Directors' Reports and proposals on the items 2018 of the agenda of the Shareholders' Meeting







#### **AGENDA**

#### **ORDINARY SHAREHOLDERS' MEETING**

- 1. Financial Statements as at 31 December 2017; Directors' Report; Board of Statutory Auditors' and Independent Auditors' Report. Related and consequent resolutions.
- 2. Composition of the Board of Directors pursuant to Art. 2386 of the Italian Civil Code. Related and consequent resolutions.
- 3. Appointment of the Board of Statutory Auditors and the Chairman thereof for financial years 2018, 2019 and 2020 and determination of the remuneration thereof. Related and consequent resolutions.
- 4. Remuneration Report prepared pursuant to Art. 123-*ter* of the Consolidated Law on Finance and Art. 24 of ISVAP Regulation No. 39, 9 June 2011. Related and consequent resolutions.
- 5. Acquisition and disposal of treasury shares and shares of the holding company. Related and consequent resolutions.

#### **EXTRAORDINARY SHAREHOLDERS' MEETING**

1. Amendment to Article 13 ("Board of Directors") of the By-Laws. Related and consequent resolutions.



REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETING ON ITEM NO. 1 ON THE AGENDA OF THE ORDINARY MEETING

Financial Statements as at 31 December 2017; Directors' Report; Board of Statutory Auditors' and Independent Auditors' Report. Related and consequent resolutions.

Dear Shareholders,

concerning the description of the first item of the agenda for the Ordinary Shareholders' Meeting, please refer to the information published as required by law within the annual Financial Report and, in particular, to the issues included in the Management Report prepared by the Board of Directors of UnipolSai Assicurazioni S.p.A (the "Company") - together with the Report on corporate governance and ownership structures - as well as the reports by the Board of Statutory Auditors and by the Independent Auditors, PricewaterhouseCoopers S.p.A.; this documentation will be made publicly available in its entirety as prescribed by law at the Company's registered office and at its website (<a href="www.unipolsai.com">www.unipolsai.com</a>) under Governance/Shareholders' Meetings/2018/Ordinary and Extraordinary Shareholders' Meeting of 23 April 2018.

The consolidated financial statements and the other documents pursuant to Art. 154ter, Paragraph 1, of Legislative Decree no. 58/1998, shall also be made available as described above.

The Board of Directors therefore hereby submits the following resolution proposal to the Ordinary Shareholders' Meeting.

# **Proposal**

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

- having examined the draft financial statements of the Company as at 31 December 2017, accompanied by the annexes and documentation required by Legislative Decree 209 of 7 September 2005, as well as the annexes and additional documents drawn up pursuant to ISVAP Regulation no. 22 of 4 April 2008, as subsequently amended, having read the Management Report and having accepted the Board of Statutory Auditors' Report and the report prepared by the company PricewaterhouseCoopers S.p.A., appointed to serve as the independent auditor;
- having examined the results of said draft financial statements, which close with profit for the year totalling €577,198,961.53, of which €378,403,608.06 relating to the Non-Life business and €198,795,353.47 relating to the Life business;



- having acknowledged that the legal reserve existing in the financial statements as at 31 December 2017 and unchanged at the current date, has already reached the limit of 20% of the share capital;
- having acknowledged that as things currently stand, the Company directly holds
   1,800,000 treasury shares,

# hereby resolves

- to approve the financial statements of UnipolSai as at 31 December 2017, accompanied by the Directors' Report, recording profit for the year of €577,198,961.53, of which €378,403,608.06 relating to the Non-Life business and €198,795,353.47 relating to the Life business (the "Profit for the Year");
- to approve the proposed allocation of the Profit for the year as at 31 December 2017, in compliance with Art. 27 of the By-Laws of UnipolSai, as follows:
  - distribution of a total of €410,048,018.94, of which €308,464,775.69 relating to the Non-Life business and €101,583,243.25 relating to the Life business, and thus the distribution of a unit dividend, also in consideration of the redistribution pertaining to treasury shares, equal to €0.145 for each entitled ordinary share, also with warning that the possible change in the number of treasury shares in the portfolio of the Company at the time of the distribution will have no incidence on the amount of the unit dividend as established above, but will increase or decrease the amount allocated to the Extraordinary Reserve;
  - allocation of the residual Profit for the year totalling €167,150,942.59 –
    to the Extraordinary Reserve posted in the item "Other provisions" of
    shareholders' equity, of which €69,938,832.37 attributed to the Non-Life
    business and €97,212,110.22 attributed to the Life business;
- to set the dividend payment date as 23 May 2018 (ex-dividend date of 21 May 2018 and record date of 22 May 2018).

Bologna, 22 March 2018

The Board of Directors





REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETING ON ITEM NO. 2 ON THE AGENDA OF THE ORDINARY MEETING

Composition of the Board of Directors pursuant to Art. 2386 of the Italian Civil Code. Related and consequent resolutions.

Dear Shareholders,

# given that:

- on 10 May 2017, the non-executive and non-independent Director Mr Salvatore Lauria resigned from office for personal reasons; on that date, the Board of Directors of UnipolSai S.p.A. (also the "Company") replaced the outgoing Director - pursuant to Art. 2386, Par. 1 of the Italian Civil Code, with the favourable opinion of the Board of Statutory Auditors - with Mr Vittorio Giovetti;
- on 5 October 2017, the non-executive and independent Director Ms Milva Carletti resigned from office for professional and working reasons; during the board meeting held on 9 November 2017, the Board of Directors of the Company replaced the outgoing Director - pursuant to Art. 2386, Par. 1 of the Italian Civil Code, with the favourable opinion of the Board of Statutory Auditors - with Ms Cristina De Benetti,

the terms of office of the above-mentioned Directors Vittorio Giovetti and Cristina De Benetti are coming to an end on the date of this Shareholders' Meeting.

Therefore, pursuant to Art. 2386 of the Italian Civil Code, it is necessary to appoint two Directors, recalling, in this regard, that according to the provisions of Art. 13 of the current By-Laws, if "during the year one or more Directors cease to hold office, as long as the majority still consists of Directors appointed by the Meeting, the procedure, pursuant to Art. 2386 of the Italian Civil Code, will be as follows:

- a) the Board of Directors selects the new Director from the same list to which the ceased Director belonged and the Shareholders' Meeting resolves, with the majorities provided by law, on the basis of the same criteria;
- b) if there are no more candidates non-elected from the said list or there are no candidates possessing the prescribed requisites, or if for any reason whatsoever it is not possible to proceed pursuant to letter a), the Board of Directors first, and the Shareholders' Meeting thereafter, resolve on the replacement with the majorities provided by law, disregarding the voting list mechanism.

[.....]

In any case, the Board of Directors and the Shareholders' Meeting shall proceed with the appointments, with the view to ensure the presence of the number of independent



Directors prescribed by the law in force at the time and the compliance with the prescriptions on gender balance in force at the time."

In this respect, we note the following:

- Salvatore Lauria and Milva Carletti were both appointed by the Company's Ordinary Shareholders' Meeting on 27 April 2016 from the majority list submitted by the parent Unipol Gruppo S.p.A., which included 18 candidates, 17 of whom were elected, along with the first candidate on the list that received the second greatest number of votes;
- Ms Cristina De Benetti was also on that majority list, as the eighteenth candidate;
- when Salvatore Lauria resigned in May 2017, Cristina De Benetti stated that, at that moment, she was unable to assume office, taking into account her professional commitments;
- therefore there were no more candidates left to elect -to replace Mr Lauria belonging to the same majority list as the outgoing Director and, as Art. 13 of the By-Laws applied, in the part previously referred to in point b), the Board of Directors appointed Director Vittorio Giovetti at the above-mentioned meeting on 10 May 2017;
- when Milva Carletti subsequently resigned, Cristina De Benetti indicated her availability to assume the office in question, as the impediments existing previously had been eliminated in the meantime;
- therefore, as there was one candidate left to elect to replace Ms Carletti belonging to the same majority list as the outgoing Director and, as Art. 13 of the By-Laws applied, in the part previously referred to in point a), the Board of Directors appointed Ms De Benetti as Director at the above-mentioned meeting on 9 November 2017.

Therefore, we invite you first of all to appoint Ms Cristina De Benetti, whose experience and professional expertise are also listed in her CV, attached to this report, as Director of the Company, in accordance with the above-mentioned Art. 13, letter a) of the By-Laws.

We also inform you that - according to what is set forth in the documentation she submitted and the evaluations conducted in this respect by the Board of Directors of UnipolSai upon her appointment - Ms De Benetti:

- meets the requirements laid out by applicable primary and secondary insurance sector legislation;
- is in no situations of incompatibility pursuant to Law no. 214/2011 on interlocking directorates;
- is classified as an Independent Director, pursuant to the Code of Conduct for



listed companies and to Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on Finance), as well as in compliance with the Policy on requirements of suitability for office adopted by the Company on this matter.

On the other hand, with reference to the other Director, we invite you - after confirming the number of members of the Board of Directors as 18, as determined by the Ordinary Shareholders' Meeting of UnipolSai on 27 April 2016 - to submit to the Shareholders' Meeting the relative appointment proposal, accompanied:

- by a statement in which the candidate states, under his own responsibility, that there are no grounds for ineligibility or incompatibility, and that the requirements laid out by provisions in force for the assumption of the position are met;
- a curriculum vitae of the candidate, with a full description of his personal and professional characteristics.

The appointment of Ms Cristina De Benetti would continue, in any case, to ensure the presence on the Board of Directors of the number of independent Directors prescribed by applicable legislation and compliance with the prescriptions on gender balance in force.

The term of office of the Directors appointed by the Shareholders' Meeting will end along with that of the entire Board of Directors at the date of the Shareholders' Meeting called to approve the 2018 financial statements.

With reference to the Directors being appointed, we also propose:

- to confirm, for their benefit, the amount of annual remuneration due to the members of the Board of Directors, defined by the Shareholders' Meeting on 27 April 2016;
- to authorise the insurance coverage relating to risks connected to third-party civil liability deriving from the legal and contractual obligations inherent in the function of director and the connected legal protection, within the terms and in accordance with the procedures established by the Shareholders' Meeting on 27 April 2016;
- to allow such Directors not to be restricted, within legal limits, by the noncompete prohibition pursuant to Art. 2390 of the Italian Civil Code.

Bologna, 22 March 2018

The Board of Directors

Annex CV of Ms Cristina De Benetti

#### **CURRICULUM VITAE**



Cristina De Benetti, nata a Treviso il 29.04.1966

#### Professore associato di Istituzioni di diritto pubblico

Studio Università Ca' Foscari:

San Giobbe, Cannaregio 873, 30121 Venezia; indirizzo e mail: cdebenet@unive.it

Website: http://www.unive.it/data/persone/5591653

# Avvocato patrocinante in Cassazione

Studio legale Prof. Avv. De Benetti:

Via Salvo D'Acquisto 11, 31100 Treviso e Rivale Filodrammatici 7, 31100 Treviso; indirizzo pec: cristinadebenetti@pec.ordineavvocatitreviso.it

### Titoli di studio:

- Maturità liceo scientifico anno 1985;
- Laurea in Economia e commercio anno 1990 Università di Venezia Ca' Foscari;
- Laurea in Giurisprudenza anno 1993 Università di Trieste;
- Dottorato di ricerca in Diritto amministrativo anno 1997

#### **Excursus professionale:**

- Abilitata alla professione di avvocato patrocinante in Cassazione, iscritta all'Albo degli avvocati di Treviso;
- Partner Leading Law;
- Iscritta all'Albo degli arbitri della Camera Arbitrale presso l'Autorità Nazionale Anticorruzione (ANAC);
- 1990/2002 ha fatto parte dello Studio legale Prof. Avv. Feliciano Benvenuti, in Venezia, sotto la cui guida ha altresì coltivato il profilo della ricerca scientifica nel settore del diritto amministrativo;
- 1999/2005 membro del Nucleo Interno di Valutazione dell'I.P.A.B. "Istituto Gris";
- 2000/2009 membro del Nucleo Interno di Valutazione della Provincia di Venezia;
- 2004/2009 consulente legale della Provincia di Venezia Coordinatore esterno dell'Avvocatura provinciale;
- 2009/attualmente consulente legale per gli Affari legali e Istituzionali della Fondazione di Venezia

# Incarichi di amministrazione:

- 2007/2010 membro del Consiglio di Amministrazione dell'AGES Agenzia Autonoma Gestione Albo Segretari comunali e provinciali Sezione Regionale Veneto;
- 2012/2014 membro del Consiglio di Amministrazione di Milano Assicurazioni Spa; nonché 2013/2014 membro dell'Organo di Vigilanza; membro del Comitato per le

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- operazioni con parti correlate; membro del Comitato controllo rischi; membro del Comitato remunerazioni;
- 2013/attualmente membro del Consiglio di Amministrazione di AERTRE Spa-Aeroporto di Treviso Spa;
- 2015/2016 membro del Consiglio di Amministrazione di UnipolSai Assicurazioni Spa;
- 2015/attualmente membro del Consiglio di Amministrazione di Fondazione Università Ca' Foscari;
- 2015/attualmente membro del Consiglio di Amministrazione di Autostrade Meridionali Spa; membro del Comitato degli amministratori indipendenti per le operazioni con parti correlate; membro del Comitato controllo e rischi e corporate governance;
- 2016/attualmente membro del Consiglio di Amministrazione di UnipolBanca Spa; membro del Comitato degli amministratori indipendenti per le operazioni con parti collegate; membro del Comitato controllo interno;
- 2016/attualmente membro del Consiglio di Amministrazione di MOM Spa-Mobilità di Marca Spa;
- 2017/attualmente membro del Consiglio di Amministrazione di Autogrill Spa; Presidente del Comitato controllo e rischi e corporate governance;
- 2017/attualmente membro del Consiglio di Amministrazione di UnipolSai Assicurazioni Spa

### Excursus accademico:

- 1991/1996 cultore della materia, Università di Venezia 'Ca Foscari;
- 1996/1999 docente di Diritto urbanistico, Facoltà di Architettura Venezia, IUAV;
- 1997 dottore di ricerca in Diritto amministrativo, Università di Trieste;
- 1998/2002 ricercatore in Diritto amministrativo, professore incaricato Università di Venezia Ca' Foscari;
- 1999/attualmente membro del Collegio scientifico del Master in Diritto dell'ambiente e governo del territorio Università Ca' Foscari;
- 2002/attualmente professore associato di Istituzioni di diritto pubblico, settore concorsuale Diritto amministrativo, Facoltà di Economia, Università Ca' Foscari;
- 2006/2011 Vice-Direttore del Dipartimento di Scienze giuridiche, Università Ca' Foscari;
- 2005/attualmente membro del Collegio scientifico del Master in Economia e management della sanità Università Ca' Foscari;
- 2007/attualmente membro del Collegio didattico di Economia e Commercio Università Ca' Foscari;
- 2011/2014 membro della Commissione tecnica Brevetti Università Ca' Foscari;
- 2012/2015 membro del Collegio scientifico Master in Discipline della produzione e comunicazione per cinema, audiovisivo e digital media Università Ca' Foscari;
- 2013/attualmente Direttore scientifico del Master in Diritto dell'ambiente e governo del territorio Università Ca' Foscari

# Incarichi scientifici:

- 2001/2010 membro del Comitato di redazione della Rivista DIALOGHI del diritto, dell'avvocatura, della giurisdizione;
- 2002/2010 membro del Comitato Tecnico Scientifico della Fondazione Scuola Forense Veneziana "Feliciano Benvenuti";
- 2008/2010 membro del Comitato Scientifico della Scuola Superiore della Pubblica Amministrazione Locale (SSPAL) delle Regioni Veneto e Friuli Venezia Giulia;



- 2005/attualmente membro del Comitato Scientifico della Rivista "Diritto all'ambiente" (www.dirittoambiente.com);
- 2012/attualmente membro del Comitato di redazione della Rivista Ricerche Giuridiche Università Ca' Foscari;
- 2014/attualmente membro del Comitato scientifico della Rivista Il diritto della Regione Il giornale giuridico della Regione Veneto (www.diritto.regione.veneto.it);
- 2017/attualmente membro della Commissione Ambiente dell'ACRI Associazione Casse di Risparmio

# Produzione scientifica:

- Nuovi aspetti sostanziali dell'indennizzo. Profili di illegittimità costituzionale, in Il diritto della regione, n.5/6, 1993, pagg. 973-1009.
- Brevi riflessioni in tema di nullaosta regionale per grandi strutture di vendita, in Il diritto della regione, n.5, 1995, pagg. 893-905.
- I controlli atipici tra art.128 Cost. e legge 142/1990, in Il diritto della regione, n.5, 1996, pagg. 737-765.
- Controllo e nuova amministrazione: controllo di gestione e controllo sulla gestione, 1996, (tesi di dottorato pubblicata).
- La complessa convivenza tra autorizzazione e denuncia di inizio attività derivante dalle norme sulla cosiddetta semplificazione dei procedimenti edilizi, in Il diritto della regione, n.1/2, 1997, pagg. 193-213.
- La funzione di controllo. Unicità e diversità, Venezia, 1998, pagg. 1-202.
- Il controllo di gestione tra sistema e problema, in Il diritto della regione, n.5/6, 1998, pagg. 695-733.
- La normativa sugli usi civici ed i poteri dei commissari liquidatori a tutela dell'interesse alla conservazione dell'ambiente naturale, in Il diritto della regione, n.3, 1999, pagg. 247-267.
- Reiterazione "legittima" di vincoli urbanistici a contenuto espropriativo e obbligo "costituzionale" di indennizzo, in Il diritto della regione, n.4/5, 1999, pagg. 391-413.
- Servizi pubblici e ordinamento comunitario, in I contratti dello Stato e degli enti pubblici, n.2, 2000, pagg.191-204.
- Conferimento di funzioni e compiti amministrativi ai comuni e sportello unico per le attività produttive: un impegnativo "accentramento" nel decentramento, in Il diritto della regione, n.1, 2000, pagg.45-61.
- L'ambiente tra unitarietà della responsabilità statale e pluralità delle competenze: un difficile equilibrio a Costituzione invariata, in Il diritto della regione, n.4/5, 2000, pag. 547/560.
- Giudice amministrativo e risarcimento del danno (T.A.R. Veneto, sez.I, 119/1999), in DIALOGHI del diritto, dell'avvocatura, della giurisdizione, n.1, 2001, pag.51-53.
- La chiamata in causa del terzo nel giudizio contabile tra giusto processo e certezza del diritto, in Il diritto della regione, n.6, 2001, pag. 1067/1082.
- La potestà regolamentare dei Comuni in materia di installazione di stazioni radio base di telefonia mobile, in DIALOGHI del diritto, dell'avvocatura, della giurisdizione, n.2, 2001, pagg. 104/108.
- Il controllo di gestione nella procedimentalizzazione della funzione amministrativa. I controlli interni negli enti locali, Padova (CEDAM), 2001, pagg. X-296.
- Gli esami di avvocato tra garanzie procedimentali e tutela giurisdizionale, in DIALOGHI del diritto, dell'avvocatura, della giurisdizione, n.4, 2001, pagg. 237/243.
- Commento degli artt. 147-148, 196-197-198, 234-235-236-237-238-239-240-241 del Testo Unico degli Enti Locali, in AA.VV., L'ordinamento degli enti locali, a cura di M. Bertolissi, Bologna (Il Mulino), 2002, pagg. 582/590, 701/709, 775/791.



- L'ambiente: un valore costituzionalmente protetto tra le materie di potestà legislativa regionale, in Il diritto della regione, n.4, 2003, pagg. 457/472.
- Tutela e valorizzazione dei locali storici ovvero una nuova categoria di beni culturali, in Il diritto della regione, n.5/6, 2003, pagg. 621/637.
- Le fondazioni di origine bancaria rectius: legislativa quali soggetti dell'organizzazione delle libertà sociali, in Il diritto della regione, n.5/6, 2004, pagg.743/764.
- Riflessi della riforma del Titolo V della Costituzione sulla disciplina del lavoro alle dipendenze della P.A. La potestà legislativa statale e regionale nell'unità dell'ordinamento costituzionale, in Rivista amministrativa della Repubblica italiana, n.4, 2004, pagg. 385/390.
- Ancora in tema di pregiudiziale amministrativa. Effetti ripristinatori della sentenza demolitoria e risarcimento di danni ulteriori: una differenza ontologica, in I contratti dello Stato e degli enti pubblici, n.4, 2004, pagg. 614-621.
- L'ambiente nella giurisprudenza della Corte costituzionale: dalla leale collaborazione alla sussidiarietà, in www.dirittoambiente.com, novembre 2004, estratto pagg.1-21.
- Enti pubblici non economici e organismi di diritto pubblico: interpretazione logicosistematica del quadro normativo, in I contratti dello Stato e degli enti pubblici, n.2, 2005, pagg. 248-258.
- La nuova disciplina dell'accesso, in Rivista amministrativa della Repubblica italiana, n.1, 2005, pagg. 83/92 e in L'accesso ai documenti amministrativi 9.1. pagg. 29/38, in www.giurisprudenza.it e in www.governo.it/Presidenza/ACCESSO.
- Diritto d'accesso e Difensore Civico, in Atti del Convegno "Il difensore Civico tra prospettive di efficienza e tutela della legalità", Venezia-Palazzo Ducale, 17.06.2005, pagg. 51/66 e in www.ecodifesacivica.it.
- Diritto d'accesso e tutela della riservatezza. La competenza rimessa al Difensore Civico, in Il diritto della Regione, n.1/2, 2005, pagg. 79/94.
- I controlli ambientali sui rifiuti nel decreto legislativo delegato 152/2006 e l'attuazione dei principi della legge delega 308/2004 con riferimento all'art.76 della Costituzione. Profili di incostituzionalità, in www.masterdirittoambiente.it.
- La prescrizione dei reati contabili ed i tempi del diritto in DIALOGHI del diritto, dell'avvocatura, della giurisdizione, n.3, 2006, pagg. 125/132.
- Il nuovo codice dei contratti pubblici di lavori, servizi e forniture. Il riparto di potestà legislativa tra Stato e Regioni, in <a href="www.giustamm.it">www.giustamm.it</a> Giustizia Amministrativa Rivista di diritto pubblico, dicembre 2006, estratto pagg.1/16.
- Il nuovo codice dei contratti pubblici di lavori, servizi e forniture in I contratti dello Stato e degli enti pubblici, n.2/2007, pagg. 229/242.
- Il riparto di potestà legislativa tra Stato e Regioni (art.3 d. lgs. 163/2006), in A.A.V.V., Il nuovo codice dei contratti pubblici di lavori, servizi e forniture, Maggioli Editore, 2007, pagg.59/70.
- Il riordino degli enti locali: dalla distribuzione delle competenze alla allocazione delle funzioni, in Rivista amministrativa della Repubblica italiana, n.11-12/2007 pagg.740-747.
- I vincoli ambientali di inedificabilità sopravvenuta: dalla sperequazione alla compensazione, in A.A.V.V. Codice dell'ambiente Commento al D. Lgs. 3 aprile 2006 n.152, aggiornato alla Legge 6 giugno 2008, n.101, GIUFFRE', 2008, pagg. 455/468.
- Potestà legislativa in materia ambientale (il riparto tra Stato e Regioni) voce in Digesto delle Discipline Pubblicistiche, UTET, 2008, pagg.663/670.
- L'Area vasta dell'Area Metropolitana di Venezia: profili giuridici sulla Città metropolitana che verrà, in Il diritto della regione, n.3/4, 2009, pagg. 83/109.

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- Uno spunto in tema di effettività della tutela dalla nuova direttiva ricorsi: un ritorno dal processo al procedimento, in I contratti dello Stato e degli enti pubblici, n.4/2009, pagg. 527/532.
- Corsi e ricorsi in tema di fondazioni non più bancarie e funzione di vigilanza, in www.giustamm.it Giustizia Amministrativa Rivista di diritto pubblico, novembre 2010, pagg.1/23 estratto.
- La tutela dell'ambiente in un decennio di giurisprudenza costituzionale: dall'interesse trasversale al bene unitario, in <a href="www.giustamm.it">www.giustamm.it</a> Giustizia Amministrativa Rivista di diritto pubblico, giugno 2011, pagg. 1/46 estratto.
- I controlli sugli enti locali e sulle regioni in AAVV, Contabilità degli enti locali e contrattualistica pubblica, GIUFFRE', pagg.263/271, 2012.
- La Corte dei conti, in AAVV, Codice commentato di contabilità pubblica, a cura di M. Orefice, DIREKTA, Roma, Capitolo VI La Corte dei conti, pagg. 1961/1992, 2012.
- Commento agli articoli 9, 25, 26 e 27 dello Statuto della Regione Veneto, in Commento allo Statuto della Regione Veneto AAVV, a cura di Benvenuti-Piperata-Vandelli, CAFOSCARINA, Venezia, 2012, pagg. 96/100, 178/189.
- Brevi note in tema di rapporto tra enti designanti i componenti l'organo di indirizzo delle fondazioni già di origine bancaria e consiglieri nominati, in www.giustamm.it Giustizia Amministrativa Rivista di diritto pubblico, febbraio 2013, pagg.1/11 estratto.
- Reti di imprese e appalti pubblici: dal contratto plurilaterale con comunione di scopo alla aggregazione strutturata, in I contratti dello Stato e degli enti pubblici, n.3/2014, pagg. 1/20 estratto.
- Diritto alla tutela dell'ambiente ed interesse all'esercizio dell'attività venatoria a Costituzione variata, in www.giustamm.it Giustizia Amministrativa Rivista di diritto pubblico, settembre 2015, pagg.1/17 estratto.
- Caccia e ambiente: il riparto di potestà legislativa tra "diritto" alla tutela della fauna selvatica ed "interesse" all'esercizio dell'attività venatoria, in Ricerche Giuridiche (edizionicafoscari.unive.it), n.1/2015, pagg.37/66;
- Excursus della giurisprudenza amministrativa e contabile in tema di imposta di soggiorno, nella perdurante assenza del regolamento governativo di cui all'articolo 4 del d. lgs. 23/2011, in www.giustamm.it Giustizia Amministrativa Rivista di diritto pubblico, novembre 2016, pagg.1/19 estratto;
- Diritto di accesso agli atti ex lege 241/90 e "nuovo" accesso civico "generalizzato" ex d. lgs. 97/16: qualche criticità nella sovrapposizione dei procedimenti, in www.giustamm.it Giustizia Amministrativa Rivista di diritto pubblico, settembre 2017, pagg.1/28 estratto.

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Io sottoscritta Cristina De Benetti autorizzo il trattamento dei dati personali contenuti nel presente curriculum.

Treviso, 12 marzo 2018

ristino JBenos

Il presente curriculum è ricompreso nei "1000 Curricula Eccellenti" certificati da Deloitte per iniziativa della Fondazione Marisa Bellisario sotto l'Alto Patronato della Presidenza della Repubblica.



REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETING ON ITEM NO. 3 ON THE AGENDA OF THE ORDINARY MEETING

Appointment of the Board of Statutory Auditors and the Chairman thereof for financial years 2018, 2019 and 2020 and determination of the remuneration thereof. Related and consequent resolutions.

Dear Shareholders,

with the approval of the financial statements at 31 December 2017 the mandate granted to the Board of Statutory Auditors, appointed by the Shareholders' Meeting of 17 June 2015, comes to an end, the term of office having expired.

We invite you, therefore, to resolve – in compliance with the relevant laws and regulations, as well as By-Laws, in force – the appointment of the Board of Statutory Auditors and its Chairman for the years 2018, 2019 and 2020 and, therefore, until the Meeting of approval of the financial statements at 31 December 2020.

To this purpose, the Shareholders' Meeting must also set the remuneration due to the Board of Statutory Auditors for each year in office.

It should be remembered, with regard to this, that the By-Laws provide for the Board of Statutory Auditors to include three Statutory Auditors and three Alternate Auditors.

Pursuant to Art. 24 of the By-Laws, the selection of the Board of Statutory Auditors takes place on the base of lists, in which the candidates are listed in sequential order, to ensure, as provided for in current laws and regulations, that one Statutory Auditor and one Alternate Auditor be elected by the minority and that the Chairman of the Board be the Statutory Auditor elected by the minority.

The list consists of two sections: one for candidates for the post of Statutory Auditor and the other for candidates for the post of Alternate Auditor.

The first two candidates of the first section of the list which has obtained the highest number of votes and the first candidate of the first section of the list which has obtained the second highest number of votes and that is not connected, not even indirectly, to those who have presented or voted the list which has obtained the highest number of votes, are elected as Standing Auditors. The first two candidates of the second section of the list which has obtained the highest number of votes and the first candidate of the second section of the list which has obtained the second highest number of votes as per the above are elected as Alternate Auditors. In case two or more lists obtain the same number of votes a second ballot between such lists shall take place and the candidates from the list which obtains the highest number of votes in such second ballot shall be elected.

The composition of the Board of Statutory Auditors must ensure the balance between the genders introduced by Law No. 120 of 12 July 2011. The lists must submit a



number of candidates from the least represented gender to guarantee, within each list, the respect of said balance; in particular, at the time of this renewal at least one third of the members of the Board of Statutory Auditors must belong to the least represented gender. Therefore, each list that, considering both sections, has a number of candidates equal to or exceeding three, must include parties of different genders in the first two items in the section or sections where at least two candidates are indicated.

We also note – referring, for anything not specifically mentioned here, to the aforementioned provision of the By-Laws – that:

- the lists must be filed at the Company's registered office, as indicated in the notice of the Shareholders' Meeting, by the twenty-fifth day before the date of the Meeting and the Company must make them available to the public at the registered office, on its website and with any other procedures required by current legal and regulatory provisions in force, at least 21 days before the date set for the Meeting. The documentation proving the entitlement to submit lists must also be received within this term;
- according the provisions of the CONSOB Resolution No. 20273/2018, the Shareholders who, alone or with others, represent at least 1% of ordinary share capital have the right to submit the lists; the ownership of the stake required for the submission of the lists is established considering the shares that are recorded to the Shareholder(s) in question at the time the lists are deposited at the Company;
- each Shareholder, the Shareholders participating in a relevant shareholders' agreement under Art. 122 of Legislative Decree No. 58 of 24 February 1998, the holding company, the subsidiaries and joint ventures pursuant to Art. 93 of Legislative Decree No. 58 of 24 February 1998, cannot submit or take part in the submission of, even through an intermediary or trust company, more than one list and cannot vote for lists other than the one that they have submitted or participated in submitting, even through an intermediary or trust company. Any support and votes cast in breach of such provision shall not be attributed to any list;
- a candidate can appear on only one list, on pain of ineligibility.

It should be recalled that, if by the term set for the filing of the lists only one list has been submitted, or else only lists presented by Shareholders who are related to each other pursuant to Art. 144-quinquies of the Issuers' Regulations issued by the CONSOB, lists may be presented until the third day after the term indicated above; in this case, the threshold for the submission of the list is lowered to 0.50% of the share capital with voting rights.

Pursuant to the combined provisions of the aforementioned Art. 24 of the By-Laws and the applicable laws, the Shareholders who plan to submit a list must file, simultaneously and jointly with each list, the following at the Company's registered



# office:

- i) declarations by the individual candidates in which these accept their nomination for office and state, under their own responsibility, that they are eligible and compatible and fulfil the requirements for appointment to the different positions, and also comply with the limits to the plurality of offices set by legal and regulatory provisions in force;
- ii) a curriculum vitae of each candidate, with a full description of their personal and professional characteristics;
- iii) any additional information required by legal and regulatory provisions, which will be indicated in the notice of meeting.

Lists that are submitted without these provisions being observed are deemed not to have been submitted.

Shareholders who submit a "minority list" must also be recipients of the recommendations issued by CONSOB with communication No. DEM/9017893 of 26 February 2009. Specifically, the Shareholders who submit a "minority list" must file, with the list, a statement of the absence of affiliation, even indirectly, as provided by Art. 144-quinquies of the Issuers' Regulations with the controlling Shareholder.

In the event that only one list is submitted or no list is submitted, the Shareholders' Meeting resolves with the majorities required by the law, ensuring, at any rate, the respect of the balance between the genders required by legal and regulatory provisions in force.

Bologna, 8 February 2018

The Board of Directors





REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETING ON ITEM NO. 4 ON THE AGENDA OF THE ORDINARY MEETING

Remuneration Report prepared pursuant to Article 123-*ter* of the Consolidated Law on Finance and Art. 24 of the ISVAP Regulation No. 39 of 9 June 2011. Related and consequent resolutions.

# Dear Shareholders,

as is well known, in accordance with Regulation no. 39 promulgated by ISVAP (now IVASS) on 9 June 2011 (the "ISVAP Regulation"), the Shareholders' Meeting approves the remuneration policies for the corporate bodies and the personnel of insurance companies, as prescribed by Article 8 of the By-Laws of UnipolSai Assicurazioni S.p.A. ("UnipolSai" of the "Company").

In particular, the ISVAP Regulation requires insurance companies to adopt remuneration policies that are consistent with sound and prudent risk management, aligning said policies to the long-term interests of the company in order to enhance Shareholder protection.

At the same time, Article 123-ter of Italian Legislative Decree no. 58 of 24 February 1998 (the "Consolidated Law on Finance") prescribes that companies with listed shares shall publish, at least twenty-one days before the date set for the Ordinary Shareholders' Meeting called for approval of the financial statements, a report on the remuneration policies adopted in favour of the members of the administration and control bodies, the General Managers and Key Managers.

This regulatory framework is also supplemented by the remuneration standards and criteria recommended by the Code of Conduct for listed companies, with which the Company complies.

For this purpose, the Board of Directors of UnipolSai approved the "Remuneration Report", prepared pursuant to the aforementioned rules (the "Report"), which consists of the following two sections:

- the <u>First Section</u> illustrates the remuneration policies adopted by the Company for the year 2018, with particular reference to the members of the administration and control bodies and Key Managers, as well as the procedures used for their adoption and implementation;
- the <u>Second Section</u> provides an adequate representation of each of the items that comprise remuneration and illustrates, individually by name for the members of the administration and control bodies and the General Manager and in aggregate form for the Key Managers of UnipolSai, the compensation paid by the Company in the year 2017 for any reason and in any form. Lastly, information is provided about the shareholdings held, by the aforementioned persons, in the listed companies and in their subsidiaries.



The Board of Directors therefore hereby submits the following resolution proposal to the Ordinary Shareholders' Meeting.

# **Proposal**

The Ordinary Shareholders' Meeting of UnipolSai Assicurazioni S.p.A. (the "Company"),

- in view of Articles 6 and 24 of ISVAP Regulation no. 39 of 9 June 2011 and Article 8 of the By-Laws;
- in view of Articles 123-ter of Italian Legislative Decree no. 58 of 24 February 1998 (the "Consolidated Law on Finance") and 84-quater of CONSOB Regulation no. 11971 of 14 May 1999 as amended;
- having acknowledged the Report of the Board of Directors and the related annexes,

# hereby resolves

to approve the first section of the Remuneration Report drawn up pursuant to Art. 24 of the ISVAP Regulation No. 39 of 9 June 2011 and to Art. 123-ter of the Consolidated Law on Finance, which illustrates the Company's remuneration policy for the current year.

Bologna, 22 March 2018

The Board of Directors

Annex:

Remuneration Report of UnipolSai Assicurazioni S.p.A. prepared pursuant to ISVAP (now IVASS) Regulation No. 39 of 9 June 2011 and Article 123-*ter* of Legislative Decree no. 58 of 24 February 1998



# REMUNERATION REPORT OF UNIPOLSAI ASSICURAZIONI S.P.A.

(prepared pursuant to Article 24 of the ISVAP Regulation no. 39 of 9 June 2011 and to Article 123-*ter* of the Consolidated Law on Finance, TUF)



#### **Foreword**

This document, approved by the Board of Directors of UnipolSai Assicurazioni S.p.A. ("**UnipolSai**" or the "**Company**") on 22 March 2018, contains the remuneration report (the "**Report**") – prepared:

- pursuant to Article 123-ter of the Consolidated Law on Finance (the "TUF") and in accordance with the models contained in Annex 3A, Schedules 7-bis and 7-ter of CONSOB Regulation no. 11971 regarding issuers (the "Issuers' Regulation");
- (ii) as well as pursuant to Article 24 of the ISVAP Regulation no. 39 of 9 June 2011, regarding remuneration policies of insurance companies (the "ISVAP Regulation"),

with a view to illustrating to the Shareholders' Meeting convened to approve the financial statements at 31 December 2017 (the "Shareholders' Meeting") the policies adopted by UnipolSai with regard to the remuneration of members of the administration and control bodies (the "Corporate Bodies"), the General Manager and the Key Managers of the Company, as defined below, for 2018 (the "Remuneration policies" or the "Compensation policies" or the "Policies").

The Company's Remuneration policies are in line with the general policies containing the guidelines for the remuneration of the Corporate Bodies and the personnel of Insurance Companies, which Unipol Gruppo S.p.A. ("Unipol" or the "Parent Company"), as parent company of the Unipol Insurance Group (the "Insurance Group"), has set out in order to guarantee the overall consistency and the adequate harmonisation of remuneration policies within the Insurance Group, pursuant to Article 5 of the ISVAP Regulation<sup>1</sup>, and are also based on the principles and criteria set forth in Article 6 of the latest edition of the Code of Conduct for listed companies dated July 2015.

### This Report has two sections:

 the <u>First Section</u> illustrates the Remuneration policies adopted by UnipolSai for 2018 and the procedures followed for their adoption and implementation;

the <u>Second Section</u> provides adequate representation of each of the items comprising remuneration and shows, by name, remuneration paid by the Company in 2017 for any reason and in any form to members of the Corporate Bodies and the General Manager and, in aggregate form, to the Key Managers of the Company. This information also includes the results of audits conducted by the Internal control function in 2017, in accordance with the provisions of Article 23 of the ISVAP Regulation.

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<sup>&</sup>lt;sup>1</sup> Pursuant to Article 5 of the ISVAP Regulation, the parent company of the insurance group: a) ensures the overall consistency of the remuneration policies of the insurance group, guaranteeing that the same are adequately aligned with the characteristics of group companies, and verifies their correct application; b) ensures compliance with the provisions of the ISVAP Regulation by all companies of the insurance group, including those based abroad, as far as compatible with the legislative framework of the Foreign State.



Lastly, the Report provides information on the investments held, by the aforementioned persons, in the Company and in its subsidiaries.

The Shareholders' Meeting resolves upon and approves Remuneration policies, as illustrated in the First Section of the Report, pursuant to Article 24 of the ISVAP Regulation, and the result of voting is made available to the public pursuant to Article 125-quater, paragraph 2, of the TUF.

As envisaged by CONSOB Regulation no. 17221 of 12 March 2010 regarding related party transactions, as later amended and assimilated in the "Procedure for the performance of transactions with related parties" (the "**Procedure**"), adopted by the Company and available on the website of the same (www.unipolsai.com), in the *Governance/Related Party Transactions* Section, the approval of the Remuneration policy by the Shareholders' Meeting exonerates the Company from the application of the Procedure in resolutions of the Board of Directors regarding the remuneration of Directors and Key Managers, in accordance with the further conditions set forth in Article 13, third paragraph, letter b) of the cited Regulation.

This Report is made available to the public at the registered office of UnipolSai, in Bologna, Via Stalingrado, 45, as well as on the Company's website, in the *Governance/Shareholders' Meetings/Ordinary and Extraordinary Shareholders' Meeting 23 April 2018* Section, in accordance with the regulatory provisions in force.

Pursuant to Article 123-*ter*, paragraph 5, of the TUF, the disclosure documents relating to compensation plans based on financial instruments, prepared pursuant to Article 114-*bis* of the TUF, are available on the Company's website www.unipolsai.com, in the *Governance/Shareholders' Meetings* Section.



#### FIRST SECTION - REMUNERATION POLICIES

The remuneration policies for 2018 are substantially in line with those of the previous year, adopting the same principles, structure and content.

# Recipients of the Remuneration policy

With regard to the Personnel to whom the Remuneration policies are directed, the ISVAP Regulation requires insurance companies to identify categories of persons, who, in addition to the members of the Corporate bodies (Board of Directors and Board of Statutory Auditors), require remuneration policies based on specific requirements. These are people who, at different levels of the company, perform an activity that may have a significant impact on the company's risk profile (so-called "Risk Takers").

In accordance with the criteria envisaged in the ISVAP Regulation, the Company has identified the recipients of the Remuneration policies (the "**Personnel**"); more specifically, the process to establish said personnel, identifies:

- the organisational roles placed at the top of each business area, in accordance with the map of the main risk categories to which the Company is exposed;
- the organisational roles that have been assigned the greatest powers, in accordance with the system of delegation adopted by the Company;
- any person for whom the weight of the organisational position places them in a higher bracket. The weight of organisational positions is measured in accordance with the metrics adopted for the pay survey conducted by the relevant trade association, which entails attributing an indicator to identify positions that are similar to each other, using a harmonised approach, grouping the same into brackets.

In particular, Risk Takers are included among the recipients of the Remuneration policy, identified as follows:

- a) Key Managers, as identified by the Chairman and the Chief Executive Officer/Group CEO of the Parent Company, at the proposal of the General Management of the Human Resources and Organisation Department, who, on the date of publication of this Report, are, in addition to the General Manager:
  - General Department Co-Managers, such as the General Administration, Administration, Management Control and Operations Department Co-Manager; the General Law, Shareholdings and Institutional Relations Department Co-Manager; the General Human Resources and Organisation Department Co-Manager; the General Real Estate and Diversified Companies Department Co-Manager; the General Insurance Department Co-Manager<sup>(\*)</sup>;

<sup>(\*)</sup> Member of the Parent Company's Management Committ



- the Director of Strategic Planning, Investor Relations and M&A;
- the Technical Non-Life and Claims Director;
- the Claims Director;
- the Finance Director;
- the Commercial Director;
- the Director of Management Control and Taxes;
- the Director of Corporate Communications and Media Relations;
- the IT Services Director;
- the Head of Group Management Control;
- the Head of Life Insurance;
- the Head of Reinsurance;
- the Chief Risk Officer;
- the Audit Manager;
- the Head of Compliance and Anti-money laundering;
- the Head of Risk Management;
- b) the other people whose activities may have a significant impact on the Company's risk profile, identified on the basis of the above-illustrated criteria are:
  - the Sales Director.

All of the people identified are Executives.

With a view to scrupulously complying with the provisions of the laws and regulations in force, and at the same time, to guarantee fair pay treatment, the Company applies the Remuneration policies to all Executives (the "**Recipients**"), regardless of whether they are classified as "Personnel" according to the ISVAP Regulation.



# A. BODIES AND PERSONS INVOLVED IN THE PREPARATION AND APPROVAL OF THE REMUNERATION POLICY AND RESPECTIVE ROLES, AS WELL AS BODIES OR PERSONS RESPONSIBLE FOR THE CORRECT IMPLEMENTATION OF THE POLICY

The bodies and/or persons involved in the preparation and approval of Remuneration policies, with their respective roles and responsibilities, are identified as follows:

- the <u>Ordinary Shareholders' Meeting</u>, in addition to establishing the annual compensation
  of the bodies appointed by the same, resolves on the Remuneration policy of the
  Corporate Bodies and of the Personnel, including compensation plans based on financial
  instruments;
- the <u>Board of Directors</u> establishes and periodically reviews Remuneration policies, at the proposal of its Remuneration Committee and in accordance with the guidelines set forth by the Parent Company, with a view to the approval of the same by the Ordinary Shareholders' Meeting, and is responsible for their correct application; in addition, on the basis of the proposals made by the Remuneration Committee and with the favourable opinion of the Board of Statutory Auditors, it establishes the remuneration of Executive Directors and of other Directors who hold specific positions, in accordance with the guidelines set forth by the Parent Company; the Board of Directors may establish, in accordance with the guidelines set forth by the Parent Company, an indemnity for the office held by the General Manager, and may, where considered appropriate, provide that the same is considered in the calculation of the variable component of remuneration;
- the <u>Remuneration Committee</u> submits proposals regarding the definition of the General remuneration policies containing the guidelines for the remuneration of Company Directors and Key Managers (in addition to the Managers of Internal control functions), in accordance with the guidelines set forth by the Parent Company; furthermore, it organises a periodic assessment of the adequacy and the proper application of said policies, utilising, in the latter regard, the information provided by the Chief Executive Officer/Group CEO of the Parent Company;
- the Chief Executive Officer/Group CEO of the Parent Company, acting in agreement with the Chairman of the same, provides indications to the competent bodies of the Company regarding the remuneration of the General Manager, if appointed, and of the other Key Managers (as well as the Managers of Internal control functions) as well as the assignment of performance objectives linked to any variable component of said remuneration, in accordance with the Remuneration policies adopted, without prejudice to the powers of the Control and Risk Committee with regard to Managers of Internal control functions;
- the General Management of the Human Resources and Organisation Department of the Parent Company is responsible for establishing and overseeing the process of drawing up proposals relating to the Remuneration policy, and sees to its implementation, involving the other functions where necessary and/or appropriate;



- the Internal control functions are involved in and contribute, in various ways, to defining and/or subsequently verifying the correct implementation of the remuneration policies and, in particular:
  - the Compliance Function, pursuant to Article 23 of the ISVAP Regulation, is required to assess, at the time the Remuneration policies are being defined, whether the same comply with the legislative framework of reference;
  - the Risk Management Function, pursuant to Article 23 of the ISVAP Regulation, assesses the objectives and the principles of the Remuneration policies and their application with respect to that envisaged by the ISVAP Regulation;
  - the Audit Function, pursuant to Article 23 of the ISVAP Regulation, must ensure that
    the Remuneration policies are correctly applied, in accordance with the guidelines
    established by the Board of Directors, with a view to the efficiency and protection of
    the Company's assets.

If events take place that could impact elements constituting the incentive system adopted by the Company (including, for example but not limited to, extraordinary transactions or transactions on the share capital regarding Unipol and/or the Unipol Group, mergers, regulatory amendments or amendments to the scope of the Company and/or the Unipol Group), or in the event of significant market discontinuity (such as material changes in domestic and/or international macroeconomic conditions or monetary policy), the Board of Directors of the Parent Company retains the right to make the amendments deemed necessary or appropriate to the incentive system and/or the Compensation policies in order to keep their substantial and economic content unchanged - within the limits allowed by regulations applicable over time - in order to maintain the fairness and overall consistency of the incentive system and/or Compensation policies as a whole.

B. Possible intervention of a remuneration committee or of another committee with relevant powers, description of the composition (distinguishing between non-executive and independent directors), the powers and the modus operandi of the same

The Board of Directors, pursuant to the Code of Conduct and the ISVAP Regulation, has assigned the following tasks to the Remuneration Committee:

- to submit proposals to the Board of Directors regarding the definition of the General policies containing the guidelines for the remuneration of Directors and Personnel, including Key Managers as well as the Managers of internal control functions, in compliance with the guidelines set forth by the Parent Company;
- to submit proposals to the Board of Directors as regards the remuneration of the executive
   Directors and of the other Directors who hold particular offices, taking into consideration
   the directions set forth by the Parent Company, and to set performance objectives related
   to the variable component of such remuneration, thus monitoring the application of the



decisions adopted by the Board of Directors and verifying, in particular, the actual fulfilment of such performance objectives;

to regularly assess the adequacy, the overall consistency and correct application of the
policies for the remuneration of Directors and Key Managers (including the Managers of
Internal control functions), availing itself of the information provided by the Chief
Executive Officer/Group CEO and submitting proposals to the Board of Directors on these
matters.

In compliance with that provided for by the Code of Conduct for listed companies, the Remuneration Committee in office on the date of publication of this Report was comprised of three Non-Executive Directors, all of whom independent, also pursuant to Article 37 of the Market Regulation adopted by CONSOB with resolution no. 16191 of 29 October 2007, appointed by the Board of Directors at the meeting held on 12 May 2016.

Further information on the work performed and the main issues handled by the Remuneration Committee in 2017 is contained in the Annual Report on corporate governance and ownership structures, which can be found in the *Governance/Shareholders' Meetings/2018/Ordinary and Extraordinary Shareholders' Meeting 23 April 2018* Section on the Company's website www.unipolsai.com.

In 2018, the Remuneration Committee met on 7 February 2018, in order to examine proposals regarding the Remuneration policies for 2018, approved by the Company's Board of Directors on 8 February 2018; in addition, it met on 21 March 2018 to review this Report and develop proposals on the disbursement of the short-term variable component of remuneration for the year 2017.

# C. Name of independent experts that may have contributed to drawing up the remuneration policy

The Company did not use any experts to assist in drawing up the Remuneration policies, with the exception of the assistance of the consulting company Mercer, which conducted a benchmarking analysis on the performance indicators used by companies, including foreign ones, that operate in the same sector as UnipolSai.

# D. OBJECTIVES PURSUED THROUGH THE REMUNERATION POLICY, ITS UNDERLYING PRINCIPLES AND ANY CHANGES IN THE REMUNERATION POLICY WITH RESPECT TO THE PREVIOUS FINANCIAL YEAR

# **Objectives**

The Remuneration policies of UnipolSai are consistent with:

the Mission of the Unipol Group, illustrated in the Charter of Values, which states, inter alia, that "The Group pursues business management that is efficient, profitable and sustainable over time, based on the contribution and empowerment of its people". This



statement provides important guidance regarding not only the general formulation of Remuneration policies, which seek to pursue a long-term sustainable approach, but also highlight its vocation to be an important tool for professional development;

- the Values of the Unipol Group, which include being Forward Looking, Respect and Responsibility, give the Remuneration policies a perspective that is also based on qualitative and not only quantitative aspects;
- the focus on the interests of all Stakeholders of the Unipol Group, particularly Shareholders and Investors, Employees, Agents and Professionals, Future Generations, who enjoy the benefits of a remuneration policy that seeks to attract, reward and empower the best professional competences in a fair, adequate and ongoing manner;
- the business strategies of the Unipol Group, based on Sustainability, and as such encouraged in the Unipol Group's Business Plan (the "Business Plan"), which guides Remuneration policies from a time horizon and operational perspective, projecting the effects and the benefits towards sustainable milestones;
- the Unipol Group's Corporate Governance system which, by virtue of a corporate and organisational model that pursues prompt and constant compliance with rules and regulations, respect of the correct distribution of powers between governance bodies and corporate structures, and the observance, the adequacy and the control of the risk management system, facilitates not only the full legal compliance of the Remuneration policies, but also guarantees the development of an adequate internal training process and its coherence with wider management policies.

# **Principles**

The primary objective of Remuneration policies is to guarantee fair remuneration, adequate to the role, responsibilities, degree of professionalism and individual skillset, in compliance with legal and regulatory provisions and consistent with sustainable performance requirements.

To this end, the following principles are the essential parameters for the determination of remuneration:

- a sound and prudent risk management policy, in line with the Company and the Unipol Group's long-term strategic objectives, profitability and balance, avoiding remuneration policies based exclusively or mainly on short-term results, which could lead to excessive exposure to risk;
- internal fairness, so that remuneration is consistent with the position held and the connected responsibilities, with the role assigned, experience, skillset, capacities demonstrated and actual performance;
- meritocracy, so that the results achieved and the conduct enacted to achieve them are rewarded;



- dialogue with the reference markets, in order to create competitive pay packages, with a view to the trends, the directions and best practices, in order to sustain sound, lawful and effective competitiveness;
- the level of risk monitoring, differentiated on the basis of the business line to which it refers, for the purpose of basing Remuneration policies on sound and prudent risk management, in line with the requirements of the ISVAP Regulation.

# Comparison with previous year

The Policies adopted in the current year are in line with the Remuneration policies adopted last year, which were already compliant with the principles and the criteria of self-regulation, also taking into consideration the recommendations of the relevant Supervisory Authorities regarding a more careful assessment of risk, also with a view to the future<sup>2</sup>.

More specifically, with regard to the variable component of remuneration, the conditions and the procedures for the disbursement of the same, approved in 2017, have not changed, and include:

- the threshold for the achievement of Consolidated Gross Profit, corresponding to 80% for Risk Taker Executives and 70% for other Executives;
- the use of Solvency II metrics to measure the capital adequacy objective of both the Unipol Group and of the Company;
- the presence of a further gateway to the economic benefits envisaged by the Policies, represented by the achievement of 80% or of 70% of the Company's IAS Individual Gross Profit, as approved in the budget for the year in question, for Risk Taker Executives and other Executives respectively;
- the alignment of annual pay parameters both for the short-term components and for the long-term component;
- the inseparable nature of the short- and long-term variable components, considered portions of a single Total Bonus (as defined below);
- the measurement of individual performance on the basis of four objectives, two of which quantitative and with a greater weight;
- the structure of incentives on a wider scale, awarded on the basis of individual performance levels, no lower than the overall achievement of said individual objectives corresponding to at least 60%;
- the opportunity to benefit from an additional bonus, awarded if the long-term objectives are surpassed by a significant amount;

<sup>&</sup>lt;sup>2</sup> See, inter alia, the Letter to the market from IVASS dated 15 April 2014.



- the allocation of ordinary shares of both Unipol and of UnipolSai as a form of remuneration for long-term benefits;
- the opportunity to award loyalty bonuses to Executives, for retention purposes and with a view to encouraging the achievement of the governance, growth and development objectives of the Unipol Group, as illustrated in more detail in paragraph L) below.
- E. DESCRIPTION OF POLICIES REGARDING THE FIXED AND VARIABLE COMPONENTS OF REMUNERATION, WITH SPECIFIC REGARD TO THE INDICATION OF THE RELATIVE WEIGHT WITH RESPECT TO TOTAL COMPENSATION AND DISTINGUISHING BETWEEN SHORT AND MEDIUM-LONG TERM VARIABLE COMPONENTS

The fixed remuneration component provides compensation for the skills, capabilities, role and, in particular, the responsibilities relating to the role. In addition to a fixed economic base, envisaged by sector-related Collective Labour Agreements, Supplementary Company Agreements and any other bilateral agreements, and established on the basis of the category and seniority, the Company determines the allocation of fixed economic supplements, consolidating the same over time, in accordance with the principles of internal fairness, competitiveness and attractiveness, meritocracy and responsibility.

The variable remuneration component is based on two main objectives:

- rewarding results achieved in the short and medium/long-term, expressed not only in the form of economic revenue, but also in the form of attention to risks and qualitative performance;
- developing professional skills while enacting an effective retention policy.

The variable remuneration component is recognised through the implementation of an incentive system for Risk Takers and for all Executive personnel (the "**Recipients**")<sup>3</sup>, with a view to developing a culture of sustainable performance, correlating the results of the Unipol Group and of the Company with individual performance.

An adequate balance between the fixed and the variable remuneration components is determined by the above-cited principles and is based above all on criteria of sustainability over time, seeking to avoid placing excessive emphasis on the variable component, especially if short-term, which may distract attention from the need to guarantee medium/long-term results.

The variable short-term remuneration components never exceed half of fixed remuneration.

The fixed remuneration component is determined, in addition to that envisaged by the applicable National Collective Labour Agreements, also by the following fundamental parameters:

<sup>&</sup>lt;sup>3</sup> Executives who work for other Unipol Group companies on a so-called total or prevailing secondment arrangement are the recipients of the UPM System adopted by the company to which they have been seconded.



- importance of the assigned position;
- complexity of the role covered;
- significance of the responsibilities attributed;
- the qualitative weight of the skills possessed and acquired;
- alignment with sector-related market benchmarks.

In any event, this component is determined in an adequate manner in order to remunerate Recipients even if the same do not receive variable incentives.

In addition to being consistent with developments in the relevant legislation, the Company's remuneration policy is in line with the remuneration policy of the insurance companies of the Unipol Group and contributes to guaranteeing the company's results, including medium/long-term ones, in accordance with the expectations of the stakeholders and while adopting a prudent approach to risk management and the sustainability of costs, within a competitive market aligned with international standards.

UnipolSai, also in compliance with the Code of Conduct for listed companies, pursues a remuneration policy in which access to incentive systems based on variable remuneration components is linked to the achievement of short and medium/long-term objectives. In fact, the Company is convinced, in accordance with that outlined by the Parent Company, that this aspect of the Remuneration policies is also able to encourage, as an indirect but no less important result, the promulgation of a professional culture directed towards creating sustainable value over time and direct participation in the results, therefore creating joint responsibility for and real involvement in business objectives.

The correlation between the Unipol Group's results (including results in terms of attention to risk), the results of the Company, the results of the operating area in which responsibility is held and individual results, represent the reference model on which the structures of variable remuneration systems are designed.

The remuneration of the Corporate Bodies does not envisage the award of any variable component; variable components are instead acknowledged to Company Executives, including the General Manager and Key Managers, who have the right to participate in the incentive system addressed to all of the Company's Executives - a system that is part of the structure of the incentive system addressed to all Executives of the Unipol Group, called UPM - Unipol Performance Management - which establishes the terms, conditions and procedures for the disbursement of a short-term variable cash component and of a long-term variable component through the assignment of financial instruments.

In this regard, note that the Board of Directors of UnipolSai, at a meeting held on 8 February 2018, following the opinion of the Remuneration Committee, adopted the UPM Regulation for 2018, originating from the three-year UPM System for 2016-2018 (the "**UPM System**" or the "**System**").



#### F. POLICY ADOPTED FOR NON-MONETARY BENEFITS

Non-monetary benefits represent an important component of the compensation package, both in terms of appreciation by the Recipients and in terms of total remuneration, as a supplementary and/or alternative element to payment in cash, which has proved to be advantageous in establishing effective Remuneration policies, but at the same time ensures the optimal economic impact. The benefits change according to the category of Recipients both by type and by overall value, and mostly regard supplementary pension schemes and health assistance for employees and their respective families.

The assignment of a company car for personal and business use is envisaged for Executives in the 1st and 2nd Brackets<sup>4</sup>.

Special arrangements are made for access to loans/mortgages to purchase, renovate or build a home, as well as for personal loans.

G. WITH REGARD TO THE VARIABLE COMPONENTS, DESCRIPTION OF THE PERFORMANCE OBJECTIVES ON THE BASIS OF WHICH THE SAME ARE ASSIGNED, DISTINGUISHING BETWEEN SHORT AND MEDIUM/LONG-TERM VARIABLE COMPONENTS, AND INFORMATION ON THE LINK BETWEEN THE CHANGE IN RESULTS AND THE CHANGE IN REMUNERATION

#### **EXECUTIVE PERSONNEL**

As mentioned above, the variable part of remuneration (the "Total Bonus") is comprised of two components, the disbursement procedure for which is regulated by the UPM System: (i) one short-term component ("STI Bonus" or "STI"), acknowledged through the payment of a cash

Following the analysis of a series of quantitative and qualitative metrics that influence the individual organisational position, this method entails allocating a numeric indicator which, when suitably compared in a standard ranking, provides an objective positioning parameter, also as regards remuneration.

The process calls for the evaluation of all organisational positions on the basis of numerous factors, which measure not only the professional and management skills required to properly fulfil the role, the qualitative/quantitative characteristics of the team through which to exercise them and the relative geographical area of application, but also the type and level of contribution to the business, the type of communication and the context of the interlocutors typically managed by this role, as well as the degree of innovation required within the improvement and development of procedures, services and products and the levers available to achieve this.

Allocation to the Brackets is made on the proposal of the General Management of the Human Resources and Organisation Department of Unipol, which uses the most appropriate methods to weigh the positions present on the market as specified above, and the approval of the Chief Executive Officer/Group CEO of Unipol. The allocation to the Brackets is updated and revised once a year.

Within each Bracket, the details and the individual assignment of short- and long-term objectives is made on the basis of:

- comparable market references;
- the professional category to which the resources belongs;
- the need for loyalty (how critical the resource is).

<sup>&</sup>lt;sup>4</sup> Executives of the Unipol Group are divided into 3 brackets (the "Brackets") related to the weight of the organisational position, to the importance and complexity of the role and to the position. The "weight" is measured using a method certified by leading specialist companies recognised at international level.



bonus, and (ii) a long-term component ("LTI Bonus" or "LTI"), acknowledged through the assignment of ordinary Unipol shares and ordinary UnipolSai Assicurazioni shares (the "Shares").

The maximum amount of the Total Bonus for the Year in question is determined by the percentage of gross annual remuneration ("GAR") of the Recipient at 31 December of the year in question, a percentage that changes depending on the position held by the Recipient, up to a maximum of 100%<sup>5</sup> of the GAR acknowledged to Recipients in the 1st Bracket (corresponding to 70% of the GAR for Recipients in the 2nd Bracket and 40% for Recipients in the 3rd Bracket).

The UPM System is based on a self-financing logic, namely, regardless of whether the above-cited access conditions exist, an essential requirement for the acknowledgment of the incentives, as well as continuing positive actual economic results and minimal risk factors, on the presence of a Dividend Capability, meaning the presence of the conditions, in terms of economic result and minimum solvency requirements of the Unipol Group, for any distribution of dividends to the shareholders of Unipol, in accordance with the provisions of the By-Laws and of the law applicable on each occasion.

First of all, an essential condition for access to the benefits of the System is the achievement of certain Short-Term business performance objectives of the Unipol Group and of the Company, specifically:

- (1) the Total Bonus will not be due to Recipients until a given percentage of the Consolidated Gross Profit of Unipol as per the budget approved for the year in question has been achieved. With regard to Key Managers, this percentage must reach at least 80% of the objective indicated;
- (2) for full payment of the Total Bonus, the following are also necessary:
  - (a) the existence of a consolidated solvency ratio (financial stability) of Unipol, calculated using Solvency II<sup>6</sup> metrics corresponding at least to the objective set for 31 December 2018 by the pertinent decision-making bodies. If said value, on the same date, is between 100% and 80% of the objective, as long as the result is not less than 1.0, the amount of the Total Bonus is reduced to 75%, while a lower value does not envisage payment of the bonus;
  - (b) in addition, the objective of 80% of Company's IAS Individual Gross Profit as per the budget approved for the year in question must be achieved;

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<sup>&</sup>lt;sup>5</sup> Up to a maximum corresponding to 125% for Recipients who participate in the Parent Company's Management Committee.

<sup>&</sup>lt;sup>6</sup> Solvency Ratio defined as part of the Risk Appetite Statement approved by the Administrative Body. Indicator and value defined in accordance with current provisions and subject to discounting / revision in the event of changes in the relevant law in force at the time.



(c) lastly, the existence of an individual coverage ratio (financial stability) calculated using Solvency II<sup>7</sup> metrics and net of transactions on share capital and/or with an impact on said ratio, already performed, underway or to be resolved upon in the future, made by the majority shareholder, corresponding at least to the objective set for 31 December 2018 by the pertinent decision-making bodies.

Conditions (1) and 2 (b) do not apply to the Chief Risk Officer or to Executives who work in Internal Control Functions.

# Short-term variable incentives (STI)

The System envisages the acknowledgment of a STI Bonus, paid in the year following the year to which it relates, determined on the basis of the Short-Term Individual Performance Level (as defined herein) achieved with regard to specific individual objectives, divided into four categories, each of which is attributed a "weight" in percentage terms and specifically: (i) first individual quantitative objective (weight: 30%); (ii) second individual quantitative objective (weight: 30%); (iii) individual qualitative objective (weight: 20%) and (iv) management skills development objective (weight: 20%). The sum of the weights obtained from combining said objectives determines the Individual Performance Level.

The maximum amount of the STI Bonus is 50%8 of the Total Bonus.

A Short-Term Individual Performance Level of less than 60% of the sum of the weights of the single objectives achieved results in a Total Bonus of zero.

Without prejudice to the content below, a Short-Term Individual Performance Level of at least 60% determines the amount of the STI Bonus in accordance with Table 1 below:

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<sup>&</sup>lt;sup>7</sup> See previous note: the Solvency II indicator is calculated through the use of the Partial Internal Model.

<sup>8</sup> Up to a maximum corresponding to 40% of the Total Bonus for members of the Parent Company's Management Committee.



Table 1	
Individual Performance Level	STI Bonus
60%	30% of maximum value of STI Bonus
65%	40% of maximum value of STI Bonus
70%	50% of maximum value of STI Bonus
75%	60% of maximum value of STI Bonus
80%	70% of maximum value of STI Bonus
85%	80% of maximum value of STI Bonus
90%	90% of maximum value of STI Bonus
100%	Maximum value of STI Bonus

In the event of failure to achieve even just one of the two quantitative objectives, even if the result calculated as envisaged generates a value equal to or over 60%, the Total Bonus will be zero.

Lastly, with regard to Key Managers, the Total Bonus will be decreased by 1/3 (one third) if one of the two quantitative objectives is only partially reached.

#### Long-term variable incentives (LTI)

The LTI Bonus is assigned based on a closed financial instrument-based remuneration plan (the "2016-2018 Plan"), which envisages the distribution of shares at the end of the three-year period 2016-2018, with assignment and simultaneous availability of the same, from 2019 and for the following two years.

The maximum amount of the LTI Bonus is 50% of the Total Bonus9.

The payment of the LTI bonus to Recipients who do not work in Internal Control Functions, and who are not the Chief Risk Officer, nor work in the Actuarial Function, depends on the achievement (separately for each share of the same) of the indicators illustrated below:

- 40%, if at least 75% of the result of the Unipol Group is achieved, measured based on the Consolidated Gross Profit accumulated in 2016, 2017 and 2018 of the values as established each year by the pertinent corporate bodies;
- 40%, if, at the end of the three-year period, the consolidated capital solvency requirement target of Unipol is fully achieved, as defined by the pertinent corporate bodies;
- 20%, if the Unipol share recorded a growth in value for the given three years (average first quarter of 2019 compared to the average for the first quarter of 2016).

<sup>&</sup>lt;sup>9</sup> Up to a maximum corresponding to 60% of the Total Bonus for members of the Parent Company's Management Committee.



The achievement, even separately, of the result of the individual indicators as determined above leads to the acknowledgement of an Additional Bonus, corresponding to a maximum of 50% of the Total Bonus earned. The fulfilment of said condition applies both to the STI component already acknowledged, which therefore will be integrated in the same form with which it was acknowledged at the time of its payment, and to the LTI component.

The payment of the LTI bonus to Recipients who work in Internal Control Functions or in the Actuarial Function, or who are the Chief Risk Officer, depends on the achievement (separately for each share of the same) of the indicators illustrated below:

- 60%, on the achievement of an average Individual Performance Level over the threeyear period of not less than 70%, on condition that both quantitative objectives have been fully reached in at least two of the three years;
- 40%, if, at the end of the three-year period, the capital solvency requirement target of Unipol is fully achieved, as defined by the pertinent corporate bodies.

The achievement of the individual quantitative objectives for all three years, as well as an average Individual Performance Level over the three-year period 2016–2018 of not less than 75%, together with the fulfilment of the capital solvency requirement of the Parent Company defined by the pertinent corporate bodies, leads to the acknowledgement of an additional bonus (the "Additional Bonus") corresponding to a maximum of 50% of the Total Bonus earned. The fulfilment of said condition applies both to the STI component already acknowledged, which therefore will be integrated in the same form with which it was acknowledged at the time of its payment, and to the LTI component.

The number of shares that may be due is calculated by dividing the value of the LTI Bonus for the year in question into two equal parts. One part is related to the average value of the ordinary Unipol share recorded in May 2016, while the other part is related to the average value of the ordinary UnipolSai share recorded also in May 2016.

### Non-executive Personnel

For personnel identified as Risk Takers but not belonging to the category of Executive, the acknowledgment of the variable component is dependent on the achievement of pre-determined, objective and measurable results, through the adoption of performance indicators, which take current and future risks related to the pre-set results of the reference company into account, as well as individual quantitative objectives relating to the resource's department and qualitative objectives relating to the position held in the company.

These objectives will be assigned by the Company as part of the incentive system, and will be checked for conformity by the relevant Internal Control Functions.

For non-Executive Risk Takers, the variable component may only be monetary, and cannot be above 60% of the GAR for the year in question; in any event, the part exceeding 35% of said GAR should be paid with a two-year deferment, distributing 50% of the relative amount in the two years following that to which it refers.



With specific reference to Managers of Internal Control Functions and of the Anti-Money Laundering Function, who are not Executives, any acknowledgment of a variable remuneration component does not depend on the results achieved by the operating unit they are in charge of. With reference, also, to Personnel of the Actuarial Function, who are not Executives, the variable component does not depend on the results of the Company.

# H. CRITERIA USED TO ASSESS THE PERFORMANCE OBJECTIVES RELATING TO THE ASSIGNMENT OF SHARES, OPTIONS, OTHER FINANCIAL INSTRUMENTS OR OTHER VARIABLE REMUNERATION COMPONENTS

Quantitative objectives are structures in line with the strategic objectives of the Unipol Group and consistent with the risk profiles established for each company of the Unipol Group.

The final assessment of performance in order to establish the Total Bonus takes place in March 2019.

The process of assigning, assessing and confirming that the objectives have been achieved is supervised, also in terms of substance, by the General Management of the Human Resources and Organisation Department, with the assistance of the Group Risk Management and Management Control Functions, to check quantitative indicators ex ante and ex post, and by the Chief Executive Officer/Group CEO of Unipol.

When assigning individual objectives, account is also taken, where appropriate, of non-financial criteria that contribute to creating value for the Company and the Unipol Group, such as compliance with external and internal regulations and the efficiency with which customer service is managed<sup>10</sup>.

# I. INFORMATION THAT SHOWS THE CONSISTENCY OF THE REMUNERATION POLICY WITH THE COMPANY'S LONG-TERM INTERESTS AND WITH THE RISK MANAGEMENT POLICY, WHERE FORMALISED

The Remuneration policies adopted by the Company have been drawn up to motivate the Recipients to pursue the long-term interests of the Company in question, by means of:

- an adequate balance between the fixed and variable components of remuneration and the connection between the latter and pre-determined and measurable efficiency criteria, to strengthen the correlation between results and remuneration;
- the establishment of limits for the variable component;
- a correct balance between short-and long-term efficiency criteria, on which remuneration is dependent, through the payment of the variable component in instalments, setting a

<sup>&</sup>lt;sup>10</sup> See Article 12, paragraph 2, point b) of the ISVAP Regulation.



minimum vesting period for the assignment of financial instruments and the right to require the return of said component in the event that specific conditions are not fulfilled;

- a different impact on the risk profiles of the Company and of the Unipol Group depending on the position held and the responsibilities assigned.
- J. VESTING PERIOD, ANY DEFERRED PAYMENT SYSTEMS, WITH AN INDICATION OF THE DEFERMENT PERIOD AND OF THE CRITERIA USED TO DETERMINE SAID PERIODS, AND IF ENVISAGED, EX POST CORRECTION MECHANISMS

As mentioned above, the long-term incentive (LTI) is assigned based on a closed financial instrument-based remuneration plan, which envisages the assignment of shares at the end of the three-year period 2016-2018, with the availability of the same, from 2019 and for the following two years. This enables the interests of the beneficiaries to be aligned to those of the shareholders, rewarding the creation of long-term value and the appreciation of the stock in question.

# Ex post correction mechanisms

Clauses are envisaged in the System on the basis of which no bonus is disbursed, in terms of:

- Malus: the bonuses envisaged by the incentive system will not be paid if the trend of results of the Unipol Group and/or the Company, adjusted for risk, deteriorates, and if the recipient does not comply with regulatory or supervisory provisions, the consequence of which has entailed a disciplinary sanction against the Recipient in question, or if the Internal Control Functions discover that the Recipient has behaved in such a way so as to commit a serious infringement of internal or external provisions or of the applicable standards of conduct;
- Claw-back: the Company will request the return of any bonuses that may have been paid if the relevant Supervisory provisions have been infringed or if the Recipient has acted fraudulently and/or has committed wilful misconduct or gross negligence with regard to the performance of his/her duties, and this had led to a deterioration of the risk profiles and/or the results of the Unipol Group, without prejudice to any further legal action.
- K. INFORMATION ON THE PROVISION OF CLAUSES TO HOLD THE FINANCIAL INSTRUMENTS IN THE PORTFOLIO AFTER THEIR ACQUISITION, INDICATING THE HOLDING PERIODS AND THE CRITERIA USED TO DETERMINE SAID PERIODS

As indicated above, the variable remuneration component is assigned through the activation of the UPM System, which takes place over a three-year performance period (2016–2018). Only at the end of said period, the aforementioned parties acquire the right to have shares assigned to them.



The distribution and simultaneous availability of the shares will take place in the following three-year period, starting from 2019 and for the next two years.

L. POLICY RELATING TO THE ARRANGEMENTS ENVISAGED IN THE EVENT OF THE TERMINATION OF OFFICE, OR TERMINATION OF EMPLOYMENT, SPECIFYING WHICH CIRCUMSTANCES DETERMINE THE RIGHT TO SUCH AND ANY CONNECTION BETWEEN SAID ARRANGEMENTS AND COMPANY PERFORMANCE

The payment of an indemnity to Directors is not envisaged in the event of resignation, revocation of mandate/appointment or termination of the same due to a takeover bid.

As mentioned earlier, loyalty bonuses may be paid to Directors who have worked for the Company or for the Unipol Group for a certain number of years. The amount of said bonuses, which will be paid at the time of the termination of employment, cannot exceed the amount of five years of total compensation, calculated for the variable part as envisaged by Article 2121, no. 2 of the Italian Civil Code (the "**Total Compensation**").

With regard to Key Managers, any payment of a pre-determined amount in the event of dismissal not supported by just cause, or dismissal for just cause or on the request of the reference Shareholder, a circumstance applicable only in the presence of specific supplementary agreements to the contract of employment, may not, in any event, exceed five years of Total Compensation. Moreover, the Company may request beneficiaries to return all or part of the afore-mentioned amount paid to the same, if, within five years of the date of termination of employment, the same take serious measures with wilful misconduct resulting in damage to the Company, both circumstances (measures and wilful misconduct) ascertained with a later ruling in the courts.

# M. Information on the presence of any insurance cover, or social security or pension plans other than compulsory ones

The Shareholders' Meeting on 27 April 2016, which appointed the Board of Directors in office, also resolved to provide insurance coverage for risks related to third party liability arising from the legal and contractual obligations associated with the office of Director and of Statutory Auditor and the associated legal protection, with costs borne by the Company. In this regard, note that the Company, in line with the other companies belonging to the Unipol Group, has subscribed to the Group D&O Policy, most recently renewed on 20 November 2017 by Unipol as the company at the top of the Unipol Financial Conglomerate, to replace Finsoe S.p.A., which was being spun off at the time<sup>11</sup>; the conditions of the policy, with a yearly duration, envisage a limit, at Group level, of a total of Euro 75 million for the benefit of the insured parties.

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<sup>&</sup>lt;sup>11</sup> The global spin-off of Finsoe S.p.A. became effective on 15 December 2017.



The total cost of the policy is shared among all Unipol Group companies, applying a percentage to the same that corresponds to the weighted average of the relation between the following economic-capital ratios of each company and those of the Group: (i) Balance Sheet Assets; (ii) Shareholders' equity; (iii) revenue calculated on the basis of the criteria of the Antitrust Authority.

At 31 December 2017, the Company bore a cost of around Euro 848,000.

Executives have the option to subscribe to both a Pension Fund and to a Welfare Fund, the contributions of which are borne by the Company. As regards the Pension Fund, the Executive has the option of contributing by paying from his/her Post-employment benefits.

The Pension Fund covers the subscriber in the event of death or permanent invalidity resulting from a non work-related accident, as well as in the event of permanent invalidity due to illness and in the event of death for any reason.

Said coverage provided to Executives is valid until termination of employment.

The benefits provided by the Welfare Fund to subscribers and beneficiary family members take the form of insurance arrangements, and most regard healthcare advice and information over the phone, reimbursements for admission to hospital, surgery, dentist treatment, specialist medical check-ups, diagnostic checks and treatment.

In addition, insurance cover provided by the Welfare Fund is envisaged for the reimbursement of healthcare expenses in the event that the Executive or spouse is not self-sufficient.

N. REMUNERATION POLICY ADOPTED WITH REGARD TO: (1) INDEPENDENT DIRECTORS, (11)
PARTICIPATION IN COMMITTEES AND (111) HOLDING SPECIFIC OFFICES (CHAIRMAN, DEPUTY
CHAIRMAN, ETC.)

Each Director is paid an annual compensation, as well as an attendance fee for each Board or Shareholders' Meeting attended.

The remuneration of Non-Executive Directors, and therefore, of Independent Directors is not linked to the results achieved by the Company, nor are there any plans for share-based incentives or, in general, those based on financial instruments for members of the Board of Directors.

On the proposal of the Remuneration Committee and with the approval of the Board of Statutory Auditors, the Board of Directors establishes the compensation, in the form of a fixed amount, for the Chairman, the Deputy Chairmen and the General Manager for the offices held by the same, and also acknowledges Directors who are members of Board committees a fixed fee for attendance of each respective meeting.

For Directors who hold specific offices, the Board of Directors may acknowledge, with the approval of the Board of Statutory Auditors, additional benefits such as accommodation and/or the use of company cars.



O. WHETHER THE REMUNERATION POLICY HAS BEEN ESTABLISHED USING THE POLICIES OF OTHER COMPANIES AS REFERENCE, AND IF SO, THE CRITERIA USED FOR THE CHOICE OF SAID COMPANIES

As illustrated in the Introduction, UnipolSai, as a Company belonging to the Unipol Insurance Group, adopts Remuneration policies that are consistent with the guidelines provided by the Parent Company regarding remuneration policies for the Unipol Insurance Group.



# SECOND SECTION - INFORMATION ON THE IMPLEMENTATION OF THE REMUNERATION POLICY

This Section of the Report consists of three parts:

- part one, which provides a description of the compensation of the Recipients of the remuneration policies relating to 2017;
- part two, which illustrates said compensation in the form of tables, as well as the shareholdings held by the Recipients of the remuneration policies again relating to 2017;
- part three, which provides a summary of the audits conducted by the Internal control functions.

### **PART ONE**

1.1. Representation of the items that comprise remuneration, including the arrangements envisaged in the event of termination of office or termination of employment, showing consistency with the reference remuneration policy

# **THE REMUNERATION OF DIRECTORS**

The Ordinary Shareholders' Meeting of 27 April 2016 has, *inter alia*, appointed the Board of Directors of the Company, consisting of 18 members, giving them a mandate of three years and, therefore, up to the Shareholders' Meeting called to approve the 2018 financial statements.

Said Shareholders' Meeting resolved - consistent with the remuneration policies approved by the Company's Board of Directors at the board meeting held on 10 March 2016 and illustrated in the First Section of the remuneration report published in 2016 - an annual remuneration of Euro 40,000 as well as the payment of a gross attendance fee of Euro 1,000 for each board meeting attended, reduced to Euro 500 in case of participation through telephone or audiovisual connection. Furthermore, in addition to the reimbursement of expenses incurred with relation to the office held, in continuity with the past, insurance coverage is provided at the expense of the Company for risks related to third party liability arising from the legal and contractual obligations associated with the office of director and the associated legal and economic protection, in compliance with the law in force.

The Board of Directors' meeting held on 30 June 2016, after consultation with the Remuneration Committee and the Board of Statutory Auditors, then defined the remuneration of the Chairman and Deputy Chairman with regard to said offices; lastly, the members of Board committees were awarded a further fixed fee for attendance at each respective Committee meeting, corresponding to Euro 1,000, reduced to Euro 500 in case of participation through telephone or audiovisual connection, plus the reimbursement of out-of-pocket expenses borne with relation to the office held.

Instead, Directors were not acknowledged any variable remuneration component linked to results or based on financial instruments.



Details of the compensation paid to the members of the Board of Directors in 2017 are shown in Table 1 below; in this regard, note that, in the column relating to "Non-monetary benefits", the benefits relating to insurance cover for risks related to third party liability, stipulated in favour of Directors, the costs of which are borne by the Company, could not be broken down *ad personam*. With reference to that already illustrated in Part One of this Report under letter M), also note that the reason for this is also due to the fact that: (i) the subjective scope of the insured parties benefitting from the policy does not coincide with that of the parties for which information must be provided in this Section of the Report, as it is much wider (it extends, in general, to any person considered the equivalent of a member of the administration, management and control bodies, including therein parties to whom proxies have been awarded and members of the supervisory bodies pursuant to Italian Legislative Decree 231/01) and that (ii) said scope is subject to change during the validity of said policy.

Moreover, said benefits are not considered fringe benefits and do not contribute to the formation of the income of the beneficiaries.

### THE REMUNERATION OF THE CONTROL BODY

In accordance with the Remuneration policies adopted and with that resolved by the Shareholders' Meeting on 17 June 2015, which appointed the same, the annual compensation for 2017 of the Statutory Auditors of UnipolSai has been established as a fixed amount and differs between Statutory Auditors and the Chairman of the Board of Statutory Auditors, corresponding to Euro 50,000 (for each Statutory Auditor) and Euro 75,000 respectively; in addition, the same will be reimbursed the expenses incurred with relation to the office held, and will also be provided with insurance coverage at the expense of the Company for risks related to third party liability arising from the legal and contractual obligations associated with the office of statutory auditor and the associated legal and economic protection, in compliance with the law in force.

In accordance with the remuneration policies adopted in 2017, Statutory Auditors are paid no variable remuneration.

Details of the compensation paid to the members of the Board of Statutory Auditors in 2017 are shown in Table 1 below; the same considerations illustrated above with regard to the lack of breakdown of benefits relating to insurance cover for risks related to third party liability also apply here.

# THE REMUNERATION OF THE GENERAL MANAGER, KEY MANAGERS AND OTHER EXECUTIVES

At the meeting held after the Shareholders' Meeting on 27 April 2016, which renewed the administrative body, the newly-elected Board of Directors appointed a General Manager pursuant to Article 20 of the Company By-Laws. He was acknowledged indemnity for the office totalling Euro 100.000.

The Company's remuneration policies for 2017 were therefore applied, in a standardised manner, to the General Manager, Key Managers and other Executives of UnipolSai.



The year in question saw the presence of 21 people in the category of Key Managers, of which 20 employees of Unipol partially seconded to UnipolSai, in turn eligible as Key Managers in Unipol. In this regard, note that seconded Executives received the fixed component of their remuneration and the variable one from the Parent Company; it is hereby understood that UnipolSai shall return the cost borne by Unipol as a secondment fee.

For details regarding the extent of said fee, please refer to the Tables below.

### Fixed remuneration component

The fixed component is comprised of the items of the CCNL and by remuneration from individual contracts; the GAR is also established and excludes Post-employment benefits (TFR), any provision or payment relating to social security contributions borne by the employer, and any variable component, whether the same is paid as a one-off amount or on a continuative basis, repeated or deferred, and excluding any bonus, travelling indemnity and any other indemnity.

### Variable remuneration component

The variable remuneration component, also in 2017, could be represented by the following items:

- monetary incentives and incentives in the form of financial instruments, to be paid on the basis of the incentive system dedicated to Executives in the Insurance business (see below);
- a one-off amount, paid in monetary form and up-front, and in accordance with the following conditions:
  - occurrence of objective circumstances that are completely exceptional and unforeseeable which required a particularly significant professional commitment, meant to obtain a result of strategic importance for the Company and/or the Unipol Group;
  - (ii) determination of the amount in compliance with the principles of proper balancing between the fixed component and the variable component of remuneration, as set forth in laws in force;
  - (iii) recognition on approval of the Company's Board of Directors, after obtaining the opinion of the Remuneration Committee;
- amounts paid after reaching the 25th and 35th year of actual service with the same Company, equal to 8% and 16%, respectively, of the GAR.

# Implementation of the 2013–2015 incentive system

At the board meeting held on 12 May 2016, the Board of Directors ascertained full satisfaction of the conditions for the recognition of the long-term incentive pursuant to the 2013–2015 System,



as implemented by the relative compensation plan based on financial instruments for 2013–2015 (the "2013–2015 Plan"). Following this positive calculation, it was therefore possible to allocate the second of three tranches of Unipol Shares to the beneficiaries specified in the 2013–2015 Plan.

Therefore, on 3 July 2017, in implementation of the Regulation of the above-mentioned Plan, the Company disbursed the second tranche of shares to eligible Key Managers, equal to 1/3 of the total actually earned at the end of the vesting period, a third which corresponds to 283,417 shares. In this regard, please recall that the share value used as a reference for the calculation of the number of shares due to each recipient of the above-mentioned Plan is the average Stock Exchange value recorded by the ordinary Unipol share in May 2013, equal to Euro 2.7451. The remaining third will be attributed in July 2018. Please note that Table below was not completed with the data relating to the implementation of the 2013–2015 Plan, as its monetary effects were exhausted in previous years and the equity effects, noted above, refer to vested financial instruments at the end of the 2013–2015 three-year period, the disbursement of which in 2017 and 2018 depends exclusively on the recipient remaining employed by the Unipol Group.

## Implementation of the 2016–2018 incentive system

With reference to the incentive system adopted by the Company for the 2016–2018 three-year period (the "2016–2018 System"), note that during its board meeting held on 23 March 2017, the Board of Directors, having acknowledged the satisfaction of conditions for access to the above-mentioned system for the year 2016, resolved to proceed with the disbursement of short-term monetary incentives, which were actually paid to those entitled with their April 2017 wages. For the details on the extent of the STI incentives for the year 2016 disbursed in 2017, please see Table 3B below (Column 3B).

During its meeting held on 22 March 2018, having acknowledged the satisfaction of conditions for access to the UPM System for the year 2017, with the favourable opinion of its Remuneration Committee, the Company's Board of Directors resolved to proceed with the disbursement of short-term monetary incentives, which will be paid with the April 2018 wages. For the details on the extent of the STI incentives for the year 2017 disbursable this year, please see Table 3B below (Column 2B).

As described in the First Section of this Report, the Shareholders' Meeting of 27 April 2016 approved the 2016–2018 Plan which envisages the attribution – at the end of the vesting period and subject to achievement of the long-term targets illustrated above – of ordinary Unipol Shares and ordinary UnipolSai shares (the "**Shares**"), broken down into three tranches as of April 2019 and for the next two years (2020–2021).

Table 3A below (Column 2) specifies the maximum number of financial instruments that the General Manager and Key Managers could earn at the end of the vesting period and subject to achievement of the 2016-2018 Plan targets; Column 12 of the same Table specifies the fair value at 31 December 2017 of the maximum number of Shares, the disbursement of which may take



place in April 2020, subject to and upon completion of the process of calculating the targets planned for March 2019.

# Information documents on Compensation plans based on financial instruments

Detailed information regarding the 2013–2015 Plan and the 2016–2018 Plan is contained in the Information Documents, prepared pursuant to Article 114-bis of the TUF and Article 84-bis of the Issuers' Regulation, and published on the Company's website at <a href="https://www.unipolsai.com">www.unipolsai.com</a>, in the Governance/Shareholders' Meetings Section.

# Other components of remuneration

Remuneration may also include:

- benefits, on which social security and tax contributions are also calculated, which may include assets such as company cars and the use of lodgings;
- compensation paid based on stability agreements;
- the welcome bonuses provided in exceptional cases when new personnel is hired to make up for documented pay disadvantages arising from the loss of benefits offered by the previous employer, to be recognised on a one-off basis.

# 1.2. Agreements granting compensation in the case of early termination of employment.

There are no agreements between the Company and the Directors providing for compensation in the event of resignation, revocation of mandate/appointment or cessation of this following a takeover bid.

There are no agreements providing for the assignment or the maintenance of non-monetary benefits for persons who have ceased their position or the conclusion of consulting contracts for a period subsequent to the termination of employment.

There is an agreement providing compensation for non-compete obligations.

Compensation earned on termination of employment is calculated, lacking specific agreements, on the basis of what is set forth in the Collective Agreement for Executives of insurance companies.

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Based on the above, in 2017, the remuneration in favour of Directors, Statutory Auditors, the General Manager and Key Managers is consistent with the principles set forth in pay policies in force in 2017.



# PART TWO - Compensation paid in 2017

# Table 1 – Remuneration paid to members of the Administration and Control Bodies and to Key Managers (amounts in Euro)

							Variable no	on-e	quity compensation				Fair value of equity fees	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation		Compensation for participation in committees	Bonus and otl incentives		Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of employment
	Chairman		2018 Financial		•									
CIMBRI Carlo	Member of the Chairman's Committee	1/1-31/12/2017	Statements											
Compensation from the	company that draws up	the financial state	ements	948,500.00	(1)							948,500.00		
Compensation from sub	osidiaries and associate	S										0.00		
TOTAL				948,500.00		0.00	0.00	)	0.00	0.00	0.00	948,500.00	0.00	0.00

#### (1) Compensation not received but paid directly to Unipol Gruppo S.p.A.

							Variable no	n-ec	quity compensation				Fair value of equity fees	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation		Compensation for participation in committees	Bonus and other	er	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
	Deputy Chairman		2018 Financial											
CERCHIAI Fabio	Member of the Chairman's Committee	1/1-31/12/2017	Statements											
Compensation from the	company that draws up	the financial state	ements	250,000.00						5,137.78		255,137.78		
Compensation from sub	osidiaries and associate	s		30,000.00	(1)							30,000.00		
TOTAL				280,000.00		0.00	0.00		0.00	5,137.78	0.00	285,137.78	0.00	0.00

<sup>(1)</sup> Compensation for the offices held in Siat S.p.A.



								Variable non-	equ	uity compensation				Fair value of equity fees	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation		Compensation for participation in committees	Boi	nus and other incentives		Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
	Deputy Chairman														
STEFANINI Pierluigi	Member of the Chairman's Committee	1/1-31/12/2017	2018 Financial Statements												
Compensation from the	company that draws up	the financial state	ements	251,000.00	(1)								251,000.00		
Compensation from sub	sidiaries and associate	s											0.00		
TOTAL	-			251,000.00		0.00		0.00		0.00	0.00	0.00	251,000.00	0.00	0.00

#### (1) Compensation not received but paid directly to Unipol Gruppo S.p.A.

						Variable non	-equity co	mpensation				Fair value of equity fees	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and othe incentives	r Pi	rofit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
BERARDINI Francesco	Director	1/1-31/12/2017	2018 Financial Statements										
Compensation from the	company that draws up	the financial state	ements	51,000.00							51,000.00		
Compensation from subs	sidiaries and associate	s	-	20,000.00 (1)							20,000.00		
TOTAL				71,000.00	0.00	0.00		0.00	0.00	0.00	71,000.00	0.00	0.00

#### (1) Compensation for the offices held in Siat S.p.A.

						Variable non-	equity compensation				Fair value of equity fees	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and other incentives	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
CARLETTI Milva	Director	1/1-05/10/2017	05/10/2017									
Compensation from the	company that draws up	the financial state	ements	38,965.75						38,965.75		
Compensation from subs	sidiaries and associate	es .								0.00		
TOTAL				38,965.75	0.00	0.00	0.00	0.00	0.00	38,965.75	0.00	0.00



						Variable non-e	quity compensation				Fair value of equity fee	s
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and other incentives	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
CATTABIANI Paolo	Director	1/1-31/12/2017	2018 Financial Statements									
Compensation from the	company that draws u	p the financial state	ements	46,000.00 (1)						46,000.00		
Compensation from sub	sidiaries and associate	es								0.00		
TOTAL				46,000.00	0.00	0.00	0.00	0.00	0.00	46,000.00	0.00	0.00

(1) Compensation not received but repaid to the company of origin.

						Variable non-e	quity compensation				Fair value of equity fee	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and other incentives	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
COTTIGNOLI Lorenzo	Director	1/1-31/12/2017	2018 Financial Statements									
Compensation from the	company that draws up	the financial state	ements	50,500.00 (1)						50,500.00		
Compensation from subs	sidiaries and associate	es		95,750.00 (2)				3,377.25		99,127.25		
TOTAL				146,250.00	0.00	0.00	0.00	3,377.25	0.00	149,627.25	0.00	0.00

<sup>(1)</sup> Compensation not received but repaid to the company of origin.

<sup>(2)</sup> Compensation for the offices held in: Assicoop Bologna Metropolitana S.p.A., Assicoop Emilia Nord S.r.I., Assicoop Toscana S.p.A., Assicoop Romagna Futura S.r.I., Pegaso Finanziaria S.p.A. and Tenute del Cerro S.p.A. The compensation from Pegaso Finanziaria S.p.A. is not received but repaid to the company of origin.

						Variable non-e	quity compensation				Fair value of equity fees	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and other incentives	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
DALLE RIVE Ernesto	Director	1/1-31/12/2017	2018 Financial Statements									
Compensation from the	company that draws u	the financial state	ements	47,000.00						47,000.00		
Compensation from subs	sidiaries and associate	es								0.00		
TOTAL				47,000.00	0.00	0.00	0.00	0.00	0.00	47,000.00	0.00	0.00



						Variable non-	equity compensation	1			Fair value of equity fee	s
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and other incentives	Profit sharin	Non-monetary benefits	Other compensation		(referred to the maximum number of shares that may potentially be allocate at April 2020)	Compensation for end of office or termination of
DE BENETTI Cristina	Director	09/11-31/12/2017	2017 Financial Statements						·			
Compensation from the	company that draws u	p the financial state	ements	6,808.22						6,808.22	2	
Compensation from sub	sidiaries and associat	es	-	29,943.68	(1) 6,090.24 (2)					36,033.92	2	
TOTAL				36,751.90	6,090.24	0.00		0.00	0.00	42,842.14	0.00	0.00

<sup>(1)</sup> Compensation for the office held in Unipol Banca S.p.A.

<sup>(2)</sup> Fees for attendance of the Internal Control Committee and the Related Parties Committee of Unipol Banca S.p.A.

						Variable non-	equity compensation				Fair value of equity fees	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and other incentives	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
	Director				•							
GHIGLIENO Giorgio	Member of the Related Party Transactions Committee	1/1-31/12/2017	2018 Financial									
	Member of the Control and Risk Committee		Statements									
	Member of the Supervisory Body											
Compensation from the	company that draws up	the financial state	ements	50,000.00	29,000.00					79,000.00		
Compensation from sub	sidiaries and associate	s								0.00		
TOTAL				50,000.00	29,000.00	0.00	0.00	0.00	0.00	79,000.00	0.00	0.00

						Variable non-	equity compensation					
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and other incentives	Profit sharing	Non-monetary benefits	Other compensation	Total	Fair value of equity fee (referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
GIOVETTI Vittorio	Director	10/05-31/12/2017	2017 Financial Statements				•					
Compensation from the	company that draws u	p the financial state	ements	32,863.01						32,863.01		
Compensation from sub	sidiaries and associat	es								0.00		
TOTAL		-		32,863.01	0.00	0.00	0.0	0.00	0.00	32,863.01	0.00	0.00



						Variable non	-eq	uity compensation				Fair value of equity fe		
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Sonus and other incentives	r	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocat at April 2020)	of	Compensation for end of office or termination of employment
LAURIA Salvatore	Director	1/1-10/05/2017	10/05/2017											
Compensation from the	company that draws u	p the financial state	ements	18,136.99							18,136.99			
Compensation from sub	sidiaries and associate	es									0.00			
TOTAL				18,136.99	0.00	0.00		0.00	0.00	0.00	18,136.99	0.00		0.00

						Variable non-	equity compensation				Fair value of equity fees	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and other incentives	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
	Director				•			•		•	•	
	Member of the Control and Risk Committee											
MASOTTI Massimo	Chairman of the Supervisory Body	1/1-31/12/2017	2018 Financial Statements									
	Member of the Related Party Transactions Committee											
Compensation from the	company that draws up	the financial state	ements	50,000.00	35,000.00					85,000.00		
Compensation from sub	sidiaries and associate	s		1,000.00 (1)						1,000.00		
TOTAL				51,000.00	35,000.00	0.00	0.00	0.00	0.00	86,000.00	0.00	0.00

#### (1) Compensation for the office held in Pegaso Finanziaria S.p.A.

						Variable non	ı-eqı	uity compensation				Fair value of equity fe	98	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and othe incentives	r	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number or shares that may potentially be allocate at April 2020)	Compensatio end of office termination	e or n of
	Director													
MAUGERI Maria Rosaria	Member of the Remuneration Committee	1/1-31/12/2017	2018 Financial Statements											
Compensation from the	company that draws up	the financial state	ements	51,000.00	3,000.00						54,000.00			
Compensation from subs	idiaries and associate	s									0.00			
TOTAL	-			51,000.00	3,000.00	0.00		0.00	0.00	0.00	54,000.00	0.00		0.00



						Variable non-	-equity co	compensation				Fair value of equity fee	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and other incentives	r P	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
	Director												
MONTAGNANI Maria Lillà	Member of the Nomination and Corporate Governance Committee	1/1-31/12/2017	2018 Financial Statements										
Compensation from the	company that draws up	the financial state	ments	48,000.00	2,500.00						50,500.00		
Compensation from sub	sidiaries and associate	s									0.00		
TOTAL				48,000.00	2,500.00	0.00		0.00	0.00	0.00	50,500.00	0.00	0.00

						Variable non-	equity compensation				Fair value of equity fees	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and other incentives	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
	Director											
PICCHI Nicla	Member of the Remuneration Committee	1/1-31/12/2017	2018 Financial									
	Member of the Nomination and Corporate Governance Committee		Statements									
Compensation from the	company that draws up	the financial state	ements	48,000.00	7,000.00					55,000.00		
Compensation from sub	sidiaries and associate	s								0.00		
TOTAL		·		48,000.00	7,000.00	0.00	0.00	0.00	0.00	55,000.00	0.00	0.00

						Variable non-	equity compensation				Fair value of equity fee	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and other incentives	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
RECCHI Giuseppe	Director	1/1-31/12/2017	2018 Financial Statements			•		•		•	•	·
Compensation from the	company that draws u	the financial state	ements	43,000.00						43,000.00		
Compensation from sub	sidiaries and associate	es								0.00		
TOTAL				43,000.00	0.00	0.00	0.0	0.00	0.00	43,000.00	0.00	0.00



							Variable no	n-ec	quity compensation					Fair value of equity fee	s
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation		Compensation for participation in committees	Bonus and oth incentives	er	Profit sharing	Non-monetary benefits	,	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of employment
	Director				·										
	Member of the Control and Risk Committee														
RIGHINI Elisabetta	Member of the Related Party Transactions Committee	1/1-31/12/2017	2018 Financial Statements												
	Member of the Supervisory Body														
Compensation from the	company that draws up	the financial state	ements	51,000.00		29,000.00							80,000.00		
Compensation from sub	sidiaries and associate	s											0.00		
TOTAL				51,000.00		29,000.00	0.00		0.00	0.00		0.00	80,000.00	0.00	0.00

						Variable non	equity compensation				Fair value of equity fees	
Surname and Name		Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and othe incentives	Profit sharing	Non-monetary benefits	Other compensation		(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of employment
	Director											
TADOLINI Barbara	Member of the Related Party Transactions Committee	1/1-31/12/2017	2018 Financial Statements									
Compensation from the	company that draws up	the financial state	ements	51,000.00	11,500.00					62,500.00		
Compensation from sub	sidiaries and associate	s								0.00		
TOTAL				51,000.00	11,500.00	0.00	0.00	0.00	0.00	62,500.00	0.00	0.00

						Variable non-	equity compensation				Fair value of equity fees	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and other incentives	Profit sharing	Non-monetary benefits	Other compensation		(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of employment
	Director											
VELLA Francesco	Member of the Remuneration Committee	1/1-31/12/2017	2018 Financial Statements									
	Member of the Nomination and Corporate Governance Committee											
Compensation from the	company that draws up	the financial state	ements	51,000.00	7,000.00					58,000.00		
Compensation from sub	sidiaries and associate	s		30,324.32 (1	)					30,324.32		
TOTAL	·			81,324.32	7,000.00	0.00	0.00	0.00	0.00	88,324.32	0.00	0.00

<sup>(1)</sup> Compensation for the office held in Unipol Banca S.p.A.



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							Variable non-	equity compensation					
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensatio	parti	ensation for icipation in mmittees	Bonus and other incentives	Profit sharing	Non-monetary benefits	Other compensation	Total	Fair value of equity (referred to the maximum number shares that may potentially be alloca at April 2020)	Compensation for of end of office or termination of
FUMAGALLI Paolo	Chairman of the Board of Statutory Auditors	1/1-31/12/2017	2017 Financial Statements					•		•			
Compensation from the	company that draws up	the financial state	ements	75,000.00	0						75,000.00		
Compensation from sub	sidiaries and associate	es									0.00		
TOTAL				75,000.00	0	0.00	0.00	0.00	0.00	0.00	75,000.00	0.00	0.00
					' '	,		•		•			
							Variable non-	equity compensation				Fair value of equity	inas
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensatio	parti	ensation for icipation in mmittees	Bonus and other incentives	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number shares that may potentially be alloca at April 2020)	Compensation for of end of office or termination of
ANGIOLINI Giuseppe	Statutory Auditor	1/1-31/12/2017	2017 Financial Statements										
Compensation from the	company that draws up	the financial state	ements	50,000.00	0						50,000.00		
Compensation from sub	sidiaries and associate	es									0.00		
TOTAL				50,000.00	0	0.00	0.00	0.00	0.00	0.00	50,000.00	0.00	0.00
					<u>'</u>	<u>'</u>		•		•			
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensatio	parti	ensation for icipation in mmittees	Variable non- Bonus and other incentives	equity compensation  Profit sharing	Non-monetary benefits	Other compensation	Total	Fair value of equity (referred to the maximum number shares that may potentially be alloca at April 2020)	Compensation for of end of office or termination of
BOCCI Silvia	Statutory Auditor	1/1-31/12/2017	2017 Financial Statements										
Compensation from the	company that draws up	the financial state	ements	50,000.00	0						50,000.00		
Compensation from sub	sidiaries and associate	es		7,500.00	0 (1)						7,500.00		

<sup>(1)</sup> Compensation for the office held in Centro Oncologico Fiorentino S.r.l. in liquidation.

TOTAL

0.00

57,500.00

0.00

0.00

0.00

57,500.00

0.00

0.00

0.00



							Variable no	n-ec	quity compensation				Fair value of equity for	ees	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	n	Compensation for participation in committees	Bonus and oth incentives	er	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocat at April 2020)	of	Compensation for end of office or termination of employment
TROMBONE Domenico Livio	Alternate Auditor	1/1-31/12/2017	2017 Financial Statements				•						•		
Compensation from the o	company that draws up	the financial state	ements									0.00			
Compensation from subs	sidiaries and associate	s		68,564.00	(1)	7,612.80 (2)						76,176.80			
TOTAL				68,564.00		7,612.80	0.00		0.00	0.00	0.00	76,176.80	0.00		0.00

<sup>(1)</sup> Compensation for the offices held in: Popolare Vita S.p.A., Tenute del Cerro S.p.A. and Unipol Banca S.p.A.

<sup>(2)</sup> Compensation for the office of member of the Supervisory Body of Unipol Banca S.p.A.

						Variable no	n-eq	quity compensation					Fair value of equity fee	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	Bonus and othe incentives	er	Profit sharing	Non-monetar benefits	у	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
BUSSO Donatella	Alternate Auditor	1/1-31/12/2017	2017 Financial Statements											
Compensation from the	company that draws up	the financial state	ements											
Compensation from sub	sidiaries and associate	s												
TOTAL				0.00	0.00	0.00		0.00	0.00	)	0.00	0.00	0.00	0.00

							Variable nor	n-eq	quity compensation				Fair value of equity fee	5
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation		Compensation for participation in committees	Bonus and othe incentives	er	Profit sharing	Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of
RAVICINI Luciana	Alternate Auditor	1/1-31/12/2017	2017 Financial Statements											
Compensation from the	company that draws up	the financial state	ements									0.00		
Compensation from subs	sidiaries and associate	s		5,805.48	(1)							5,805.48		
TOTAL				5,805.48		0.00	0.00		0.00	0.00	0.00	5,805.48	0.00	0.00

<sup>(1)</sup> Compensation for the offices held in: Alfaevolution Technology S.p.A. and Pronto Assistance Servizi S.c.r.l.



						Variable non-	equity compensation				Fair value of equity fees	s	
Surname and Name	Office held	Period for which office has been held	End of term in office	Fixed compensation	Compensation for participation in committees	participation in Bonus and other		Non-monetary benefits	Other compensation	Total	(referred to the maximum number of shares that may potentially be allocated at April 2020)	Compensation for end of office or termination of	
LATERZA Matteo	General Manager	1/1-31/12/2017	until revoked										
Compensation from the company that draws up the financial statements			696,589.80		314,999.99		19,983.56		1,031,573.35	862,015.98 (1)			
Compensation from subsidiaries and associates			0.00 (2)						0.00				
TOTAL				696,589.80	0.00	314,999.99	0.00	19,983.56	0.00	1,031,573.35	862,015.98	0.00	

(1) Fair value at 31 December 2017 of 1/3 of the maximum number of ordinary shares of Unipol Gruppo and UnipolSai, that may potentially be allocated in 2020 at the end of the vesting period (2016-2018), subject to the achievement of the objectives and the fulfilment of the terms and the conditions of the 2016-2018 Plan, including the additional bonus.

(2) Compensation totalling Euro 62,125.68 for the offices held in Compagnia Assicuratrice Linear S.p.A., Popolare Vita S.p.A. and Unisalute S.p.A. is not shown. Compensation not received but paid directly to Unipol Gruppo S.p.A.

		End of term in office	Fixed compensation	Compensation for participation in committees	Variable non-	equity compensation			Total	Fair value of equity fees	
Office held	Period for which office has been held				Bonus and other incentives	Profit sharing	Non-monetary benefits	Other compensation			Compensation for end of office or termination of employment
KEY MANAGERS (21) (*)	1/1-31/12/2017			•				•			
Compensation from the company that draws up the financial statements			6,269,926.33 (1)	20,000.00	2,801,731.50 (2	2)	452,877.43 (	3)	9,544,535.26	6,813,861.65 (4)	
Compensation from subsidiaries and associates			0.00 (5)	23,000.00 (6)					23,000.00		
TOTAL			6,269,926.33	43,000.00	2,801,731.50	0.00	452,877.43	0.00	9,567,535.26	6,813,861.65	0.00

(\*) Of which 20 on 31 December 2017.

(1) Said amount includes the sum of Euro 85,145.16 paid by Unipol Gruppo, as the consideration for the secondment of several Key Managers.

(2) Said amount, relating to 2016 but paid in 2017, includes the sum of Euro 38,274.73 paid by Unipol Gruppo for the secondment of several Key Managers.

(3) Said amount includes the sum of Euro 7,262.71 paid by Unipol Gruppo for the secondment of several Key Managers.

(4) Fair value at 31 December 2017 of 1/3 of the maximum number of ordinary shares of Unipol Gruppo and UnipolSai, that may potentially be allocated in 2020 at the end of the vesting period (2016-2018), subject to the achievement of the objectives and the fulfilment of the terms and the conditions of the 2016-2018 Plan, including the additional bonus. The amount includes the sum paid by Unipol Gruppo for the secondment of several Key Managers.

(5) Compensation totalling Euro 645,646.58 is not shown. Compensation not received but paid directly by the respective companies to Unipol Gruppo S.p.A. and to UnipolSai Assicurazioni S.p.A.

(6) Fees (Euro 9,000.00) for attendance at meetings of the committees of associates not received but paid directly by the company to Unipol Gruppo S.p.A. and compensation paid for the Supervisory Body in subsidiaries and associates.



# Table 2 - Stock options assigned to members of the Management body, General Managers and other Key Managers

Table 2 is not completed as there are no stock option based incentive plans.



# Table 3A - Incentive plans based on financial instruments other than stock options, for members of the Management body, the General Manager and other Key Managers

		Financial instruments allocated in previous years not vested during the year			Financial instruments allocated during the year					Financial instruments vested during the year and not allocated			Financial instruments relating to the year
(A)	(B)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Surname and Name	Office held	Plan	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value on allocation date		Allocation date	Market price on allocation	Number and type of financial instruments	Number and type of financial instruments	Value on maturity date	Fair value (referred to the maximum number of shares that may potentially be allocated at April 2020)
(I) Compensation from	the company that dra	aws up the financial statements											
LATERZA Matteo	General Manager	LTI 2016 - 2018	342,946 Ord. Shares Unipol Gruppo 633,870 Ord. Shares UnipolSai	2016 - 2018									Euro 862,015.98
Other Key (21)		LTI 2016 - 2018	2,708,053 Ord. Shares Unipol Gruppo 5,005,314 Ord. Shares UnipolSai	2016 - 2018									Euro 6,813,861.65 (**)
(III) Total													Euro 7,675,877.64

<sup>(\*)</sup> Of which 20 on 31 December 2017.

Column (2): maximum number of Shares that may be allocated, in three tranches starting from 2019 and for the following two years, subject to the achievement of the objectives and to the fulfilment of the terms and conditions of the 2016-2018 Plan.

Column (12): the amount, referred to the year 2017, inclusive of any Additional Bonus to be recognised only if all of the conditions prescribed by the 2016-2018 Plan have been fulfilled.

Column (12)(\*\*): the amount, referred to the year 2017, including any Additional Bonus to be recognised to Key Managers only if all of the conditions prescribed by the 2016-2018 Plan have been fulfilled, which will be incurred for a maximum of Euro 73,857.88 by Unipol Gruppo to which Key Managers of the Company are partially seconded.



## Table 3B - Monetary incentive plans for members of the Management body, the General Manager and other Key Managers

		(1)		(2)			(3)		(4)
				Annual bonus		Bor	Other bonuses		
Surname and Name	Office held	Plan	(A)	(B)	(C)	(A)	(B)	(C)	
Surname and Name	Office field	Fiaii	To be Paid /	Deferred	Deferred period	No longer	To be Paid /	Still deferred	
			Paid	Deterred	Deferral period	payable	Paid	Suii delerred	
(I) Compensation from t	he company that draws ι	up the financial statements							
LATERZA Matteo	General Manager	STI 2016-2018		Euro			Euro	Euro	
LATERZATVAILEO	General Manager	3112010-2018		506,249.99			314,999.99	157,500.00	
Other Key	Managers			Euro			Euro	Euro	
•	•	STI 2016-2018		4,720,536.46			2,801,731.50	1,400,865.75	
(21	)(*)			(**)			(***)	(****)	
			Euro			Euro	Euro		
(III) Total				5,226,786.44			3,116,731.49	1,558,365.74	

#### (\*) Of which 20 on 31 December 2017.

Column (2)(B): maximum amount of the STI incentive for 2017, including any Additional Bonus, payment of which will be made in 2018, without prejudice to the effects of the Additional Bonus for Key Managers, on fulfilment of the conditions envisaged by the 2016-2018 Plan.

Column (2)(B) (\*\*): value comprehensive of any Additional Bonus, which will be incurred for a maximum of Euro 63,092.42 by Unipol Gruppo to which the Key Managers of the Company are partially seconded.

Column (3)(B): amount of the STI for the year 2016, disbursed in 2017.

Column (3)(B) (\*\*\*): part of that amount was incurred for Euro 38,274.73 by Unipol Gruppo to which some Key Managers of the Company are partially seconded.

Column (3)(C): amount relating to any Additional Bonus, which, after verifying that the disbursement conditions laid out in the 2016-2018 Plan have been met, will be disbursed in 2019.

Column (3)(C)(\*\*\*\*): part of that amount will be incurred for a maximum of Euro 19,137.37 by Unipol Gruppo to which some Key Managers of the Company are partially seconded.



# Shareholdings of members of the Administration and Control Bodies, the General Manager and Key Managers

TABLE 1: Shareholdings of members of the Administration and Control Bodies and of General Managers

Surname and Name	Office held	Investee company	Class of shares	Number of shares held at the end of the previous year	Number of shares purchased	Number of shares sold	Number of shares held at the end of the current year
CERCHIAI Fabio	Deputy Chairman	UnipolSai Assicurazioni S.p.A.	ORD	30,000	70,000	-	100,000
DE BENETTI Cristina	Director 9/11-31/12/2017	UnipolSai Assicurazioni S.p.A.	ORD	4,000 (a)	-	-	4,000
GIOVETTI Vittorio	Director 10/05-31/12/2017	UnipolSai Assicurazioni S.p.A.	ORD	9,650 (b)	-	-	9,650

<sup>(</sup>a) shares held at 9 November 2017.

<sup>(</sup>b) shares held at 10 May 2017.



**Table 2: Shareholdings of other Key Managers** 

Number of Key Managers	Investee company	Class of shares	Number of shares held at the end of the previous year	Number of shares purchased	Number of shares sold	Number of shares held at the end of the current year
21 (*)	UnipolSai Assicurazioni S.p.A.	ORD	3,600	ı	ı	3,600 (**)

<sup>(\*)</sup> Of which 20 on 31 December 2017.

<sup>(\*\*)</sup> Of which 1,100 shares held by spouse.



# PART THREE - Audits conducted by Internal Control Functions

In accordance with and pursuant to Article 23 of the ISVAP Regulation, the Internal control functions of insurance companies conduct audits, within their scope of responsibility, on the implementation of the remuneration policies adopted at least once a year.

The activities and the results of said audits are summarised below.

# EX ANTE AUDITS OF THE COMPLIANCE AND RISK MANAGEMENT FUNCTIONS

The Compliance and Risk Management Functions have examined the Remuneration policies that will be submitted to the approval of the Shareholders' Meeting of UnipolSai convened to approve the 2017 financial statements.

The results of these audit activities have confirmed, as regards the Compliance Function, the compliance of said Remuneration policies with the internal and external reference legislative framework and, as regards the Risk Management Function, the consistency of the objectives, the principles of the same Policies and their application with respect to that envisaged by the ISVAP Regulation, especially as regards sound and prudent risk management.

# **EX POST AUDITS OF THE AUDIT FUNCTION**

The Audit Function must ensure that the Remuneration policies are correctly applied, in accordance with the guidelines established by the Board of Directors, with a view to the efficiency and protection of the Company's assets.

To this end, audits have been conducted to ensure consistency between that implemented in 2017 and that envisaged by the "Remuneration Policies of Insurance Companies for 2017", adopted by the pertinent bodies of UnipolSai.

No irregularities emerged from said audits.





REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETING ON ITEM NO. 5 ON THE AGENDA OF THE ORDINARY MEETING

Acquisition and disposal of treasury shares and shares of the parent company. Related and consequent resolutions.

# Dear Shareholders,

it should preliminarily be recalled that the ordinary Shareholders' Meeting of UnipolSai Assicurazioni S.p.A. (also the "Company"), convened on 27 April 2017, authorised the Board of Directors to purchase and dispose of treasury shares within the meaning of Arts. 2357 and 2357-ter of the Italian Civil Code, and of shares of the holding company Unipol Gruppo S.p.A. ("Unipol"), pursuant to Article 2359-bis of the Italian Civil Code, for a period of 18 months from the decision of the Meeting, for a maximum amount, respectively, of €100m and €50m.

It is hereby proposed that the aforesaid authorisations be granted again, upon revocation of the previous resolution referred to above, for the duration of 18 months from the date on which the Meeting shall adopt the corresponding resolution, for the reasons and according to the procedures and terms specified below.

# Reasons and purposes of the request

The authorisation for the acquisition and disposal of treasury shares aims to provide the Company with an instrument to pursue, in the interests of the Company itself and in accordance with applicable legislation and regulations and accepted market practices, the following objectives:

- to intervene, directly or through intermediaries, to promote the smooth conduct of trading, against distortions due to an excessive volatility or insufficient market liquidity;
- to take the opportunity to maximise the value that can be derived from market trends - and thus also by pursuing trading objectives - or connected with strategic transactions of interest for the Company;
- to use treasury shares as an investment object for the efficient use of the liquidity generated by the core activity of the Company;
- to allocate the shares to implement the compensation plans based on financial instruments, pursuant to Art. 114-bis of Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on Finance, the "TUF");
- to use these shares to ensure, if necessary, the overall consistency of transactions that create the need to place fractional shares.

The request for authorisation to purchase treasury shares is not, at present, directed at reductions of the share capital of the Company through the cancellation of treasury shares purchased.



The authorisation for the acquisition and disposal of shares of the holding company Unipol (the "Unipol Shares") aims to provide UnipolSai with an instrument to pursue, in the interests of the Company and in accordance with applicable legislation and regulations and accepted market practices, the following objectives:

- to take the opportunity to maximise the value that can be derived from market trends - and thus also by pursuing trading objectives - or connected with strategic transactions of interest for the Company;
- to use said shares as a form of investment for the efficient use of the liquidity generated by the core activity of the Company and/or for the allocation of the shares to implement the compensation plans based on financial instruments, pursuant to Art. 114-bis of the Consolidated Law on Finance.

The Company did not use the authorisation to acquire treasury shares during 2017. In February 2018, UnipolSai sold 5,205,640 treasury shares.

With regard to the Unipol Shares, the changes in the course of 2017 regarded the allocation, on 3 July, of 1,191,106 Unipol Shares to the executives of the Company to implement the share-based compensation plan based on financial instruments for the 2013-2015 period, approved by the Ordinary Shareholders' Meeting of the Company on 29 April 2013, as amended by the Ordinary Shareholders' Meeting on 29 April 2014.

<u>Number of shares that may be purchased and procedures for executing the purchases and sales</u>

# At the present date:

- the share capital of UnipolSai, fully subscribed and paid up, is equal to Euro 2,031,456,338.00, divided into 2,829,717,372 ordinary shares with no nominal value; at the date of this report, the Company holds a total of 50,144,045 ordinary shares, of which 1,800,000 directly (equal to 0.064% of the share capital) and 48,344,045 indirectly (equal to 1.708% of the share capital), through the following subsidiaries:
  - Unipolsai Finance S.p.A. for 38,454,775 shares;
  - Unipolsai Nederland BV for 9,443,258 shares;
  - Pronto Assistance S.p.A. for 344,312 shares;
  - Popolare Vita S.p.A. for 101,700 shares;
- the share capital of Unipol is equal to Euro 3,365,292,408.03, fully subscribed and paid up, divided into 717,473,508 ordinary shares with no nominal value. At the date of this report, the Company owns 2,374,398 Unipol shares, equal to 0.331% of the share capital.

# We propose that:

(i) the acquisition of treasury shares and Unipol Shares may be carried out up to



the maximum amounts permitted by law and accepted market practice, in the manner provided for by Art. 132 of the Consolidated Law on Finance and Art. 144-*bis*, Par. 1, let. a), b), c) and d-*ter*) of CONSOB Regulations no. 11971 of 14 May 1999 as amended (Issuers' Regulation), as well as by any other provision, including the rules laid down in Regulation (EU) no. 596/2014 and its implementing rules, national and European, where applicable;

(ii) the sale of treasury shares and of Unipol Shares shall be made in the manner permitted by law, including by carrying out, one or more times, subsequent acquisitions and sales, until the expiry of the term of the authorisation.

It is proposed that a maximum spending limit of €100,000,000 be established for the acquisitions of treasury shares and of €50,000,000 for the Unipol Shares.

The maximum number of treasury shares and Unipol Shares that may be acquired must be understood as the difference between the shares purchased and those sold after authorisation by the Shareholders' Meeting, and therefore referring to the additional number of treasury shares and Unipol Shares that the Company may hold in its portfolio at any given time.

# Price of the purchases and sale of treasury shares and of the holding company

Both the purchases and the sale of treasury shares and the shares of the holding company Unipol shall be made at a price of no more than 15% and no less than 15% of the reference price recorded by the respective securities on the trading day before the date of each transaction. Said parameters are deemed adequate to identify the range of values within which the purchase and sale of the shares is of interest for the Company.

\*\*\* \*\*\*

The Board of Directors therefore hereby submits the following resolution proposal to the Ordinary Shareholders' Meeting.

# Proposal

The Ordinary Shareholders' Meeting of UnipolSai Assicurazioni S.p.A. (the "Company"),

- after reviewing the report prepared by the Board of Directors and acknowledging the proposal there made;
- having viewed the financial statements as at 31 December 2017;
- bearing in mind the provisions of Arts. 2357, 2357-ter and 2359-bis of the Italian
   Civil Code;
- having acknowledged that the Company presently holds 50,144,045 ordinary



treasury shares, of which 1,800,000 directly and 48,344,045 indirectly, through the subsidiaries indicated in the report;

 having further acknowledged that the Company holds 2,374,398 shares of its own holding company Unipol Gruppo S.p.A. (the "Holding Company"),

# hereby resolves

- to revoke the previous resolution to authorise the purchase and/or the sale of treasury shares and shares of the Holding Company, passed by the Ordinary Shareholders' Meeting of 27 April 2017;
- (ii) to authorise, for a period of 18 months from the present Shareholders' Meeting resolution, the purchase and disposal of treasury shares, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code and in compliance with the maximum spending limit of €100,000,000, as well as the purchase and disposal of shares of the Holding Company, pursuant to Art. 2359-bis of the Italian Civil Code and in compliance with the maximum spending limit of €50,000,000, with the procedures and conditions specified below. The acquisition and disposal of treasury shares and shares of the Holding Company may be carried out, in compliance with applicable legislation and regulations, in the quantities and according to the procedures set out below:
  - the acquisition may be made up to the maximum amounts permitted by law and accepted market practice, in the manners provided for by Art. 132 of Italian Legislative Decree no. 58 of 24 February 1998 (Consolidated Law on Finance) and Art. 144-bis, Par. 1, let. a), b), c) and d-ter) of CONSOB Regulations no. 11971 of 14 May 1999 as amended (Issuers' Regulation), as well as by any other provision, including the rules laid down in Regulation (EU) no. 596/2014 and its implementing rules, national and European, where applicable.

The maximum number of treasury shares and shares of the Holding Company that may be acquired must be understood as the difference between the shares purchased and those sold after authorisation by the Shareholders' Meeting, and therefore as referring to the additional number of treasury shares and shares of the Holding Company that the Company may hold in its portfolio at any given time;

- the disposal may be made in the manner permitted by law, also by carrying out, one or more times, a series of acquisition and sale transactions, until the expiry of the term of the authorisation;
- the acquisition and disposal may be carried out at a price of no more than 15% and no less than 15% of the reference price recorded by the respective securities on the trading day prior to the date of each transaction, and in any case in compliance with the above maximum limit of €100,000,000 expenditure for treasury shares and €50,000,000



for the shares of the Holding Company;

(iii) to vest the Board of Directors - and through this, the Chairman and the General Manager, separately from each other and also through special power of attorney - with all broadest powers to carry out the purchases and/or disposals of treasury shares and shares of the parent company.

Bologna, 22 March 2018

The Board of Directors





REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETING ON ITEM NO. 1 ON THE AGENDA OF THE EXTRAORDINARY MEETING

Amendment to Article 13 ("Board of Directors") of the By-Laws. Related and consequent resolutions.

Dear Shareholders,

the Board of Directors has called this Extraordinary Shareholders' Meeting to resolve on the amendment of Art. 13 ("Board of Directors") of the By-Laws of UnipolSai S.p.A. (the "Company"), for the reasons described below.

The article in question governs, *inter alia*, the procedures for the composition of lists for the appointment of members of the Board of Directors by the Ordinary Shareholders' Meeting, establishing, in particular, that "[t]he Directors are appointed by the Shareholders' Meeting on the basis of lists presented by the persons entitled thereto, which must contain a number of candidates not lower than nine and not higher than nineteen, listed by consecutive number".

The amendments proposed to such article are in line with CONSOB's guidelines and with best market practices and aim to make the submission of lists easier for the appointment of minority directors. In particular, the proposed amendment to the bylaws is intended to allow for the submission of "short" lists, i.e. without the obligation of specifying a minimum number of candidates (lists which, therefore, could contain even only one candidate). When this amendment is made, some specifications will also be made to the formulation of the clause as a whole.

We provide side by side the text of Article 13 of the By-Laws of the Company, in the current version and in the version where the amendments proposed are in bold characters.

Current text	New text
Article 13 - Board of Directors	Article 13 - Board of Directors
The Company is managed by a Board of Directors composed by no less than nine and no more than nineteen members, appointed by the Shareholders' Meeting — which determines also their number — pursuant to the terms indicated below.	[unchanged]
The Directors cease from office and	[unchanged]



Current text	New text
are reappointed or replaced in accordance with the provisions of law and these By-Laws.	
The Directors must possess the requisites set forth by the applicable provisions of law in force at the time.	[unchanged]
The Directors are appointed by the Shareholders' Meeting on the basis of lists presented by the persons entitled thereto, which must contain a number of candidates not lower than nine and not higher than nineteen, listed by consecutive number. The lists must include a number of candidates belonging to the less represented gender which ensures that each list complies with gender balance prescriptions at least in the minimum measure required by the law, including regulations, in force at the time.	The Directors are appointed by the Shareholders' Meeting on the basis of lists presented by the persons entitled thereto, which must contain a number of candidates not lower than nine and not higher than nineteen, listed by consecutive number. The lists which contain a number of candidates equal to or higher than three must include a number of candidates belonging to the less represented gender which ensures that each list complies with gender balance prescriptions at least in the minimum measure required by the law, including regulations, in force at the time.
Each list must include and specifically identify at least two candidates who possess the same requisites of independence prescribed for the Statutory Auditors by Art. 148, Paragraph 3, of Legislative Decree 58/1998 and subsequent amendments and supplements. If only two candidates meet these requirements, then such candidates cannot be allocated the last two consecutive numbers on each list.	Each list must include and specifically identify at least two candidates who possess the same requisites of independence prescribed for the Statutory Auditors by Art. 148, Paragraph 3, of Legislative Decree 58/1998 and subsequent amendments and supplements. Without prejudice to the foregoing, the lists containing a number of candidates equal at least to the minimum number of members of the Board of Directors laid out in these By-Laws must also contain and expressly specify some parties meeting the independence



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Current text	New text
	requirements established by legislation and regulations in force at the time. If enly two the number of candidates meet meeting these requirements is equal to the minimum number established by the abovementioned legislation, the last consecutive number of such lists cannot be assigned to an independent candidate. Then such candidates cannot be allocated the last two consecutive numbers on each list.
Each person presenting a list, the parties to a material shareholders' agreement for the purposes of Art. 122 of Legislative Decree 58/1998 regarding financial instruments issued by the Company, the controlling person and the subsidiaries of, as well as the companies under common control with, the person presenting the list pursuant to Art. 93 of Legislative Decree 58/1998, cannot present or participate in the presentation, not even through a third party or a fiduciary company, of more than one list or vote, not even through a third party or a fiduciary company, for lists other than the list they have presented individually or jointly with others. Any support and votes cast in breach of such provision shall not be allocated to any list.  A candidate can appear on only one list, on pain of ineligibility.	[unchanged]
Shareholders who, individually or jointly with others, hold in the	Shareholders who, individually or jointly with others, hold in the



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aggregate the shareholding	New text aggregate the shareholding
aggregate the shareholding determined in accordance with the provisions of law and regulations in force at the time and which shall be from time to time indicated in the notice of call of the Shareholders' Meeting, are entitled to present a list.	aggregate the shareholding determined in accordance with the provisions of law and regulations in force at the time and which shall be from time to time indicated in the notice of call of the Shareholders' Meeting, are entitled to present a list.
Ownership of the shareholding required for submitting lists is based on the shares registered to the Member(s)/proxy(ies) on the day on which the lists are deposited with the Company.	[unchanged]
The lists, executed by those submitting such lists, must be deposited at the registered office of the Company at least 25 (twenty-five) days before the date of the Shareholders' Meeting called to resolve on the appointment of the members of the Board of Directors; such term is indicated in the notice of call, without prejudice to any other form of publicity provided by the laws in force at the time.	[unchanged]
Simultaneously and jointly with each list, those presenting the list must deposit at the registered office (i) the statements by which all candidates accept their nomination and attest, under their own liability, that there are no grounds for their ineligibility and incompatibility, as well as that they possess the requisites prescribed for their position; (ii) a curriculum vitae including the personal and professional data of each candidate with indication, where applicable, of the eligibility of the same as	[unchanged]



Current text	New text
independent as well as (iii) any other information required by law or regulation, which shall be indicated in the notice of call of the Shareholders' Meeting.	
Together with each list must be delivered to the Company – also after the deposit of the list itself but in any event by and no later than the deadline prescribed by the laws, including regulations, applicable at the time to the publication of the lists by the Company – the communication of a legally authorized intermediary attesting the ownership of the minimum share capital percentage prescribed by the provisions of law in force at the time of the presentation of the list.	[unchanged]
The lists presented in breach of the provisions above shall be disregarded.	[unchanged]
The Directors are elected among the candidates of the two lists which have obtained the highest number of votes, as indicated below:	[unchanged]
i) from the list which has obtained the highest number of votes are elected all the Directors to be appointed minus the Director elected from the list which has obtained the second highest number of votes in accordance with the provisions of point ii) below;	
ii) from the list which has obtained the second highest	



Current text	New text
number of votes is elected the candidate indicated in such list with the first consecutive number, on condition that such list has obtained a percentage of votes at least equal to half the percentage required by these By-Laws to present the list and on the further condition that such list is not connected in any way whatsoever, not even indirectly, to those who have presented or voted for the list which has obtained the highest number of votes. Failing such latter condition, the Director shall be elected from the list which has obtained the third highest number of votes to the extent that it fulfils both the conditions indicated above, and so forth so on. If none of the lists other than the list which has obtained the highest number of votes meets both the conditions above, all the Directors shall	New text
In addition, if the appointment of candidates elected from the lists in accordance with the provisions above does not consent a composition of the Board of Directors consistent with the provisions of law on gender balance in force at the time, the last candidate by consecutive number of the more represented gender elected from the list which has obtained the highest number of votes shall be	[unchanged]



Current text	New text
replaced with the candidate of the less represented gender non-elected from that same list, without prejudice in any event to the requirement to have the number of independent Directors prescribed by the law in force at the time.	
If only one list or no lists are presented, the Shareholders' Meeting resolves with the majorities provided by law, disregarding the voting list mechanism set forth above, without prejudice in any event to the requirements of the applicable provisions of law in force at the time regarding gender balance and the presence of a number of independent Directors at least matching the minimum number required by the applicable provisions of law.	If only one list or no lists are presented, or if the lists submitted do not contain a sufficient number of candidates to ensure the appointment of the minimum number of Directors established pursuant to the foregoing, the Shareholders' Meeting resolves with the majorities provided by law, disregarding the voting list mechanism set forth above, without prejudice in any event to the requirements of the applicable provisions of law in force at the time regarding gender balance and the presence of a number of independent Directors at least matching the minimum number required by the applicable provisions of law.
All the above is without prejudice to any further mandatory provision of law or regulation.	[unchanged]
	The voting by list mechanism applies only in the case of the appointment of the entire Board of Directors.
If during the fiscal year one or more Directors cease from office, to the extent and on condition that the majority of the Directors appointed by the Shareholders' Meeting remains in	[unchanged]



Current text	New text
office, the provisions of Art. 2386 of the Italian Civil Code shall apply, as indicated below:  a) the Board of Directors selects the new Director from the same list to which the ceased Director belonged and the Shareholders' Meeting resolves, with the majorities provided by law, on the basis of the same criteria;  b) if there are no more candidates non-elected from the said list or there are no candidates possessing the prescribed requisites, or if for any reason whatsoever it is not possible to proceed pursuant to letter a), the Board of Directors first, and the Shareholders' Meeting thereafter, resolve on the replacement with the majorities provided by law, disregarding the voting list mechanism.	
The provisions of letter b) above shall also apply when the Board of Directors has been appointed without the voting list mechanism in light of the fact that only one list or no lists at all were presented.	[unchanged]
In any case, the Board of Directors and the Shareholders' Meeting shall proceed with the appointments, with the view to ensure the presence of the number of independent Directors prescribed by the law in force at the time and the compliance with the prescriptions on gender balance in	[unchanged]



Current text	New text
force at the time.	
Should, following resignation or for other causes, the majority of the Directors appointed by the Shareholders' Meeting cease from office, the entire Board of Directors shall be deemed as having resigned and the Directors remained in office shall be required to convene the Shareholders' Meeting for the appointment of the entire new Board.	[unchanged]
The Directors - in possess of the requisites prescribed by the applicable laws — cannot be appointed for a term higher than three fiscal years, cease from office on the date of the Shareholders' Meeting called to approve the financial statements regarding the last fiscal year of their office and may be reelected; the Directors appointed during the same three-year term cease from office together with the Directors already in office when the former were appointed.	[unchanged]

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Please note that the proposed amendments to the By-Laws do not provide the Shareholders with the right of withdrawal if they do not approve of them, as they are not sufficient to provide the right of withdrawal as identified by Art. 2437 of the Italian Civil Code.

In addition, please recall that the effectiveness of the proposed amendments to the By-Laws is subject - aside from the approval of the Shareholders' Meeting, also to approval by IVASS, pursuant to Art. 196 of Legislative Decree no. 209 of 7 November 2005.

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The Board of Directors therefore hereby submits the following resolution proposal to the Extraordinary Shareholders' Meeting.

## **Proposal**

The Extraordinary Meeting of the Shareholders of UnipolSai S.p.A.,

after reviewing the report of the Board of Directors,

hereby resolves

1. to amend Article 13 of the By-laws as follows:

## "Article 13 - Board of Directors

The Company is managed by a Board of Directors composed by no less than nine and no more than nineteen members, appointed by the Shareholders' Meeting – which determines also their number – pursuant to the terms indicated below.

The Directors cease from office and are reappointed or replaced in accordance with the provisions of law and these By-Laws.

The Directors must possess the requisites set forth by the applicable provisions of law in force at the time.

The Directors are appointed by the Shareholders' Meeting on the basis of lists presented by the persons entitled thereto, which must contain a number of candidates not higher than nineteen, listed by consecutive number. The lists which contain a number of candidates equal to or higher than three must include a number of candidates belonging to the less represented gender which ensures that each list complies with gender balance prescriptions at least in the minimum measure required by the law, including regulations, in force at the time.

Without prejudice to the foregoing, the lists containing a number of candidates equal at least to the minimum number of members of the Board of Directors laid out in these By-Laws must also contain and expressly specify some parties meeting the independence requirements established by legislation and regulations in force at the time. If the number of candidates meeting these requirements is equal to the minimum number established by the abovementioned legislation, the last consecutive number of such lists cannot be assigned to an independent candidate.

Each person presenting a list, the parties to a material shareholders' agreement for the purposes of Art. 122 of Legislative Decree 58/1998 regarding financial instruments issued by the Company, the controlling person and the subsidiaries of, as well as the companies under common control with, the person presenting the list pursuant to Art. 93 of Legislative Decree 58/1998, cannot present or participate in the presentation, not even through a third party or a fiduciary



company, of more than one list or vote, not even through a third party or a fiduciary company, for lists other than the list they have presented individually or jointly with others. Any support and votes cast in breach of such provision shall not be allocated to any list.

A candidate can appear on only one list, on pain of ineligibility.

Shareholders who, individually or jointly with others, hold in the aggregate the shareholding determined in accordance with the provisions of law and regulations in force at the time and which shall be from time to time indicated in the notice of call of the Shareholders' Meeting, are entitled to present a list.

Ownership of the shareholding required for submitting lists is based on the shares registered to the Member(s)/proxy(ies) on the day on which the lists are deposited with the Company.

The lists, executed by those submitting such lists, must be deposited at the registered office of the Company at least 25 (twenty-five) days before the date of the Shareholders' Meeting called to resolve on the appointment of the members of the Board of Directors; such term is indicated in the notice of call, without prejudice to any other form of publicity provided by the laws in force at the time.

Simultaneously and jointly with each list, those presenting the list must deposit at the registered office (i) the statements by which all candidates accept their nomination and attest, under their own liability, that there are no grounds for their ineligibility and incompatibility, as well as that they possess the requisites prescribed for their position; (ii) a curriculum vitae including the personal and professional data of each candidate with indication, where applicable, of the eligibility of the same as independent as well as (iii) any other information required by law or regulation, which shall be indicated in the notice of call of the Shareholders' Meeting.

Together with each list must be delivered to the Company – also after the deposit of the list itself but in any event by and no later than the deadline prescribed by the laws, including regulations, applicable at the time to the publication of the lists by the Company – the communication of a legally authorized intermediary attesting the ownership of the minimum share capital percentage prescribed by the provisions of law in force at the time of the presentation of the list.

The lists presented in breach of the provisions above shall be disregarded.

The Directors are elected among the candidates of the two lists which have obtained the highest number of votes, as indicated below:

i) from the list which has obtained the highest number of votes are elected all the Directors to be appointed minus the Director elected from the list



- which has obtained the second highest number of votes in accordance with the provisions of point ii) below;
- ii) from the list which has obtained the second highest number of votes is elected the candidate indicated in such list with the first consecutive number, on condition that such list has obtained a percentage of votes at least equal to half the percentage required by these By-Laws to present the list and on the further condition that such list is not connected in any way whatsoever, not even indirectly, to those who have presented or voted for the list which has obtained the highest number of votes. Failing such latter condition, the Director shall be elected from the list which has obtained the third highest number of votes to the extent that it fulfils both the conditions indicated above, and so forth so on. If none of the lists other than the list which has obtained the highest number of votes meets both the conditions above, all the Directors shall be elected from the latter list.

In addition, if the appointment of candidates elected from the lists in accordance with the provisions above does not consent a composition of the Board of Directors consistent with the provisions of law on gender balance in force at the time, the last candidate by consecutive number of the more represented gender elected from the list which has obtained the highest number of votes shall be replaced with the candidate of the less represented gender non-elected from that same list, without prejudice in any event to the requirement to have the number of independent Directors prescribed by the law in force at the time.

If only one list or no lists are presented, or if the lists submitted do not contain a sufficient number of candidates to ensure the appointment of the minimum number of Directors established pursuant to the foregoing, the Shareholders' Meeting resolves with the majorities provided by law, disregarding the voting list mechanism set forth above, without prejudice in any event to the requirements of the applicable provisions of law in force at the time regarding gender balance and the presence of a number of independent Directors at least matching the minimum number required by the applicable provisions of law.

All the above is without prejudice to any further mandatory provision of law or regulation.

The voting by list mechanism applies only in the case of the appointment of the entire Board of Directors.

If during the fiscal year one or more Directors cease from office, to the extent and on condition that the majority of the Directors appointed by the Shareholders' Meeting remains in office, the provisions of Art. 2386 of the Italian Civil Code shall apply, as indicated below:

a) the Board of Directors selects the new Director from the same list to



which the ceased Director belonged and the Shareholders' Meeting resolves, with the majorities provided by law, on the basis of the same criteria;

b) if there are no more candidates non-elected from the said list or there are no candidates possessing the prescribed requisites, or if for any reason whatsoever it is not possible to proceed pursuant to letter a), the Board of Directors first, and the Shareholders' Meeting thereafter, resolve on the replacement with the majorities provided by law, disregarding the voting list mechanism.

The provisions of letter b) above shall also apply when the Board of Directors has been appointed without the voting list mechanism in light of the fact that only one list or no lists at all were presented.

In any case, the Board of Directors and the Shareholders' Meeting shall proceed with the appointments, with the view to ensure the presence of the number of independent Directors prescribed by the law in force at the time and the compliance with the prescriptions on gender balance in force at the time.

Should, following resignation or for other causes, the majority of the Directors appointed by the Shareholders' Meeting cease from office, the entire Board of Directors shall be deemed as having resigned and the Directors remained in office shall be required to convene the Shareholders' Meeting for the appointment of the entire new Board.

The Directors - in possess of the requisites prescribed by the applicable laws – cannot be appointed for a term higher than three fiscal years, cease from office on the date of the Shareholders' Meeting called to approve the financial statements regarding the last fiscal year of their office and may be re-elected; the Directors appointed during the same three-year term cease from office together with the Directors already in office when the former were appointed.

2. to grant the Chairman of the Board of Directors and the General Manager, severally among them and with a right of sub-delegation, the widest powers to comply with the formalities required by law, to record the adopted resolution in the Register of Companies, with the right to make to this resolution non-substantial amendments or integrations or else required by the competent Authorities, as well as the powers to deal with the resulting legal and regulatory obligations.

Bologna, 22 March 2018

The Board of Directors



## UnipolSai Assicurazioni S.p.A.

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

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

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