

Directors' Reports and proposals on the items of the agenda

**CLOSE
TO REALITY.**

**TOGETHER
BEYOND NUMBERS.**

UnipolSai
ASSICURAZIONI

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AGENDA

- 1. Financial Statements as at 31 December 2016; Directors' Report; Board of Statutory Auditors' and Independent Auditors' Report. Related and consequent resolutions.**
- 2. Remuneration Report prepared pursuant to Art. 123-ter of the Consolidated Law on Finance and Art. 24 of ISVAP Regulation No. 39, 9 June 2011. Related and consequent resolutions.**
- 3. Acquisition and disposal of treasury shares and shares of the holding company. Related and consequent resolutions.**

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETINGS ON AGENDA ITEM No. 1

Financial Statements as at 31 December 2016; Directors' Report; Board of Statutory Auditors' and Independent Auditors' Report. Related and consequent resolutions.

Dear Shareholders,

concerning the description of the first item of the agenda for the Ordinary Shareholders' Meeting, please refer to the information published as required by law within the annual Financial Report and, in particular, to the issues included in the Management Report prepared by the Board of Directors of UnipolSai Assicurazioni S.p.A. ("UnipolSai" or the "Company") – together with the Report on corporate governance and ownership structures – as well as the reports by the Board of Statutory Auditors and by the Independent Auditors, PricewaterhouseCoopers S.p.A.; this documentation will be made publicly available in its entirety as prescribed by law at the Company's registered office and at its website (www.unipolsai.com) in the section *Governance/ shareholders-meetings/Meeting April 2017*.

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

Proposal

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

- *having examined the draft financial statements at 31 December 2016, accompanied by the annexes and documentation required by Legislative Decree No. 209 of 7 September 2005, as well as the annexes and additional documents drawn up pursuant to ISVAP Regulation No. 22 of 4 April 2008, as subsequently amended, having read the Directors' Report and having accepted the Board of Statutory Auditors' Report of UnipolSai and the report prepared by the company PricewaterhouseCoopers S.p.A. appointed to serve as the independent auditor;*
- *having examined the results of said draft financial statements, which:*
 - i) *reflected the effects of the retroactive application of the change to the accounting standards with regard to the accounting of dividends from subsidiaries and treasury shares, consequently to Legislative Decree 139/2015 coming into force (which adopted the so-called Accounting Directive) and the issue of the new accounting standards by the OIC (Italian Accounting Standards Setter); these affects namely imply (a) the adjustment of the opening balances at 1 January 2016 for a total value of Euro 11,216,186.57 (of which profits for Euro 12,031,263.32 referring*

to the Non-Life business and losses for Euro 815,076.75 referring to the Life business) attributed to the Extraordinary reserve included under “Other provisions” of the Shareholders’ equity and (b) the recognition in the “Negative reserve for treasury shares in the portfolio”, equal to Euro 76,561,166.14 at 1 January 2016 (of which Euro 52,967,695.13 referring to the Non-Life business and Euro 23,593,471.01 referring to the Life business) as a direct decrease in shareholders’ equity; and

ii) recorded profit for the year totalling Euro 458,479,434.73, of which Euro 254,591,872.71 relating to the Non-Life business and Euro 203,887,562.02 relating to the Life business;

– *having acknowledged that at today’s date, the Company owns 7,005,640 treasury shares,*

hereby resolves

– *to approve the financial statements of UnipolSai at 31 December 2016, accompanied by the Directors’ Report, recording (i) a net increase in the opening balance at 1 January 2016 of the item “Other provisions” of the shareholders’ equity of Euro 11,216,186.57 (of which profits for Euro 12,031,263.32 referring to the Non-Life business and losses for Euro 815,076.75 referring to the Life business) consequently to the retroactive application of the new accounting standards mentioned above issued by the OIC and come into force from 2016, and (ii) a profit for the year totalling Euro 458,479,434.73 of which Euro 254,591,872.71 relating to the Non-Life business and Euro 203,887,562.02 relating to the Life business (“Profit for the year”);*

– *to approve the proposed allocation of the Profit for the year at 31 December 2016, in compliance with Art. 27 of the By-Laws as follows:*

– *provisions for Euro 2,075.59 to the Legal reserve, entirely allocated to the Non-Life business, so as to reach the limit of 20% of the share capital;*

– *distribution to the shareholders of UnipolSai of a total of Euro 352,838,966.50, of which Euro 254,589,797.12 relating to the Non-Life business and Euro 98,249,169.38 relating to the Life business, and hence distribution of a unit dividend, also in consideration of the redistribution of the dividend pertaining to treasury shares, of Euro 0.125 for each entitled ordinary share;*

– *allocation of the Profit for the year – totalling Euro 105,638,392.64 – to the Extraordinary reserve posted in the item of Other provisions of the shareholders’ equity attributed to the Life business;*

specifying that any change in the number of the Company’s treasury shares in portfolio at the time of distribution shall not affect the amount of the unit dividend

as established above, but shall increase or decrease the amount allocated to Extraordinary reserve;

- *to set the dividend payment date as 24 May 2017 (ex-dividend date of 22 May 2017 and record date of 23 May 2017).*

Bologna, 23 March 2017

The Board of Directors

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETINGS ON AGENDA ITEM No. 2

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

Dear Shareholders,

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

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

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

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

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

- the First Section illustrates the policies adopted by the Company, with particular reference to the members of the administration and control Bodies and Key Managers, per 2017, as well as the procedures used for their adoption and implementation;
- the Second Section provides an adequate representation of each of the items that comprise remuneration and illustrates, individually by name for the members of the administration and control Bodies and the General Manager as well as, in aggregate form, for the Key Managers of UnipolSai, the compensation paid by the Company in 2016 for any reason and in any form. Lastly, information is provided about the shareholdings held, by the aforementioned persons, in the listed companies and in their subsidiaries.

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

Proposal

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

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

hereby resolves

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

Bologna, 23 March 2017

The Board of Directors

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

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

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

Bologna, 23 March 2017

Foreword

The present document, approved by the Board of Directors of UnipolSai Assicurazioni S.p.A. (“**UnipolSai**” or the “**Company**”) on 23 March 2017, contains the remuneration report (the “**Report**”) – prepared:

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

to illustrate to the Shareholders’ Meeting convened to approve the financial statements at 31 December 2016 (the “**Shareholders’ Meeting**”) the policies adopted by UnipolSai with regard to the remuneration of members of the administration and control bodies (the “**Corporate Bodies**”), of the General Manager and of the Key Managers of the Company, as defined below, for 2017 (the “**Remuneration policies**” or the “**Compensation policies**” or the “**Policies**”).

The Remuneration policies of the Company are in line with the general policies containing the guidelines for the remuneration of the Corporate Bodies and the personnel of Insurance Companies, which Unipol Gruppo Finanziario S.p.A. (“**UGF**” or the “**Parent Company**”), as parent company of the Unipol Insurance Group (the “**Insurance Group**”), has set out in order to guarantee the overall consistency and the adequate harmonisation of remuneration policies within the Insurance Group, pursuant to Art. 5 of the ISVAP Regulation¹, and are also based on the principles and criteria set forth in Art. 6 of the latest edition of the Code of conduct for listed companies dated July 2015.

This Report has two sections:

- First Section illustrates the Remuneration policies adopted by UnipolSai for 2017 and the procedures followed for their adoption and implementation;
- Second Section provides adequate representation of each of the items comprising remuneration and shows, by name, remuneration paid by the Company in 2016 for any reason and in any form to members of the Corporate Bodies and the General Manager and, in aggregate form, to the Key Managers of the Company. This information also includes the results of audits conducted by the Internal control function in 2016, in accordance with the provisions of Art. 23 of the ISVAP Regulation.

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

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

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

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

This Report is made available to the public at the registered office of UnipolSai, in Bologna, Via Stalingrado, 45, as well as on the Company's website, at the address www.unipolsai.com in the *Governance/Shareholders' Meetings/Shareholders' Meeting April 2017* Section, in accordance with the regulatory provisions in force.

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

FIRST SECTION - REMUNERATION POLICIES

The remuneration policies for 2017 are substantially in line with those of the previous year, adopting the same principles, structure and content.

Recipients of the Remuneration policy

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

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

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

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

- a) Key Management Personnel, as identified by the Chairman and the Chief Executive Officer and Group CEO of the Parent Company, with the assistance of the Directorate-General of the Human Resources and Organisation Management Department, on the date of publication of this Report, are, in addition to the General Manager:
 - General Department Co-Managers;
 - the Director of Strategic Planning, Investor Relations and M&A;
 - the Deputy General Manager Non-Life Technical Business^(*);
 - the Claims Director;
 - the Finance Director;

^(*) Members of the Parent Company's Management Committee.

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

All of the people identified are Executives.

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

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

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

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

implementation, involving the other functions where necessary and/or appropriate.

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

B. POSSIBLE INTERVENTION OF A REMUNERATION COMMITTEE OR OF ANOTHER COMMITTEE WITH RELEVANT POWERS, DESCRIPTION OF THE COMPOSITION (DISTINGUISHING BETWEEN NON EXECUTIVE AND INDEPENDENT DIRECTORS), ITS COMPETENCES AND ITS MODUS OPERANDI

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

- to submit proposals to the Board of Directors regarding the definition of the General policies containing the guidelines for the remuneration of Directors and Personnel, including Key Managers as well as the Managers of internal control functions, in compliance with the guidelines set forth by the Parent Company;
- to submit proposals to the Board of Directors as regards the remuneration of the Executive Directors and of the other Directors who hold particular offices, taking into consideration the guidelines set forth by the Parent Company, and to set performance objectives related to the variable component of said remuneration, thus monitoring the application of the decisions adopted by the Board of Directors and verifying, in particular, the actual fulfilment of such performance objectives;
- to regularly assess the adequacy, the overall consistency and correct application of the policies for the remuneration of Directors and Key Managers (including the managers of Internal control functions), availing itself of the information provided by the Chief Executive Officer and submitting proposals to the Board of Directors on these matters.

In compliance with the provisions of the Code of conduct for listed companies, the Remuneration Committee in office on the date of publication of this Report was comprised by three Non-Executive Directors, all of which independent, also pursuant to Art. 37 of the Market

Regulation adopted by CONSOB with resolution no. 16191 of 29 October 2007, appointed by the Board of Directors at the meeting held on 12 May 2016.

Further information on the work performed and the main issues handled by the Remuneration Committee in 2016 are contained in the Annual Report on corporate governance and ownership structures, which can be found in the *Governance/Shareholders' Meetings/Shareholders' Meeting April 2017* Section on the Company's website www.unipolsai.com.

In the year 2017, the Remuneration Committee met on 23 March, in order to examine proposals regarding the Remuneration policies for 2017, approved by the Company's Board of Directors at the time of preparation of this Report.

C. NAME OF INDEPENDENT EXPERTS THAT MAY HAVE CONTRIBUTED TO DRAWING UP THE REMUNERATION POLICY

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

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

Objectives

The Remuneration policies of UnipolSai are consistent with:

- the Mission of the Unipol Group, illustrated in the Charter of Values, which states, inter alia, that *"The Group implements business management that is efficient, profitable and sustainable over time, based on the contribution and empowerment of its employees"*. This statement provides important guideline pertaining not only to the general formulation of the Remuneration policies, aimed at promoting a sustainable approach in a long-term vision, but it also stresses its aim of serving as an important instrument for professional development;
- the Values of the Unipol Group, which include Farsightedness, Respect and Responsibility, give the Remuneration policies a perspective that is also based on qualitative and not only quantitative aspects;
- the focus on the interests of all Stakeholders of the Unipol Group, particularly Shareholders and Investors, Employees, Contractors and Professionals, Future Generations, who benefit from a remuneration policy aiming at attracting, rewarding and empowering the best professional competences in a fair, adequate and continuous way;
- the business strategies of the Unipol Group, based on Sustainability, and as such

encouraged in the Unipol Group's Business Plan (the "**Business Plan**"), which guides Remuneration policies from a time horizon and operational perspective, projecting their effects and benefits on sustainable goals;

- the Corporate Governance system of the Unipol Group which, by virtue of a corporate and organisational model that pursues punctual and constant compliance with rules and regulations, respect of the correct distribution of powers between governance bodies and corporate structures, the observance, the adequacy and the control of the risk management system, facilitates not only the full legal compliance with the Remuneration policies, but also guarantees the development of their adequate internal training process and their consistency with the broader management policies.

Principles

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

For this purpose, the following principles are the essential parameters for the determination of remuneration:

- a sound and prudent risk management policy, in line with strategic objectives and long-term profitability and balance of the Company and of the Group, avoiding remuneration policies based exclusively or mainly on short-term results, which could lead to excessive exposure to risk;
- internal fairness, so that remuneration is consistent with the position held and the connected responsibilities, with the role assigned, experience, capabilities, capacities demonstrated and actual performance;
- meritocracy, so that the results achieved and the conduct enacted to achieve them are rewarded;
- dialogue with the reference markets, in order to create competitive remuneration packages, with a view to the trends, the directions and best practices, in order to sustain sound, lawful and effective competitiveness;
- the level of risk monitoring, differentiated on the basis of the business line to which it refers, for the purpose of basing Remuneration policies on sound and prudent risk management, in line with the requirements of the ISVAP Regulation.

Comparison with previous year

The Policies adopted in the current year are in line with the Remuneration policies adopted last year, which were already compliant with the principles and the criteria of self-regulation, also

following the recommendations of the relevant Supervisory Authorities regarding a more careful assessment of risk, also with a view to the future².

More specifically, with regard to the variable component of remuneration, the conditions and the procedures for the disbursement of the same, approved in 2016, have not changed, and include:

- the threshold for the achievement of Consolidated Gross Profit Result, corresponding to 80% for Risk Taker Executives and 70% for other Executives;
- the use of Solvency II metrics to measure the capital adequacy objective of both the Unipol Group and of the Company;
- the presence of a further gateway to the economic benefits envisaged by the Policies, represented by the achievement of 80% or of 70% of the Company's IAS Individual Gross Profit, as approved in the budget for the year in question, for Risk Taker Executives and other Executives respectively;
- the alignment of annual pay parameters both for the short-term components and for the long-term component;
- the inseparable nature of the short- and long-term variable components, considered portions of a single Total Bonus (as defined below);
- the measurement of individual performance on the basis of four objectives, two of which quantitative and with a preponderant weight;
- the structure of incentives on a wider grain scale, awarded on the basis of individual performance levels, no lower than the overall achievement of said individual objectives corresponding to at least 60%.
- the opportunity to benefit from an additional bonus, recognised if the long-term objectives are exceeded by a significant amount;
- the attribution of ordinary shares of both UGF and of UnipolSai as a form of remuneration for long-term benefits;
- the opportunity to award loyalty bonuses to Executives, for retention purposes and with a view to encouraging the achievement of the governance, growth and development objectives of the Unipol Group, as illustrated in more detail in paragraph L) below.

The General Manager is also awarded a compensation for office held, used to calculate the variable component of pay, in application of the UPM System (as defined below).

² See, *inter alia*, the Letter to the market from IVASS dated 15 April 2014.

E. DESCRIPTION OF POLICIES REGARDING THE FIXED AND VARIABLE COMPONENTS OF REMUNERATION, WITH SPECIFIC REGARD TO THE INDICATION OF THE RELATIVE WEIGHT WITH RESPECT TO TOTAL COMPENSATION AND DISTINGUISHING BETWEEN SHORT AND MEDIUM-LONG TERM VARIABLE COMPONENTS

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

The variable remuneration component is based on two main objectives:

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

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

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

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

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

- the importance of the position held;
- the complexity of the role covered;
- the importance of the responsibilities assigned;

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

- the qualitative weight of the skills possessed and acquired;
- alignment to sector-related market benchmarks;

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

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

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

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

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

To this regard, it should be specified that the Board of Directors of UnipolSai, at the meeting held on 23 March 2017, following the opinion of the Remuneration Committee, adopted the UPM Regulation for 2017, originating from the three-year UPM System for 2016-2018 (the "UPM System" or the "System").

F. POLICY FOLLOWED FOR BENEFITS IN KIND

Benefits in kind represent an important component of the remuneration package, both in terms of appreciation by the recipients and in terms of total remuneration, as a supplementary and/or

alternative element to payment in cash, which has proved to be advantageous in establishing effective Remuneration policies, but at the same time ensures the optimal economic impact. The benefits are differentiated according to the category of Recipients both by type and by overall value, and mostly regard supplementary pension schemes and health assistance for employees and their respective families.

The assignment of a company car for personal and business use is provided for Executives in the 1st and 2nd Brackets⁴.

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

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

EXECUTIVE PERSONNEL

As mentioned above, the variable part of remuneration (the “**Total Bonus**”) is comprised of two components, whose payment procedure is regulated by the UPM System: (i) one short-term component (“**IBT Bonus**” or “**IBT**”), acknowledged through the payment of a cash bonus, and (ii) a long-term component (“**LTI Bonus**” or “**LTI**”), acknowledged through the assignment of ordinary UGF shares and ordinary UnipolSai Assicurazioni shares (the “**Shares**”).

The maximum amount of the Total Bonus for the Year of accrual is determined by the percentage of gross annual remuneration (“**RAL**”) of the Recipient at 31 December of the year of accrual, a percentage that changes depending on the position held by the Recipient, up to a

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

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

Each organisational position, in particular, is assessed on the basis of three macro factors, which measure the level of expertise needed to correctly perform the role (Know-how), the level of autonomy required to manage the role (Problem solving) and the level of impact on company results (Accountability).

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

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

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

maximum of 100%⁵ of the RAL acknowledged to Recipients in the 1st Bracket (corresponding to 70% of the RAL for Recipients in the 2nd Bracket and 40% for Recipients in the 3rd Bracket).

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

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

- (1) the Total Bonus will not be due to Recipients until a given percentage of the Consolidated Gross Profit of UGF as per the budget approved for the year in question has been achieved. With regard to Key Managers, this percentage must reach at least 80% of the objective indicated;
- (2) for full payment of the Total Bonus, the following are also necessary:
 - (a) the existence of a consolidated solvency ratio (financial stability) of UGF, calculated using Solvency II metrics⁶ corresponding at least to the objective set for 31 December 2017 by the pertinent decision-making bodies. If said value, on the same date, is between 100% and 80% of the objective, as long as the result is not less than 1.0, the amount of the Total Bonus is reduced to 75%, while a lower value does not provide payment of the bonus;
 - (b) in addition, the objective of 80% of Company's IAS Individual Gross Profit as per the budget approved for the year in question must be achieved;
 - (c) lastly, the existence of an individual coverage ratio (financial stability) calculated using Solvency II metrics⁷ and net of transactions on share capital and/or with an impact on said ratio, already performed, underway or to be resolved upon in the future, made by the majority shareholder, corresponding at least to the objective set for 31 December 2017 by the pertinent decision-making bodies.

⁵ Up to a maximum corresponding to 125% for Recipients who participate in the Parent Company's Management Committee.

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

⁷ See previous note: the Solvency II indicator is calculated through the use of the Partial Internal Model.

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

Short-term variable incentives (IBT)

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

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

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

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

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

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

⁸ Up to a maximum corresponding to 40% of the Total Bonus for members of the Parent Company’s Management Committee.

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

Long-term variable incentives (LTI)

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

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

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

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

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

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

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

⁹ Up to a maximum corresponding to 60% of the Total Bonus for members of the Parent Company's Management Committee.

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

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

NON-EXECUTIVE PERSONNEL

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

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

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

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

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

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

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

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

When assigning individual objectives, account is also taken, where appropriate, of non-financial criteria that contribute to creating value for the Company and the Unipol Group, such as compliance with external and internal regulations and the efficiency with which customer service is managed¹⁰.

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

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

- an adequate balance between the fixed and variable components of remuneration and the connection between the latter and pre-determined and measurable efficiency criteria, to strengthen the correlation between results and remuneration;
- the establishment of limits for the variable component;
- a correct balance between short-and long-term efficiency criteria, on which remuneration is dependent, through the postponed payment of the variable component , setting a minimum vesting period for the assignment of financial instruments and the right to require the return of said component in the event that specific conditions are not fulfilled;
- a different impact on the risk profiles of the Company and of the Unipol Group depending on the position held and the responsibilities assigned.

¹⁰ See Art. 12, paragraph 2, point b) of the ISVAP Regulation.

J. VESTING PERIOD, ANY DEFERRED PAYMENT SYSTEMS, WITH AN INDICATION OF THE DEFERMENT PERIOD AND PF THE CRITERIA USED TO DETERMINE SAID PERIODS, AND IF PROVIDED, EX POST CORRECTION MECHANISMS

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

Ex post correction mechanisms

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

- *Malus*: the bonuses provided by the incentive system will not be paid if the trend of results of the Unipol Group deteriorates, adjusted for risk, and if the recipient does not comply with regulatory or supervisory provisions, the consequence of which has entailed a disciplinary sanction against the recipient, or in the Internal Control Functions observe that the Recipient has behaved in such a way so as to commit a serious infringement of internal, external provisions or of the applicable standards of conduct;
- *Claw-back*: the Company will request the return of any bonuses that may have been paid if the relevant Supervisory provisions have been infringed or if the Recipient has acted fraudulently and/or has committed wilful misconduct or gross negligence with regard to the performance of his/her duties, and this had led to a deterioration of the risk profiles and/or the results of the Unipol Group, without prejudice to any further legal action.

K. INFORMATION ON THE PROVISION OF CLAUSES TO HOLD THE FINANCIAL INSTRUMENTS IN THE PORTFOLIO AFTER THEIR ACQUISITION, INDICATING THE HOLDING PERIODS AND THE CRITERIA USED TO DETERMINE SAID PERIODS.

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

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

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

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

As previously indicated, loyalty bonuses may be paid to Directors who have worked for the Company or for the Unipol Group for a certain number of years. The amount of said bonuses, which will be paid at the time of the termination of employment, cannot exceed the amount of five years of total compensation, calculated for the variable part as provided by Art. 2121, no. 2 of the Italian civil code (the “**Total Compensation**”).

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

M. INFORMATION ON THE PRESENCE OF ANY INSURANCE COVERAGE, OR SOCIAL SECURITY OR PENSION PLANS OTHER THAN COMPULSORY ONES

The Shareholders' Meeting on 27 April 2016, which appointed the Board of Directors in office, also resolved to provide insurance coverage for risks related to third party liability arising from the legal and contractual obligations associated with the office of Director and of Statutory Auditor and the associated legal protection, with costs borne by the Company. In this regard, it is to be specified that the Company, in line with the other companies belonging to the Unipol Group, has subscribed to the Group D&O Policy stipulated with Finsoe S.p.A, as the company leading the Unipol financial conglomerate. The conditions of the policy, with a yearly duration from 20 November 2016, provide a limit, at Group level, of a total of Euro 75 million to the benefit of the insured parties.

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

At 31 December 2016, the Company bore a cost of around Euro 914,000.

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

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

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

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

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

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

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

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

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

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

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

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

SECOND SECTION - INFORMATION ON THE IMPLEMENTATION OF THE REMUNERATION POLICY

This Section of the Report consists of three parts:

- first part, which provides a description of the compensation of the recipients of the remuneration policies relating to 2016;
- second part, which illustrates said compensation in the form of tables, as well as the investment held by the recipients of the remuneration policies again relating to 2016;
- third part, which provides a summary of the audits conducted by the internal control Functions.

FIRST PART

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

THE REMUNERATION OF DIRECTORS

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

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

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

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

Details of the compensation paid to the members of the Board of Directors in 2016 is shown in Table 1 below; to this regard, it is underlined that, in the column relating to “Benefits in kind”, the benefits relating to insurance coverage for risks related to third party liability, stipulated in favour of Directors, the costs of which are borne by the Company, could not be indicated for each person. With reference to that already illustrated in First Part One of this Report under letter M), also note that the reason for this is also due to the fact that: (i) the subjective scope of the insured parties benefitting from the policy does not coincide with that of the parties for which information must be provided in this Section of the Report, as it is much wider (it extends, in general, to any person considered the equivalent of a member of the administration, management and control bodies, including therein parties to whom proxies have been awarded and members of the supervisory boards pursuant to Italian Legislative Decree 231/01) and that (ii) said scope is subject to change during the validity of said policy.

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

THE REMUNERATION OF THE CONTROL BODY

In accordance with the Remuneration policies adopted and with that resolved by the Shareholders’ Meeting on 17 June 2015, which appointed the same, the annual compensation for 2016 of the Statutory Auditors of UnipolSai has been established as a fixed amount and differs between Primary Auditors and the Chairman of the Board of Statutory Auditors, corresponding to Euro 50,000 (for each Primary Auditor) and Euro 75,000 respectively; in addition, the expenses incurred with relation to the office held will be reimbursed and an insurance coverage at the expense of the Company is provided for risks related to third party liability arising from the legal and contractual obligations associated with the office of statutory auditor and the associated legal and economic protection, in compliance with the law in force. In accordance with the remuneration policies adopted in 2016, no forms of variable remuneration were recognised in favour of the Statutory Auditors.

Details of the compensation paid to the members of the Board of Statutory Auditors in 2016 is shown in Table 1 below; the same considerations illustrated above with regard to the lack of appreciation of benefits relating to insurance cover for risks related to third party liability also apply here.

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

At the meeting held after the Shareholders’ Meeting on 27 April 2016, which renewed the administrative body, the newly-elected Board of Directors appointed a General Manager pursuant to Art. 20 of the Company By-Laws.

The Company’s remuneration policies for 2016 were therefore applied, in a standardised manner, to the General Manager, Key Managers and other Executives of UnipolSai.

In the reference year there were 21 people in the category of Key Managers, of which 11 employees of UGF partially seconded to UnipolSai, eligible as Key Managers of UGF. To this

regard, it is to be underlined that seconded Executives received the fixed component of their remuneration and the variable one from the Parent Company; it is hereby understood that UnipolSai shall return the cost borne by UGF as a secondment fee.

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

Fixed remuneration component

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

Variable remuneration component

The variable remuneration component, also in 2016, could be represented by the following items:

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

Implementation of the 2013–2015 incentive system

With reference to the incentive system adopted by the Company for the 2013-2015 three-year period (the “**2013–2015 System**”), it is underlined that during its board meeting held on 12 May 2016, the Board of Directors, having acknowledged the satisfaction of conditions for access to the above-mentioned System for the year 2015, resolved to proceed with the

disbursement of short-term monetary incentives, which were actually paid to those entitled with their June 2016 wages.

For the details on the extent of the IBT incentives for the year 2015 paid in 2016, please see Table 3B below (Column 3B).

At the same meeting, the Board of Directors also ascertained full satisfaction of the conditions for the recognition of the long-term incentive pursuant to the 2013–2015 System, as implemented by the relative compensation plan based on financial instruments for 2013–2015 (the “**2013–2015 Plan**”). Following this positive calculation, it was therefore possible to allocate the first of three tranches of UGF shares to the beneficiaries specified in the 2013–2015 Plan.

Therefore, on 1 July 2016, in implementation of the Regulation of the above-mentioned Plan, the Company disbursed the first tranche of Shares to eligible Key Managers, with reference to the year 2013, equal to 1/3 of the total actually earned at the end of the vesting period, the third which corresponds to 302,797 Shares. To this regard, please recall that the Share value used as a reference for the calculation of the number of Shares due to each recipient of the above-mentioned Plan is the average Stock Exchange value recorded by the ordinary UGF share in May 2013, equal to Euro 2.7451. The remaining 2/3 with reference, respectively, to the years 2014 and 2015 will be attributed in July 2017 (first one-third) and July 2018 (second one-third).

Please note that Table below was not completed with the data relating to the implementation of the 2013–2015 Plan, as its monetary effects were exhausted in previous years and the equity effects, noted above, refer to vested financial instruments at the end of the 2013–2015 three-year period, the assignment of which in 2017 and 2018 depends exclusively on the recipient remaining employed by the Unipol Group.

Implementation of the 2016–2018 incentive system

During its meeting held on 23 March 2017, the Company’s Board of Directors, having acknowledged the satisfaction of conditions for access to the UPM System for the year 2016, resolved to proceed with the disbursement of short-term monetary incentives, which will be paid with the April 2017 wages. For the details on the extent of the IBT incentives for the year 2016 payable this year, please see Table 3B below (Column 2B).

As described in Section 1 of this Report, the Shareholders’ Meeting of 27 April 2016, inter alia, approved the 2016–2018 Plan which provides, in continuity with the 2013–2015 Plan, the attribution - at the end of the vesting period and subject to achievement of the long-term targets illustrated above - of ordinary UGF shares and ordinary UnipolSai shares (the “**Shares**”), divided into three tranches as of April 2019 and for the next two years (2020–2021).

Table 3A which follows (Column 4) specifies the maximum number of financial instruments that the General Manager and Key Managers could earn at the end of the vesting period and subject to achievement of the 2016-2018 Plan targets; Column 12 of the same Table specifies the fair value at 31 December 2016 of the maximum number of Shares for the year 2016, the attribution

of which may take place in April 2019, subject and upon completion of the process of calculating the targets planned for March 2019.

Information documents on Compensation plans based on financial instruments

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

Other components of remuneration

Remuneration may also include:

- benefits, on which social security and tax contributions are also calculated, which may include assets such as company cars and the use of lodgings;
- compensation paid based on stability agreements.

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

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

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

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

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

*** **

Based on the above, in 2016, the remuneration in favour of Directors, Statutory Auditors, the General Manager and Key Managers is consistent and in line with the principles set forth in remuneration policies in force.

SECOND PART - Remuneration paid during the year 2016

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

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
CIMBRI Carlo	Chairman	27/04-31/12/2016	2018 Financial Statements									
	Member of the Chairman's Committee	12/05-31/12/2016										
	Chief Executive Officer	1/1-27/04/2016	27/04/2016									
	Member of the Executive Committee											
Remuneration in the company that draws up the financial statements				903,647.54	(1)						903,647.54	
Remuneration from subsidiaries and affiliated companies					(2)						0.00	
TOTAL				903,647.54	0.00	0.00	0.00	0.00	0.00	903,647.54	0.00	0.00

(1) Compensation is not collected but paid directly to Unipol Gruppo Finanziario S.p.A.

(2) Remuneration totalling Euro 6,065.57 for the office held in Unipol Banca S.p.A. is not shown. Compensation is not collected but paid directly to Unipol Gruppo Finanziario S.p.A.

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
CERCHIAI Fabio	Deputy Chairman	27/04-31/12/2016	2018 Financial Statements									
	Member of the Chairman's Committee	12/05-31/12/2016										
	Chairman	1/1-27/04/2016	27/04/2016									
	Member of the Executive Committee											
Remuneration in the company that draws up the financial statements				347,000.00				11,516.15		358,516.15		
Remuneration from subsidiaries and affiliated companies				29,508.20	(1)					29,508.20		
TOTAL				376,508.20	0.00	0.00	0.00	11,516.15	0.00	388,024.35	0.00	0.00

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

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
STEFANINI Pierluigi	Deputy Chairman	1/1-31/12/2016	2018 Financial Statements									
	Member of the Chairman's Committee	12/05-31/12/2016										
	Member of the Executive Committee	1/1-27/04/2016	27/04/2016									
Remuneration in the company that draws up the financial statements				235,614.75	(1)					235,614.75		
Remuneration from subsidiaries and affiliated companies					(2)					0.00		
TOTAL				235,614.75	0.00	0.00	0.00	0.00	0.00	235,614.75	0.00	0.00

(1) Compensation is not collected but paid directly to Unipol Gruppo Finanziario S.p.A.

(2) Remuneration totalling Euro 6,965.57 for the office held in Unipol Banca S.p.A. is not shown. Compensation is not collected but paid directly to Unipol Gruppo Finanziario S.p.A.

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
BERARDINI Francesco	Director	1/1-31/12/2016	2018 Financial Statements									
Remuneration in the company that draws up the financial statements				46,053.29						46,053.29		
Remuneration from subsidiaries and affiliated companies				19,754.10	(1)					19,754.10		
TOTAL				65,807.39	0.00	0.00	0.00	0.00	0.00	65,807.39	0.00	0.00

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

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
CARLETTI Milva	Director	1/1-31/12/2016	2018 Financial Statements									
Remuneration in the company that draws up the financial statements				45,553.29	(1)					45,553.29		
Remuneration from subsidiaries and affiliated companies												
TOTAL				45,553.29	0.00	0.00	0.00	0.00	0.00	45,553.29	0.00	0.00

(1) Compensation of Euro 5,668.03 is not collected but repaid to the company of provenance.

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
CATTABIANI Paolo	Director	1/1-31/12/2016	2018 Financial Statements									
Remuneration in the company that draws up the financial statements				41,053.29	(1)					41,053.29		
Remuneration from subsidiaries and affiliated companies												
TOTAL				41,053.29	0.00	0.00	0.00	0.00	0.00	41,053.29	0.00	0.00

(1) Compensation is not collected but repaid to the company of provenance.

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
COTTIGNOLI Lorenzo	Director	1/1-31/12/2016	2018 Financial Statements									
Remuneration in the company that draws up the financial statements				43,053.28	(1)					43,053.28		
Remuneration from subsidiaries and affiliated companies				93,800.00	(2)			2,521.71		96,321.71		
TOTAL				136,853.28	0.00	0.00	0.00	2,521.71	0.00	139,374.99	0.00	0.00

(1) Compensation is not collected but repaid to the company of provenance.

(2) Remuneration for the offices held in: Assicoop Romagna Futura S.r.l., Pegaso Finanziaria S.p.A. and Tenute del Cerro S.p.A. Compensation from Pegaso Finanziaria S.p.A. is not collected but reserved to the company of provenance.

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
DALLE RIVE Ernesto	Director	1/1-31/12/2016	2018 Financial Statements									
Remuneration in the company that draws up the financial statements				44,053.29						44,053.29		
Remuneration from subsidiaries and affiliated companies												
TOTAL				44,053.29	0.00	0.00	0.00	0.00	0.00	44,053.29	0.00	0.00

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
DE BENETTI Cristina	Director	1/1-27/04/2016	27/04/2016									
Remuneration in the company that draws up the financial statements				11,840.16						11,840.16		
Remuneration from subsidiaries and affiliated companies				21,175.09	(1)	3,425.76	(2)			24,600.85		
TOTAL				33,015.25		3,425.76	0.00	0.00	0.00	36,441.01	0.00	0.00

(1) Remuneration for the office held in Unipol Banca S.p.A.

(2) Attendance fees for participation in the Internal Control Committee and in the Related Parties Committee of Unipol Banca S.p.A.

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
FRASINETTI Ethel	Director	1/1-27/04/2016	27/04/2016									
Remuneration in the company that draws up the financial statements				10,340.16	(1)					10,340.16		
Remuneration from subsidiaries and affiliated companies												
TOTAL				10,340.16	0.00	0.00	0.00	0.00	0.00	10,340.16	0.00	0.00

(1) Compensation is not collected but repaid to the company of provenance.

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
GHIGLIENO Giorgio	Director	1/1-31/12/2016	2018 Financial Statements									
	Member of the Committee for Transactions with Related Parties	1/1-27/04/2016										
		12/05-31/12/2016										
	Member of the Control and Risks Committee	12/05-31/12/2016										
	Member of the Supervisory Board	12/05-31/12/2016										
	Member of the Remuneration Committee	1/1-27/04/2016	27/04/2016									
Remuneration in the company that draws up the financial statements				46,053.29	19,393.44					65,446.73		
Remuneration from subsidiaries and affiliated companies												
TOTAL				46,053.29	19,393.44	0.00	0.00	0.00	0.00	65,446.73	0.00	0.00

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
LAURIA Salvatore	Director	27/04-31/12/2016	2018 Financial Statements									
Remuneration in the company that draws up the financial statements				34,213.11						34,213.11		
Remuneration from subsidiaries and affiliated companies												
TOTAL				34,213.11	0.00	0.00	0.00	0.00	0.00	34,213.11	0.00	0.00

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
MASOTTI Massimo	Director	1/1-31/12/2016	2018 Financial Statements									
	Member of the Control and Risks Committee	1/1-27/04/2016										
		12/05-31/12/2016										
	Chairman of the Supervisory Board	1/1-27/04/2016	12/07/2016									
		12/07-31/12/2016										
	Member of the Supervisory Board	12/05-12/7/2016	2018 Financial Statements									
Member of the Committee for Transactions with Related Parties	1/1-27/04/2016											
	12/05-31/12/2016											
Member of the Nomination and Corporate Governance Committee	1/1-27/04/2016	27/04/2016										
Remuneration in the company that draws up the financial statements				46,053.29	27,051.91					73,105.20		
Remuneration from subsidiaries and affiliated companies				1,000.00	(1)					1,000.00		
TOTAL				47,053.29	27,051.91	0.00	0.00	0.00	0.00	74,105.20	0.00	0.00

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

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
MAUGERI Maria Rosaria	Director	1/1-31/12/2016	2018 Financial Statements									
	Member of the Remuneration Committee	1/1-27/04/2016										
		12/05-31/12/2016										
Remuneration in the company that draws up the financial statements				45,553.29	2,500.00					48,053.29		
Remuneration from subsidiaries and affiliated companies												
TOTAL				45,553.29	2,500.00	0.00	0.00	0.00	0.00	48,053.29	0.00	0.00

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
MONTAGNANI Maria Lilla	Director	1/1-31/12/2016	2018 Financial Statements									
	Member of the Nomination and Corporate Governance Committee	1/1-27/04/2016										
		12/05-31/12/2016										
	Member of the Supervisory Board	1/1-27/04/2016	27/04/2016									
Member of the Control and Risks Committee												
Remuneration in the company that draws up the financial statements				42,803.28	5,196.72					48,000.00		
Remuneration from subsidiaries and affiliated companies												
TOTAL				42,803.28	5,196.72	0.00	0.00	0.00	0.00	48,000.00	0.00	0.00

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
PICCHI Nicola	Director	1/1-31/12/2016	2018 Financial Statements									
	Member of the Remuneration Committee	12/05-31/12/2016										
	Member of the Nomination and Corporate Governance Committee	12/05-31/12/2016										
	Member of the Executive Committee	1/1-27/04/2016	27/04/2016									
	Member of the Supervisory Board											
	Member of the Committee for Transactions with Related Parties											
Member of the Control and Risks Committee												
Remuneration in the company that draws up the financial statements				49,848.36	6,196.72					56,045.08		
Remuneration from subsidiaries and affiliated companies												
TOTAL				49,848.36	6,196.72	0.00	0.00	0.00	0.00	56,045.08	0.00	0.00

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
RECCHI Giuseppe	Director	1/1-31/12/2016	2016 Financial Statements									
Remuneration in the company that draws up the financial statements				40,303.28						40,303.28		
Remuneration from subsidiaries and affiliated companies												
TOTAL				40,303.28	0.00	0.00	0.00	0.00	0.00	40,303.28	0.00	0.00

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
RIGHINI Elisabetta	Director	27/04-31/12/2016	2018 Financial Statements									
	Member of the Control and Risks Committee	12/05-31/12/2016										
	Member of the Committee for Transactions with Related Parties	12/05-31/12/2016										
	Member of the Supervisory Board	12/05-31/12/2016										
Remuneration in the company that draws up the financial statements				34,213.11	17,393.44					51,606.55		
Remuneration from subsidiaries and affiliated companies												
TOTAL				34,213.11	17,393.44	0.00	0.00	0.00	0.00	51,606.55	0.00	0.00

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
TADOLINI Barbara	Director	1/1-31/12/2016	2018 Financial Statements									
	Member of the Committee for Transactions with Related Parties	12/05-31/12/2016										
Remuneration in the company that draws up the financial statements				46,053.29	4,000.00					50,053.29		
Remuneration from subsidiaries and affiliated companies												
TOTAL				46,053.29	4,000.00	0.00	0.00	0.00	0.00	50,053.29	0.00	0.00

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
VELLA Francesco	Director	1/1-31/12/2016	2018 Financial Statements									
	Member of the Remuneration Committee	1/1-27/04/2016										
		12/05-31/12/2016										
	Member of the Nomination and Corporate Governance Committee	1/1-27/04/2016										
		12/05-31/12/2016										
Member of the Executive Committee		27/04/2016										
Member of the Committee for Transactions with Related Parties	1/1-27/04/2016											
Remuneration in the company that draws up the financial statements				51,598.36		5,000.00					56,598.36	
Remuneration from subsidiaries and affiliated companies				30,324.32	(1)	1,903.20	(2)				32,227.52	
TOTAL				81,922.68		6,903.20	0.00	0.00	0.00	0.00	88,825.88	0.00

(1) Remuneration for the office held in Unipol Banca S.p.A.

(2) Attendance fees for participation in the Internal Control Committee and in the Related Parties Committee of Unipol Banca S.p.A.

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
ZUCHELLI Mario	Director	1/1-27/04/2016	27/04/2016									
Remuneration in the company that draws up the financial statements				11,090.16	(1)				140,000.08	151,090.24		
Remuneration from subsidiaries and affiliated companies				35,109.29	(2)					35,109.29		
TOTAL				46,199.45		0.00	0.00	0.00	140,000.08	186,199.53	0.00	0.00

(1) Compensation is not collected but repaid to the company of provenance.

(2) Remuneration for the office held in Atahotels S.p.A. Compensation is not collected but repaid to the company of provenance.

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
FUMAGALLI Paolo	Chairman of the Board of Statutory Auditors	1/1-31/12/2016	2017 Financial Statements									
Remuneration in the company that draws up the financial statements				75,000.00						75,000.00		
Remuneration from subsidiaries and affiliated companies												
TOTAL				75,000.00	0.00	0.00	0.00	0.00	0.00	75,000.00	0.00	0.00

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
ANGIOLINI Giuseppe	Statutory Auditor	1/1-31/12/2016	2017 Financial Statements									
Remuneration in the company that draws up the financial statements				50,000.00						50,000.00		
Remuneration from subsidiaries and affiliated companies												
TOTAL				50,000.00	0.00	0.00	0.00	0.00	0.00	50,000.00	0.00	0.00

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
BOCCI Silvia	Statutory Auditor	1/1-31/12/2016	2017 Financial Statements									
Remuneration in the company that draws up the financial statements				50,000.00						50,000.00		
Remuneration from subsidiaries and affiliated companies				7,500.00 (1)						7,500.00		
TOTAL				57,500.00	0.00	0.00	0.00	0.00	0.00	57,500.00	0.00	0.00

(1) Remuneration for the office held in Centro Oncologico Fiorentino S.r.l. in liquidazione

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
TROMBONE Domenico Livio	Alternate Auditor	1/1-31/12/2016	2017 Financial Statements									
Remuneration in the company that draws up the financial statements				0.00						0.00		
Remuneration from subsidiaries and affiliated companies				57,124.00	(1)	4,873.03	(2)			61,997.03		
TOTAL				57,124.00		4,873.03		0.00	0.00	61,997.03	0.00	0.00

(1) Remuneration for the offices held in: Popolare Vita S.p.A., Tenute del Cerro S.p.A. and Unipol Banca S.p.A.

(2) Remuneration for the office of member of the Supervisory Board of Unipol Banca S.p.A.

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
BUSSO Donatella	Alternate Auditor	1/1-31/12/2016	2017 Financial Statements									
Remuneration in the company that draws up the financial statements				0.00						0.00		
Remuneration from subsidiaries and affiliated companies				0.00						0.00		
TOTAL				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
RAVICINI Luciana	Alternate Auditor	1/1-31/12/2016	2017 Financial Statements									
Remuneration in the company that draws up the financial statements				0.00						0.00		
Remuneration from subsidiaries and affiliated companies				4,229.51	(1)					4,229.51		
TOTAL				4,229.51	0.00	0.00	0.00	0.00	0.00	4,229.51	0.00	0.00

(1) Remuneration for the offices held in: Liguria Assicurazioni S.p.A., Liguria Vita S.p.A. and Alfaevolution Technology S.p.A.

Surname and First Name	Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
						Bonus and other incentives	Profit sharing					
LATERZA Matteo	General Manager	27/04-31/12/2016	until revoked									
Remuneration in the company that draws up the financial statements				457,608.56				15,665.85		473,274.41	790,507.37	(1)
Remuneration from subsidiaries and affiliated companies					(2)					0.00		
TOTAL				457,608.56	0.00	0.00	0.00	15,665.85	0.00	473,274.41	790,507.37	0.00

(1) Fair value at 31 December 2016 of the maximum number of ordinary UGF and UnipolSai shares, potentially attributable as first tranche in 2019 at the end of the vesting period (2016-2018), subject to the achievement of the objectives and to the terms and conditions of the 2016-2018 Plan, including therein any Additional Bonus.

(2) Remuneration totalling Euro 11,229.51 for the offices held in Popolare Vita S.p.A. and Liguria Vita S.p.A. is not shown. Compensation is not collected but paid directly to Unipol Gruppo Finanziario S.p.A.

Office held	Period for which the office was held	Expiration of office	Fixed remuneration	Remuneration for participation in committees	Non-equity remuneration		Benefits in kind	Other remuneration	Total	Fair value of equity remuneration (referred to the maximum number of shares potentially attributable in April 2019)	Indemnities upon living office or termination of employment
					Bonus and other incentives	Profit sharing					
KEY MANAGERS (21) (*)		1/1-31/12/2016									
Remuneration in the company that draws up the financial statements			5,762,052.36	(1) 19,180.32	2,592,219.46	(2)	453,836.90	(3)	8,827,289.04	6,283,832.93	(4)
Remuneration from subsidiaries and affiliated companies				(5) 19,132.11					19,132.11		
TOTAL			5,762,052.36	38,312.43	2,592,219.46	0.00	453,836.90	0.00	8,846,421.15	6,283,832.93	0.00

(*) Of which 20 on 31 December 2016.

(1) Said amount includes the amount paid to UGF, as consideration for the secondment of some Key Managers.

(2) Said amount, accrued in year 2015 and paid in 2016, includes the amount paid by UGF for the secondment of some Key Managers.

(3) Said amount includes the amount paid by UGF for the secondment of some Key Managers.

(4) Fair value at 31 December 2016 of the maximum number of ordinary UGF and UnipolSai shares, potentially attributable as first tranche in 2019 at the end of the vesting period (2016-2018), subject to the achievement of the objectives and to the terms and conditions of the 2016-2018 Plan, including therein any Additional Bonus. The amount includes the amount paid by UGF for the secondment of several Key Managers.

(5) Remuneration totalling Euro 472,766.29 is not shown. Compensation is not collected but repaid directly, by the respective companies, to Unipol Gruppo Finanziario S.p.A. and to UnipolSai Assicurazioni S.p.A.

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

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

Table 3A - Incentive plans based on financial instruments other than stock options, in favour of members of the Board of Directors, of the General Manager and of the other Key Managers

(A)	(B)	Financial instruments assigned in previous years not vested during the year			Financial instruments assigned during the year						Financial instruments vested during the year and not attributed	Financial instruments vested during the year and not attributable		Financial instrument accrued during the year
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Surname and First Name	Office	Plan	Number and type of financial instrument	Vesting period	Number and type of financial instrument	Fair value at the assignement date	Vesting period	Date of assignment	Market price at the assignment	Number and type of financial instrument	Number and type of financial instrument	Value at the vesting date	Fair value (referred to the maximum number of shares potentially attributable in April 2019)	
(I) Remuneration in the company that draws up the financial statements														
LATERZA Matteo	General Manager				329,874 Ord. Shares UGF 609,708 Ord. Shares UnipolSai	Euro 2,143,124.51	2016 - 2018	27 April 2016	3,2484 Ord. Shares UGF 1.7575 Ord. Shares UnipolSai				Euro 790,507.37	
Other Key Managers (20)(*)					2,622,205 Ord. Shares UGF 4,846,641 Ord. Shares UnipolSai	Euro 17,035,942.28	2016 - 2018	27 April 2016	3,2484 Ord. Shares UGF 1.7575 Ord. Shares UnipolSai				Euro 6,283,832.93	
(III) Total						Euro 19,179,066.79							Euro 7,074,340.30	

(*) Of which 20 on 31 December 2016.

Column (4): maximum number of Shares potentially attributable, in three tranches starting from 2019 and for the two following years, subject to the achievement of the objectives and the terms and conditions of the 2016-2018 Plan.

Column (5): value of the maximum number of Shares potentially attributable, including any Additional Bonus, only if all the conditions prescribed by the 2016-2018 Plan have been fulfilled, starting from 2019; this value is calculated using as reference the average price of the Shares recorded in the month of May 2016, in accordance with said Plan, and a maximum amount of Euro 209,885.71 will be borne by UGF for the secondment of some Key Managers.

Column (8): average price of the Share recorded in the month of May 2016, in accordance with the 2016-2018 Plan.

Column (12): amount, referred to 31 December 2016, including any Additional Bonus, to be recognised only if all the conditions prescribed by the 2016-2018 Plan are fulfilled, which will be borne for a maximum of Euro 77,417.89 by UGF for the secondment of some Key Managers.

Table 3B - Monetary incentive plans in favour of members of the Board of Directors, of the General Manager and of the other Key Managers

Surname and First Name	Office	(1) Plan	(2)			(3)			(4)
			Bonus of the year			Bonus of previous year			Other bonuses
			(A) Payable / Paid	(B) Deferred	(C) Deferment period	(A) No longer payable	(B) Payable / Paid	(C) Still deferred	
(I) Remuneration in the company that prepares the financial statements									
LATERZA Matteo	General Manager	2013-2015 IBT							
		2016-2018 IBT		Euro 476,249.99					
Other Key Managers (21)(*)		2013-2015 IBT				Euro 2,592,219.47			
		2016-2018 IBT		Euro 4,396,305.95					
(III) Total				Euro 4,872,555.94		Euro 2,592,219.47			

(*) Of which 20 on 31 December 2016.

Column (2)(B): maximum amount of the IBT incentive for year 2016, including any Additional Bonus, payment of which will be made in 2017, without prejudice to the effects the Additional Bonus on verification of fulfilment of the conditions provided by the 2016-2018 Plan. The amount includes the maximum amount corresponding to Euro 64,715.67, which will be paid by UGF as the consideration for the secondment of some Key Managers.

Column (3)(B): amount of the IBT incentive accrued in year 2015 and paid in 2016; part of this amount, Euro 40,014.45 was borne by UGF as the consideration for the secondment of some Key Managers.

Equity investments of the members of the Administration and Control Bodies, of the General Manager and of other Key Managers

Table 1: Equity investments of members of the Administration and Control Bodies and of the General Managers

<i>Surname and First Name</i>	<i>Office</i>	<i>Investee company</i>	<i>Category of shares</i>	<i>Number of shares held at the end of last year</i>	<i>Number of shares purchased</i>	<i>Number of shares sold</i>	<i>Number of shares held at the end of the current year</i>	
CERCHIAI Fabio	Chairman 1/1-27/04/2016	UnipolSai Assicurazioni S.p.A.	ORD	30,000			30,000	
	Deputy Chairman 27/04-31/12/2016							
DE BENETTI Cristina	Director 1/1-27/04/2016	UnipolSai Assicurazioni S.p.A.	ORD	4,000			4,000	(*)

(*) Figure referring to the 1/1-27/04/2016 period.

Table 2: Equity investments of the other Key Managers

<i>Number of Key Managers</i>	<i>Investee company</i>	<i>Category of shares</i>	<i>Number of shares held at the end of last year</i>	<i>Number of shares purchased</i>	<i>Number of shares sold</i>	<i>Number of shares held at the end of the current year</i>	
21 (*)	UnipolSai Assicurazioni S.p.A.	ORD	3,600			3,600	(**)

(*) Of which 20 on 31 December 2016.

(**) Of which 1,100 shares held by spouse.

THIRD PART - Audits conducted by Internal Control Functions

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

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

EX ANTE AUDITS OF THE COMPLIANCE AND RISK MANAGEMENT FUNCTIONS

The Compliance and Risk Management Functions have examined the Remuneration policies that will be submitted to the approval of the Shareholders' Meeting of UnipolSai convened to approve the 2016 financial statements.

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

EX POST AUDITS OF THE AUDIT FUNCTION

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

To this aim, audits have been conducted to ensure consistency between the measures implemented in 2016 and the measures provided by the "Remuneration Policies of Insurance Companies for 2016", adopted by the pertinent bodies of UnipolSai.

No irregularities emerged from said audits.

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETINGS ON AGENDA ITEM No. 3

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

Dear Shareholders,

it should preliminarily be recalled that the Ordinary Shareholders' Meeting of UnipolSai Assicurazioni S.p.A. ("UnipolSai" or "Company"), convened on 27 April 2016, authorised the Board of Directors to the purchase and disposal of treasury shares within the meaning of Arts. 2357 and 2357-ter of the Italian Civil Code, as well as of shares of the holding company Unipol Gruppo Finanziario S.p.A. ("Unipol"), pursuant to Art. 2359-bis of the Italian Civil Code, for a period of 18 months from the decision of the Meeting.

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

Reasons and purposes of the request

The acquisition and disposal of treasury shares, in the interests of the Company and in accordance with applicable regulations and accepted market practices, would pursue the following objectives:

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

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

The acquisition and disposal of shares of the parent company Unipol ("Unipol Shares"),

in the interests of the UnipolSai and in accordance with applicable regulations and accepted market practices, would pursue the following objectives:

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

In August 2016, UnipolSai bought No. 1,800,000 treasury shares to service the Compensation Plan based on financial instruments (performance shares), intended for the managers of the Company for the 2016-2018 period, pursuant to Arts. 2357 and 2357-*ter*.

With regard to Unipol Shares:

- on 1 July 2016, 1,403,356 Unipol shares were allocated to the Managers of the Company in accordance with the compensation plans based on financial instruments for the periods 2010-2012 and 2013-2015, respectively approved by the Shareholders' Meeting of the merged Unipol Assicurazioni S.p.A. on 26 April 2012 and Ordinary Shareholders' Meeting of the Company of 29 April 2013, as subsequently amended by the Ordinary Shareholders' Meeting on 29 April 2014;
- in July 2016, 1,000,000 Unipol Shares were bought to service the compensation plan based on financial instruments of the type performance share, intended for the managers of the Company for the 2013-2015 period, approved as above;
- in August 2016, 900,000 Unipol Shares were bought to service the compensation plan based on financial instruments of the type performance share, intended for the managers of the Company for the 2016-2018 period, approved by the Ordinary Shareholders' Meeting of the Company on 27 April 2016;
- in September 2016, 40,000 Unipol Shares were sold, allocated in the segregated accounts.

Number of shares that may be purchased and procedures for executing the purchases and sales

At the present date:

- the share capital of UnipolSai, entirely subscribed and paid-in, was Euro 2,031,456,338.00, divided into 2,829,717,372 ordinary shares with no nominal value. At the date of this Report, the Company holds a total of 55,349,685 treasury shares, of which 7,005,640 directly and 48,344,045 indirectly, through the following subsidiaries:

- Unipolsai Finance S.p.A. for 38,454,775 shares;
 - Unipolsai Nederland BV for 9,443,258 shares;
 - Pronto Assistance S.p.A. for 344,312 shares;
 - Popolare Vita S.p.A. for 101,700 shares;
- the share capital of Unipol is equal to Euro 3,365,292,408.03, entirely subscribed and paid-in, divided into 717,473,508 ordinary shares with no nominal value. The Company owns 3,565,504 Unipol Shares, equal to 0.50% of the share capital.

We propose that:

- (i) the acquisition of the treasury shares and Unipol Shares may be made up to the maximum amount permitted by law and accepted market practice, in the manner provided for by Art. 132 of Consolidated Law on Finance and Art.144-bis, Par.1, a), b) and c) of CONSOB Regulation No.11971 of 14 May 1999 as amended (Issuers' Regulations), as well as by any other provision, including the rules laid down in Directive 2003/6/EC and its implementing rules, Italian and European, where applicable;
- (ii) the sale of treasury shares and Unipol Shares shall be made in the manner permitted by law, including by carrying out, one or more times, subsequent operations of acquisition and sale, until the expiry of the term of the authorisation.

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

Price of the purchases and sale of treasury shares and shares of the parent company

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

It should be recalled that, in compliance with the aforementioned Shareholders' Meeting Resolution of 27 April 2016, funds for the purchase of treasury shares and for the purchase of Unipol Shares had been set aside equal to, respectively, Euro 100 million and Euro 50 million, so far only partly used for said purchases.

A maximum spending limit of Euro 100 million for treasury shares and Euro 50 million for Unipol Shares should be confirmed, without however making, contrary to what was done before, any provision to special funds for the corresponding amounts, therefore

allocating the residual value of the outstanding funds to the reserve from which the amounts necessary to the formation of the funds had been taken.

*** **

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

Proposal

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

- *having acknowledged the proposal of the Board of Directors;*
- *having viewed the financial statements as at 31 December 2016;*
- *bearing in mind the provisions of Arts.2357, 2357-ter and 2359-bis of the Italian Civil Code;*
- *having acknowledged that the Company presently holds a total of 55,349,685 ordinary shares, of which 7,005,640 directly and 48,344,045, indirectly, through the subsidiaries indicated in the report;*
- *having further acknowledged that the Company holds 3,565,504 shares of its own parent company Unipol Gruppo Finanziario S.p.A. ("Unipol"),*

hereby resolves

- (i) *to revoke the previous resolution to authorise the purchase and/or the sale of treasury shares and shares of the parent company, passed by the Ordinary Shareholders' Meeting of 27 April 2016;*
- (ii) *to authorise, for a period of 18 months from this Shareholders' Meeting Resolution, the purchase and disposal of treasury shares, pursuant to Arts.2357 and 2357-ter of the Italian Civil Code and within the maximum spending limit of Euro 100 million, as well as the purchase and disposal of shares of the parent company Unipol, pursuant to Art.2359-bis of the Italian Civil Code and within the maximum spending limit of Euro 50 million, with the procedures and conditions specified below. The acquisition and disposal of treasury shares and shares of the parent company Unipol may be carried out in the quantities and according to the following procedures:*
 - *the acquisition may be made up to the maximum amount permitted by law and accepted market practice, in the manner provided for by Art. 132 of Italian Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance) and Art. 144-bis, Par. 1, a), b) and c) of CONSOB Regulations No. 11971 of 14 May 1999 as amended (Issuers' Regulations), as well as by any other provision, including the rules laid down in Directive 2003/6/EC and its implementing rules, Italian and European, where applicable.*

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

- the disposal may be made in the manner permitted by law, including by carrying out, one or more times, subsequent acquisitions and sales, until the expiry of the term of the authorisation;*
 - the acquisition and disposal may be carried out at a price of no more than 15% and not 15% lower than the reference price recorded by the respective securities in the trading day prior to the date of each transaction, and in any case in compliance with the above maximum limit of Euro 100 million expenditure for treasury shares and Euro 50 million for the shares of the parent company Unipol;*
- (iii) not to allocate any fund to the purchase of treasury shares or of shares of the parent company;*
- (iv) to vest the Board of Directors - and through this, the Chairman and the General Manager, separately from each other and also through special power of attorney - with all broadest powers to carry out the purchases and/or disposals of treasury shares and shares of the parent company.*

Bologna, 23 March 2017

The Board of Directors

UnipolSai Assicurazioni S.p.A.

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

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