

Key performance indicators

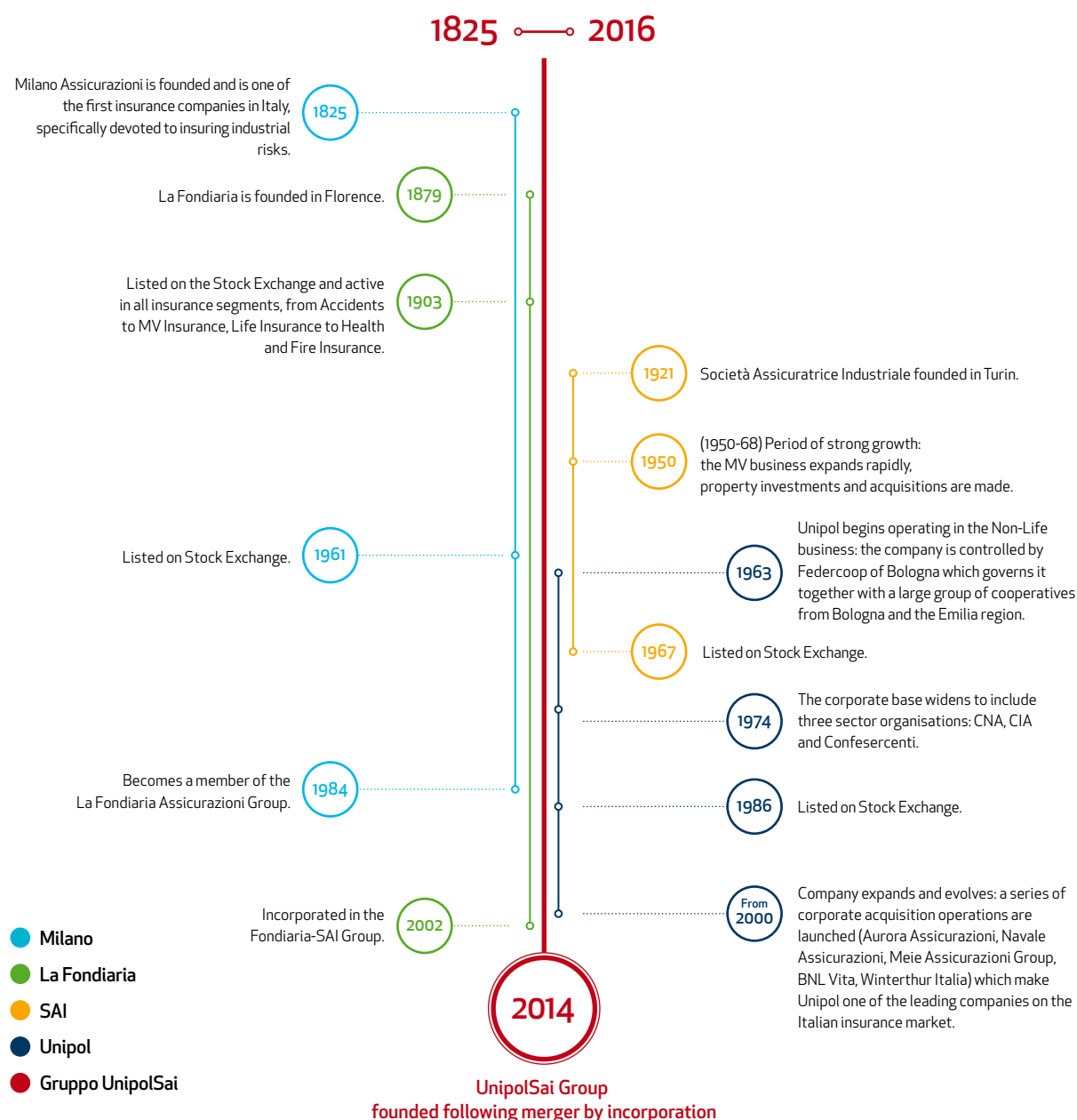
Area	Indicator	2015 Figure	
Governance	Percentage of independent BoD members according to Consolidated Law on Finance and the Code of Conduct	58%	
	Percentage women on BoD	37%	
Financial performance	Direct insurance premiums	(€m) 13,982	
	Non-Life premiums	(€m) 7,334	
	Life premiums	(€m) 6,648	
	Ratio between claims and premiums in direct business	65.4%	
	Combined ratio	93.9%	
	Solvency ratio	1.76	
	Net profit	(€m) 738	
	Value of real estate assets	(€m) 4,307	
Social performance	Shareholders	Performance of Ordinary shares	+5%
		Amount of class C, D debt instruments and equity securities and assets subjected to environmental and social screening	(€m) 48,300
		Securities compliant with sustainability criteria in investments in financial instruments, not including UCITS, on own account	99.1%
	Employees	Total number employees	9,514
		Permanent staff	97.4%
		Percentage of women	50%
		Percentage of women in management positions	24%
		Trade union members (employees)	53%
		Average number of training hours provided per employee	13
		Training hours supplied to employees	125,500
		Average investment in training per employee	(€) 179
		Customers	Number of policyholders
	Number of customers - individuals		9,728,262
	Number of customers - SMEs		1,006,162
	Number of customers - Corporate		23,901
	Number of customers - hotel facilities		1,810,900
	Settlement rate - Ratio between the claims settled and claims to be settled - UnipolSai		75.7%
	Anti-fraud activity - Number of reports of claims at risk of fraud managed by Special Areas		18,856
	Anti-fraud activity - Number of reports managed by the Anti-fraud function		7,164
	Number of complaints received (% of the number of policies)		0.39%
	Ratio between fines and claims for the Non-Life business		0.037%
	Amount of products with social and environmental value		(€m) 1,072
	Overall percentage of products with social and environmental value		12.6%
	Amount of SRI products offered and managed by UnipolSai in the pension scheme segment		(€m) 80.3
	Pension scheme segment assets corresponding to SRI products		(€m) 849.3
	Net Promoter Score - UnipolSai		9.8%
	Percentage of UnipolSai customers with compensation in-kind (compensation in the form of repairs directly managed by the Company compared with total compensation)		29.4%
	Amount of fines paid to IVASS (% of total Non-Life premiums)		0.04%
	Agents	Number of agencies in Italy	3,368
		Number of sub-agencies in Italy	5,666
		Number of branches of company agencies	302
		Total number of participants in training courses	334,059
		Total training man-hours supplied	900,318
	Suppliers	Total number of suppliers	4,700
		Impact of spending on registered suppliers	66%
		Total amount paid to suppliers	(€m) 420
		Percentage of amount paid to Italian suppliers	97%
	Community	Amount of donations made to businesses that form part of the "Libera Terra" consortium thanks to the "One euro per policy" campaign	(€) 160,000
		Number of activities performed by agents locally	3,845
Environmental performance	CO ₂ emissions - Scope 1	(tons) 9,566	
	CO ₂ emissions - Scope 2	(tons) 43,260	

The data reported have not been compared with those of 2014 owing to significant changes in the reporting perimeter and refinement of calculation methods.

IDENTITY

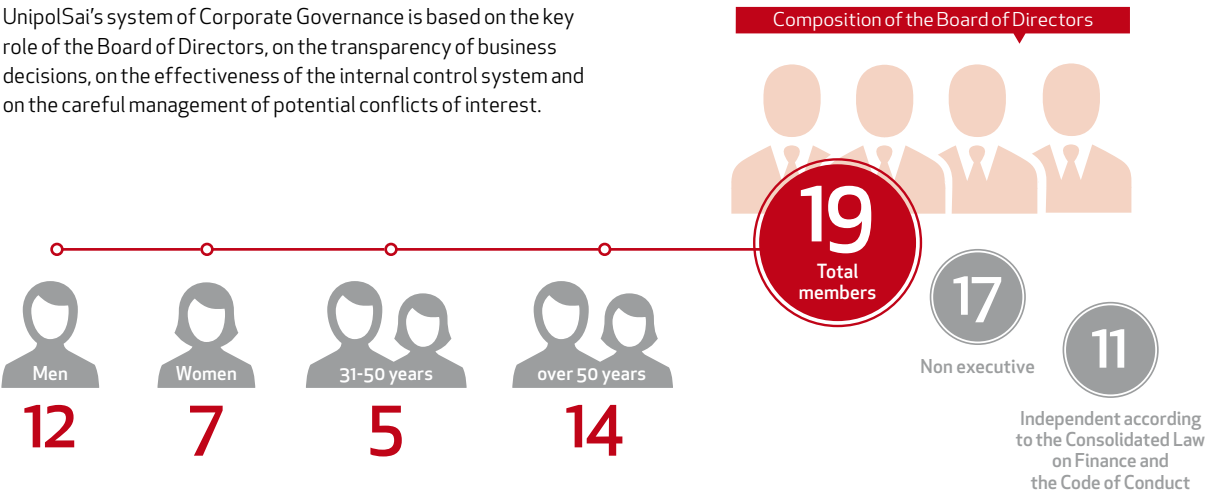
The 2013-2015 Business Plan was designed to integrate, from both an organisational and operative perspective, the numerous companies belonging to the original Groups, beginning with the most important ones. The company streamlining activities, the unification of the IT systems to support management processes and the agency network, and the synergies to help achieve the technical and financial targets of the Business Plan were the stand-out features of 2015 and made an extraordinarily valuable contribution to the national economy and to the financial stability of Italy, which has been grappling with an unprecedented crisis in the area of public finances.

The future of the UnipolSai will be shaped by the knowledge that it is possible to do business – and do it successfully – while paying attention not only to economic and profitability aspects, which are essential, but also to social and environmental aspects. The latter represent the best way of responding to the needs and requirements of people and communities. A key lever for strengthening the social role of creating economic and social cohesion is innovation to support those parties whose interests and goals are shared with the company.



Governance

UnipolSai's system of Corporate Governance is based on the key role of the Board of Directors, on the transparency of business decisions, on the effectiveness of the internal control system and on the careful management of potential conflicts of interest.



Number of Board meetings	10
Average attendance by Directors	86%
Number of meetings of the Committees	25
Number of meetings of the Management Committee	1
Number of meetings of the Appointments and Corporate Governance Committee	4
Number of meetings of the Remuneration Committee	5
Number of meetings of the Internal Auditing and Risk Committee	7
Number of meetings of the Related Party Transactions Committee	8

For more information on the composition and members of the Committees and corporate governance in general, please refer to the 2015 Annual Report on Corporate Governance and Share Ownership, which may be viewed in the Corporate Governance section of the UnipolSai company website <http://www.unipolsai.com/en/Governance/corporate-governance-system/Pages/Annual-Report.aspx>

Corporate Governance System

Since the 2006 financial year UnipolSai Assicurazioni has adhered to the recommendations contained in the Code of Conduct, implementing processes for the gradual adjustment of its corporate governance system and operating procedures.

Within the scope of the rights recognised to the **Board of Directors of UnipolSai** by the Company's By-Laws, for the purpose of increasing the efficiency and effectiveness of its actions, the Board of Directors has established five board committees:

- the **Management Committee** has advisory functions and the task of collaborating in the identification of development policies and guidelines of strategic and operational plans to be submitted to the Board of Directors;
- the **Appointments and Corporate Governance Committee** plays a propositional and advisory role in identifying the optimal composition of the Board of Directors and defining the corporate governance system;
- the **Remuneration Committee** carries out investigations, makes suggestions and submits proposals to the Board of Directors regarding, inter alia, general policies for the remuneration of Directors and Executives with strategic responsibilities, as well as the remuneration of the Chief Executive Officer and Directors who hold particular offices;
- the **Internal Auditing and Risk Committee** performs, for the Board of Directors, propositional, advisory, investigative and support activities regarding the assessments and resolutions to be issued by the Board in reference mainly to the internal control and risk management system, as well as to the approval of periodical accounting documents;
- the **Committee for Related Party Transactions** has advisory, dialectic and propositional functions with the Board of Directors and the corporate structures of UnipolSai and its subsidiaries, as regards Transactions with Related Parties, in compliance with the provisions set forth in the Regulations issued by CONSOB with resolution No. 17221 of 12 March 2010, as amended, and the internal procedure adopted by UnipolSai for carrying out these transactions.

Internal Control and Risk Management System

The UnipolSai Assicurazioni internal control and risk management system is structured in accordance with ISVAP Regulation no. 20/2008 and similarly to that of the Parent as described in its Sustainability Report.

The company's control functions report to the corresponding functions of the Parent and, as well as carrying out their activities for the company, also guarantee the outsourcing of the service for companies that have signed specific service agreements with UnipolSai.

The bodies involved in the company's internal control and risk management system are detailed at the following link:

www.unipolsai.com/en/Governance/corporate-governance-system/Pages/Internal-Control-System.aspx

For more details on the structure of the system and the main developments in this year please visit the dedicated section in the Annual Report on Corporate Governance which can be downloaded at:

www.unipolsai.com/en/Governance/corporate-governance-system/Pages/Annual-Report.aspx

Remuneration policies

UnipolSai Assicurazioni applies strict remuneration policies in accordance with the guidelines defined by the Board of Directors regarding efficiency and the safeguarding of the company's assets. The implementation of these policies is subject to periodic auditing by the Internal Control Functions.

For more details see the following link:

www.unipolsai.com/en/Governance/corporate-governance-system/Pages/Remuneration-policy-to-Board-members.aspx

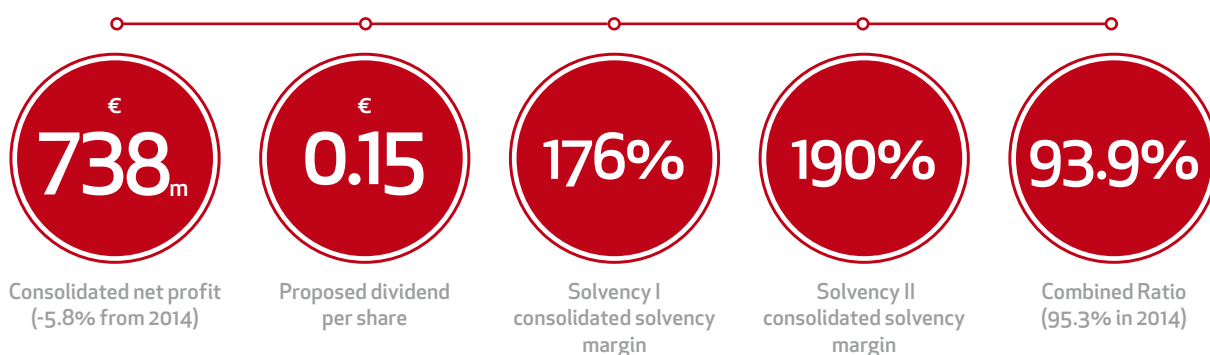
Anti-corruption and anti-money laundering measures

UnipolSai Assicurazioni's commitment to preventing corruption and money laundering is based on the adoption and effective implementation of the Group Organisation, Management and Control Model which enables the company to limit the risk of these crimes being committed through the consolidation of a structured and organic system of control procedures and activities. The company Internal Control Functions carry out specific controls to manage the risks connected with various types of crimes. More specifically, as regards the crime of money laundering, a special structure has been set up whose activities aim to guarantee full observance of the Anti-Money Laundering Regulation.

For more information on the OMM please refer to the Corporate Governance section of the UnipolSai company website:

www.unipolsai.com/en/Governance/corporate-governance-system/Pages/mog-2014.aspx

FINANCIAL PERFORMANCE



In 2015, the UnipolSai Group companies confirmed their positive operating performance in terms of income statement and financial position, in spite of the continuing tensions that characterised the financial markets and strong competitive pressure in the Non-Life business.

Direct insurance premiums, gross of reinsurance, stood at €13,982m, down by 8.8% on a comparable basis from 2014 (net of the sale of a business unit to Allianz), -12.7% including the effects of the aforesaid sale.

Non-Life direct premiums amounted to €7,334m (€8,424m in 2014, down by 12.9%), affected by the sale of the former Milano Assicurazioni agencies business to Allianz (initiated in the second half of 2014) and by sustained competitive industry dynamics in MV TPL tariffs, which - particularly for a market leader like the UnipolSai Gruppo - results in progressive decline in premiums from this class.

Life direct premiums totalled €6,648m (€7,584m at 31/12/2014, -12.3%). The decrease was due in particular to class I traditional Policies (-21.1%), which, with €3,958m, represent 59.5% of total premiums. Class III unit and index linked Policies and Class V Capitalisation Policies grew by 5.6% and 11.9% respectively. Class VI Pension Funds decreased by 6.1%.

With regard to the management of financial investments, despite tensions in equity markets, in 2015 the Group's securities portfolio was again characterized by a significant presence of Italian Government bonds and, by adopting an approach aimed at maintaining the assets' risk/return profile and consistency between the assets and liabilities to policyholders, achieved a significant yield of around 5.0% of the invested assets in the period under review.

For more detailed information, please refer to the Investor Relations page at <http://www.unipolsai.com/en/investor-relations/Pages/default.aspx>

Key financial indicators

n €m	31/12/2015	31/12/2014
Non-Life direct insurance premiums	7,334	8,424
% variation	-12.9	-9
Life direct insurance premiums	6,648	7,584
% variation	-12.3	23.6
of which Life investment products	584	50
% variation		-18.4
Direct insurance premiums	13,982	16,008
% variation	-12.7	4
Net gains on financial instruments (*)	2,048	1,784
% variation	14.8	-9.9
Consolidated profit/(loss)	738	783
% variation	-5.8	12.9
Investments and cash and cash equivalents	63,291	62,878
% variation	0.7	7.2
Technical provisions	56,095	56,228
% variation	-0.2	6.7
Financial liabilities	3,897	3,813
% variation	2.2	-14.1
Shareholders' Equity attributable to the owners of the Parent	6,278	6,295
% variation	-0.3	20.8
Group solvency ratio (Solvency I ratio)	176%	163%

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

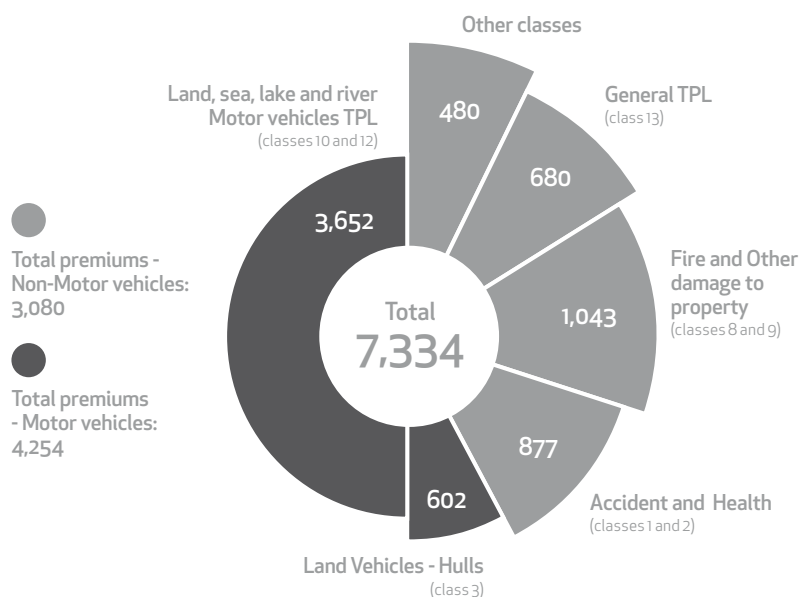
Source: UnipolSai Consolidated Financial Statements

Non-Life business - direct business

in %	31/12/2015	31/12/2014
Loss ratio	65.4%	68.1%
Expense ratio (calculated on written premiums)	28.5%	27.3%
Combined ratio	93.9%	95.3%

Source: UnipolSai Consolidated Financial Statements

Non-Life business direct premium income - in €m



In 2015 UnipolSai absorbed the companies Systema and Europa Tutela Giudiziaria; for accounting and tax purposes the merger was effective as of 1 January 2015, and contributed €6,998m to consolidated premiums.

92.4%

UnipolSai
Assicurazioni
Combined Ratio

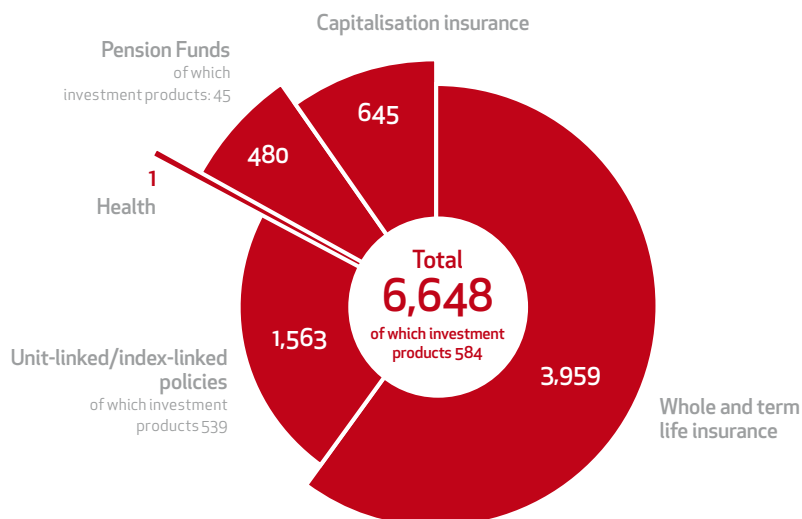
64.3%

UnipolSai
Assicurazioni
Loss Ratio

28.1%

UnipolSai
Assicurazioni
Expense Ratio

Life business direct premiums - in €m



Source: UnipolSai Consolidated Financial Statements

SOCIAL PERFORMANCE

Shareholders

Investor relations activities were carried out consistently across the Unipol Group and UnipolSai. As in the previous year, the creation of UnipolSai significantly boosted investors' interest in the financial instruments of the Unipol Group and resulted in a marked increase in the number of meetings held (in person or via conference call) with institutional investors and brokers, roadshows and conferences. In 2015, 9 financial analysts covered UnipolSai securities. At the end of 2015, with respect to ordinary UnipolSai shares, there were 3 very positive reviews, 5 neutral reviews, and no negative reviews. The average target price provided by analysts was €2.54.



In 2015, the investment policies implemented by the UnipolSai adhered, in terms of medium/long-term investments, to the general criteria of prudence and of preserving asset quality, consistent with the Guidelines defined in the Group's Investment and Liquidity Policy. The guideline for the development of investment activities was maintaining a high standard of portfolio quality through a process for the selection of issuers based on the criteria of issuer diversification and strength, placing particular attention on the liquidity profile.

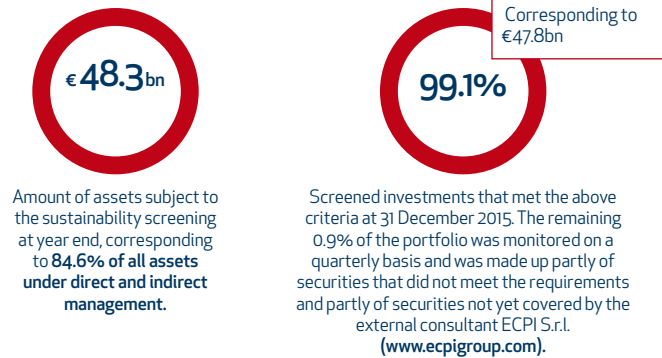
The financial management policy pursues, among others, the strategic goal of combining economic and profitability objectives with those of a social, environmental and governance nature. These objectives are pursued by evaluating the actual level of inclusion of ethical and sustainability criteria and objectives in the Group's investment portfolio. The exclusion criteria underlying the quarterly sustainability screening are supplemented with an assessment of each issuer's level of compliance with ESG criteria (expressed in a

rating that identifies the minimum acceptable standard¹).

For details on the basic sustainability screening rules, refer to the Unipol Group's Sustainability Report.

The analyses covered investments in listed and unlisted financial instruments, excluding Investment Trusts (unit trusts set up and managed by SGR, Open-Ended Investment Companies), including investments in assets held as a hedge against technical provisions, investments in open-ended pension funds, individual pension plans and unit-linked and index-linked investments managed directly by UnipolSai.

In drawing up its investment policy the Group also focussed greatly on the issue of speculation on the agricultural commodities market ('soft commodities'),



and chose not to invest either directly or indirectly (as the manager of its customers' assets) in that market. Similarly, in the area of real estate investments, UnipolSai has never invested in the purchase or acquisition of land, and has adopted a cautious approach aimed at the protection of the rights of the weaker members of society with respect to **land grabbing**, i.e. the large-scale, coercive hoarding of "unused" land, which is sold or rented to third parties (companies or governments of other countries) without the consent of the communities that live there or cultivate that land for food.

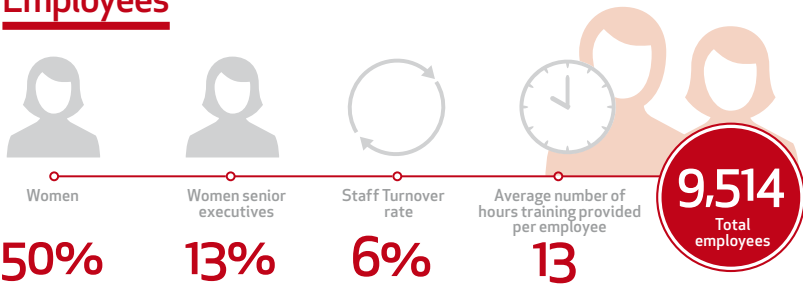
Further details are available in the Unipol Group's Sustainability Report and in the "technical articles" published in the Sustainability section of the www.unipol.it website.

1- The rating criteria for assessing compliance with the companies' ESG principles were developed in line with the ICCR guidelines of ("Principles for Global Corporate Responsibility: Benchmarks for Measuring Business Performance") and inspired by the principles developed by international organisations dedicated to responsible investments, such as the UN Global Compact (www.unglobalcompact.org), the Global Reporting Initiative (www.globalreporting.org) and UNPRI - Principles for Responsible Investment (www.unpri.org).

Alongside its attention to compliance with ESG sustainability criteria, in 2015 UnipolSai continued to invest in companies that combine profitability and risk management objectives with significant social and environmental sustainability characteristics of the investee company (Sustainable and Responsible Investments - SRIs). In particular, UnipolSai maintained its investments in the Green Economy sector, mainly in the area of renewable energy sources, and confirmed its investments in social housing.

Finally, UnipolSai applies investment selection also to supplementary pension schemes. The findings of the screening on the individual assets of open-ended pension funds, personal pension plans and individual pension schemes are found in the “Customers” section of this document.

Employees



Employees by age bracket

	No. employees	% impact
Up to 30 years	419	4%
31-40 years	2,114	22%
41-50 years	3,488	38%
51-60 years	3,187	33%
Over 60 years	306	3%
Total	9,514	100%

Source: Directorate-General for Human Resources and Organisation

The UnipolSai continued to invest in new employment, hiring 116 people (48% women) with particular focus on the under 30s (35%). Turnover, i.e. the ratio between the sum of the number of people taken on and those leaving and the total number of employees, was 6%. In accordance with the reorganisation plans, 54% of the employees that left were over 50.

Number of staff by job-level category

	Men	Women	Total
Senior Executives	133	20	153
Officers and Middle Management	1,272	418	1,690
Administrative staff	3,161	3,976	7,137
Call centre personnel	70	280	350
Blue-collar workers	131	53	184
Total	4,767	4,747	9,514

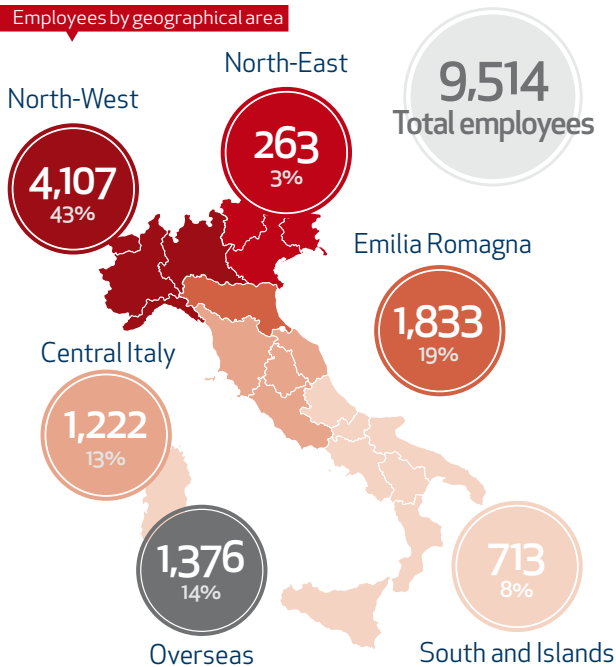
Source: Directorate-General for Human Resources and Organisation

Staffing trends

2015 was characterised by an organisational restructuring process also aimed at managing the impact on employment and geographical distribution. The complex transformation process was addressed by attempting to reconcile the industrial and economic objectives at the basis of the Business Plan with the responsible and balanced management of the social effects of the operation.

All employees are covered by collective sector labour agreements while 53% are trade union members. The bedrock of the relationship with employees consists of principles such as transparency, communication and dialogue, which take place through structured and formal processes. This approach kept legal disputes with employees down to 160, 55 of which were opened during the financial year. The companies of the UnipolSai had 9,514 employees at 31 December 2015, 9,068 in the Insurance Sector. There is little use of staff leasing contracts: only 9 employees have contracts of this type while 97.4% of employees are on permanent contracts, confirmation of the company's commitment to guaranteeing employment stability. The personal characteristics of the workforce show a balanced breakdown between the various age brackets while in terms of geographical presence there are clearly more employees in the North-West.

Employees by geographical area



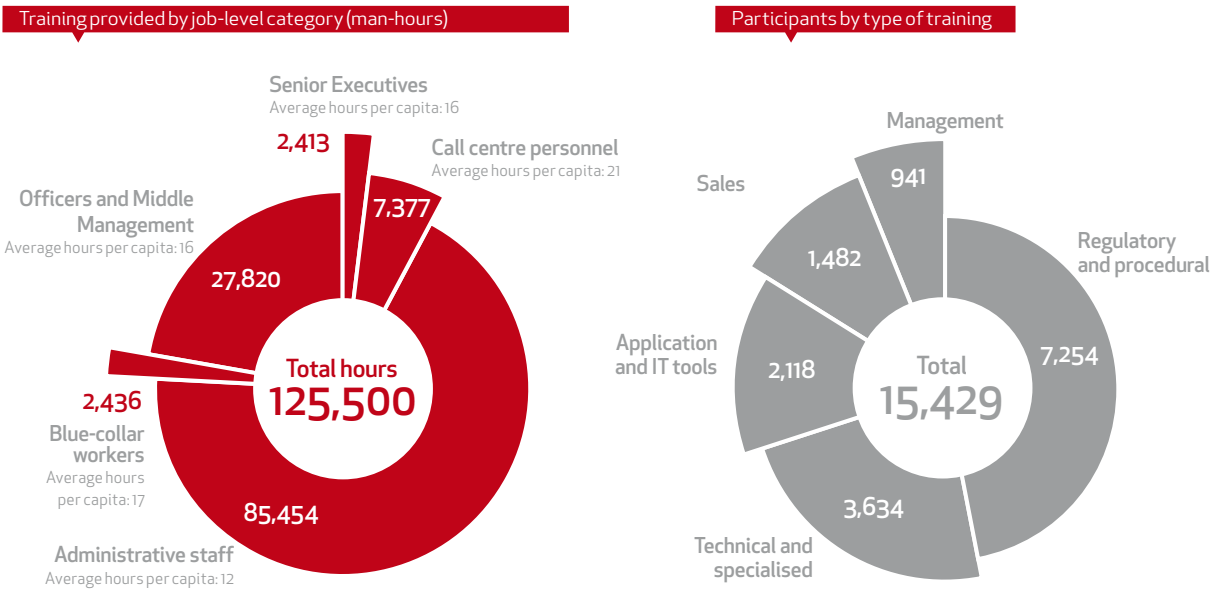
The % figures indicate their impact on the total
Source: Directorate-General for Human Resources and Organisation

Personal recognition and internal growth

Inclusion and promoting diversity have always been priorities for UnipolSai when it comes to personnel management and these principles are manifest in policies that are inclusive and non-discriminatory with regard both to women and to all other diversities. Women make up 50% of the company’s employees: 13% of senior executives are women while, considering all positions of responsibility, including officers (who account for 19% of company employees), women make up 24% for a total of 438 employees. In 2015, 1,235 employees worked on a part-time basis. Of these, 89% were women. Administrative staff accounted for 81% of these part-time workers and call centre staff 17%.

The value of human capital is recognised by developing professional skills and consolidating bonus schemes intended to improve individual and Group performances. In 2015, 125,500 hours of training were provided with an average of 13 hours per employee and an overall investment of €1.7m. The company Ddor Novi Sad accounts for 5% of the total number of hours of training with a significant number of hours dedicated to the sales area, in line with the specific business model that sees the sales network included in the company headcount.

The training activities in the real estate and diversified companies were primarily of a technical and regulatory nature. In fact, lots of time was given over to safety training.



Source: Directorate-General for Human Resources and Organisation

The Unipol Group’s **remuneration policy** aims at ensuring equal remuneration in line with role, responsibilities, level of professional expertise and individual abilities, and in keeping with the need for sustainable performances, as defined at Group level. Other key principles for determining the level of remuneration are internal fairness, meritocracy and comparisons with the reference market.

In 2015 the UnipolSai established specific bonus schemes for the Sales Department, the Claims Department, the Finance Department, the Non-Life Insurance Deputy General Directorate, the Life Department and Atahotels.

In 2015 the bonus schemes based on specific targets for staff other than Senior Executives identified 3,590 potential employees, equal to 39% of UnipolSai workforce.

Corporate Welfare

All employees in the UnipolSai companies have the opportunity to join both a Pension Fund and a Welfare Fund, whether they hold a managerial position or not. The Pension Fund has 8,784 members comprising employees and former employees that have voluntarily subscribed to this supplementary coverage. Including senior executives, the contributions made by the UnipolSai companies totalled €15.7m. With reference to all Employee Pension Fund members, in 2015 contributions came to €41m, including those borne by the companies, workers and post-employment benefits paid out; the contributions made in the same year by all members of the Senior Executives Pension Fund amounted to around €3m, including contributions borne by the companies, the Senior Executives and post-employment benefits paid out. According to the regulations of the Pension Funds, former employees of the UnipolSai companies can also maintain their memberships and make voluntary contributions after leaving the Group.

Including senior executives, the UnipolSai Welfare Funds have 8,248 members for whom the companies made a total of €12.6m of contributions in 2015. Contributions paid into the Employee Welfare Funds in 2015, on behalf of all members, amounted to over €11.9m; payments made into the Senior Executives Welfare Funds totalled €1.7m.

More specifically, for the companies regulated by the National Trade, Tertiary and Tourism Sector Contracts, at 31 December 2015 the Pension Fund for employees had 100 members with a total of around €142k in employer and employee contributions. The Welfare Funds for the same sectors had 537 members for a total of around €81,230 in total contributions made, 84 of which borne by the UnipolSai companies.

Percentage of members and contributions paid into Pension Funds

	Senior Executives	Employees
Percentage of members	96%	85%
Contributions paid by members (€)	1,335,443	27,014,443
Contributions paid by the company (€)	1,697,820	14,076,919
Impact of company contributions	56%	34%
Total contributions (€)	3,033,263	41,091,362

Source: Directorate-General for Human Resources and Organisation
*figure does not include the Lawrence Life company

Percentage of members and contributions paid into Welfare Funds

	Senior Executives	Employees
Percentage of members	95%	91%
Contributions paid by members (€)	11,790	1,066,898
Contributions paid by the company (€)	1,745,893	10,929,569
Impact of company contributions	99%	91%
Total contributions (€)	1,757,683	11,996,467

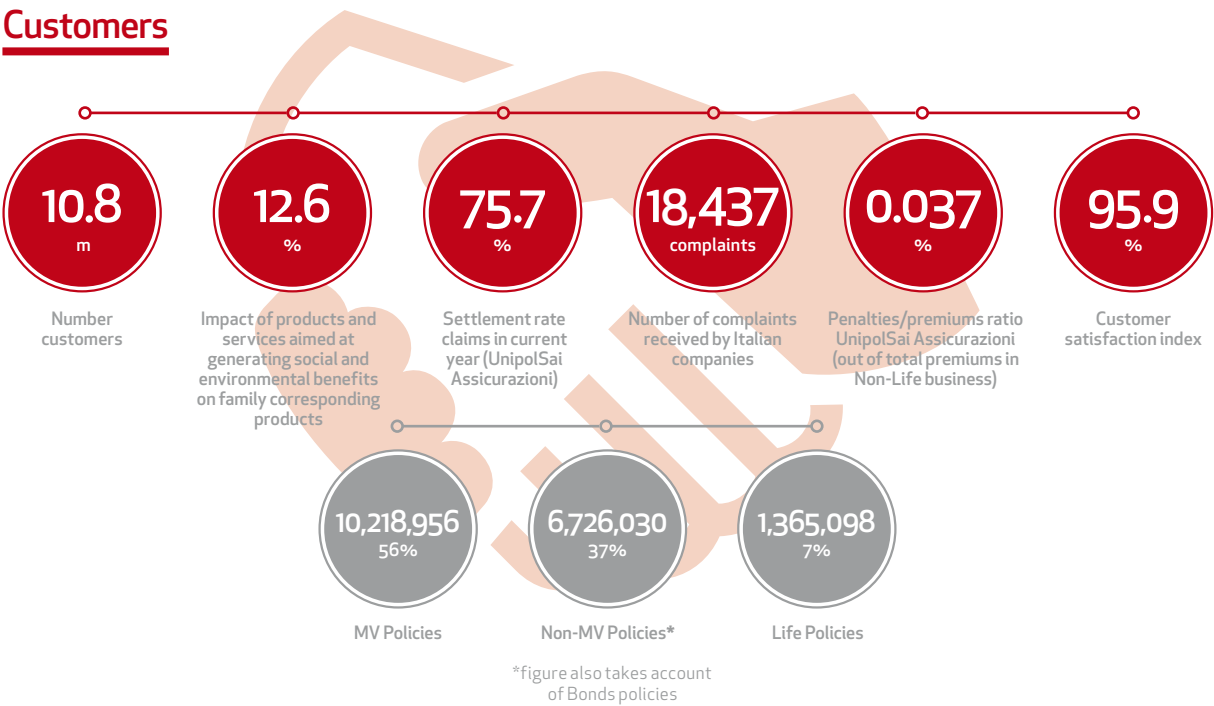
Source: Directorate-General for Human Resources and Organisation
*figure does not include the Lawrence Life company

Similarly, in the Farming Sector, 46 employees were members of the “Agrifondo” Pension Fund at 31 December 2015. The total contributions paid for 2015 – by the company and employees and as post-employment benefits – amounted to around €29k. At Tenute del Cerro, the supplementary health assistance scheme is based on membership of the “Enpaia”, “Fimiav” and “Fia” Welfare Funds which had 94 members in 2015 with total contributions of €185,207, 25% of which borne by the company.

In specific cases regulated by contracts, collective agreements and company regulations, members can continue to benefit from health assistance coverage for the time established by these sources even if they are no longer employees of the Group companies.

The personnel management policies aimed at reconciling the professional and private lives of employees include second-level welfare services. More specifically, UnipolSai employees benefit from the range of services included in the NoiUnipol initiative promoted by the Group.

Customers



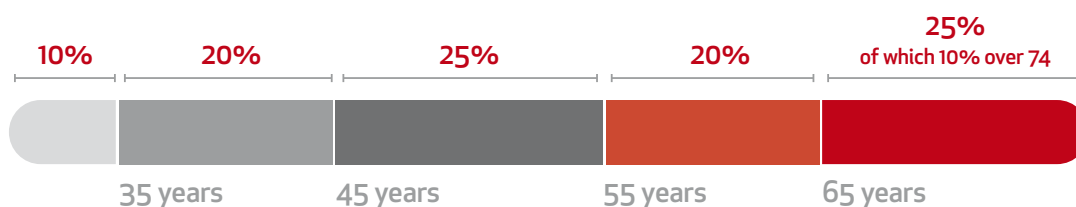
In 2015 UnipolSai employed significant resources to construct an increasingly expert and innovative range of insurance products in order to respond to the requirements, both traditional and new, of a population that is transforming at an ever-faster rate. Its priorities were, on the one hand, to give customers the possibility of deciding how and when to interact with their insurance company and, on the other, to fine-tune the expertise of the claims settlement structure. In addition to this there was UnipolSai’s ability to supply products, also through its agents, to satisfy real requirements and its close focus on transparency and on quality of the services associated with the products.

9,728,262
Total
Customers (Individuals)

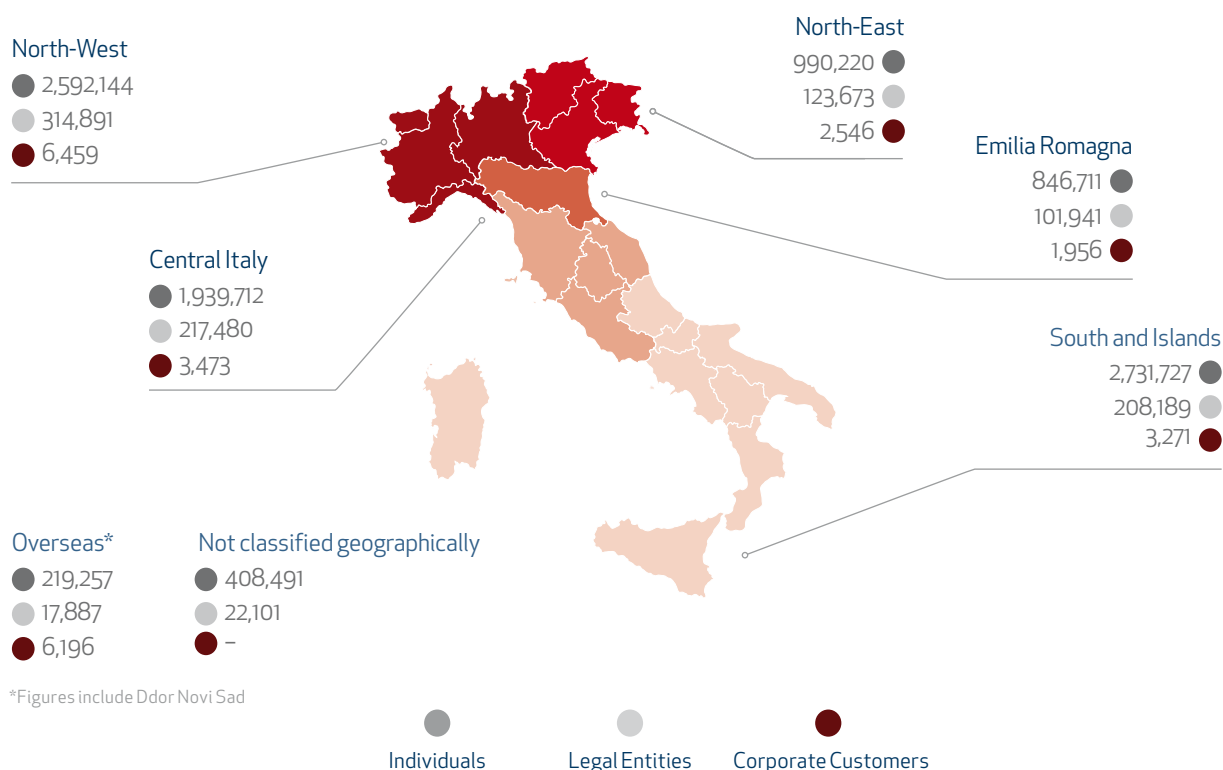
1,006,162
Total
Customers (Legal Entities)

23,901
Total Corporate
Customers

Italian customers by age bracket



Customers by type and geographic area



Source: UnipolSai Sales Department and General Office Other Companies

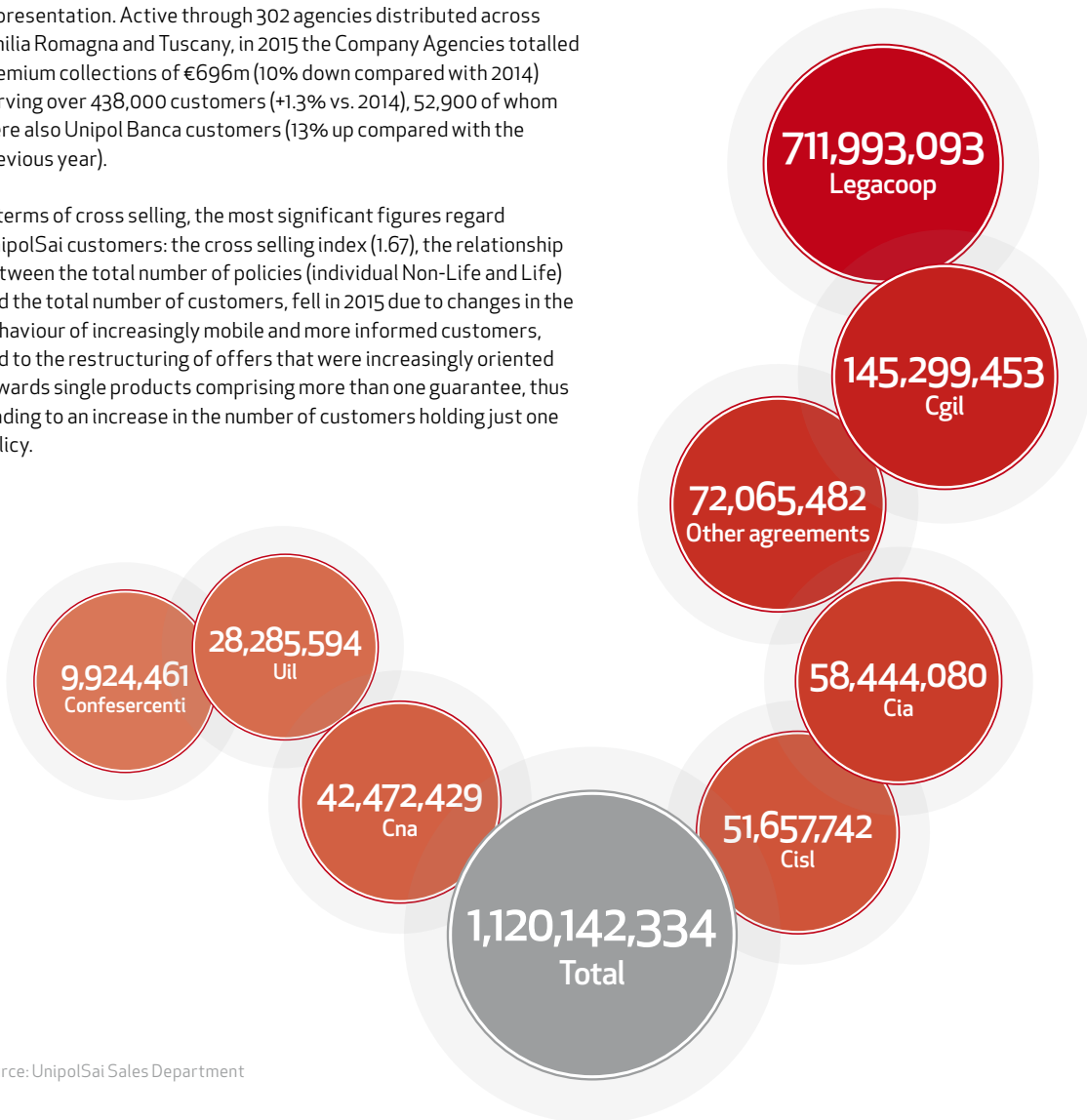
In terms of geographical distribution, of particular note is the balance between the areas of the North-West and the South and Islands which respectively amount to around 27% of customers in Italy, showing how UnipolSai also focuses on areas where the average family income is lower. As regards the 10% of SME and Corporate customers, of note is the increasing presence of corporate customers to whom, through expert consultancy, the Group is able to offer a consultancy service as well as dedicated settlement methods and processes, providing solutions that are more closely tailored to the needs and characteristics of businesses.

At the end of 2015, the Group's corporate portfolio exceeded 23,000 customers, over 97% of which in Italy. In the Small and Medium-Sized Enterprises segment and more generally with the working world, the Group develops its relationships mainly through the Member Organisations, which are the main organisations of employees (CGIL, CISL and UIL confederation trade unions), the self-employed and associate companies (CNA, Confesercenti and CIA) and cooperatives (Legacoop). This relationship is developed particularly through their participation in the Unipol Regional Councils (URC) and by the drafting of specific agreements, which represent a specific relational model that leverages on the aggregation of the demand expressed by members and associates. At the end of 2015 the premiums from national agreements with the Member Organisations exceeded €1bn, an increase of almost one percentage point compared with 2014. Of the premiums with the Member Organisations, €711m derives from the National Agreements with Legacoop and €145m from those with CGIL. Overall, the amount of premiums collected based on agreements with the Member Organisations accounted for 8% of the UnipolSai's premiums. The corporate segment was dominant among customers of Pronto Assistenza, which act as aggregators of policyholders: in 2015 it offered coverage to over 230,000 people.

The Company Agencies, the 'Assicoop', are a privileged place with regard to services for Member Organisations and their associates which in the context of UnipolSai's sales network represent a distinctive element, unique on the Italian and European insurance brokerage landscape for the multi-stakeholder nature of the ownership. The Assicoop ownership structure actually includes cooperatives, trade union organisations and employee and SME representative organisations, as well as significant company representation. Active through 302 agencies distributed across Emilia Romagna and Tuscany, in 2015 the Company Agencies totalled premium collections of €696m (10% down compared with 2014) serving over 438,000 customers (+1.3% vs. 2014), 52,900 of whom were also Unipol Banca customers (13% up compared with the previous year).

In terms of cross selling, the most significant figures regard UnipolSai customers: the cross selling index (1.67), the relationship between the total number of policies (individual Non-Life and Life) and the total number of customers, fell in 2015 due to changes in the behaviour of increasingly mobile and more informed customers, and to the restructuring of offers that were increasingly oriented towards single products comprising more than one guarantee, thus leading to an increase in the number of customers holding just one policy.

Amount of Premiums from agreements - Amounts in €



Source: UnipolSai Sales Department

UnipolSai customers confirmed their very high loyalty: almost 26% have been with the company for more than 15 years and 42% from 6 to 15 years. Overall, 67% of customers stabilise the relationship around the sixth year, turning it into a “long-term relationship”, whereas 18% change company within the second year.

The breakdown of the number of policies by class highlights the Group’s vocation for protecting mobility, with a strong orientation towards developing new products and insurance tools in line with technological developments, and therefore new services such as the “black box” (location of car in the event of theft, sending of roadside assistance, monitoring of km travelled, accident detection and automatic emergency calls), which make it possible to provide customers with prompt assistance and help in tariffing and settlement processes. On a like-for-like basis compared with last year, the figures are largely the same for the MV segment, slightly up in the Non-MV segment and down in the Life segment due to a market context characterised by low interest rates and also to a policy focused on prioritising products that permit lower levels of capital absorption also in the context of the Solvency II directive.

The range of products

In traditional as well as in emerging markets, UnipolSai is adapting its products and service models according to the lower economic growth prospects and to the level of integration and financial inclusion of persons belonging to the so-called bottom of the pyramid and in support of new family aggregates. The areas for improvement relate mainly to protection in case of natural disasters, for which UnipolSai has launched a project to mitigate climate change risks. In addition, health protection is designed to supplement public welfare and to ensure access to products/services to the more vulnerable population groups.

By their nature, all insurance products have a certain social value, in that they constitute a response to customers’ welfare and protection needs. As regards Life protection solutions, the products with a particularly high social value include TCM UnipolSaiSmart and FormulaFacile, UnipolSai Risparmio Giovane and UnipolSai Autonomia. Of particular social and environmental importance in Non-Life protection business are:

- disaster recovery (flood, earthquake, compensation in-kind for business);
- purchasing power protection (monthly instalments, well-being protection, premium protection, interest-free financing);
- public welfare supplement (Health class and some benefits in the Accident class like the Comatose State benefit);
- supports to new businesses and professionals (Attività Smart products, in particular those designed for start-ups and newly registered self-employed professionals);
- environmental impact mitigation (products for the protection of photovoltaic systems).

The option to purchase insurance services on a monthly instalment plan without additional charges has been extended to all classes. In particular, out of more than €670m zero interest rate loans granted, those relating to the MV TPL account for 91% and General classes for 8.5%, with the remaining portion consisting of Life products.

Amount of products with a high social and environmental benefit	
in €m	
Non-Life	979
Life	93
Total	1,072
% impact	13%

Source: UnipolSai Administration, Management Control and Operations Department and other Companies’ General Offices

The UnipolSai holds a leading position in the segment of **supplementary pension schemes**, both in terms of assets managed (€10,176m) and number of members (581,867).

The Occupational Funds in which UnipolSai operates are divided into Occupational Pension Funds and Pre-Existing Pension Funds. In the former, UnipolSai manages 14 sub-funds (or mandates) with guaranteed principal, including 3 recently acquired, totalling €2,807m. The number of participants in these funds was 336,636. In the Pre-existing pension funds, UnipolSai managed 47 funds, with 87,470 members and total assets managed of €5,863m. Amongst the various sub-funds managed, 3 feature an equity sub-fund with an ethical mission (FondoPoste - Guaranteed, Fonte - Guaranteed and Solidarietà Veneto - Prudent).

With reference to the Funds set up by the Company, two supplementary pension schemes were offered to customers: Open-Ended Pension Funds and Personal Pension Plans (PPP). The resources of the supplementary pension schemes implemented through life insurance contracts set up by UnipolSai Assicurazioni, represent separate and independent assets within the Company. With reference to PPPs, as defined in Art. 13, paragraph 1 of Legislative Decree no. 252/05, UnipolSai has in place 8 Personal Pension Plans, i.e. individual pension schemes implemented through Life insurance contracts, operating according to a defined contribution plan (the amount of the pension benefit is determined on the basis of the contributions made and their yields). UnipolSai's Personal Pension Plans has approximately 112,193 members and total funds of €786m. In turn, Open-Ended Pension Funds had approximately 45,568 members in the eight Company funds, with total assets of €720m. In addition, there are seven other Occupational Pension Funds managed, without guaranteed principal, with assets managed totalling €893m.

UnipolSai – Pension products

	Occupational Funds	Pre-existing Funds	Open-ended Funds	PPP	Total
Number of members	336,636	87,470	45,568	112,193	581,867
Assets managed (€m)	2,807	5,863	720	786	10,176
Number of funds	14	47	8	8	77
New funds gained	3	-	-	-	3

Source: UnipolSai Life Department and other Companies' General Offices

With regard to Open-Ended Pension Funds, the Unipol Group insurance segment was the first in Italy (in 2001) to offer an SRI - Sustainable and Responsible Investment supplementary pension fund product managed with a view to supporting social and environmental sustainability: the "Protezione Etica" sub-fund. The objective of this sub-fund is to strike a harmonious balance between economic performance and social and environmental performance of the investee companies and countries, giving preference to the securities of companies characterised by "sustainable and socially responsible" conduct and activities.

For the "Protezione Etica" sub-fund, for several years UnipolSai has published a voluntary report dedicated to current and potential subscribers, which complies with the model of the "European SRI Transparency Code" issued by Eurosif - European Sustainable Investment Forum.

Likewise, the obligatory documents required for currently managed Individual Pension Schemes (IPSs)² and Personal Pension Plans (PPPs) under the Covip regulation also contain the percentage (calculated for each IPS and PPP) of investments that satisfy ESG sustainability criteria.

2 - A PPP (Personal Pension Plan) is a supplementary individual pension scheme compliant with the requirements of Legislative Decree no. 252/2005. An IPS is an individual pension scheme/an insurance product comparable to a pension fund not compliant with Legislative Decree no. 252/2005. Both are implemented through class I and class III life insurance contracts (unit-linked type only) having social security purposes. In this respect it should be noted that the different insurance lines are classified in accordance with Art. 2 of Legislative Decree no. 209/2005.

Personal Pension Plans (with an underlying separately managed account only)

Satisfy Group ESG criteria

	2015	2014
Integrazione Pensionistica Aurora	100%	100%
Unipol Futuro Presente	100%	99%
Più Pensione Fondiaria-Sai	100%	100%
UnipolSai PiùPensione	100%	100%
UnipolSai Piano Pensionistico Individuale	100%	100%

Multi-line Personal Pension Plans⁽¹⁾

Satisfy Group ESG criteria

	2015	2014
Popolare Vita Pensione Sicura	99%	98%
Progressive Pension Plan	100%	100%
Popolare Vita Previdenza*	99%	98%

(1) Multi-line products offer the opportunity to invest, with a single contract, in a traditional separately managed account with guaranteed principal and generally a minimum return, and at the same time in unit-linked insurance funds, which allow participants to benefit from the performance of financial markets.

*No longer sold

Open-Ended Pension Funds

Satisfy Group ESG criteria

	2015	2014	2013
Unipol Insieme	99.1%	98.8%	99.5%
Unipol Previdenza	98.3%	98.4%	99.1%
BIM Vita	96.8%	95.1%	94.7%
Conto Previdenza	97.6%	97.7%	97.1%
Fondiaria Previdente	97.3%	97.3%	97.0%
UnipolSai Assicurazioni*	99.3%	99.9%	99.3%
Popolare VITA	100%	100.0%	100.0%
Sai	98.8%	98.4%	99.3%

*Former Milano Assicurazioni

Multi-line individual pension schemes⁽²⁾

Satisfy Group ESG criteria

Integrazione	100.0%
BP Scegliere	99.5%
Pentagramma	99.5%
Pensione di Bim	99.9%
Pensione di Bim Plus	99.9%

(2) Multi-line products offer the opportunity to invest, with a single contract, in a traditional separately managed account with guaranteed principal and generally a minimum return, and at the same time in unit-linked insurance funds, which allow participants to benefit from the performance of financial markets.

Individual pension schemes

Satisfy Group ESG criteria

Previoggi	99.2%
Extra Life Pension Fund	UCITS only
Extra Life Pension Fund Formula Speciale	UCITS only
Unipol Futuro Presente**	99.5%
Più Pensione	99.6%
PPI	99.3%
Pension Plan - Programma Garantito	99.4%

** Different from a multi-line product in that participants could choose to invest either in a mix of unit-linked products, or in the separately managed account Vitattiva. It was not possible to invest simultaneously in a mix of unit-linked and separately managed account in a single contract.

More information is shown in the 'Your Savings' - 'Pensions' - 'Unipol Division' - 'UNIPOL INSIEME' sections of the www.unipolsai.it website.

Anti-fraud measures

UnipolSai continued and strengthened its commitment to countering fraudulent and criminal activities through measures to prevent and combat frauds, in order to protect its own interests (by reducing the costs of undue settlements), those of the insurance market and those of customers, and consequently of the community, in order to prevent speculation that could affect the tariff structure. Activities for preventing and combating frauds are carried out on two levels:

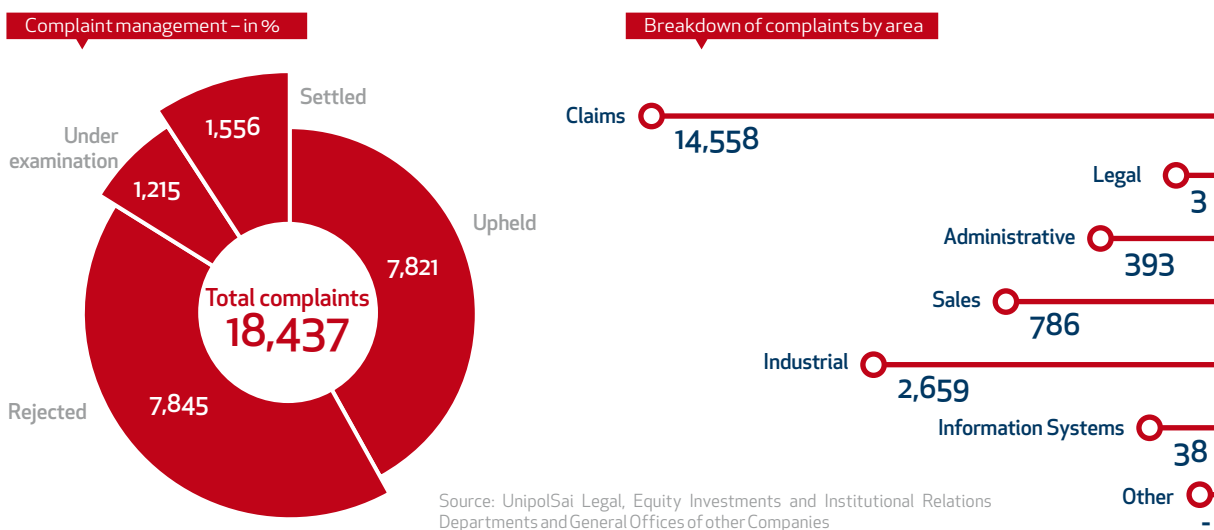
- the **Special Claims Area Function**, which centralises the management and settlement of claims at risk of fraud, of all types (except the Transport, Assistance, Bonds, Legal Expenses and Health classes), operating for all companies (except Ddor Novi Sad) and reporting to the Fraud function, where necessary, the claims subject to in-depth examination. In 2015, this function received a total of 18,856 reports of suspicious claims, which led to 9,213 challenges;
- the **Anti-fraud Function**, which carries out further investigations also aimed at possible criminal-law initiatives and deals with complaint-related activities, also following the criminal proceedings and handling relations with the Police Authorities. In 2015, out of a total of 7,164 reports, the responsible offices conducted 2,252 checks and filed 1,069 complaints.

In the UnipolSai's Life bancassurance segment, monitoring is performed through two channels. The first one is a check carried out by senior management on transactions carried out by individual adjusters. The second one is an in-depth review of all the documentation provided to the Company by the branch offices for transactions requiring authorisation from senior management.

Complaint management

In 2015, the complaints submitted to UnipolSai stand alone increased by 10% (1,614 more cases than in the same period of the previous year); the increase is mostly attributable to the Claims and Industrial Areas. A breakdown by area of reference shows that 79% concern claims, while the remaining portion are mainly attributable to technical/underwriting (industrial area) and commercial problems. The accepted complaints, where the complainants were recognized as being in the right, increased by 63%. Taking into account the UnipolSai company stand alone, the percentage of complaints closed after the first contact was 82.8%.

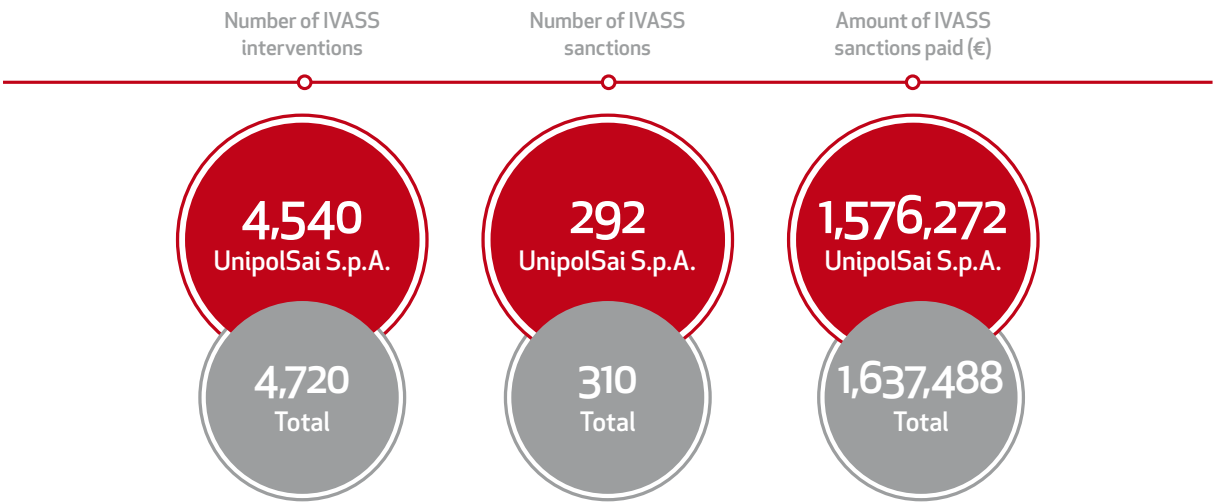
In 2015, responsiveness to complaints was compliant with law requirements: the limit of 45 days was fully observed, since in all Group companies the number of days required to process and reply to customers' requests ranged from a minimum of 16 to a maximum of 34. For the company UnipolSai, the ratio of the number of complaints to the number of Non-Life Business claims was 0.74%.



The breakdown by management and by area does not include the complaints of the company Ddor Novi Sad, as IVASS-compliant allocations are not applicable. In 2015 Ddor Novi Sad recorded a total of 2,177 complaints, or 0.39% of the number of policies.

With regard to IVASS interventions, in 2015 the total amount paid for sanctions was €1.6m. The sanctions are nearly all attributable to the Claims area, both in terms of frequency (92%) and of economic impact (94%). On the whole, IVASS interventions declined and were almost entirely attributable (91%) to recent cases (last three years): this shows that the Supervisory Authority, once involved in the complaint, has reduced the time of the preliminary activities. At the end of 2015, UnipolSai Assicurazioni recorded a sanctions to premiums ratio of 0.037%.

Considering all the sanctions that UnipolSai accounted for during the year, also from entities other than the Supervisory Authorities, a large majority consisted of sanctions related to the Non-Life sector: out of €2.5m total sanctions accounted for in 2015, 98% are related to the Non-Life business, 2% to not-core business operations and a negligible amount to Life business.



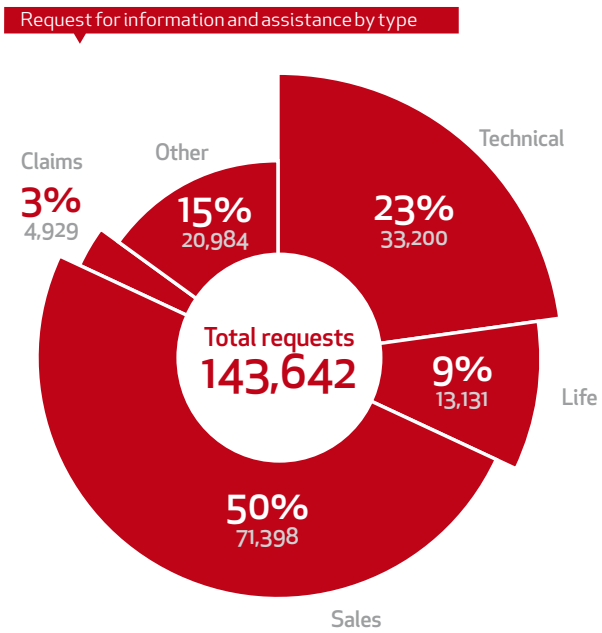
Source: UnipolSai Legal, Equity Investments and Institutional Relations Departments and General Offices of other Companies

Listening and dialogue

The Customer Assistance service acts as a moderator, facilitator and impartial informant in the Customer - Agency - Company relationship, playing an important role in stemming the receipt of complaints. The contacts approved and managed by the service in 2015 amounted to over 143,000.

Any complex issues were submitted to the competent offices whose opinion was rewritten, explaining possible technical terms in a clear, understandable language. A significant proportion (nearly 60%) of the requests for information and assistance were attributable to the company Pronto Assistenza Servizi, which provides contact centre services dedicated to customers, professionals and agencies of the Group. The company provides technical and commercial information, carries out marketing activities and collects reports of inefficiencies or complaints.

Out of the total number of requests for assistance by area of reference, 50% was of a commercial nature, followed by requests of a technical nature, while the number of requests for information and assistance in the claims area is very low, as they are directly managed by the Claims Department.



Source: UnipolSai Legal, Equity Investments and Institutional Relations Department

Information and assistance services generate monthly statistics on the outcome of telephone contacts they have with customers, which represent the first element of contact and perception of customers' level of satisfaction. In addition, customer satisfaction surveys, studies and analyses are conducted for constant and accurate monitoring. In the case of UnipolSai Assicurazioni, various channels have been implemented through which to receive information on customers' needs and level of satisfaction. The annual customer satisfaction survey conducted through telephone and web interviews with holders of MV TPL policies, focused in particular on the quality of the relationship with agents and of the service offered by the Company, revealed a positive evaluation: UnipolSai customers recognize the company's a high degree of overall satisfaction (UnipolSai CSI 95.9%; traditional companies' standard 95.0%) in the relationship area (97.3%) and in the service area (94.7%).

The "overall" satisfaction indicator, which measures how positive a company's image is in the perception of its policyholders, is stable and in line with that of traditional companies (UnipolSai 96.5%; traditional companies' standard 96.3%).

In addition, the Net Promoter Score of UnipolSai, equal to an overall 9.8, was again positive in 2015, although the company had a lower proportion of promoters than the traditional companies standard, and this affects the indicator.

Claims handling

Claims handling is a critical step in which the customer interfaces with the Company and assesses its fairness, efficiency and quality. For this reason, UnipolSai committed to developing innovative processes, thanks to the investment in new technologies, but also through the reorganisation of the settlement process and, over the past year, also of the production model.

UnipolSai made significant investment in black box technology, and 2015 saw the experimental implementation of electronic settlement systems enabling significant process specialisation and diversification, accurate collection of data and claim variables, sharing of information among the players involved in the settlement process, and detailed reporting so that the adjusters may carry out their activity in a smoother and more dynamic and effective manner. The implementation of the use of black box information in the settlement phase (verifying consistency between the statements made and the actual dynamics of the event) produces a number of benefits, primarily the ability to combat fraud (by strengthening prevention thereof) and reduce claim management time as well as the number of disputes. Another area of investment is the channelling of MV claims to Auto Presto&Bene: AP&B uses an innovative management model entailing the direct purchase and logistic management of spare parts used in the repairs performed by the approved repair shops. Additionally, the use of the CPM service (Medical Booking Centre) facilitates direct interaction with the damaged party.

Another distinctive feature of UnipolSai settlement services is compensation in kind, which constitutes a valuable support to the household's economy. According to the traditional model adopted by insurance companies, in the event of an accident the insured receives compensation in an amount equivalent to the damage incurred, leaving it up to the household to restore the situation prior to the event, drawing on its financial resources. Also, the system does not encourage the execution of improvements or the adoption of solutions to prevent the damage, for example in cases of flooding: as a result, the insurance reimburses the value of the damaged properties and these are repurchased, without any attention to the implementation of solutions to prevent the damage. In the provinces of Imperia and Savona, UnipolSai started testing a new flood damage indemnification mechanism for private properties whereby, in the event of a claim, the Contracting Party is offered the possibility of obtaining direct repair works by specialized companies, thus reducing time to completion with guaranteed quality and durability of the work. This mechanism is aimed at aligning the interests of the insurer and the insured, minimizing repair time and administrative costs, reducing exposure to future risk and allowing greater control over frauds. In addition to reducing the total cost of the policy, the large-scale use of such mechanisms may increase the overall resilience of residential buildings and of the system against the risk of flooding.

The recent years' reduction in the total number of claims reported continued in 2015. In the period under review, a total 1,312,824 claims were handled for the company UnipolSai (1,582,841 in 2014, or a 17% decrease). The company Liguria (merged into UnipolSai in January 2016) also recorded a 25% decrease, with 19,168 claims reported in the year compared to 25,688 in 2014. The claims settled during the current year for UnipolSai were 910,538: as a result of this higher decrease percentage, the time to settlement for the current period was reduced by one percentage point to 75.7%.

UnipolSai S.p.A. - Non-Life claim settlement figures

		2015	2014
Current year	Claims reported	1,312,824	1,582,841
	change from previous year	-17.1%	
	Claims settled	910,538	1,105,192
	change from previous year	-17.6%	
	Settlement speed	75.7%	76.7%
	change from previous year	-1%	
Previous year	Claims pending or reopened	642,065	707,618
	change from previous year	-9.3%	
	Claims settled	317,189	353,454
	change from previous year	-10.3%	
	Settlement speed	59.6%	60.2%
	change from previous year	-0.6%	

The data refer to UnipolSai Assicurazioni S.p.A. claims management. The following are excluded: management of claims handled by others; Debtor Card management; Health, Transport, Assistance, Bonds, and Protection classes whose management is delegated to specific technical functions, specialized Group companies or external providers.

The 2014 figure upon which the changes were calculated was reconstructed on a pro forma basis by applying the scope of claims managed by the Claims Department since 2015 retroactively to 2014 figures, for the sake of homogeneous comparison.

Source: UnipolSai Administration, Management Control and Operations Department

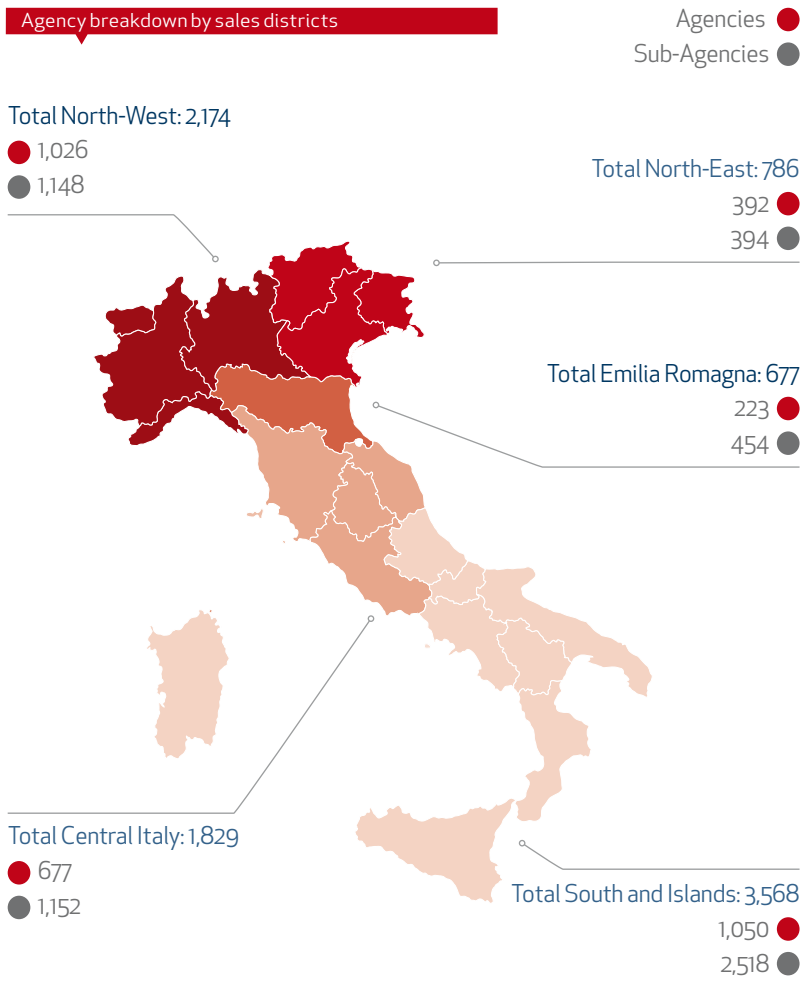
Agents and Agencies



Geographical presence

At 31 December 2015 the agency network comprised of 3,368 agencies in which 538 independent agents operate (the overall number of agencies is slightly down compared to last year), which are joined by the eight Company Agencies (Assicoop), which provide their services via 302 branches. 36,399 people work in the private agencies, supplying their services via the branches of the primary network. The biggest fall in terms of numbers was recorded in the secondary channel, the sub-agencies, where there was a 17% reduction compared with 2014 mainly concentrated in some geographical areas such as Emilia Romagna and Southern Italy.

In terms of geographical distribution, 50% of agencies are in Central/Southern Italy, also the location of the Incontra Bancassurance branches. The project to develop the large-scale retail channel to support the agency network also continued. 2015 saw the launch of sales of Non-Life products (MV and General classes) in addition to Life products and loans, which were already available. This launch was subject to the registration of intermediaries with IVASS and the consequent mandatory training. In 2015, 109 Coop points were activated and new partners introduced for the development of the channel. Outside Italy, UnipolSai operates in Serbia via a multi-channel network made up of both internal and external structures. The 108 branches in which over 900 people work mainly provide their services in the north of the country, and are supported by direct online sales channels.



Source: UnipolSai Sales Department

Network-support services

To guide the network towards a range of products that ensures both the economic competitiveness of the agencies and profitability for the UnipolSai companies, UnipolSai continued to implement the Agency Models Project in 2015. 2015 also saw the launch of an innovative Action Plan to support the commercial development of agencies which was primarily aimed at customer retention, cross selling and the development of solutions for new independent professionals and SMEs.

To help agencies meet their goals a significant bonus system was introduced together with flexible tariffs for specific targets, instruments to support the implementation of individual actions were disseminated and a specific training programme was made available.



UnipolSai Assicurazioni company agencies

As for the **Assicoops**, the process of expanding their commercial presence across Italy continued in 2015. This goal was pursued through the streamlining and consolidation of the profitability of the branches and, at the same time, through the acquisition of new sales resources from rival companies.

Training the network

The Group provided training for the entire sales network in 2015, partly to fulfil its training duties but mainly to develop the expertise of its intermediaries through the "Training" platform.

There were 450 courses, 35% of which provided to the secondary network.

The "Virtual classroom" methodology was also extended during the year and a new webinar teaching method introduced with 12 webinars held for a total of 1,850 participants.

As regards classroom training, 492 courses were held, 30% of which by the Group's Serbian company. The classroom training programme includes a catalogue of management courses, including the Agents Master's qualification that UnipolSai has already been proposing for several years and which is extended to the entire network.


Training the agency network



333,896
Total participants



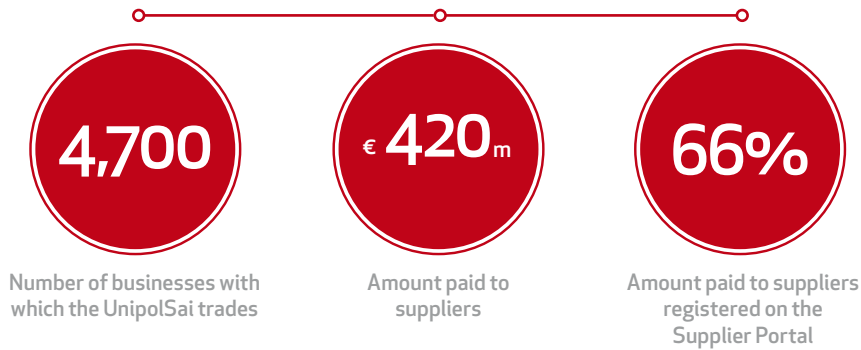
900,318
Total man-hours



795
Total courses

Source: Directorate-General for Human Resources and Organisation, General Office Other Companies

Suppliers

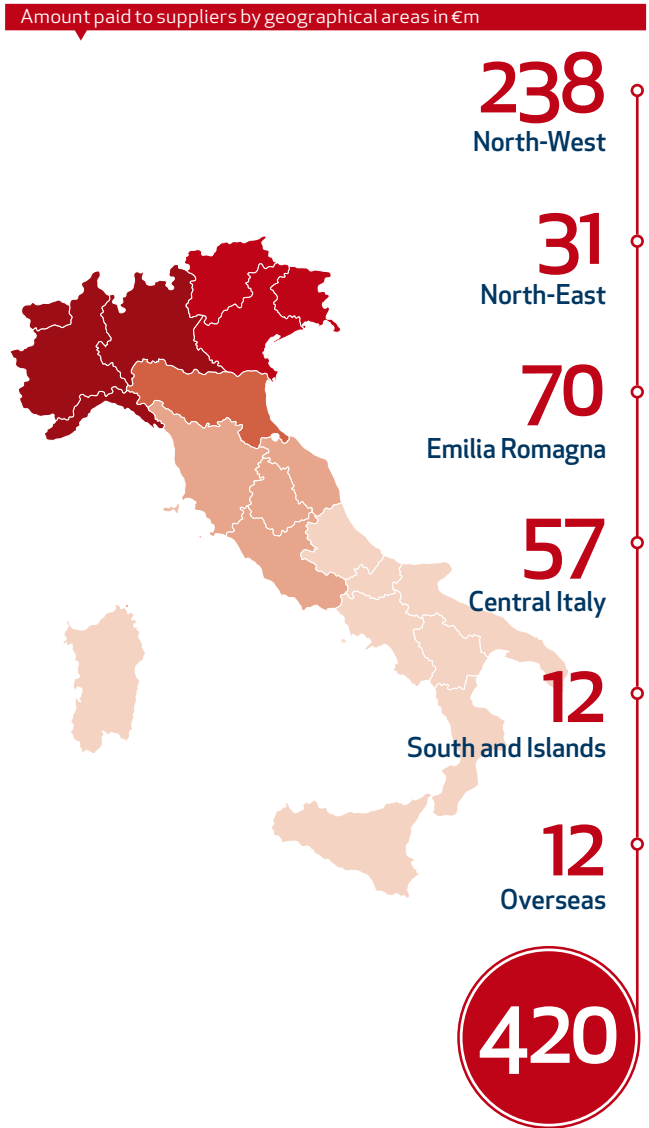


Transparency, honesty and simplification are the values that underpin relations with suppliers, who are regularly surveyed, monitored and selected as part of a long-term partnership. The Unipol Group Purchasing policy applies to all companies including UnipolSai Assicurazioni and its subsidiaries in all sectors, and is designed to foster the creation of measurable value in the development of synergies and integration opportunities in risk management, cost containment and the limiting of social and environmental impacts. The UnipolSai Group mainly collaborates with its partners through the Unipol Group Supplier Portal. Compliance with the standards, requested by the Unipol Group, is a guarantee of regular monitoring and respect for the structured and transparent selection and assessment process.

Excluding the foreign suppliers of subsidiary Ddor Novi Sad, at 31 December 2015 there were 415 companies enrolled on the Register, i.e. qualified, representing the partners with which the UnipolSai has an ongoing and significant relationship in terms of both size and the strategic importance of the products/ services purchased. Of the 415 companies enrolled on the Register, almost 200 are business partners from the real estate (64) and other business (134) sectors. The amount paid to suppliers registered on the Portal came to 66% of the total amount paid by the UnipolSai while around 4,700 companies had trade relations with the UnipolSai Group companies. Of these, 105 are social enterprises such as cooperatives, associations, foundations and other organisations that offer socially useful goods or services.

In 2015 spending on supplies came to €420m, €56m attributable to Atahotels, €10m to Tenute del Cerro and around €8m to UnipolSai Real Estate, including subsidiary undertaking Marina di Loano. The part attributable to UnipolSai Assicurazioni remained largely stable compared with the previous year.

97% of this total goes to Italian businesses with 56% of the amount acquired from the insurance companies concentrated in the North-West and 17% in Emilia-Romagna, confirmation of the Group's strong regional roots.



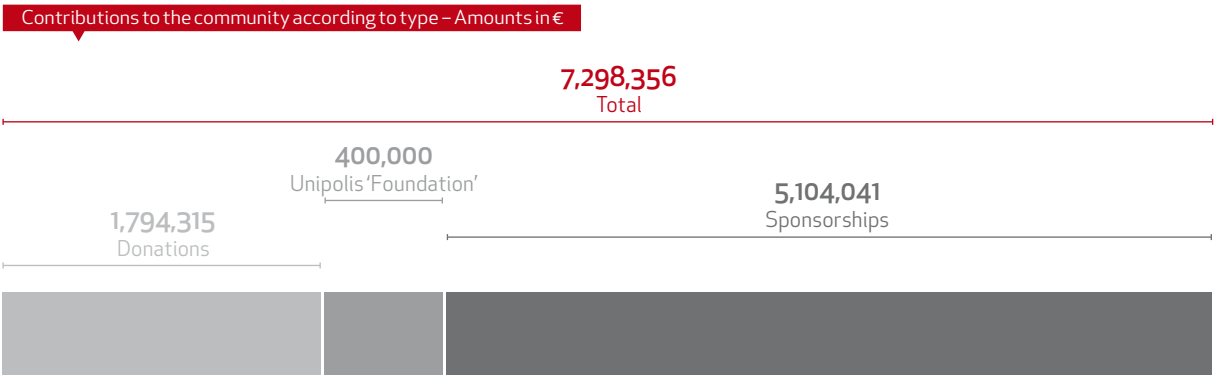
Source: Administration, Management Control and Operations Department

An analysis of distribution according to category, referring to the spending of the entire UnipolSai, shows the significant impact of spending on service providers, with a particularly large number of ‘miscellaneous services’ which include such heterogeneous services as training, telephone and Internet services, shipping and archiving. The amount paid to suppliers of IT goods and services, which invoice the highest percentage of spending, is just as significant. In terms of numbers, this is followed firstly by consultancy and services, and then by marketing, advertising and sponsorships, which together represent around 37% of the total. The former accounts for 21% and the latter for less than 10% of spending.

Community



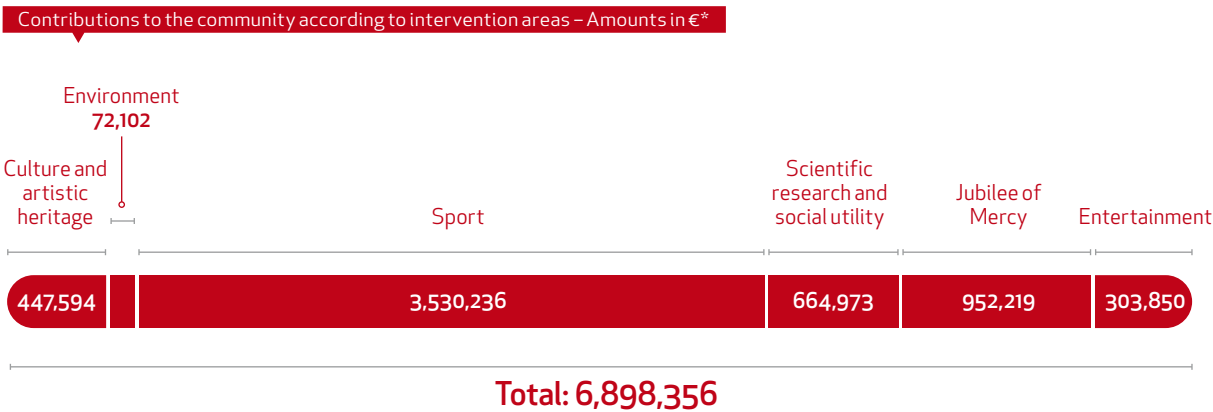
The contribution, in cash or in kind, that UnipolSai makes to communities to improve the individual and collective quality of life of their citizens is regulated by the same Unipol Group **Corporate Sponsorship Program**, which concentrates its donations in five important action areas: culture and artistic heritage, environment, scientific research and social utility, sport and leisure. For more detailed information visit the dedicated page on the website www.unipol.it/int/en/sponsorshipprogram/pagine/default.aspx. In 2015, the total financial resources invested in the community by the UnipolSai came to €7.2m and included sponsorships, donations and contributions to the Unipolis Foundation whose statement is published in the Mission Report which can be viewed at www.fondazioneunipolis.org. The adoption of the Corporate Sponsorship Program clearly defined the internal policy in terms of donations and sponsorships, improved the effectiveness of the actions and facilitated the monitoring of the approval process of the projects to encourage.



Source: Administration, Management Control and Operations Department

The 2015 financial year was characterised by the Group's contribution as main supporter of the Jubilee of Mercy, which began on 8 December and will continue in 2016. The main initiatives sponsored by the Group included:

- in the area of culture, the partnership with the XXXVI Meeting for friendship among peoples held in Rimini in August;
- in the environmental sphere the collaboration with LifeGate and the partnership for "Ecopatente", an initiative designed to raise awareness of the environment and of the environmentally sustainable use of cars among young people;
- among the scientific research and social utility projects, the partnership with the Banco Alimentare Foundation and the historic partnership with "Libera - Associations, names and numbers against the Mafia" through the "One euro per policy and current account" campaign;
- in terms of its support for youth, amateur and professional sports initiatives, its biggest projects were its support for the Italian National Olympic Committee, the Italian Swimming Federation, the Italian Athletics Federation, Lega Pallavolo Serie A, Virtus Pallacanestro Bologna and Briantea 84;
- of particular note among the sponsorship projects and charitable donations relating to leisure were the partnerships with the Member Organisations, consolidated through the support for conferences, meetings and initiatives across Italy, as well as numerous local initiatives which involved the local area branches, often in synergy with neighbouring insurance agencies.



Source: Administration, Management Control and Operations Department

*Figures do not include Fondazione Unipolis

The activities carried out directly by the company were complemented by the initiatives developed by Assicoop and by individual private agencies. The initiatives promoted independently by the agencies allow for the development of specific activities in the local areas where they operate. These projects range from initiatives to promote art and culture, to support for scenarios of economic hardship and investments to protect the future generations and the environment.

Overall, 3,845 initiatives promoted by 184 agencies were reported (an increase compared with 2014). Over 35% were sporting activities, mainly involving young people, while 25% related to art and culture initiatives. The number of projects connected with the Group's relations and business increased compared with 2014 (19%). The picture is completed with solidarity initiatives (11%) and environmental protection initiatives, which represent 2% of the total. In terms of geographical distribution, over a quarter of the activities were organised by the agencies of Emilia Romagna, which were followed by those in Lombardy (20%), Veneto (11%), Piedmont and Tuscany (9% each). Sport was the focal point of many initiatives designed to teach the younger generations about sporting culture and team spirit, which included numerous sponsorships of amateur clubs and oratories. There were also initiatives to promote sport and respect for nature, such as the "environmental cycle rides". In the area of art and culture, there were lots of initiatives to support theatrical and tourist events, as well as youth training and local schools. The most interesting cultural projects included the "Metamateria Auditorium" exhibition thanks to which the public was able to view number of important national works and sculptures for the first time. The solidarity initiatives included contributions to scientific research, and children's hospitals in particular, to disadvantaged families, and activities to support and care for the elderly. As for the environment, the Group focused its efforts on safeguarding and protecting natural resources and promoting a different, more sustainable lifestyle. One example is the "Viver Verde" initiative which promotes sporting activities, workshops, games and entertainment for children.

ENVIRONMENTAL PERFORMANCE

As owner of almost all of the real estate used by Unipol, UnipolSai acknowledges and implements the policies and specific commitments of the Unipol Group to reduce its direct and indirect impact on the environment. Its goals are also pursued thanks to the involvement and commitment of its employees, associates and suppliers, and include the efficient management of energy resources in the buildings, the reduction of emissions connected with employee commutes and the responsible use of consumables in terms of both savings (through innovations such as ADS, Advanced Digital Signature) and attention during the waste disposal phase.

The implementation of the ISO 50001 system on the buildings owned by UnipolSai allowed for the introduction of standardised management and control systems. This means defining a uniform data collection and control process, certifying it and identifying targets for reducing consumption, which are evaluated annually.

At the same time, the 2015 report extended the scope of emission measurements to include all of the UnipolSai's headquarters, also including those of the diversified companies such as Tenute del Cerro and Marina di Loano, and the properties used by Atahotels.



Source: Directorate-General for Real Estate and Diversified Companies

REAL ESTATE SECTOR



Identity

In the real estate field, the Unipol Gruppo is one of the leading operators in Italy in terms of the amount of assets it manages. Almost 50% of its real estate is used for offices. In terms of geographical distribution, the majority of the Group's property assets are concentrated in Northern Italy (approx. 72%), particularly in the regions of Lombardy and Emilia-Romagna. Its assets in Italy are joined by a small percentage, 1%, of property located in Serbia, where the company Ddor Novi Sad is headquartered. The total assets also include the category Other Real Estate Investments, which includes indirect investments and participating interests in third parties, such as JV and Real Estate Funds.

In the 2015 financial year UnipolSai Real Estate was merged by incorporation into UnipolSai Assicurazioni, and in December the sale of the Punta di Ferro Srl company was finalised: as a result of these extraordinary operations the real estate sector, significantly smaller at the end of 2015, is part of the assets of UnipolSai Assicurazioni. The operations of the Real Estate sector continue to primarily focus on the restoration and enhancement of the properties in the portfolio and it closed with a negative annual result of -€69m (-€46m in 2014, of which -€39m attributable to UnipolSai Real Estate).

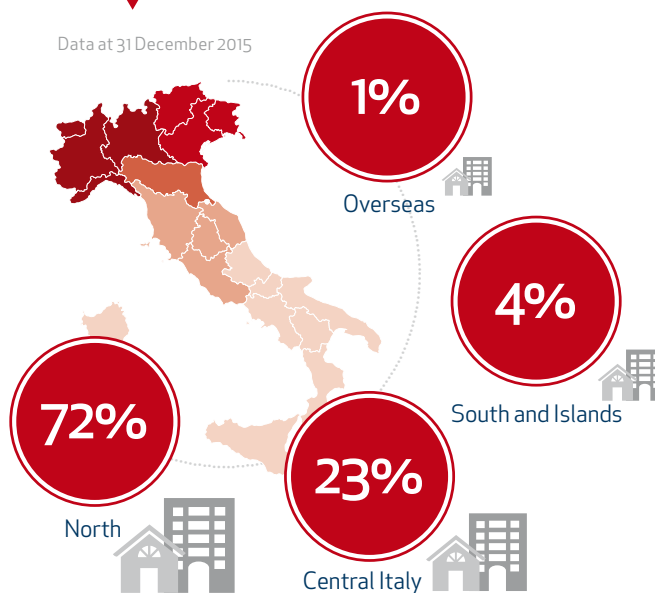
The real estate that forms part of the Group's assets can be divided into two macro-categories:

- "Property for use by third parties", Group-owned buildings not used by the Group's insurance companies. These assets are mainly leased to third parties, with the exception of some that are used by the Group's non-insurance companies (e.g. Atahotels, Unipol Banca, Assicoops);
- "Owner-Occupied Property", assets mainly used as insurance business sites or for the activities of the diversified companies (e.g. Marina di Loano, Tenute del Cerro).

In 2015 the Unipol Group's Energy Management System was consolidated with the extension of the scope of certification in accordance with the international ISO 50001 standard to all head offices.

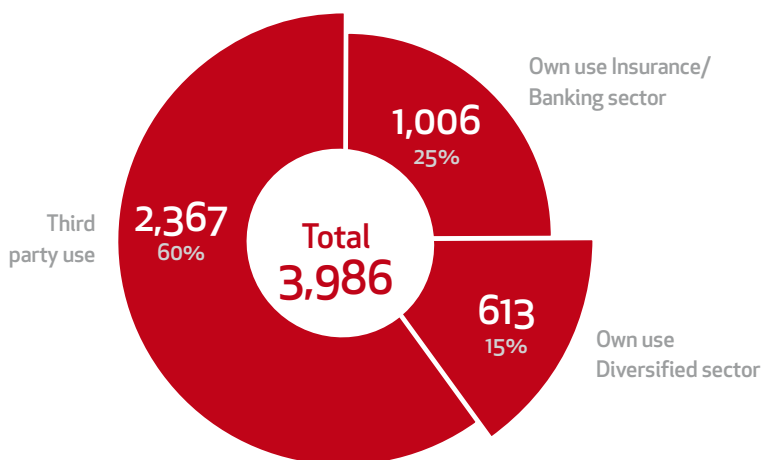
Geographical distribution of property assets

Data at 31 December 2015



Source: UnipolSai Management Control and Tax Office

Value of property assets by cluster - Amounts in €m



Source: UnipolSai Management Control and Tax Office

Customers

UnipolSai Real Estate currently manages around 1,700 lease agreements with third parties, mostly in Central and Northern Italy. The majority of customers are corporations or professional firms while a small percentage is made up of customers with residential leases.

The management of third party leases involves an internal asset management department that coordinates the brokers who actively seek customers on the domestic and international market.

Employees

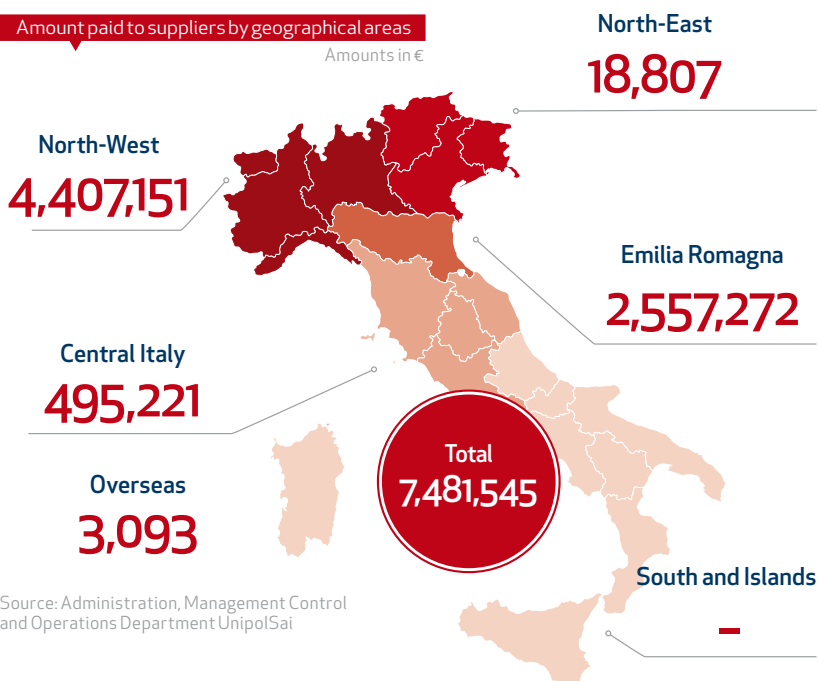
At 31 December 2015, the day it was incorporated into UnipolSai Assicurazioni, UnipolSai Real Estate had 101 permanent staff, 50 men and 51 women, hired under national collective labour contracts applicable to the Trade or Caretakers sectors. Five of these employees worked part-time. The average age is around 46.5 years while the average seniority is around 14.5 years. As regards health and safety, the Group Prevention and Protection Service took the place of an external service as of 1 July 2015: in the second half of 2015 audits were carried out in 25 of 26 sites (16 of which with caretaker activities), 9 evacuation drills were organised and 21 Risk Assessment Documents were produced. The measurements of exposure to electromagnetic fields regarded five sites, and the monitoring of legionella also began in five other sites. Radon levels were measured at three sites. None of these analyses revealed any particular criticalities.

Suppliers

20 suppliers are registered on the portal. The aim of the Unipol Group is to continuously improve its real estate qualification standards, integrating them with best practices in the area of Energy Efficiency to reduce the environmental impact of the activities it manages. To meet this goal, a virtuous Stakeholder engagement process was launched with the main suppliers which, year by year, will be fine-tuned and establish itself as a current practice.

Amount paid to suppliers by geographical areas

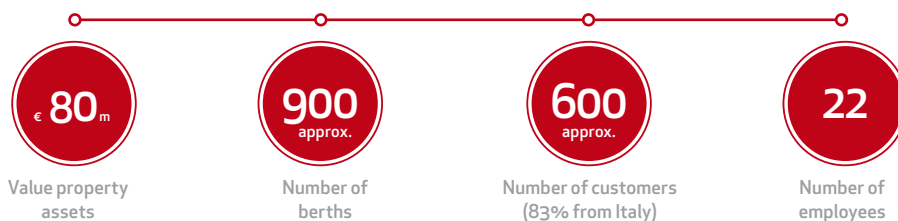
Amounts in €

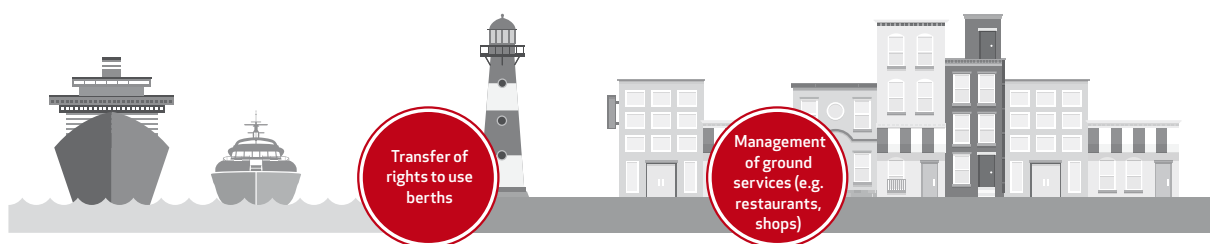


Community

"Urban Up" is the project dedicated to property redevelopment and the enhancement of some of the most important real estate assets owned by the Group. The Urban Up project was launched in Milan with the redevelopment of some of the most symbolic buildings in the Lombard capital in terms of history and location (Torre Galfa, Torre Velasca, Corso di Porta Romana 19) and will continue with the promotion of other buildings in different Italian cities.

In July the first stage of the redevelopment of Torre Velasca was completed which, with the **"Opening Velasca"** project, opened the Torre piazza to visitors, inaugurating a new space dedicated to exhibitions, meetings and debates on architecture and design. The project to redevelop the building is currently at the study phase and combines the need to organise the spaces in a modern way with the necessity of preserving a symbol of modern architecture. Another significant project was **the work in the public area of Piazza Cantoni**, which came about after listening to the needs expressed by the Gratosoglio "Le Terrazze" neighbourhood committee, to improve the quality of life of citizens by making it possible to access the public space facing the property in Via Fraschini, owned by the SGR Fund and currently leased to Bocconi University, which uses it as a student residence. Developed in close association with the Municipality of Milan, the project, which seeks to rid the park of undesirable persons and vandalism, was implemented through the construction of a fence to protect it at night, as happens with the other public parks of Milan, thus contributing to enhancing the value of the property and to the redevelopment of the Gratosoglio neighbourhood.





Identity

Marina di Loano S.p.A. is the Group company that operates in the nautical tourism sector. It designs, constructs and manages marinas and is the holder of the public concession (which expires on 31 December 2072) for the port of Loano, located in Western Liguria (Savona), where it is able to moor around 900 boats of between 6 and 80 metres in length.

The company has safe, cutting-edge structures that make it possible to carry out all maintenance and repair operations directly in the Marina, which offers services for crews, guests and boats to ensure their utmost comfort. Its service-centric approach is also underlined by its attainment of ISO 9001 certification, the leading international quality management standard that monitors all activities and processes geared towards customer satisfaction.

Financial data

The 2015 financial year closed with a loss, also as a result of the stagnation of the nautical market, in an increasingly competitive context characterised by a downturn in prices.

At 31 December 2015, 564 moorings, a 63% occupancy rate, were leased out, an increase compared with the previous year. Overall revenues for 2015 totalled €5.3m.

Environment

The port management company focuses close attention on the environment. Since 2011 it has complied with the ISO 14001 environmental management standard which establishes the requisites which demonstrate that the management systems of organisations are capable of keeping the environmental impact of their activities under control and that they systematically seek to improve them in a consistent, effective and, most importantly, sustainable way. The main activities considered by the certification are maintenance, the distribution of drinking water and electricity, the cleaning of water bodies and common areas, and the collection and disposal of waste produced by users (the site has its own drop-off point for the collection of hazardous waste such as batteries, bilge and used oil).

In terms of energy, the port of Loano is one of the most advanced in Europe and is always looking for new ways to reduce its consumption. To this end, of particular note is the presence of a ring-shaped condensation structure and heat pumps which exploit the difference in temperature between the land and the sea to heat and cool the port's buildings and structures, and to produce domestic hot water centrally. Still in the energy sphere, the supply of electricity is controlled using a transponder that makes it possible to keep a record of customer consumption levels while also focusing closer attention on energy savings.

In addition, for the fourth consecutive year Marina di Loano was awarded the Blue Flag, an international eco-label given to beaches and marinas that respect criteria relating to the sustainable management of the region.

54,835
Total m³
of water used

4,416
Total Mwh
of energy used

100%
Percentage of green
energy acquired

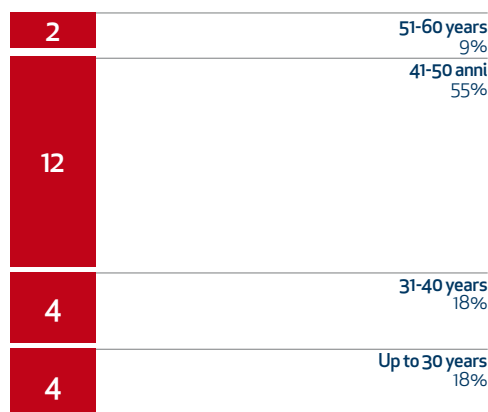
Employees

Close attention is paid to training staff on safety issues: all technical personnel have completed the high risk fire safety course. In 2013 the company was awarded OHSAS 18001 certification attesting to its implementation of and respect for international employee health and safety management standards. Furthermore, risk assessments and emergency plans are constantly updated and the risks that workers are exposed to are monitored continuously.

Marina di Loano has also launched a programme for the monitoring and prevention of Legionella through specific controls, the taking of samples and lab analyses under the supervision of a professional with expertise in the sector.



Number of employees by age bracket



Source: Human Resources and Organisation General Office

Total employees: 22

OTHER BUSINESSES SECTOR



Identity

Founded in 1967, Atahotels is the Unipol Group company that operates in the hotel sector. Atahotels stands out for its strategy closely focused on the services it offers and its ability to devise and propose tailor-made solutions for the needs of its customers. It caters for the wellbeing of its guests by providing sports facilities and developing beauty farms, spas and wellness centres.

During the 2015 financial year an agreement was signed for the acquisition of the activities relating to the "Una Hotels" hotel management brand. The strategic goal of this operation is to create the leading hotel management company in Italy, large enough to be able to offer a wide portfolio of attractive destinations and to access major international customer channels in a more efficient way.

Financial data

The 2015 financial statements closed with a profit of around €2m, as opposed to the negative result in 2014 of almost -€9m. This significant improvement came about as a result of a large increase in revenues and the substantial improvement in operating expenses due to the effects of the streamlining activities carried out. Total revenues amounted to €132.4m, up by 19.6% compared with the figure of €110.7m in 2014.

Revenues from hotel activities totalled €123.3m, divided up as follows.

Revenues by structure type – Amounts in €m

Hotel	50.1
Resort	43.6
Residence	29.6
Total	123.3

Source: 2015 Atahotels Financial Statements

Revenue by business type – Amounts in €m

Rooms	92.2
Food & Beverage	24.0
Conferences (hiring out of meeting space)	3.5
Other	3.6
Total	123.3

Source: 2015 Atahotels Financial Statements

Customers

The importance attributed to customer services is borne out by the numerous listening and dialogue initiatives introduced in the hotels under management. In fact, Atahotels has created a system for monitoring its services based on the integration of internationally-recognised hospitality standards and a management model and operating regulations focused on quality and the environment. This system involves various tools that help to constantly monitor the quality of the services offered to guests and compliance with health, safety, HACCP and privacy regulations.

To monitor satisfaction levels on a daily basis, Atahotels has completed its customer experience evaluation project which measures guests' levels of satisfaction with the chain and individual structures. Thanks to this system Atahotels is able to monitor its perceived quality levels online thanks to the evaluations given on over 100 leading websites and social networks at international level. With this in mind, to consolidate its relationship with guests after their holidays, the percentage of hotel managers that respond to online reviews is monitored together with their chosen approach.

Another system that has been adopted is the "Atahotels Quality Satisfaction" (AQS) system, which allows guests to voice their opinions and provide information on the different reasons for their stay. The main elements evaluated regard the precision and speed of bookings and hospitality, the cleanliness and comfort of the rooms, the quality of the food and service, the quality of spa treatments and the entertainment programmes, and the courtesy and proactivity of staff.

In order to verify the quality of the product and the compliance of the service with internal standards and operating procedures, over the year 15 internal audits were carried out together with 9 audits performed by external HACCP professionals.

Still in the area of customer services, in 2015 the multilingual "Guest relation" function was launched on a trial basis during the "Expo 2015" period to support the reception service, the aim being to provide guests with personalised, proactive and effective assistance during their stay at the hotel. The extension of the initiative to the Front Office departments in luxury complexes is currently being evaluated. The "guest relation" figure actively contributes to the development and promotion not only of the hotel and its services, but also of the local area and location.

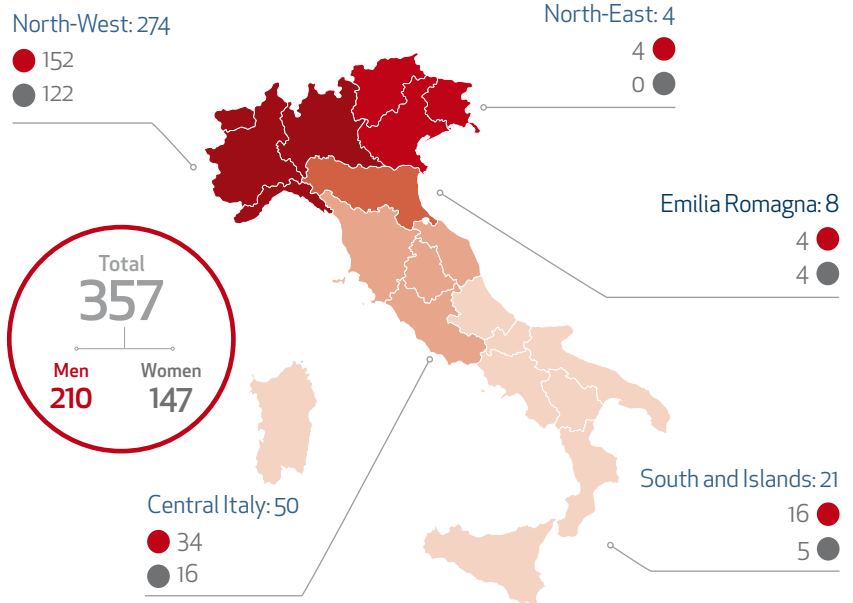
In 2015, the 5,500+ rooms in the structures managed by Atahotels hosted around 1.8 million guests with 1.7 million adults and the remainder children of 0-11 years of age, an increase of 14.5% on 2014. 65% of guests were Italian and they were followed, in terms of numbers, by guests from the UK, Russia, France and China.

The average occupancy rate in 2015 was 58.5%, up 3.8% compared with the previous year.

Employees

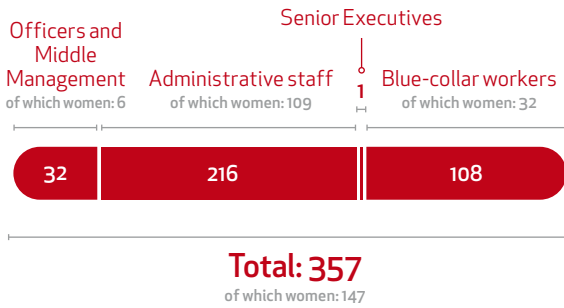
At 31 December 2015, Atahotels had 297 permanent employees, 185 men and 112 women hired under the national collective contracts pertaining to the Tourist Industry, Tourism or Trade sectors. Of these, 20 work part-time (7% of the total). The average age is around 42 years (including staff on fixed-term contracts, the average age is around 45), while average seniority is around 11 years (which rises to 14 years if you also consider staff on fixed-term contracts). In addition to the employees on permanent contracts, there are also 60 employees on fixed-term contracts.

Number of employees by geographical area



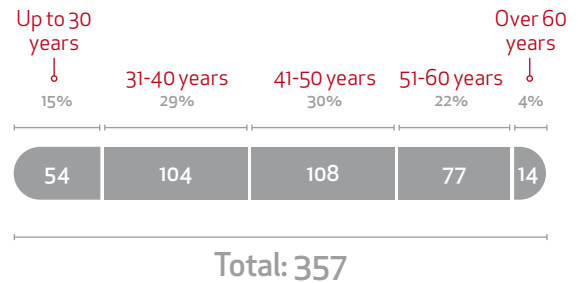
Source: Directorate-General for Human Resources and Organisation

Number of employees by job-level category



Source: Directorate-General for Human Resources and Organisation

Number of employees by age bracket



At 31 December 2015, the company had employed an average of 316 seasonal workers who represented around 47% of the total average annual workforce.

Atahotels trains its staff paying particular attention to Health and Safety training: in 2015, it supplied 3,512 man-hours of training in this area out of a total of 3,712 hours of training. During the year new Risk Assessment Documents were drafted for each structure according to a new Group standard with specific in-depth coverage of fire risks and work-related stress.

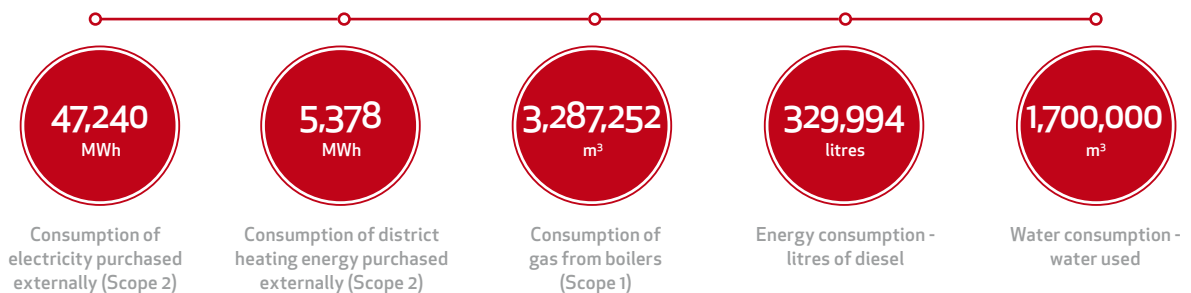
In January 2016 Atahotels was unable to renew the lease contracts of 8 of the hotels it manages with owner ENPAM. The failure to renew these contracts will lead to the redefinition of the portfolio of hotels managed by the hotel company and will free up management and financial resources that could go towards the development of new management opportunities that are more consistent with the evolution strategies foreseen in the future industrial plan. So far, 3 major redevelopment and renovation projects connected with The Big, Capotaormina and Naxos Beach hotels have been approved together with their owners. These projects will see the structures assume state-of-the-art status for all parameters relating to safety, hygiene, ergonomics, comfort and the quality of guests' stays. The renovation process will continue on other structures in 2016.

Environment

The culture of environmental sustainability is promoted through the sharing of the Unipol Gruppo's environmental policies, which seek to identify behaviour that can help reduce environmental impact. The environmental policies are also disseminated in communications to suppliers and in the notices displayed in common areas and the rooms.

To monitor the energy efficiency of the structural work carried out in the past an Energy Management System has been implemented that is able to monitor energy savings and the reduction of CO₂ emissions into the atmosphere.

Direct impact – 2015



Source: Directorate-General for Real Estate and Diversified Companies

Other energy savings initiatives include the use of LED light bulbs and renewable batteries in the hotels.

More specifically, the focus on the environment involves the adoption of the *"Green Program"* with regard to the changing of bed sheets, towels and beach towels, and the *"Paperless program"* for hotel management activities and the sorting of waste. The company has developed specific tools and procedures in the hotels to limit wastage and waste connected with complementary products, offering additional ones upon request.

Staff are also taught how to use environmentally-friendly detergents and disinfectants properly, and the use of biodegradable containers for take-aways is encouraged.

Over 27% of the products on menus at Atahotels must be typical local products (in order to reduce the use of packaging and minimise transport costs) while seasonal organic ingredients must account for over 32% of the total. As well as maximum attention to the presence of allergens in food and food intolerances, the menus also guarantee observance of the protected families of fauna and fish and of the animal reproduction periods, even if not required by legislation; no purchases of species defined as "endangered" by the European Community are made either.

Finally, another area in which measures are taken to reduce environmental impact is mobility: in fact, the company adopts the Group's policies regarding work transfers; in addition, it also makes bicycles and electric bicycles available for hire to its guests at its structures.

Suppliers

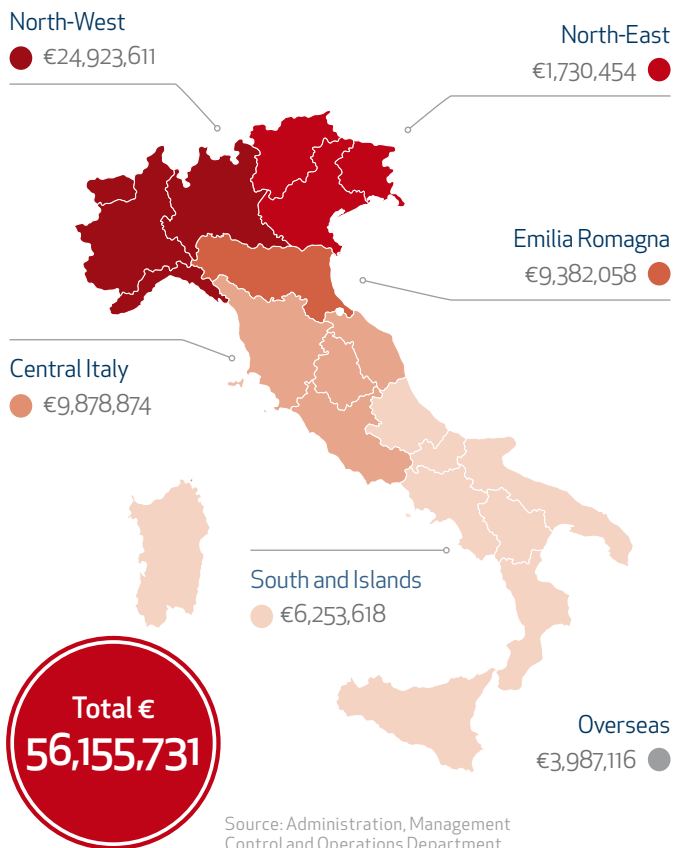
Procurement procedures comply with the similar Unipol Gruppo procedures based on the selection and evaluation of suppliers through the Group Supplier Portal. In order to monitor the supplier payment process, a new computer system was introduced in 2015: through this procedure it is possible to optimise the order management flow and minimise errors and delays.

Consistent with a partnership approach in two key procurement areas, those relating to catering and laundry, Atahotels has chosen to prioritise long-term relations with suppliers that seek to reduce their environmental impact and improve their overall environmental footprint.

Catering partners are certified according to the ISO 14001 (Environmental Management System) standard and adopt measures to reduce their carbon footprints: prioritising locally-sourced products (zero km) and fruit and vegetables deriving from social farming; adopting procedures to optimise logistics processes with dedicated software and transport with low environmental impact; using packaging solutions designed to reduce weight and volume.

The chosen laundries are those that use industrial systems that absorb 35% less energy than a traditional system and that reduce process water by 40% compared with traditional washing systems. In addition, they also use natural soap for cleaning and adopt transport solutions in which the use of plastic is minimised.

Amount paid to suppliers by geographical areas



TENUTE DEL CERRO

5
estates

5,000
hectares of land owned

1,430
Number of customers in 27 countries

65
Number of employees

Identity

Tenute del Cerro S.p.A. is a winemaker whose production technique centres around regional characteristics and local products with the objective of enhancing their quality and traditions.

The vineyards are distributed across four estates, three in Tuscany and one in Umbria for a total of 297 hectares of vines, while the Umbrian estate of Montecorona produces oil and fruit.

In addition, two estates in Tuscany and one in Umbria offer agritourism services with around 30 bedrooms and 12 apartments available for use by the public.

The 2015 harvest, across all of the estates, produced 2,044,900 kg of grapes. In terms of quality, the particularly favourable climate trend enabled the grapes to mature perfectly resulting in very high quality wines.

The adoption of the highest product and service quality standards made it possible to obtain ISO 9001 certification for the production and the bottling and packaging of wine and olive oil, and for the agritourism services provided.

Financial data

Tenute del Cerro posted a loss of -€1.77m (-€1.47m at 31/12/2014) after in a real estate write-down of €3.45m gross of tax. This negative result was partially offset by a 10.6% increase in the value of production in a market context that was largely stable in Italy and enjoying growth in the reference overseas markets. The company increased its turnover by 0.7% and the value of its sales by 5.4% thanks to a 4.7% increase in average gross prices. The value of production in 2015 came to €8.5m.

Environment

Safeguarding the environment is regarded as a strategic factor in the creation of value: Tenute del Cerro produces high quality wine paying close attention to three basic parameters: energy efficiency, water consumption and pollution, and the protection of biodiversity.

In order to save energy and reduce atmospheric emissions of CO₂, at Fattoria del Cerro a project for the replacement of the current liquid gas boiler with a heat pump has been approved. Since 2015 all electricity purchased comes from renewable sources (hydroelectric, wind energy, solar energy, biomass).

All in all, at the end of 2015 electricity consumption came to 760 MWh, consumption of gas from boilers to 116,695 m³ and consumption of diesel to 96,156 litres, to which the use of 112,224 litres of LPG can be added.

As for water resources, two of the five estates have their own water supplies; at Fattoria del Cerro, as well as the supplies from the public water network there are also internal wells. In 2015 total water consumption at the capital properties came to 6,344 cubic metres.

Maintaining biodiversity is a priority action area with production processes focused on transparency, the healthiness of products and farming practices with reduced environmental impact. Around 10% of the fertilisers used are organic; the rest are mineral/organimineral. The commitment to assessing environmental parameters, implementing farming policies that respect the landscape and the health of workers, and therefore the systematic monitoring of processes, also pursue the goal of improving the hospitality service of the estates' agritourism businesses. The focus on the environment does not regard just management of the estates but also the choice of suppliers. Barriques with environmentally-sustainable certification were acquired in 2015. All of the wood used in the production of the barrels and barriques purchased, French oak, is certified as respecting the sustainability requirements of the PEFC standard 100%.

Number of employees by age bracket

Up to 30 years	3	5%
31-40 years	22	33%
41-50 years	18	28%
51-60 years	20	31%
Over 60 years	2	3%
Total	65	100%

Source: Directorate-General for Human Resources and Organisation

Employees

The company had 65 employees at 31 December 2015. The characteristics of the business are such that employees are concentrated in the most important estates, located in Central Italy. The most represented age bracket (33%) is that of the 31 to 40 year-olds, while the number of employees over 60 and below 30 is minimal. The average age is just over 45 years while the average seniority is around 13 years. There are 47 men and 16 women on permanent contracts, hired under the national collective labour contract for the Agriculture or Agriculture and Nursery Gardeners sector. Only two male employees were hired on fixed-term contracts while one woman has a part-time contract.

Due to the seasonal nature of agricultural work, as well as its employees at 31 December 2015 the company also had a considerable number of seasonal workers.

The Prevention and Protection Service is managed by an external company which carried out at least three audits at each business site during the year with the goal of assessing the working environment and evaluating the machines, equipment and substances used. This work will undergo further fine-tuning and investigation this year as part of the project to implement a company Health and Safety Management System. Tenute del Cerro has also launched a programme for the monitoring and prevention of Legionella through specific controls, the taking of samples and lab analyses under the supervision of a professional with expertise in the sector.

Customers

The Company uses the Ho.Re.Ca. (hotel, restaurants, cafes/catering), large-scale retail and Cash & Carry (independent professionals) sales channels, in both Italy and abroad, with similar sales volumes. 3% of the value of sales is made directly to the end customer, at the estates or via the e-commerce portal dedicated to employees.

To support the increase in production, and to improve flexibility in terms of meeting the demands of the market, the company has also equipped itself with a new bottling line.

Complaints are immediately processed and managed by the sales and production departments: all cases were resolved quickly with answers and a customer satisfaction email sent to customers. No penalties were imposed by supervisory bodies or entities in 2015. A steering committee was set up involving all of the company's main departments for the management of major crises that may occur with regard to the qualities of the product.

Training initiatives are promoted to customers as are initiatives to develop their knowledge of the local area with the organisation of various kinds of events such as themed dinners with food and wine pairings, tastings at tasting tables, tastings of the best vintages of the company's finest wines with vertical degustations, guided tours of the cellar.

Various degustations are organised with the aim of encouraging people to drink well, and therefore in an informed way.

The "Tenute del Cerro Day" held at a prestigious location in Rome in September welcomed over 1000 people in just a single day: customers who, thanks to a guided tour, were able to taste the products served by professional sommeliers in combination with different foods.

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