equity in the Hedging reserve for gains or losses on cash flow hedges was a negative €15.1m (negative effect for €37.7m at 31/12/2021): net of tax, the negative impact was €10.4m (negative effect for €26.1m at 31/12/2021).

At 30 June 2022, for cash flow hedges on bond securities recorded in the Available-for-sale asset portfolio, several hedging derivatives were closed in advance of their maturity, for a notional value of €545m, with a realised capital loss of €213.5m, offset by the capital gain of €242.5m realised through the sale of the hedged bond securities.

4.2 Earnings/Loss per share

	Amounts in €m	30/6/2022	30/6/2021
Profit/loss allocated to ordinary shares (€m)		574.9	536.7
Weighted average of shares outstanding during the year (no./m)		715.2	716.0
Basic and diluted earnings (loss) per share (€ per share)		0.80	0.75

4.3 Dividends

In view of the profit for the year made by the Parent Unipol at 31 December 2021 of €335.1m (as shown in the financial statements drawn up in accordance with Italian GAAP), the Shareholders' Meeting of Unipol held on 28 April 2022 resolved on the distribution of dividends totalling around €215m (of which €0.2m paid to Group companies), corresponding to €0.30 per share, taking account of treasury shares.

The Shareholders' Meeting also set the dividend payment date for 25 May 2022 (ex-dividend date 23/5/2022 and record date 24/5/2022).

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

At 30 June 2022, the reclassifications carried out in application of IFRS 5 to item 6.1 of assets amounted to €105.9m (€132.5m at 31/12/2021) relating to property held for sale; the liabilities reclassified to item 6.1 Liabilities associated with disposal groups were reduced to zero (€3.1m at 31/12/2021).

4.5 Transactions with related parties

The Group companies that provide various types of services to other Group companies are: UnipolSai, UniSalute, Siat, UnipolService, UnipolGlass, UnipolSai Servizi Previdenziali, UnipolAssistance, UnipolRental, UnipolRe, UnipolSai Investimenti SGR, UnipolReC, UnipolTech, Leithà, Cambiomarcia, Arca Vita, Arca In linea, Arca Sistemi and Arca Direct Assicurazioni.

For a detailed description of the services provided, please make reference to the 2021 Integrated Consolidated Financial Statements.

Furthermore, note that the group companies, also including companies not mentioned above, enter into ordinary relations with one another regarding:

- insurance and reinsurance;
- leasing of property;
- long-term vehicle rental;
- agency mandates;
- secondment of personnel.

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

Fees are mainly calculated on the basis of the external costs incurred, for example the costs of products and services acquired from suppliers, and the costs resulting from activities carried out directly, i.e., generated by their own staff, and taking account of:

- performance targets set for the provision of the service to the company;
- strategic investments required to ensure the agreed levels of service.

The following elements are specifically taken into consideration:

- personnel costs;
- operating costs (logistics, etc.);
- general costs (IT, consultancy, etc.).

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

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

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

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

3 Notes to the Financial Statements

The following table shows transactions with related parties (associates and other companies) carried out during the first half of 2022, as laid down in IAS 24 and in Consob Communication no. DEM/6064293/2006. It should be noted that the application scope of the Procedure for related party transactions, adopted pursuant to Consob Regulation no. 17221 of 12 March 2010, as amended, also includes some counterparties that are included, on a voluntary basis, pursuant to Art. 4 thereof, including Coop Alleanza 3.0 Società Cooperativa (shown, together with other items, in the following table under item "Other"). Transactions with subsidiaries have not been recognised since in drawing up the Consolidated Financial Statements transactions among Group companies consolidated using the line-by-line method have been eliminated as part of the normal consolidation process.

Information on transactions with related parties

	Amounts in €m	Associates	Others	Total	% inc. (1)	% inc. (2)
Loans and receivables	36.5			36.5	0.0	2.9
Sundry receivables	64.1	0.9		66.7	0.1	5.3
Other assets	307.6	0.3		308.4	0.4	24.3
Cash and cash equivalents	1,730.7			1,730.7	2.3	136.3
Total assets	2,138.9	1.2		2,142.3	2.9	168.7
Other financial liabilities	9.2			9.2	0.0	0.7
Sundry payables	20.6	0.0		20.6	0.0	1.6
Other liabilities	9.5			9.5	0.0	0.7
Total liabilities	39.2	44.9		44.9	0.1	3.5
Commission income	2.4			2.4	0.0	0.2
Gains on other financial instruments and investment property	9.7			9.7	0.0	0.8
Other revenue	0.8			0.8	0.0	0.1
Total revenue and income	12.9			12.9	1.9	1.0
Net charges relating to claims	0.8			0.8	0.1	0.1
Commission expense	10.0			10.0	1.5	0.8
Losses on other financial instruments and investment property	0.0			0.0	0.0	0.0
Operating expenses	154.3	0.3		155.2	22.7	12.2
Other costs	21.7			21.7	3.2	1.7
Total costs and expenses	186.9	0.3		187.8	27.5	14.8

(1) Percentage based on total assets in the consolidated statement of financial position recognised under Shareholders' Equity, and on pre-tax profit/(loss) for income statement items.

(2) Percentage on total net cash flow from operating activities mentioned in the statement of cash flows.

Loans and receivables with associates included €18.1m of time deposits above 15 days held by the companies of the Group with BPER Banca, €9.3m relating to receivables from insurance brokerage agencies for agents' reimbursements and €6m of interest-free loans disbursed by UnipolSai to the associate Borsetto.

The item Sundry receivables from associates included €38.1m in receivables due from Finitalia for premiums it had advanced for the service concerning the split payment of policies and €14.9m in receivables due from insurance brokerage agencies for commissions.

Other assets included current accounts, temporarily unavailable, that UnipolSai has opened with BPER Banca.

Cash and cash equivalents included the balances of current accounts opened by Group companies with BPER Banca.

The item Other financial liabilities measured at amortised cost referred to overdrafts on current accounts held by Group companies at BPER Banca or mortgages disbursed by the latter to Group companies.

Sundry payables included payables for commissions to be paid to BPER Banca for the placement of insurance products in addition to payables for other services rendered.

Commission income referred to commissions recognised by BPER Banca for the placement of banking products.
 Gains on other financial instruments and investment property related to rent income paid by BPER Banca.
 Other revenue primarily included income for the active secondment of personnel.
 Commission expense referred to bank relations between the Group companies and BPER Banca.
 Operating expenses included, as regards associates and others, costs for commissions paid to insurance brokerage agencies (€60.5m), commissions paid to BPER Banca for the placement of insurance policies issued by Group companies (€41.6m), costs to Finitalia for instalments of policies issued by the Group companies (€29.7m) and bank account management costs to BPER Banca (€17.5m).
 The item Other costs primarily relates to retainer management fees paid to BPER Banca and staff secondment.

4.6 Fair value measurements - IFRS 13

As regards the disclosure of fair value measurement criteria and criteria to determine the fair value adopted by the Unipol Group, reference is made to Chapter 2, Accounting Standards adopted in the 2021 Consolidated Financial Statements.

Fair value measurement on a recurring basis

The table below shows a comparison between the assets and liabilities measured at fair value at 30 June 2022 and 31 December 2021, broken down by fair value hierarchy level.

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

	Level 1		Level 2		Level 3		Total	
	Jun-22	Dec-21	Jun-22	Dec-21	Jun-22	Dec-21	Jun-22	Dec-21
<i>Amounts in €m</i>								
Assets and liabilities at fair value on a recurring basis								
Available-for-sale financial assets	40,540.8	47,076.1	319.0	403.6	3,112.8	2,714.7	43,972.7	50,194.4
Financial assets at fair value through OCI	563.3	494.6					563.3	494.6
Financial assets at fair value through profit or loss:								
- held for trading	63.0	95.6	278.8	130.2	10.4	3.8	352.2	229.5
- at fair value through profit or loss	8,062.0	8,292.7			88.8	51.8	8,150.8	8,344.5
- mandatorily at fair value	140.5	51.1			0.0	0.1	140.6	51.2
Total assets at fair value on a recurring basis	49,369.8	56,010.1	597.9	533.8	3,212.0	2,770.3	53,179.6	59,314.2
Financial liabilities at fair value through profit or loss:								
- held for trading	12.0	13.0	103.0	401.6	42.3	31.3	157.3	445.9
- at fair value through profit or loss					5,884.6	5,911.0	5,884.6	5,911.0
Total liabilities at fair value on a recurring basis	12.0	13.0	103.0	401.6	5,926.9	5,942.3	6,041.9	6,356.9

3 Notes to the Financial Statements

The amount of financial assets classified in Level 3 at 30 June 2022 stood at €3,212m. Details of changes in Level 3 financial assets and liabilities in the same period are shown below.

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

	Available-for-sale financial assets	Financial assets at fair value through OCI	Financial assets at fair value through profit or loss			Investment property	Property, plant and equipment	Intangible assets	Financial liabilities at fair value through profit or loss	
			held for trading	at fair value through profit or loss	mandatorily at fair value				held for trading	at fair value through profit or loss
Amounts in €m										
Opening balance	2,714.7		3.8	51.8	0.1				31.3	5,911.0
Acquisitions/Issues	334.1			66.8						
Sales/Repurchases	(0.9)		(0.2)	(28.8)						(0.0)
Repayments	(61.3)									
Gains or losses recognised through profit or loss - of which unrealised gains/losses			0.1	2.7	(0.0)					3.1
Gains or losses recognised in the statement of other transfers	126.6		0.1	2.7	(0.0)					3.1
Transfers to level 3										
Transfers to other levels										
Other changes	(0.4)		6.6	(3.7)					7.9	(26.4)
Closing balance	3,112.8		10.4	88.8	0.0				42.3	5,884.6

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

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

The table below shows, for Level 3 financial assets and liabilities measured at fair value, the effects of the change in the non-observable parameters used in the fair value measurement.

With reference to "assets at fair value on a recurring basis" and belonging to Level 3, the stress test of non-observable parameters is performed with reference to financial instruments valued on a Mark to Model basis and on which the measurement is carried out through one or more non-observable parameters.

The portion of securities subject to analysis has a market value of €18.2m at 30 June 2022.

The non-observable parameters subject to a shock are benchmark spread curves constructed to assess bonds of issuers for which the prices of the bonds issued or Credit Default Swap curves are unavailable.

The following table shows the results of the shocks:

	Amounts in €m		Curve Spread			
	Shock		+10 bps	-10 bps	+50 bps	-50 bps
Fair Value						
	Fair Value delta	(0.11)	0.12	(0.53)	0.57	
	<i>Fair Value delta %</i>	(0.60)	0.65	(2.91)	3.15	

Fair value measurement on a non-recurring basis

IFRS 13 governs the fair value measurement and the associated disclosure also for assets and liabilities not measured at fair value on a recurring basis.

For these assets and liabilities, fair value is calculated only for the purpose of market disclosure requirements. Furthermore, since these assets and liabilities are not typically traded, their fair value is largely based on the use of internal parameters that cannot be directly observed in the market, with the sole exception of listed securities classified as Held-to-maturity investments.

Assets and liabilities not measured at fair value: breakdown by fair value level

	Fair value									
	Carrying amount		Level 1		Level 2		Level 3		Total	
	Amounts in €m	Jun-22	Dec-21	Jun-22	Dec-21	Jun-22	Dec-21	Jun-22	Dec-21	Jun-22
Assets										
Held-to-maturity investments	365.9	366.7	343.1	343.8	22.8	22.9	1,319.5	1,417.3	365.9	366.7
Loans and receivables	4,702.6	4,754.0			3,038.5	3,336.8	331.0	357.2	4,358.0	4,754.0
Financial assets at amortised cost	331.0	357.2							331.0	357.2
Investments in subsidiaries, associates and interests in joint ventures	1,590.1	1,304.4	725.2	750.9			88.3	96.5	813.5	847.4
Investment property	2,263.1	2,072.5					2,599.1	2,363.2	2,599.1	2,363.2
Property, plant and equipment	2,672.9	2,514.7					2,873.8	2,692.9	2,873.8	2,692.9
Total assets	11,925.6	11,369.6	1,068.2	1,094.7	3,061.3	3,359.7	7,211.8	6,927.0	11,341.3	11,381.4
Liabilities										
Other financial liabilities	4,400.9	4,413.9	4,060.0	4,743.2				161.2	163.4	4,221.2
										4,906.7

3 Notes to the Financial Statements

4.7 Information on personnel

	30/6/2022	31/12/2021	variation
Total number of Unipol Group employees	12,499	11,946	553
of which on a fixed-term contract	844	473	371
Full Time Equivalent - FTE	11,934	11,404	530

The foreign company employees (1,393) include 534 insurance agents.

The increase of 553 in the number of personnel at 30 June 2022 compared to 31 December 2021 is due, net of movements to fixed-term contracts or for seasonal work started and completed in the year, to 875 new hires and 322 exits.

Share-based compensation plans

The Unipol Group pays additional benefits (short- and long-term incentives) to the Chief Executive Officer and 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 Gross Profit and solvency capital requirements, as well as individual targets are achieved.

On 27 April 2022, 1,521,335 UnipolSai shares and 849,830 Unipol shares were delivered to eligible executives as short-term incentives for the 2021 financial year.

On 28 April 2022, the Shareholders' Meeting approved the "Unipol Group Remuneration Policies", which set out a 2022-2024 Performance Share Compensation Plan. The Long-Term Incentive ("LTI") will be disbursed, where the conditions are met, through the assignment of UnipolSai and Unipol shares, in three annual pro-rata tranches starting in 2026. Stricter rules are established for the Personnel whose variable compensation is particularly high, providing for payment in financial instruments in five annual pro-rata tranches. The Short-Term Incentive ("STI") will, instead, be disbursed starting in 2023.

4.8 Non-recurring significant transactions and events

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

4.9 Atypical and/or unusual positions or transactions

In the first half of 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 condensed consolidated half-yearly financial statements, a conflict of interest, the safeguarding of the company's assets or the protection of non-controlling shareholders.

4.10 Additional information on the temporary exemption from IFRS 9

As indicated in the paragraph Notes to the consolidated financial statements at 31 December 2021, in these condensed consolidated half-yearly financial statements, the IAS 39 standard was applied with reference to financial instruments held by UnipolSai and its subsidiaries. Below are tables containing the information necessary for comparison with the companies that do apply IFRS 9.

Fair value at 30 June 2022, changes in fair value of financial investments recognised according to IAS 39 which passed the SPPI Test and other financial investments

<i>Amounts in €m</i>	Consolidated carrying amount at 30/6/2022	Fair value at 30/6/2022	Change in Fair value for the period
Financial investments passing the SPPI test, other than financial assets at fair value through profit or loss (a)	40,189.1	39,929.4	(6,849.3)
Other financial investments (b)	17,686.0	17,646.3	(1,297.4)
Total (a) + (b)	57,875.2	57,575.8	(8,146.7)

Significant credit risk concentration

Main exposures by counterpart of investments passing the SPPI test

<i>Amounts in €m</i>	Consolidated carrying amount at 30/6/2022
Counterpart	
Italian Treasury	19,452.3
Spanish Treasury	3,533.3
French Treasury	1,284.9
Intesa Sanpaolo SpA	731.8
Deutsche Bank AG	455.4
Germanian Treasury	446.4
Portuguese Treasury	411.5
BNP Paribas SA	341.8
Barclays PLC	325.2
JP Morgan Chase & Co.	297.3
Other Counterparts	12,909.3
Total Financial investments passing the SPPI test, other than financial assets at fair value through profit or loss	40,189.1

3 Notes to the Financial Statements

Rating class of financial investments recognised according to IAS 39 which passed the SPPI Test

	Rating class	Consolidated carrying amount at 30/6/2022	IAS 39 carrying amount at 30/6/2022 before any adjustment for impairment	Fair value at 30/6/2022	<i>Amounts in €m</i>
AAA		637.2	788.4	637.2	
AA		2,532.3	3,122.7	2,481.0	
A		7,704.1	8,235.7	7,526.3	
BBB		26,326.5	26,280.2	26,317.7	
Total low credit risk financial investments (1)		37,200.0	38,427.1	36,962.2	
BB		2,345.7	2,551.2	2,353.9	
B		224.3	267.1	224.3	
Lower rating		78.6	104.7	78.6	
With no rating		340.6	377.8	310.5	
Total financial investments other than low credit risk investments (2)		2,989.1	3,300.7	2,967.2	
Financial investments passing the SPPI test, other than financial assets at fair value through profit or loss (1) + (2)		40,189.1	41,727.8	39,929.4	

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

In the context of the preparation of the consolidated Financial Report as at 30 June 2022 of Unipol Group, sensitivity analyses were carried out, as specified below, relating to the results of the impairment testing performed at 31 December 2021, with reference to the recoverable amount of goodwill allocated to the Non-Life and Life CGUs.

To this end, in applying the same methodological approach adopted at the time of the impairment test as at 31 December 2021, the sensitivity analyses developed took into consideration the following determining factors:

Non-Life CGU: (i) update as at 30 June 2022 of Own Funds and of the Solvency Capital Requirement ("SCR") (ii) update of the discount rate at 30 June 2022 (in the risk-free rate, risk premium, Beta components) of the prospective cash flows theoretically available and of the terminal value, to take account of the developments in the first half of 2022; (iii) update of the consolidated economic and financial forecasts for the years 2022-2026, in order to take into account, for the 2022-2024 period, of the outcomes identified by the Business Plan approved by the Board of Directors of UnipolSai of 12 May 2022;

Life CGU: update as at 30 June 2022 of the assumptions relating to the structure of the interest rates and the estimate of the actuarial balances used to determine the Recoverable Value of the Life CGU.

These simulations show the staying power of the carrying value of the aforementioned goodwill, booked to the consolidated financial statements of Unipol Sai at 31 December 2021 and 30 June 2022, also upon a change in the parameters subject to analysis.

The development in the discount rate (cost of capital) is reported below, taking into account the changes in the half-year period:

	31/12/2021	30/6/2022
Risk free rate (a)	0.78%	1.57%
Risk Premium (b)	5.00%	5.00%
Beta average adj (c)	0.98	0.88
Cost of capital	5.68%	5.97%

(a): Average 1Y yield on 10-year BTP

(b): Taking into account that considering the exponentially weighted moving average (exponential smoothing) of the last three values, recorded on a half-yearly basis, of the "current risk premium for a mature equity market" estimated by Mr. Damodaran in the twelve months prior to the measurement date, resulted in a value lower than 5%, this parameter was maintained at 5%

(c): Adjusted 2-year beta relating to a sample of European listed companies considered comparable

3 Notes to the Financial Statements

The comparison between the results at 31/12/2021 and those deriving from the sensitivity analysis at 30 June 2022 are reported below:

<i>Amounts in €m 31/12/2021</i>	Recoverable amount (a)	Allocation of goodwill	Goodwill included in equity per recoverable amount (b)	Goodwill to be tested	Excess
Non-Life CGU	5,873	1,309	(309)	1,000	4,873
Life CGU	1,237	322	(204)	117	1,120
Total	7,110	1,631	(513)	1,117	5,993

(a): Recoverable amount obtained as the difference between the pro-rata value of the CGU and the pro-rata Adjusted Shareholders' equity

(b): Goodwill already included in Adjusted Shareholders' equity, considered in the recoverable amount estimation

<i>Amounts in €m Sensitivity 30/6/2022</i>	Recoverable amount (a)	Allocation of goodwill	Goodwill included in equity per recoverable amount (b)	Goodwill to be tested	Excess
Non-Life CGU (c)	5,041	1,363	(363)	1,000	4,041
Life CGU	1,466	322	(204)	117	1,349
Total	6,508	1,684	(567)	1,117	5,390

(a): Recoverable value obtained as the difference between the pro-rata value of the CGU and the pro-rata Adjusted Shareholders' equity

(b): Goodwill already included in Adjusted Shareholders' equity, considered in the recoverable amount estimation

(c): The increase in allocated goodwill derives from the estimate of the goodwill on the acquisition of I.Car and Agenzia Muriana Manuela; the excess indicated envisages a discount rate of 5.97% and a g-rate of 1.2%, prudentially kept unchanged with respect to 31 December 2021; with g rate equal to 0%, this excess would be Euro 3,464 million.

To take into account what is indicated in CONSOB Notice no. 3 of 19 May 2022, following the document published by ESMA on 13 May 2022, as well as the evidence indicated in the Discussion Paper no. 1/2022 "Impairment test of non-financial assets (IAS 36) following the war in Ukraine" issued by the OIV on 29 June 2022, in relation to the Non-Life CGU, a further sensitivity analysis was developed using a discount rate of 7.96%, which takes into account a "current" parameter in terms of risk-free assets, considering the average figure for the month of June 2022 of the yield relating to the ten-year BTP, equal to 3.56%. The estimate of the excess (delta recoverable value/goodwill) relating to the Non-Life CGU is shown, based on the aforementioned discount rate of 7.96%, assuming a g-rate of 1.2% and 0%:

Actualisation rate equal to 7,96%				
		(g-rate equal to 1,2)	(g-rate equal to 0)	
Company	g	Recoverable amount - Goodwill Delta	g	Recoverable amount - Goodwill Delta
UnipolSai Assicurazioni Danni	1.20%	2,100	0.00%	1,915

An additional Sensitivity is also reported, highlighting the rate that eliminates the aforementioned excess in the event of a g rate of 1.2% and 0%, respectively:

Recoverable amount - Goodwill Delta				
		(g-rate equal to 1,2)	(g-rate equal to 0)	
Company	g	Actualisation rate	g	Actualisation rate
UnipolSai Assicurazioni Danni	1.20%	13.40%	0.00%	13.48%

4.12 Risk Report

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

As regards the Internal control and risk management system adopted by the Company, reference is expressly made to paragraph 5.16 of the Notes to the 2021 Integrated Consolidated Financial Statements.

As regards the financial risks at 30 June 2022, the level of sensitivity of the Unipol Group's portfolios of financial assets to the main market risk factors is shown below. Sensitivity is calculated as a variation in the market value of the assets further to the shocks resulting from a:

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

Insurance Business		
Amounts in €m	Impact on Income Statement	Impact on Statement of financial position
Unipol Group		
Interest rate sensitivity (+10 bps)	14.09	(271.12)
Credit spread sensitivity (+10 bps)	(0.03)	(280.86)
Equity sensitivity (-20%)	(11.67)	(1,130.46)

Holding and other business		
Amounts in €m	Impact on Income Statement	Impact on Statement of financial position
Unipol Group		
Interest rate sensitivity (+10 bps)	(0.03)	(1.52)
Credit spread sensitivity (+10 bps)	(0.03)	(1.85)
Equity sensitivity (-20%)	(25.30)	(38.55)

The values include the hedging derivatives, including tax effects.

3 Notes to the Financial Statements

Information relating to exposure to sovereign debt securities

The following table shows details of Sovereign exposures (i.e., bonds issued by central and local governments and by government organisations and loans granted to them) held by the Unipol Group at 30 June 2022.

	Amounts in €m	Balance at 30 June 2022		
		Nominal value	Carrying amount	Market value
Italy		21,204.4	19,777.0	19,879.8
Available-for-sale financial assets		19,859.6	18,424.0	18,424.0
Financial assets at fair value through OCI		314.1	303.0	303.0
Financial assets at fair value through profit or loss		2.0	1.7	1.7
Held-to-maturity investments		312.7	301.3	348.4
Loans and receivables		716.0	747.0	802.6
Spain		3,716.2	3,556.5	3,569.7
Available-for-sale financial assets		3,411.7	3,242.9	3,242.9
Financial assets at fair value through profit or loss		20.0	23.2	23.2
Loans and receivables		284.5	290.3	303.6
France		1,808.9	1,284.9	1,284.9
Available-for-sale financial assets		1,808.9	1,284.9	1,284.9
Germany		534.6	389.3	344.8
Available-for-sale financial assets		434.6	289.2	289.2
Loans and receivables		100.0	100.1	55.6
Portugal		395.4	411.5	412.0
Available-for-sale financial assets		378.0	400.5	400.5
Loans and receivables		17.4	10.9	11.5
Belgium		306.1	222.9	222.9
Available-for-sale financial assets		306.1	222.9	222.9
Ireland		299.4	287.7	287.7
Available-for-sale financial assets		299.4	287.7	287.7
Slovenia		203.6	195.4	195.4
Available-for-sale financial assets		203.6	195.4	195.4
Great Britain		179.2	170.9	170.9
Available-for-sale financial assets		179.2	170.9	170.9
Romania		108.5	80.2	80.2
Available-for-sale financial assets		108.5	80.2	80.2
Mexico		99.0	68.8	68.8
Available-for-sale financial assets		99.0	68.8	68.8
Serbia		98.6	96.3	94.3
Available-for-sale financial assets		36.7	31.8	31.8
Held-to-maturity investments		61.8	64.5	62.5
Cyprus		98.5	84.6	84.6
Available-for-sale financial assets		98.5	84.6	84.6
Slovakia		98.1	88.1	88.1
Available-for-sale financial assets		98.1	88.1	88.1
Israel		93.2	90.5	90.5
Available-for-sale financial assets		93.2	90.5	90.5

cont. from previous page

	Amounts in €m	Balance at 30 June 2022		
		Nominal value	Carrying amount	Market value
China		84.0	67.3	67.3
Available-for-sale financial assets		84.0	67.3	67.3
Latvia		83.5	75.1	75.1
Available-for-sale financial assets		83.5	75.1	75.1
Chile		80.5	67.3	67.3
Available-for-sale financial assets		80.5	67.3	67.3
USA		63.4	61.5	61.5
Available-for-sale financial assets		63.4	61.5	61.5
Hong Kong		55.5	40.0	40.0
Available-for-sale financial assets		55.5	40.0	40.0
Turkey		50.6	34.2	34.2
Available-for-sale financial assets		50.6	34.2	34.2
Austria		36.5	34.1	34.1
Available-for-sale financial assets		36.5	34.1	34.1
Peru		31.0	21.7	21.7
Available-for-sale financial assets		31.0	21.7	21.7
Poland		25.3	24.0	24.0
Available-for-sale financial assets		25.3	24.0	24.0
Croatia		21.0	19.5	19.5
Available-for-sale financial assets		21.0	19.5	19.5
South Korea		20.0	19.0	19.0
Available-for-sale financial assets		20.0	19.0	19.0
Netherlands		17.3	15.0	15.0
Available-for-sale financial assets		17.3	15.0	15.0
Lithuania		15.5	14.9	14.9
Available-for-sale financial assets		15.5	14.9	14.9
Canada		10.3	10.4	10.4
Available-for-sale financial assets		10.3	10.4	10.4
Greece		10.0	8.5	8.5
Available-for-sale financial assets		10.0	8.5	8.5
Finland		5.0	5.0	5.0
Available-for-sale financial assets		5.0	5.0	5.0
Iceland		3.0	2.6	2.6
Available-for-sale financial assets		3.0	2.6	2.6
Swiss		0.8	0.8	0.8
Available-for-sale financial assets		0.8	0.8	0.8
TOTAL		29,856.8	27,325.2	27,395.4

The carrying amount of the sovereign exposures represented by debt securities at 30 June 2022 totalled €27,325.2m, 72% of which is concentrated on securities issued by the Italian State (73% at 31/12/2021). Moreover, the bonds issued by the Italian State account for 35% of total investments of the Unipol Group, down 3% compared to 31/12/2021.

Bologna, 4 August 2022

The Board of Director

4. Tables appended to the Notes to the Financial Statements

4 Tables appended to the Notes to the Financial Statements

Consolidation scope

% Direct holding	% Indirect holding	% Total participating interest (3)	% Votes available at ordinary General Meetings (4)	% Consolidation
				100.00%
100.00%		100.00%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	98.99% UnipolSai Assicurazioni SpA	84.40%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UniSalute SpA	84.40%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
61.03%		85.26%		100.00%
	9.90% Unipol Finance Srl			
	0.00% UniSalute SpA			
	4.41% Unipol Investment SpA			
	0.00% Arca Vita SpA			
	0.00% Siat-Societa' Italiana Assicurazioni e Riassicurazioni – per Azioni			
	0.00% UnipolAssistance Scrl			
	0.00% Leithà Srl			
	0.00% UnipolRental SpA			
	9.90% UnipolPart I SpA			
100.00%		100.00%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	63.39% UnipolSai Assicurazioni SpA	54.05%		100.00%
	98.12% Arca Vita SpA	53.03%		100.00%
	100.00% Arca Vita SpA	54.05%		100.00%
	100.00% Arca Vita SpA	54.05%		100.00%
	60.22% Arca Vita SpA	53.64%		100.00%
	39.78% Arca Assicurazioni SpA			
	77.03% Arca Vita SpA	53.87%	0.00%	100.00%
	16.97% Arca Assicurazioni SpA			
	5.00% Arca Vita International Dac			
	1.00% Arca Inlinea Scarl			
	50.00% UnipolSai Assicurazioni SpA	42.63%		100.00%
	51.00% UnipolSai Assicurazioni SpA	43.48%		100.00%
	94.69% UnipolSai Assicurazioni SpA	80.73%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	0.00% Ddor Novi Sad	85.26%		100.00%
	100.00% UnipolRe Dac			
	100.00% UnipolSai Nederland Bv	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	36.15% UnipolSai Finance SpA	85.26%		100.00%

4 Tables appended to the Notes to the Financial Statements

Consolidation scope

% Direct holding	% Indirect holding	% Total participating interest (3)	% Votes available at ordinary General Meetings (4)	% Consolidation
	63.85% UnipolSai Assicurazioni SpA			
51.00%		92.78%		100.00%
	49.00% UnipolSai Assicurazioni SpA			
	70.00% UnipolService SpA	59.68%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% Casa di Cura Villa Donatello - SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	0.25% UniSalute SpA	85.16%		100.00%
	3.00% Compagnia Assicuratrice Linear SpA			
	0.10% Unisalute Servizi Srl			
	95.65% UnipolSai Assicurazioni SpA			
	0.10% Arca Assicurazioni SpA			
	0.15% Incontra Assicurazioni SpA			
	0.25% UnipolTech SpA			
	0.50% UnipolRental SpA			
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	99.57% Nuove Iniziative Toscane - Societa' a Responsabilita' Limitata	84.89%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	89.59% UnipolSai Assicurazioni SpA	76.39%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	65.00% UnipolSai Finance SpA	55.42%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
85.24%		97.82%		100.00%
	14.76% UnipolSai Assicurazioni SpA			
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolRental SpA	85.26%		100.00%
100.00%		100.00%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%

4 Tables appended to the Notes to the Financial Statements

Consolidation scope

Name	Country of registered office	Registered office	Country of operations (5)	Method (1)	Business activity (2)
Cambiomarcia Srl	086 Italy	Bologna		G	11
UnipolPay SpA	086 Italy	Bologna		G	11
BeRebel SpA	086 Italy	Bologna		G	11
Nuove Terme Petriolo Srl	086 Italy	Roma		G	11
I.Car Srl	086 Italy	Zola Pedrosa (BO)		G	11
Muriana Manuela Srl	086 Italy	Milan		G	11
UnipolHome SpA	086 Italy	Bologna		G	11

(1) Consolidation method: G=on a line-by-line basis; P=proportional; U=on a line-by-line basis as per unitary management.

(2) 1=Italyn insurers; 2=EU insurers; 3=non-EU insurers; 4=insurance holdings; 4.1=mixed financial holding companies; 5=EU reinsurers; 6=non-EU reinsurers; 7=banks; 8=asset management companies; 9=other holdings; 10=real estate companies; 11=other.

(3) The product of investment relations concerning all companies which, positioned in an investment chain, may be between the company responsible for the consolidated financial statements and the company in question. If the latter is a direct investee of multiple subsidiaries, add together the individual products first.

(4) Total % availability of votes at ordinary general meetings if different from the direct or indirect investment.

(5) This disclosure is required only if the country of operations is different from the country of the registered office.

% Direct holding	% Indirect holding	% Total participating interest (3)	% Votes available at ordinary General Meetings (4)	% Consolidation
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% Athens R.E. Fund	76.39%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%
	100.00% UnipolSai Assicurazioni SpA	85.26%		100.00%

4 Tables appended to the Notes to the Financial Statements

Consolidation scope: interests in entities with material non-controlling interests

Amounts in €m				
Name	% non-controlling interests	% Votes available at Ordinary General Meetings to non-controlling interests	Consolidated profit (loss) attributable to non-controlling interests	Shareholders' Equity attributable to non-controlling interests
UnipolSai Assicurazioni SpA	14.74%		73.3	1,008.2

Details of unconsolidated investments

Name	Country of registered office	Registered office	Country of operations (5)	Business activity (1)
Assicoop Toscana SpA	086 Italy	Siena		11
Pegaso Finanziaria SpA	086 Italy	Bologna		9
Fondazione Unipolis	086 Italy	Bologna		11
Uci - Ufficio Centrale Italiano	086 Italy	Milan		11
SCS Azioninnova SpA	086 Italy	Bologna		11
Garibaldi Sca	092 Luxembourg	Luxembourg		11
Isola Sca	092 Luxembourg	Luxembourg		11
Fin.Priv. Srl	086 Italy	Milan		11
Ddor Auto - Limited Liability Company	289 Serbia	Novi Sad (Serbia)		3
Funivie del Piccolo San Bernardo SpA	086 Italy	La Thuile (AO)		11
Ddor Garant	289 Serbia	Belgrad (Serbia)		11
Borsetto Srl	086 Italy	Turin		10
Golf Club Poggio dei Medici SpA Societa' Dilettantistica Sportiva	086 Italy	San Piero (FI)		11
BPER Banca SpA	086 Italy	Modena		7
Assicoop Bologna Metropolitana SpA	086 Italy	Bologna		11
Hotel Villaggio Citta' del Mare SpA in Liquidazione	086 Italy	Modena		11
Assicoop Modena & Ferrara SpA	086 Italy	Modena		11
Assicoop Romagna Futura SpA	086 Italy	Ravenna		11
Assicoop Emilia Nord Srl	086 Italy	Parma		11
Promorest Srl	086 Italy	Castenaso (BO)		11

(1) 1=Italyn insurers; 2=EU insurers; 3=non-EU insurers; 4=insurance holdings; 4.1=mixed financial holding companies; 5=EU reinsurers; 6=non-EU reinsurers; 7=banks; 8=asset management companies; 9=other holdings; 10=real estate companies; 11=other.

(2) a=subsidiaries (IFRS10); b= associates (IAS28); c=joint ventures (IFRS11).

(3) The product of investment relations concerning all companies which, positioned in an investment chain, may be between the company responsible for the consolidated financial statements and the company in question. If the latter is a direct investee of multiple subsidiaries, add together the individual products first.

(4) Total % availability of votes at ordinary general meetings if different from the direct or indirect investment.

(5) This disclosure is required only if the country of operations is different from the country of the registered office.

Summary income and financial position data

Total assets	Investments	Technical provisions	Financial liabilities	Shareholders' equity	Profit (loss) for the year	Dividends distributed to non-controlling interests	Gross premiums written
53,928.1	48,329.4	40,295.3	4,955.6	6,839.4	2,682.6	79.2	4,559.2

Type (2)	% Direct holding	% Indirect holding	% Total participating interest (3)	% Votes available at ordinary General Meetings (4)	Carrying amount (€m)
b	46.77%	UnipolSai Finance SpA	39.88%		2.5
b	45.00%	UnipolSai Finance SpA	38.37%		5.7
a	100.00%	UnipolSai Assicurazioni SpA	85.26%		0.3
b	0.0002%	Compagnia Assicuratrice Linear SpA	32.57%		0.2
	38.10%	UnipolSai Assicurazioni SpA			
	0.01%	Arca Assicurazioni SpA			
	0.002%	Incontra Assicurazioni SpA			
	0.092%	Siat-Società' Italiana Assicurazioni e Riassicurazioni – per Azioni			
b	42.85%	UnipolSai Finance SpA	36.54%		3.3
b	32.00%	UnipolSai Assicurazioni SpA	27.28%		2.8
b	29.56%	UnipolSai Assicurazioni SpA	25.20%		
b	28.57%	UnipolSai Assicurazioni SpA	24.36%		34.0
a	100.00%	Ddor Novi Sad	85.26%		0.0
b	23.55%	UnipolSai Assicurazioni SpA	20.08%		1.4
b	32.46%	Ddor Novi Sad	34.10%		0.6
	7.54%	Ddor Re			
b	44.93%	UnipolSai Assicurazioni SpA	38.30%		0.4
b	40.32%	Athens R.E. Fund	30.80%		0.9
b	10.56%		19.91%		1,590.2
	9.35%	UnipolSai Assicurazioni SpA			
b	49.19%	UnipolSai Finance SpA	41.94%		9.4
b	49.00%	UnipolSai Assicurazioni SpA	41.78%		
b	43.75%	UnipolSai Finance SpA	37.30%		8.2
b	50.00%	UnipolSai Finance SpA	42.63%		7.1
b	50.00%	UnipolSai Finance SpA	42.63%		6.5
b	49.92%	UnipolSai Finance SpA	42.56%		5.0

4 Tables appended to the Notes to the Financial Statements

Statement of financial position by business segment

	Amounts in €m	Non-Life business		Life business	
		30/6/2022	31/12/2021	30/6/2022	31/12/2021
1	INTANGIBLE ASSETS	1,755.9	1,681.3	376.9	381.6
2	PROPERTY, PLANT AND EQUIPMENT	1,787.9	1,622.4	72.8	73.8
3	TECHNICAL PROVISIONS - REINSURERS' SHARE	875.6	808.1	30.2	23.2
4	INVESTMENTS	14,673.3	15,663.1	44,114.0	49,646.1
4.1	Investment property	425.1	424.0	4.1	4.1
4.2	Investments in subsidiaries, associates and interests in joint ventures	742.0	641.5	2.8	2.9
4.3	Held-to-maturity investments	46.9	47.5	319.0	319.2
4.4	Loans and receivables	2,216.1	2,449.6	2,620.7	2,735.8
4.4bis	Financial assets at amortised cost				
4.5	Available-for-sale financial assets	10,938.1	11,940.3	32,970.1	38,170.8
4.5bis	Available-for-sale financial assets				
4.6	Financial assets at fair value through OCI	305.1	160.2	8,197.4	8,413.3
5	SUNDRY RECEIVABLES	2,025.1	2,545.5	785.3	835.8
6	OTHER ASSETS	1,276.8	799.5	272.6	95.0
6.1	Deferred acquisition costs	42.5	37.1	63.9	63.1
6.2	Other assets	1,234.3	762.5	208.7	32.0
7	CASH AND CASH EQUIVALENTS	280.0	240.3	453.5	567.9
	TOTAL ASSETS	22,674.5	23,360.2	46,105.5	51,623.6
1	SHAREHOLDERS' EQUITY				
2	PROVISIONS	377.5	396.4	6.1	6.9
3	TECHNICAL PROVISIONS	14,846.3	14,714.9	38,448.9	42,413.4
4	FINANCIAL LIABILITIES	1,352.8	1,428.9	6,655.7	6,943.2
4.1	Financial liabilities at fair value through profit or loss	38.3	80.3	6,003.1	6,276.1
4.2	Financial liabilities at amortised cost	1,314.6	1,348.6	652.6	667.1
5	PAYABLES	1,079.6	922.1	123.6	171.6
6	OTHER LIABILITIES	807.4	822.9	183.1	341.2
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES				

Holding and Other businesses		Real Estate		Intersegment eliminations		Total	
30/6/2022	31/12/2021	30/6/2022	31/12/2021	30/6/2022	31/12/2021	30/6/2022	31/12/2021
18.5	17.9	0.0	0.0			2,151.4	2,080.8
226.3	217.8	585.8	600.7			2,672.9	2,514.7
						905.7	831.3
2,234.1	1,919.4	1,891.0	1,725.0	(480.1)	(784.6)	62,432.3	68,169.0
20.2	25.1	1,813.7	1,619.3			2,263.1	2,072.5
844.4	659.1	0.9	0.9			1,590.1	1,304.4
						365.9	366.7
305.5	302.3	40.4	50.9	(480.1)	(784.6)	4,702.6	4,754.0
331.0	357.2					331.0	357.2
28.6	29.4	35.9	53.8			43,972.7	50,194.4
563.3	494.6					563.3	494.6
141.0	51.8					8,643.5	8,625.2
226.6	268.9	39.9	31.4	(239.8)	(248.8)	2,837.0	3,432.9
421.4	347.5	162.0	177.4	(7.9)	(128.7)	2,125.0	1,290.8
						106.4	100.1
421.4	347.5	162.0	177.4	(7.9)	(128.7)	2,018.5	1,190.7
812.6	1,108.4	43.3	22.3	(0.0)		1,589.4	1,938.9
3,939.5	3,880.0	2,722.0	2,556.9	(727.9)	(1,162.1)	74,713.6	80,258.5
						8,218.1	9,721.5
28.0	38.5	6.9	5.1			418.5	446.9
						53,295.2	57,128.3
2,679.3	2,981.4	234.9	201.7	(479.9)	(784.4)	10,442.8	10,770.8
0.6	0.4					6,041.9	6,356.9
2,678.7	2,981.0	234.9	201.7	(479.9)	(784.4)	4,400.9	4,413.9
268.1	176.9	71.0	68.5	(232.3)	(243.6)	1,310.1	1,095.5
43.2	51.8	11.0	13.7	(15.7)	(134.1)	1,029.0	1,095.4
						74,713.6	80,258.5

4 Tables appended to the Notes to the Financial Statements

Income statement by business segment

	Amounts in €m	Non-Life business		Life business	
		30/6/2022	30/6/2021	30/6/2022	30/6/2021
1.1 Net premiums	3,890.6	3,848.9	1,765.7	2,001.9	
1.1.1 Gross premiums earned	4,150.1	4,062.1	1,781.6	2,015.5	
1.1.2 Earned premiums ceded to reinsurers	(259.5)	(213.2)	(15.9)	(13.6)	
1.2 Commission income	2.6	3.3	22.2	19.0	
1.3 Gains and losses on financial instruments at fair value through profit or loss	289.3	179.7	(515.9)	10.5	
1.4 Gains on investments in subsidiaries, associates and interests in joint ventures	129.0	68.4			
1.5 Gains on other financial instruments and investment property	353.0	362.2	915.9	604.4	
1.6 Other revenue	438.1	372.1	34.7	32.2	
1 TOTAL REVENUE AND INCOME	5,102.6	4,834.7	2,222.5	2,668.0	
2.1 Net charges relating to claims	(2,490.8)	(2,410.5)	(1,717.0)	(2,314.1)	
2.1.1 Amounts paid and changes in technical provisions	(2,554.9)	(2,481.6)	(1,728.1)	(2,324.9)	
2.1.2 Reinsurers' share	64.1	71.1	11.1	10.8	
2.2 Commission expenses	(28.4)	(3.8)	(15.9)	(9.4)	
2.3 Losses on investments in subsidiaries, associates and interests in joint ventures	(0.1)	(0.1)	(0.1)	(0.2)	
2.4 Losses on other financial instruments and investment property	(365.5)	(258.3)	(133.4)	(36.8)	
2.5 Operating expenses	(1,131.4)	(1,083.3)	(133.6)	(128.5)	
2.6 Other costs	(459.6)	(461.1)	(77.3)	(67.6)	
2 TOTAL COSTS AND EXPENSES	(4,475.8)	(4,217.1)	(2,077.4)	(2,556.5)	
PRE-TAX PROFIT (LOSS) FOR THE YEAR	626.8	617.6	145.1	111.5	

Holding and Other businesses		Real Estate		Intersegment eliminations		Total	
30/6/2022	30/6/2021	30/6/2022	30/6/2021	30/6/2022	30/6/2021	30/6/2022	30/6/2021
						5,656.2	5,850.8
						5,931.7	6,077.6
						(275.5)	(226.8)
7.3	7.3			(7.3)	(7.4)	24.8	22.3
(28.0)	23.7					(254.6)	213.9
191.9	73.3					320.9	141.7
37.9	35.5	37.9	34.4	(12.9)	(14.8)	1,331.7	1,021.7
123.0	66.8	20.2	27.7	(44.2)	(39.1)	571.8	459.7
332.0	206.6	58.1	62.1	(64.4)	(61.2)	7,650.7	7,710.1
						(4,207.8)	(4,724.6)
						(4,283.0)	(4,806.5)
						75.2	82.0
(0.4)	(0.5)	(0.0)	(0.0)			(44.7)	(13.7)
(0.1)	(0.1)					(0.3)	(0.4)
(65.6)	(66.2)	(34.5)	(38.6)	4.3	6.7	(594.7)	(393.2)
(106.1)	(86.8)	(19.2)	(16.5)	11.5	10.7	(1,378.8)	(1,304.4)
(45.6)	(28.1)	(22.5)	(17.9)	48.6	43.8	(556.4)	(530.9)
(217.8)	(181.7)	(76.2)	(73.0)	64.4	61.2	(6,782.8)	(6,967.1)
114.2	24.9	(18.1)	(10.9)			868.0	743.0

4 Tables appended to the Notes to the Financial Statements

Details of technical insurance items

	30/6/2022	30/6/2021
	<i>Amounts in €m</i>	Net amount
Non-Life business		
NET PREMIUMS	3,890.6	3,848.9
a Written premiums	3,957.2	3,847.1
b Change in premium provision	(66.6)	1.7
NET CHARGES RELATING TO CLAIMS	(2,490.8)	(2,410.5)
a Amounts paid	(2,562.3)	(2,499.2)
b Change in claims provision	(3.4)	22.8
c Change in recoveries	76.5	66.9
d Change in other technical provisions	(1.6)	(1.0)
Life business		
NET PREMIUMS	1,765.7	2,001.9
NET CHARGES RELATING TO CLAIMS	(1,717.0)	(2,314.1)
a Amounts paid	(1,341.1)	(1,721.4)
b Change in provision for amounts payable	31.4	232.9
c Change in mathematical provisions	(579.0)	(710.8)
Change in technical provisions where the investment risk is borne by policyholders and arising from pension fund management		
d	142.6	(124.4)
e Change in other technical provisions	29.0	9.6

Investment income and charges

	Interests	Other income	Other charges	Realised gains	Realised losses
	<i>Amounts in €m</i>				
Balance on investments					
	787.3	566.6	(104.9)	437.6	(500.9)
a Arising from investment property		39.5	(12.4)	0.6	(4.7)
b Arising from investments in subsidiaries, associates and interests in joint ventures		320.9	(0.3)		
c Arising from held-to-maturity investments	7.9		(0.0)		
d Arising from loans and receivables	84.6		(0.0)	35.2	(34.5)
e Arising from financial assets at amortised cost	8.3			8.8	(6.3)
f Arising from available-for-sale financial assets	640.0	112.3	(4.1)	370.5	(172.5)
g Arising from financial assets at fair value through OCI	9.1	6.0	(0.1)	0.7	(0.3)
h Arising from held-for-trading financial assets	1.6	23.5	(51.5)	14.6	(213.7)
i Arising from financial assets at fair value through profit or loss	35.4	63.5	(36.5)	4.3	(61.2)
l Arising from financial assets mandatorily at fair value	0.4	1.0	(0.1)	3.0	(7.7)
Balance on sundry receivables	6.2				
Balance on cash and cash equivalents	0.4		(0.0)		
Balance on financial liabilities	(75.2)	344.2	(3.9)	0.0	
a Arising from held-for-trading financial liabilities				0.0	
b Arising from financial liabilities at fair value		344.2	(0.0)		
c Arising from financial liabilities at amortised cost	(75.2)		(3.9)		
Balance on payables	(0.7)		(0.1)		
Total	718.1	910.8	(108.9)	437.7	(500.9)

Total realised gains and losses	Unrealised gains		Unrealised losses		Total unrealised gains and losses	Total gains and losses 30/6/2022	Total gains and losses 30/6/2021
	Unrealised capital gains	Write-backs	Unrealised capital losses	Impairment			
1,185.8	354.7	0.0	(1,160.3)	(22.5)	(828.2)	357.6	1,238.4
23.0			(24.6)	(3.8)	(28.4)	(5.4)	60.9
320.6						320.6	141.3
7.9						7.9	9.1
85.4		0.0			0.0	85.4	62.7
10.8				(9.7)	(9.7)	1.1	8.6
946.2			(232.8)	(8.9)	(241.7)	704.5	566.9
15.4	0.3			(0.2)	0.2	15.6	6.9
(225.7)	318.2		(40.1)		278.1	52.5	146.3
5.6	35.3		(837.5)		(802.3)	(796.7)	212.0
(3.3)	0.9		(25.3)		(24.5)	(27.8)	23.7
6.2						6.2	1.1
0.4						0.4	0.4
265.1	174.4		(0.1)		174.3	439.4	(255.2)
0.0						0.0	
344.2	173.2				173.2	517.4	(168.1)
(79.1)	1.2		(0.1)		1.1	(78.0)	(87.1)
(0.8)						(0.8)	(1.0)
1,456.8	529.1	0.0	(1,160.4)	(22.5)	(653.8)	802.9	983.8

4 Tables appended to the Notes to the Financial Statements

Details of insurance business expenses

	Non-Life business		Life business	
	Amounts in €m 30/6/2022	30/6/2021	30/6/2022	30/6/2021
Gross commissions and other acquisition costs	(891.2)	(848.1)	(60.4)	(59.9)
Investment management expenses	(24.8)	(24.0)	(24.3)	(23.9)
Other administrative expenses	(215.4)	(211.3)	(49.0)	(44.7)
Total	(1,131.4)	(1,083.3)	(133.6)	(128.5)

Details of other consolidated comprehensive income statement

	Amounts allocated		Adjustments from reclassification to profit or loss	
	Amounts in €m 30/6/2022	30/6/2021	30/6/2022	30/6/2021
Other income items not reclassified to profit or loss	(12.1)	23.9		
Reserve deriving from changes in the shareholders' equity of the investees	8.3	24.4		
Revaluation reserve for intangible assets				
Revaluation reserve for property, plant and equipment				
Gains and losses on non-current assets or assets of a disposal group held for sale				
Actuarial gains and losses and adjustments relating to defined benefit plans	(2.8)	(2.3)		
Gains or losses on equity instruments at fair value through OCI	(17.6)	3.0		
Reserve deriving from variation on credit risk on financial liabilities at fair value through profit or loss				
Other items		(1.2)		
Other income items reclassified to profit or loss	(1,891.9)	(303.6)	76.9	396.6
Reserve for foreign currency translation differences	0.5	(0.0)		
Gains or losses on available-for-sale financial assets	(1,844.1)	(296.9)	77.3	396.9
Gains or losses on financial assets (other than equity instruments) at fair value through OCI	(16.9)	2.0	(0.4)	(0.3)
Gains or losses on cash flow hedges	15.7	(15.5)		
Gains or losses on hedges of a net investment in foreign operations				
Reserve deriving from changes in the shareholders' equity of the investees	(47.0)	6.8		
Gains and losses on non-current assets or of a disposal group held for sale				
Other items				
TOTAL OTHER COMPREHENSIVE INCOME (EXPENSE)	(1,904.0)	(279.7)	76.9	396.6

Other changes		Total changes		Income taxes		Balance	
30/6/2022	30/6/2021	30/6/2022	30/6/2021	30/6/2022	30/6/2021	30/6/2022	31/12/2021
		(12.1)	23.9	5.6	(0.2)	(68.3)	(56.3)
		8.3	24.4	0.0	(0.0)	33.7	25.4
		(2.8)	(2.3)	1.2	0.8	(38.0)	(35.3)
		(17.6)	3.0	4.5	(1.0)	(64.0)	(46.4)
		(1.2)					
		(1,815.0)	92.9	771.4	(41.2)	(446.0)	1,369.0
		0.5	(0.0)			4.4	3.9
		(1,766.8)	100.0	771.8	(47.6)	(407.4)	1,359.4
		(17.3)	1.7	6.6	(0.5)	(6.8)	10.5
		15.7	(15.5)	(7.0)	6.9	(10.4)	(26.1)
		(47.0)	6.8			(25.8)	21.2
		(1,827.1)	116.8	777.0	(41.4)	(514.4)	1,312.7

4 Tables appended to the Notes to the Financial Statements

Details of reclassified financial assets and their effects on the income statement and comprehensive income statement

Categories of financial assets subject to reclassification		Type of asset	Date of reclassification (*)	Amount of assets reclassified during the year at the reclassification date	Carrying amount at 30/6/2022 of reclassified assets		Fair value at 30/6/2022 of reclassified assets	
from	to				Assets reclassified during the year	Assets reclassified up to 30/6/2022	Assets reclassified during the year	Assets reclassified up to 30/6/2022
At FV through profit or loss	Loans and receivables	debt securities						
At FV through profit or loss	Loans and receivables	other fin. instr.						
Available-for-sale	Loans and receivables	debt securities				41.8		44.9
Available-for-sale	Loans and receivables	other fin. instr.						
At FV through profit or loss	Available-for-sale	equity instruments						
At FV through profit or loss	Available-for-sale	debt securities						
At FV through profit or loss	Available-for-sale	other fin. instr.						
At FV through profit or loss	Held-to-maturity investments	debt securities						
At FV through profit or loss	Held-to-maturity investments	other fin. instr.						
Available-for-sale	Held-to-maturity investments	debt securities						
Available-for-sale	Held-to-maturity investments	other fin. instr.						
Total						41.8		44.9

(*) Applicable only to financial assets classified according to IFRS9

5. Statement on the Consolidated Half-Yearly Financial Statements in accordance with art. 81-ter of Consob regulation 11971/1999

Statement on the Consolidated Financial Statements



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

1. The undersigned, Matteo Laterza, as 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 no. 58 of 24 February 1998:
 - the adequacy in relation to the characteristics of the company and
 - the effective application,of the administrative and accounting procedures for the preparation of the condensed consolidated half-yearly financial statements for the first half of 2022.
2. The assessment of the adequacy of the administrative and accounting procedures for preparing the condensed consolidated half-yearly financial statements at 30 June 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 condensed consolidated half-yearly financial statements at 30 June 2022:
 - are drafted in compliance with the IAS/IFRS International Accounting Standards adopted by the European Union in accordance with EC Regulation no. 1606/2002, and Italian Legislative Decree no. 38/2005, Italian Legislative Decree no. 209/2005 and the applicable IVASS provisions, regulations and circulars;
 - correspond to the book results and accounting records;
 - are suitable to provide a true and fair view of the equity, economic and financial situation of the issuer and of the consolidated companies;
 - 3.2. the interim Management Report includes a reliable analysis of the references to the significant events that occurred in the first six months of the year and their impact on the condensed consolidated half-yearly financial statements, together with a description of the main risks and uncertainties for the remaining six months of the year. The interim Management Report also includes a reliable analysis of the information on relevant transactions with related parties.

Bologna, 4 August 2022

The Manager in charge
of financial reporting
Luca Zaccherini

The General Manager
Matteo Laterza

(signed on the original)

Unipol Gruppo S.p.A.

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Capitale sociale i.v. Euro 3.365.292.408,03 - Registro delle Imprese di Bologna, C.F. 00284160371 - P. IVA 03740811207 - R.E.A. 160304
Capogruppo del Gruppo Assicurativo Unipol iscritto all'Albo delle società capogruppo al n. 046
www.unipol.it

6. Independent Auditors' Report

6 Independent Auditors' Report



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Review report on the condensed consolidated half-yearly financial statements

(Translation from the original Italian text)

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

Introduction

We have reviewed the condensed consolidated half-yearly financial statements, comprising the statement of financial position, the income statement, the comprehensive income statement, the statement of changes in shareholders' equity, the statement of cash flows and the related notes of Unipol Gruppo S.p.A. and its subsidiaries (the "Unipol Group") as of June 30, 2022. The Directors of Unipol Gruppo S.p.A. are responsible for the preparation of the condensed consolidated half-yearly financial statements in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated half-yearly financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated half-yearly financial statements of Unipol Group as of June 30, 2022 are not prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, August 5 2022

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.

EY S.p.A.
Sede Legale: Via Meravigli, 12 – 20123 Milano
Sede Secondaria: Via Lombardia, 31 – 00187 Roma
Capitale Sociale Euro 2.526.000.000
Iscritta alla S.O. del Registro delle Imprese presso la CCIAA di Milano Monza Brianza Lodi
Codice fiscale e numero di iscrizione 00434000584 - numero R.E.A. di Milano 606 158 - P.IVA 00891231003
Iscritta al Registro Revisori Legali al n. 70945 Pubblicato sulla G.U. Suppl. 13 - IV Serie Speciale del 17/2/1998
Iscritta all'Albo Speciale delle società di revisione
Consob al progressivo n. 2 delibera n. 10831 del 16/7/1997

A member firm of Ernst & Young Global Limited

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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

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Unipol Gruppo S.p.A.
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