



2020 ANNUAL REPORT

Unipol
GRUPPO

Siat
ASSICURAZIONI

2020
ANNUAL REPORT

This year a collection of images dedicated to the main ports around the world will accompany you as you read our annual report. From the largest to the most avant-garde, from the oldest to the most productive, from the most exotic to the most ... distant from the sea.

A round-up of the most important ports where, every day, hundreds of ships, thousands of men, tons of goods cross their paths and their destinies.

CONTENTS

Report of the Board of Directors on operations	9
Annual accounts	47
Balance sheet	48
Statement of income	50
Notes to the financial statements	54
Attachments	108
Auditor's report	139
Resolution of the Shareholders' meeting-extract	149

BOARD OF DIRECTORS

Giuseppe Santella	Director and Chairman
Federico Corradini	Director and Chief Executive Officer
Andrea Giovannelli	Director
Claudio Campana	Director
Alfonso Roberto Galante	Director
Giovanna Gigliotti	Director
Vittorio Pini	Director
Enrico San Pietro	Director
Gian Carlo Sangalli	Director
Marco Vesentini	Director

BOARD OF STATUTORY AUDITORS

Giovanni Battista Graziosi	Chairman
Roberto Chiusoli	Auditor
Roberto Tieghi	Auditor

INDEPENDENT AUDITORS

PricewaterhouseCoopers S.p.A.

Shanghai / Yangshan

Thanks to Chinese dynamism, the port of Shanghai is now the most important port in the world. Expanded in the early 2000s, together with the Port of Yangshan it can accommodate and manage today's largest container ships with a draft of over 15 metres. In 2020 it exceeded 43 million TEU of freight, ranking it as the number one port in the world.



Shanghai



REPORT OF
THE BOARD
OF DIRECTORS
ON OPERATIONS



Shareholders,

THE STATE OF THE ECONOMY

Global GDP fell by 3.7% in 2020 due to the Covid-19 pandemic (+2.5% in 2019).

The recession was most marked during the first half of the year, when the spreading contagion resulted in restrictive healthcare measures and the shutdown of productive and commercial activities.

Following a rebound in GDP during the third quarter (+7.3% with respect to the previous quarter), the epidemiological situation deteriorated once again in Q4. This, combined with uncertainty about how the pandemic will develop, ensured that global GDP performed worse in 2020 than in 2019.

In the United States, GDP fell by 3.5% in 2020 (+2.2% in 2019).

In particular, the situation was adversely affected by the collapse of household consumption, with the economy essentially only supported by public spending.

The slowdown in economic activity was accompanied by a sharp increase in unemployment, with the rate rising from 3.7% in 2019 to 8.1% in 2020.

Against this background, the economic policy authorities activated both fiscal (payments to households) and monetary (cut in the Fed Funds rates to 0.0% - 0.125% and launch of a new bond purchase programme) stimulus measures, this preventing annual inflation from dropping below 1.3% (from 1.8% in 2019).

China closed 2020 with GDP growth of 2.3% (+6.0% in 2019).

First to be hit by the spread of Covid-19, the country experienced a 6.8% drop in GDP during Q1 2020 with respect to the first quarter of 2019.

That said, the adoption of highly restrictive healthcare measures enabled the country to overcome more quickly the acute phase of the epidemic with, from the second quarter of 2020, a rapid return to the production levels reported in the prior year.

In particular, the recovery was led by investment and exports, with the manufacturing sector (affected in 2019 by trade tensions with the United States) recovering its 2019 levels by the end of 2020.

In this context, the rate of inflation there averaged 2.5% during 2020.

Due to the contribution made by China, the GDP of the emerging countries only fell by 1.7% in 2020 (following growth of 3.9% in 2019).

Japan closed 2020 with a decline in GDP by 4.8% (+0.3% in 2019). While the first part of the year was extremely negative, the final quarter achieved unexpectedly strong growth, also led by exports and investment, as well as by an upturn in consumption.

Despite ultra-accommodative monetary policy in recent decades and a further reduction in the policy rate applied by the Bank of Japan (-0.03% at the end of 2020), consumer prices deflated further during 2020 (-0.02%).

In this context, employment remained very low in 2020 (2.8%), being only slightly higher than in 2019 (2.4%).

Turning to the Euro area, GDP there fell by 6.8% in 2020 (following growth of 1.3% in 2019).

The recession was strongest during the first part of the year, when the Old Continent was first hit by the pandemic.

After bouncing back in the third quarter, new shutdowns during Q4 2020 (to tackle fresh waves of the virus) caused the economy to slow further.

During the year, the Euro area countries implemented unprecedented fiscal expansion policies at both domestic and community level, with a level to defending value chains and the demand for goods.

These measures prevented a rise in the unemployment rate, which averaged 8.0% in 2020 (7.6% in 2019).

Against this background, the European Central Bank gave further support to the expansionary monetary policies already adopted by, in particular, strengthening its monetary easing measures.

Italian GDP fell by 8.9% in 2020 (after modest 0.3% growth in 2019).

The recession was worst during the first part of the year, with Q2 GDP 13.0% lower than in the first quarter. The shutdowns affected household consumption above all, while weakening further the already poor outlook for investment.

Despite this, the block on dismissals and the activation of government-assisted lay-off payments helped to keep the unemployment rate at the end of 2020 stable at 9.2%.

In this context, the inflation rate averaged -0.1% in 2020.

THE FINANCIAL MARKETS

The new expansionary manoeuvres announced by the ECB in 2020 to tackle the Covid-19 pandemic, including the activation until March 2022 of a new pandemic emergency asset-purchase programme (PEPP) totalling Euro 1,850 billion, resulted in further reductions in all European interest-rate curves.

The 3-month Euribor rate closed 2020 at -0.54%, 16 basis points down compared with the end of 2019, while the 10-year swap rate decreased by 48 basis points in the same period, closing 2020 at -0.26%.

The expansionary monetary policies also reduced government interest rates in the principal Euro area countries. In Germany, the 10-year Bund closed 2020 at -0.55%, down 39 basis points since the end of 2019, while the 10-year BTP in Italy closed 2020 at 0.54%, down by 87 basis points.

At the end of 2020, the 10-year spread between Italian and German interest rates was 109 basis points, 48 bp down on the end of 2019.

European stockmarkets closed 2020 down, although their losses were limited after having overcome the most acute phase of the pandemic.

The Eurostoxx 50 index, which reflects stock prices in the Euro Area, showed a 5.62% drop in 2020 compared with the end of 2019, while the FTSE MIB index, which reflects the prices of Italian listed companies, fell by 5.98% in the same period.

Responding to the pandemic, the Fed also implemented more expansionary monetary policies during 2020 by returning policy rates to zero and launching a new asset purchase programme of potentially unlimited duration and amount.

These measures supported US stock prices and enabled the S&P 500 to close 2020 up by 16.6% compared with the end of 2019.

The emerging markets also closed 2020 ahead, with the Morgan Stanley Emerging Markets index up by 15.0% over the year.





MARITIME ACTIVITY

Maritime activity, which represents the main vehicle for the growth of international trade (90% of goods travel by sea), was affected by the pandemic shock in 2020 and the impact of certain macroeconomic factors (not least the trade tensions between China and the United States, the slowdown in the Chinese Belt & Road Initiative, and the uncertainties linked to Brexit).

The impact of the unrelenting spread of Covid-19 was felt with differing intensities, depending on the type of vessel.

Cruise ships and ferries, which are an integral part of the tourism industry, were forced out of use for several months and many are still confined to port, waiting for a return to normality.

Given the inactivity of these vessels, there was a corresponding and generalised contraction in insurance claims.

On the other hand, the picture for freight carriers - comprising the majority of the portfolio in this sector - was consistently better and no significant issues were encountered.

In particular, the transportation of petroleum products and raw materials was not seriously affected by the healthcare emergency, as maritime traffic remained fairly stable except for fluctuations typical of the sector.

The pandemic did however induce a slow-steaming phenomenon, with ships sailing their routes more slowly in order to reduce costs.

International trade picked up pace during the second part of the year, with the restoration of normality in the Chinese economy, and will hopefully normalise soon too.

The pandemic has also had other non-negligible implications (albeit less apparent) for both the maritime transport industry, despite its continued activity during the period, and the insurance sector.

In fact, although vessels encountered fewer hazards at sea, due to the larger number of ships anchored or mothballed in port, other types of risk emerged.

The restrictions on international travel have made it hard to rotate crews, thus increasing the chances of human error on board caused by the greater tiredness of maritime workers.

Delays in maintaining and inspecting vessels and their emergency equipment might impede the identification of dysfunctions, while supply chain interruptions might extend delivery times for lubricants and consumable materials, with possible damage to machinery if unsuitable alternatives are used.

At the same time, greater recourse to the automatic pilot in order to protect seafarers from infection risk might affect the safety of navigation.

Climate change is increasing the interest of owners in alternative routes, such as those via the Arctic, where sailing conditions have become easier so that ports in the Far East can be linked over the top with Northern Range ports.

Italy remains the natural bridge between the southern Mediterranean and the rest of Europe for energy and logistics, confirming in this area its importance for the short sea shipping of goods.

Accordingly, with the current regionalisation of globalisation, is now important to invest in efficient port facilities and logistics that are integrated with the European networks.

The latest information indicates that the global merchant fleet expanded slightly during 2020. Greece, Japan and China continue to be the principal ship-owning countries in terms of cargo capacity, with about 40% of global tonnage.

Liberia, the Marshall Islands and Panama are still the principal flag states, using the above parameter.

The Italian merchant fleet plays a decisive role in this strategic sector for the country, as 57% of imports and 44% of exports travel by sea (based on the most recent data), with 480 million tonnes of goods (dry bulk and liquids, in containers and on ferries) moving through Italian ports.

This merchant fleet comprises more than 1,400 vessels with a total gross tonnage of about 15.4 million tonnes.

Italy ranks fifth as a flag state among the G20 countries, placing first in the world for Ro-Ro vessels (mostly used for coastal transportation and on the "motorways of the sea") and fifth for special tankers designed to carry petroleum products.

The Italian flag ranks first in Europe for the employment of EU seafarers, most of whom are Italian.

With regard to the container sector at international level, there was a steady increase in freight rates during the year, which reached record levels (last October) before stabilising.

This sharp spike in rates initially affected the sea routes from China to the United States, as they were the first to experience the marked recovery in maritime traffic, but then extended to the other geographical areas, with some variability.

In fact, the recovery of Chinese exports and the rebound of US consumption encountered problems in the sourcing of containers, as these were stored (empty) in North America and Europe where Covid-19 had semi-paralysed industrial activity for several months. Repositioning them has proved to be a somewhat arduous task.

The shortage of containers has stressed the logistics chain, with difficulties comparable - in certain sectors (automotive in particular) - to those experienced in the spring of 2020 on the intensification of contagion.

Now the rates for "box boats" are soaring in the Old Continent, adding a significant additional problem to economic recovery efforts. Especially now, when the domestic market continues to suffer from the repeated lockdowns.

The shipowners are benefiting from the situation described above, not least with frequent requests for "extras" in order to guarantee space on their vessels or compliance with delivery dates. This can sometimes mean that the shipment of low-value items is foregone.

Both China and the United States have called for action to calm the market, and even threatened anti-trust action in the event of improper conduct.

Pirate attacks on ships are becoming more frequent, dangerous and bloody, with an increase in the number of areas where merchant vessels face piracy risks.

Criminal activity has picked up, especially in the seas off the coast of West Africa, with the Gulf of Guinea in the front line; by contrast, the situation has improved in the Indonesian archipelago and in Somalian waters.

The above increase is partially a consequence of the reduced resources that the governments of the countries at risk have been able to invest in the safety and protection of the seas, especially now that the pandemic has weakened their economies.

In particular, the attacks have focused on tankers, bulk carriers and container vessels, although other types of ship have not been spared.

These events are rarely unleashed on vessels that are docked, as ships lying at anchor are preferred and, less frequently, those under way.

Crews, already under severe pressure due to the Covid-19 risks, must now face fears of armed assault and acts of violence in the areas at risk.

In order to make global freight traffic and crews safer and more protected, it is becoming increasingly necessary for the special forces of each country to coordinate additional action, beyond the military patrols already carried out in the areas at risk.

With regard to ecology, the shipping world is dedicating increased attention to protection of the environment.

Global shipowners are ready to invest heavily in the R&D required to decarbonise the sector. The relevant objectives have specified by the International Maritime Organization (IMO), the UN organisation that issues regulations for shipping on such matters as security, safety and the prevention of pollution.

In October 2020, the IMO and the International Chamber of Shipping (ICS) signed an agreement that contains legally-binding measures to ensure, by 2030, a 40% reduction (compared with 2008) in the carbon intensity of the entire global merchant fleet. This step is considered fundamental in order to achieve total decarbonisation as soon as possible after 2050.

In the short term, the efforts of shipowners to lower emissions are focused on the adoption of liquefied natural gas (LNG), which is currently used by less than 1% of the existing fleet. More than half the order book comprises ships powered by gas, or that are LNG ready (capable of adding tanks for methane).

In addition, given that LNG is still a fossil fuel that generates carbon dioxide, new systems of zero-emission combustion are now being studied (using hydrogen, ammonia and bio-fuels).

Unfortunately, the advanced vessels that already use LNG cannot refuel in Italian ports yet, due to the lack of an efficient distribution chain for that fuel.



SHIPBUILDING

After a disappointing 2019, the global shipbuilding sector has retrenched further, with orders down by 40% and deliveries down by 17% in the first half of 2020, due to Covid-19.

The impact was even greater in Europe, especially in the cruise and military sectors and, above all, with regard to ferries, where orders plummeted to zero. Leisure yachting was affected to a lesser extent, but the offshore oil & gas sector flat-lined.

Productive activity was heavily affected by the pandemic, with generalised delays attributable to widespread interruptions in the supply chain.

In addition, travel restrictions affected both new construction and repairs, given the difficulty of moving technicians, work-site teams and the owners' representatives.

South Korea remains in first place for shipbuilding, ahead of China and Japan.

These countries have dictated sector rules for several decades, gradually attracting customers from Europe over the past 50 years or so. Even so, Japan is steadily losing ground.

By contrast, South Korea and China are strengthening their dominant positions, with a focus on specialisation to tackle the high levels of competition and declining demand.

Beijing has gradually expanded its portfolio of customers in the defence and merchant vessel sectors, while Seoul is concentrating on sustainability and the construction of ever more complex ships.

There have been major aggregations in this sector in recent years, with the birth of new giants that will become the shipbuilding leaders of the future, fuelling strong debate about the rules of global competition.

THE INSURANCE MARKET

The international insurance market has also been affected by the Covid-19 pandemic, with the greatest issues linked to the substantial payments made against business interruption claims, which are weighing heavily on the results of leading insurers.

With regard to the "Hulls" sector, the marked rise in premiums experienced in the prior year, following a lengthy soft market, was confirmed during 2020.

The most significant rises were applied to the fleets with negative underwriting statistics, but even the accounts with good prior results could not be spared.

This upward trend reflects the low number of market players and their common need to improve and rebalance the profitability of the business.

Policyholders seem to be more willing to accept the more onerous conditions applied by their insurers, as well as more aware and careful to avoid generating statistics that attract penalties on the renewal of their policies.

For their part and to the extent possible, insurers seek to involve their policyholders in the management of risk, by writing policies with often substantial aggregate excesses, reducing the scope of cover and requesting appraisals of the vessels to be insured.

On balance, analysts expect this trend to continue in the coming months, on condition that the aggressive approach taken by certain insurers (especially in Scandinavia) does not undermine the current favourable situation.

This rising trend is justified, in part, by the major payments made by insurers (including some in Europe) against the business interruption policies mentioned earlier.

In particular, the major exposure (not faced by the Company) generated by the pandemic may well have short/medium-term repercussions by further reducing the flexibility of insurance rates.

That said, much will depend on the year-end results of the underwriters, as well as on entry into the market (especially in London) of new competitors, attracted by the potential profits, which would add capacity in the insurance sector.

Turning to the "Cargo" sector, which has a more domestic focus compared with the "Hulls" sector (more international), the slowdown in movements due to the contraction of trade has had a non-trivial adverse effect on production.

Although trade is recovering, volumes are still lower than they were before the onset of Covid-19.

In this context, the market remains soft with considerable competition among insurers resulting in further premium reductions in order to attract new business.

The sector was also penalised by the marked reduction in the oil price, which touched a 5-year minimum in April 2020, resulting in lower insured values and related premiums.

In addition, there has been a steady reduction in the number of road hauliers due to aggregation in the sector, enabling them to obtain more attractive insurance conditions.



Even the fine arts sector has been affected by the healthcare emergency, given that the drastic reduction in tourist flows has impacted on the programme of art exhibitions.

Additionally, it is necessary to assess carefully a number of key issues, including the effect of supply chain interruptions and the accumulation of goods in port areas and logistics hubs, which might increase the frequency and severity of damage.

In the "Aviation" sector, as in the "Hulls" sector, the international market was characterised by rising premiums during 2020 due, in part, to a reduction in insurance capacity.

As in the past, there are only a few active operators in Italy.

Lastly with regard to the outward reinsurance market, there are signs of greater competitiveness among the professional operators, which are showing increased interest in the technical validity of the business proposed.

Globally, the underwriting difficulties experienced in recent years have rendered the market somewhat more inflexible.

With regard to the Solvency II Directive, in March 2020 Italy transposed the amendments that correct the functioning of the national component of the volatility adjustment, reducing the relevant threshold. As a result, the volatility adjustment should be activated more frequently, thereby stabilising better the own funds of insurers in the face of market turbulence.

Again in this area, last December EIOPA presented the European Commission with an Opinion on the review of the Solvency II Directive, stating in the introduction that, overall, the framework is working well. The measures proposed involve a balanced updating of the regulatory framework, via a series of amendments designed to improve its functioning.

The EIOPA proposals concern:

- changes to the treatment of interest-rate risk, reflecting the significant reduction in rates in recent years and the existence of negative interest rates;
- improvements to the volatility adjustment, so that it attenuates short-term fluctuations more effectively;
- refinements to the calculation of the risk margin of technical provisions, in order to recognise the time dependency of risks and thereby reduce the sensitivity of the margin and the amount (especially for long-term liabilities);
- changes to the criteria for establishing the ability to hold equity investments over the long term, to better reflect the risks and encourage proper and prudent long-term investment.

These proposals have been criticised by the European insurers, as they believe the above Opinion would make *Solvency II* even more conservative and, over the long term, render the European insurance industry less competitive.

The average solvency index of the Italian insurers remains high, as stated in the recent financial stability report published by the Bank of Italy.

Despite the decrease since the end of 2019, due to the reduction in profitability caused by the pandemic (especially in the life sector), at market level the index is more than double the regulatory minimum and in line with European values.

The benefits deriving from the increased market value of the securities held and the containment of dividend distributions only partially offset the decrease in own funds caused by the reduction in the interest-rate curve.

On the other hand, the liquidity position remains stable despite the overall contraction of premium income.

The epidemiological emergency identified in March 2020 caused tensions in the financial markets. These induced IVASS to start periodic monitoring of the solvency of all market operators from 13 March 2020, in order to check their ability to guarantee business continuity and the provision of services to their policyholders.

Based on the latest available official data published by *Ania* concerning the premiums for Italian direct business written in 2019, your Company continued to strengthen its leadership in the "Marine" sector. In particular, it came first in the "Hulls" sector, while it passed from fifth to fourth place in the "Cargo" sector, with market shares of 35% and 8% respectively (32% and 8% in 2018).

RESULTS OF OPERATIONS

Given all of the above, the company closed 2020 with a profit before taxation of € 4,855 thousand, which was a good deal better than the € 417 thousand reported in 2019.

Net income amounted to € 3,441 thousand, compared with € 89 thousand in the prior year, with a tax rate of 29.1% that was lower than the anomalous rate reported last year.

The following table summarises the statement of income for 2020, with comparative figures for 2019:

(in thousands of euro)	2020	2019
Underwriting result	5,638	325
Net investment income	2,850	3,715
Capital and financial charges	(1,448)	(1,452)
Investment return transferred to the technical account	(803)	(1,350)
Other income (expenses), net	(424)	(201)
Net extraordinary income (expenses)	(958)	(620)
Profit (loss) before taxes	4,855	417
Income taxes for the year	(1,414)	(328)
Net profit for the year	3,441	89

With respect to the results for 2020, based on the data set out above, the key factors, which will be discussed more fully in the rest of this report, are as follows:

- the significant improvement in the results for 2020 was attributable to the technical component, despite a reduction in the return from investments transferred from the non-technical account. Further information on this is provided below in the section on "Insurance management";

- investment income, net of related capital and financial expenses, amounted to € 1,402 thousand, down on the previous year (€ 2,263 thousand).

Further information on this is provided below in the section on "Property and financial management";

- a portion of the investment return was transferred to the technical account on the basis of the criteria laid down in art. 22 of ISVAP Regulation 22 of 4 April 2008.

This amount was lower, to a decline in the net profit from investments;

- the negative balance of other income (expenses), net was slightly worse than that (also negative) reported in 2019.

This deterioration was mainly due to:

- a smaller release from the "Provision for risks and charges", € 664 thousand, recognised as "Other income", with respect to the € 899 thousand released in the prior year.

These releases covered costs totalling the same amount, classified as "Non-recurring expenses", incurred in relation to the VAT disputes regarding the co-insurance relations existing with other firms in the insurance sector;

- non-recurring personnel costs, recorded among the "Other expenses", in order to recognise long-service awards (€ 499 thousand) more appropriately, on an accruals basis.

The following items, among others, contributed to the formation of this balance:

- with regard to doubtful receivables (excluding amounts due from policyholders), provisions to the "Allowance for doubtful accounts" of € 304 thousand (no provision in 2019), No collection losses were recorded during the year (€ 54 thousand in 2019).

This provision was not used during the year (€ 136 thousand in 2019) and no changes in estimate were made;

- the net positive effect of exchange differences, € 53 thousand (less than € 1 thousand in 2019).

Exchange differences were mainly due to fluctuations in the US dollar during the year.

In this regard, careful management of the mismatch between foreign currencies has, as in the past, helped to minimise the economic effects of exchange differences.

This has been achieved despite the high incidence of non-Euro currencies in the "Marine" sector including, in particular, the US Dollar and the non-trivial fluctuations in its exchange rate during 2020.

For further comments on "Other income" and "Other expenses", reference should be made to Section 21, points III.7 and III.8, of the notes to the financial statements;

- the negative net non-recurring components totalled € 958 thousand, up from € 620 thousand in 2019. In particular, the related expenses included:

- costs of € 664 thousand (€ 899 thousand in 2019) incurred following the agreed settlement of certain tax disputes, as mentioned earlier;

- provision of € 436 thousand for "risks and charges" to cover the cost of employee leaving incentives introduced during the year;

- the tax pressure (29.1%) is significantly lower and normalised with respect to the previous year (78.7%).

This reduction reflects the non-deductibility of the provision for "risks and charges" recorded in 2020, € 40 thousand, compared with € 1,128 thousand in 2019 (when the taxable profit was much lower than in 2020).

Income taxes amount to € 1,414 thousand (€ 328 thousand in 2019) and relate to:

- current taxes, comprising Ires, € 1,270 thousand (€ 263 thousand in 2019), and IRAP, € 180 thousand (no IRAP charge in 2019).

As in 2019, income taxes do not include any taxes to be paid in Germany (but not recoverable in Italy) where the Company has a permanent establishment, as there is no basis for any such payments;

- deferred tax assets, the expenses of which amount to € 36 thousand (expenses of € 65 thousand in 2019);

- there were no deferred tax liabilities (as in 2019).

Further details are provided in Section 21, point III.14, of the explanatory notes.

INSURANCE BUSINESS

Underwriting result

The underwriting result for 2020 and 2019 is composed of the following:

(in thousands of euro)	2020	2019
Earned premiums	152,050	154,467
Charges related to claims	(85,221)	(128,618)
Other technical income	(855)	105
Operating expenses	(32,474)	(35,423)
Gross underwriting result	33,500	(9,469)
Balance of outward reinsurance	(28,559)	8,545
Change in other non-technical reserves	(106)	(101)
Investment return transferred to the non-technical account	803	1,350
Net underwriting result	5,638	325

The above amounts are for direct and indirect business taken as a whole.

They reflect a strong improvement in the gross underwriting result, which had been unsatisfactory in the two prior years (at market level too), due to the high rate of claims and inadequate pricing.

The progress made by the gross underwriting result is principally attributable to incisive action to enhance the portfolio in the "Hulls" sector, with the start of more intensive efforts in the prior year.

This improvement was mostly achieved by not renewing business with unremunerative statistics and, where appropriate, reducing the percentage participation in co-insured business.

This action is followed by the rising trend in the sector's premium rates, as mentioned previously, and an upward revision in pricing, especially in the yachting sector.

The above progress also benefited, although not by much, from effects associated with the Covid-19 pandemic, such as fewer movements of ships (especially passenger vessels) and goods, which resulted in a reduction in claims.

In this regard, the level of insurance reserves was determined after considering possible delays in the notification of claims by intermediaries.

Given the reinsurance policies adopted by the Company, reinsurers also benefited from the above

improvement. Following the major losses incurred in the last two years, reinsurers have seen a significant inversion in the trend towards positive territory that, based on a reasonable assessment, should be confirmed in the coming years.

This should stimulate renewed reinsurer interest in the risks accepted by the Company which, in turn, will revise the reinsurance policies adopted in order to better reflect the expected improvement in underwriting results.

A brief analysis of the individual amounts shown above leads to the following considerations:

- gross earned premiums fell with respect to the prior year, as expected given the corresponding reduction in production (following the clear out of unprofitable business).
This contraction was mitigated by the reduction of the gross unearned premiums reserve for unexpired risks by € 1,785 thousand during the year (by contrast, increase of € 2,305 thousand in 2019).
This reduction reflects the significant improvement during the current year in the underwriting results from certain sectors including, in particular, the "Hulls" sector;
- the costs incurred for claims have decreased significantly, mainly due to the marked contraction in notified events as a result of the selective policies adopted and the updated terms and conditions applied by the Company.
In addition to the reduced movement of ships and cargo already mentioned, claims also benefited from a decline (both number and amount) in the occurrence and notification of serious events during the year;
- the negative balance on other technical income compares with a moderately positive balance in 2019. The relative change refers to items of various nature and is adequately scaled within the balance of the outward reinsurance;
- operating expenses include commissions recognised to the network of agents and other intermediaries and to transferor companies for the premiums contributed by them (€ 23,516 thousand versus € 25,946 thousand in 2019) and other acquisition and management expenses (€ 8,958 thousand versus € 9,477 thousand in 2019).
The reduction in external expenses is essentially linked to the decline in gross production, while the decrease in internal expenses reflects a fall in personnel-related charges;
- following the improvement in the gross underwriting result and in view of the coverage arranged, the outward reinsurance balance reflects the assignment to reinsurers of a significant portion of the substantial improvement achieved.
The above balance is stated net of the commission income recognised by reinsurers, € 20,712 thousand, compared with € 24,013 thousand in 2019 (due, in particular, to a reduction in the premiums transferred for reinsurance);
- the change in other non-technical reserves is in line with last year;;
- the investment return transferred to the non-technical account declines on 2019, as a result of the decrease in net investment income balance, net of capital charges.

Gross premiums earned and recorded

The premiums earned in 2020, compared with those of 2019, are as follows:

(in thousands of euro)	2020	2019
Gross premiums written	149,364	159,776
Premiums transferred for reinsurance	(104,677)	(116,169)
Change in the gross unearned premiums reserve	3,869	(5,627)
Change in the unearned premiums reserve to be borne by reinsurers, including the balance of portfolio movements	(4,219)	5,203
Net exchange differences on the incoming unearned premiums reserve	(414)	108
Earned premiums, net of reinsurance	43,923	43,291

There has been a lower incidence of total premiums ceded to reinsurers, which comes to 70.1% (versus 72.7% the previous year).

This change was mainly due to the increased, albeit measured, propensity to retain business (especially in the "Cargo" sector).

The following table gives details of premiums earned in 2020, with comparative figures for the previous year:

(in thousands of euro)	2020	2019
Italian direct business		
Hull	92,804	100,996
Marine Cargo	21,476	23,404
	114,280	124,400
Aircraft	2,159	1,238
Aircraft third-party liability	879	503
	3,038	1,741
General third-party liability	4,559	3,748
Motor third-party liability	3,485	3,378
Pecuniary losses	1,773	1,741
Other property damage	1,285	1,476
Personal accident	663	391
Other minor business	33	114
	11,798	10,848
Total direct business	129,116	136,989
Indirect business - Italy		
Marine cargo	8,385	9,890
Hull	5,276	6,172
Motor third-party liability	4,670	4,350
Other minor business	875	1,248
	19,206	21,660
Indirect business - Abroad	1,042	1,127
Total indirect business	20,248	22,787
Grand total	149,364	159,776

The direct business was generated exclusively in Italy and includes the contracts arranged by the foreign permanent establishment located in Germany up to August 2020. After that date, the mandate with that entity was terminated.

Comments on these figures are summarised below:

- as in the recent past, 2020 production can be assigned to the "Marine" sector and, to a lesser extent, the "Aviation" sector, which is increasing.
However, as required by the regulations governing financial statements and having regard for the insurance cover provided under contract, part of this production has been partly allocated to sectors other than those typically envisage for these sectors.
In particular, carrier third-party liability coverage, which comes from the "Cargo" sector with premiums classified to Motor Third-Party Liability, represents almost all of this sector's premiums;
- this production was not greatly affected by the Covid-19 pandemic, but the impact (hard to estimate) may well become clear in the near future, especially with regard to the "Cargo" sector;
- in general terms, the production of the year shows a slight decrease (-6.5%) essentially attributable to direct business, specifically in the "Hulls" sector.
In fact, the portfolio in the sector has been heavily overhauled on a selective basis, following the necessary action taken to improve the underwriting result.
As regards indirect business, the transfers by the direct parent company Unipol Assicurazioni S.p.A. continue to play a significant role.
These figures have been negatively affected by the considerable depreciation (-9.2%) of the US dollar during the year (its exchange rate to the euro was 1.2271 at 31 December 2020, compared with 1.1234 at 31 December 2019) against the EU currency.
In fact, much of our business is written in US dollars, especially in the "Hulls" sector;
- direct premiums from the "Hulls" sector have contracted as planned, due to the elimination of business with negative underwriting statistics and a reduction (significant in some cases) in the quotas accepted on numerous risks.
The approach to accepting business was guided by a more rigorous application of the policy that requires positive underwriting results, considering the risks accepted, and retention of the business deemed more remunerative.
Renewals were charged higher premiums, significant in some cases, with variable excesses linked to the statistical performance of each account.
New business was deliberately extremely limited, given the need to accept risks selectively and renewed focus on the quality of the proposals received.
Production was also lower in the yachting sector, again due to a change in the policy for accepting new business, as well as to a repositioning towards medium-large vessels (as their underwriting performance is generally better).
The rate tables were revised for this sector, with increases of between 10% and 50%, and relations were terminated with certain intermediaries that have generated unsatisfactory results.
Lastly, with regard to the policies written for fleets, application of the "aggregated excesses" clause has become more frequent and extensive in order to contain the charges associated with repeated claims.

Production in this segment has continued to be supported by the "A-" (excellent) rating, which was confirmed in July 2020 by AM Best, a leading international agency that specialises in the insurance sector. In October 2020, DBRS - a major international agency - also issued a positive first rating of "A (high)". By contrast, Fitch issued a downgrade to "BBB" (from "BBB+") in September 2020, being one notch above the rating assigned to Italy;

- direct premiums from the "Marine cargo" sector eased slightly, mainly due to the overhaul of the portfolio that began in prior years and was continued during the year. This action included refusal to renew certain significant policies, given their unsatisfactory underwriting performance; these were replaced by smaller new policies.
In fact, with a view to increased diversification of the portfolio, the sector continues to look for and develop (via medium/small-sized brokers) new business with SMEs, which tends to be more remunerative.
Although the process of replacing cancelled business with the same volume of new production cannot be completed in the short term, the underwriting results obtained from the more recent policies written have been encouraging.
Despite the above limited contraction in premiums, the acceptance policy described implies an increase in the overall number of policies which, therefore, spreads the risk more.
The decline in premiums is also attributable to the ongoing pandemic, which has reduced industrial activity and the related shipment of goods.
Having regard for the economic context and the healthcare challenges, it is fair to state that production in this sector has been resilient, with a smaller than expected contraction.
In this difficult context, the Company has remained true to its policy, by avoiding the acceptance of risks that have not been properly assessed and with inadequate premiums, while we continued to analyse individual risks carefully, without overlooking any technical aspects;
- direct premiums generated from airframes and the related third-party liability cover derive from the "Aviation" sector business launched in the second half of 2018: the objectives here are to consolidate and gradually expand activity, based on a solid underwriting approach.
The business has developed significantly with respect to the prior year, due to the acceptance of new risks, an increase in quota percentages and an increase in the premiums applied on the renewal of policies already written.
Very little business was not renewed;
- direct premiums from the elementary sectors have increased, mainly as a result of business sourced from the "Aviation" sector, where the increase in production also benefited the Personal Accident and General Third-Party Liability sectors.
As noted previously, these premiums almost exclusively derive from business generated by the "Marine" sector and, to a lesser extent, the "Aviation" sector.
In addition, the indirect business in the Motor third-party liability sector relates entirely to carrier liability business coming from the Cargo sector;
- with regard to indirect business, production was moderately lower in Italy and stable abroad.
The reduction in Italian business mainly related to the "Cargo" sector, which is essentially domestic, due to the reduction in shipments as a result of Covid-19.

In addition, as with direct business, note that the Motor third-party liability segment relates solely to business deriving from the "Cargo" sector.

The premiums from foreign indirect business derive from the "Hulls" and "Cargo" sectors: respectively € 809 thousand and € 233 thousand (€ 990 thousand and € 137 thousand in 2019);

- indirect premiums from the unrestricted provision of services were not significant, while the related direct premiums generated under that regime show a slight decrease totalling € 51,397 thousand (€ 52,677 thousand in 2019).

These premiums relate to the Hulls sector for € 44,106 thousand (€ 44,883 thousand in 2019) and to the Marine Cargo sector for € 7,291 thousand (€ 7,794 thousand in 2019);

- a geographical analysis of gross direct and indirect premiums is provided below:

(in thousands of euro)	2020	2019
• in Italy	141,462	147,574
• abroad, through the permanent establishment in Germany	7,902	12,202
	149,364	159,776

The reduction in the production of the German permanent establishment was due to the termination of its mandate in August 2020.

Lastly, two new products in the "Cargo" sector have been devised and implemented, in smart mode, for SMEs. More specifically, one policy combines cover for the third-party liability of the carrier with "all risks" cover, while the other is an "industrial sales" policy.

Outward reinsurance

The reinsurance policy adopted in 2020 is essentially unchanged with respect to the past, with recourse to proportional reinsurance and to transfers on an optional basis.

The volume of quotas transferred has fallen with regard to the policies in the "Hull" and "Cargo" sectors generated during 2020.

Moreover, the residual exposure is usually reduced by stop-loss cover in the event of serious disasters.

Similarly to the past, placements to high standing reinsurers have been carried out on the main markets, both in London and in other international countries, again through brokers of primary importance.

Charges related to claims

Charges related to claims in 2020, with comparative figures for 2019, are as follows:

(in thousands of euro)	2020	2019
Gross claims settled	152,064	138,494
Claims settled borne by reinsurers	(120,740)	(99,579)
Change net of recoveries	(1,511)	(899)
Change in the gross claims reserve	(70,916)	(7,856)
Change in the claims reserve borne by reinsurers, including the balance of portfolio movements	64,086	1,801
Net exchange differences on the incoming claims reserve	2,011	(465)
Settlement costs, transferred from the non-technical account	1,298	1,262
Expenses related to claims, net of recoveries and reinsurance	26,292	32,578

This balance has decreased considerably with respect to the prior year.

In particular, the settlement of certain major claims, including payment of the final tranche of the well-known "Vulcano" claim, € 37,092 thousand during the first quarter of 2020, had a significant effect on both the payment and reserve data, both gross and reinsured.

In view of the reinsurance protection discussed later, the burden on the Company of the above claims was greatly limited.

This decrease was essentially attributable to the "Hulls" sector and had a decisive effect on the change in the underwriting result.

In particular, the trend in this sector has been turned around, with a reduction in the number of claims made directly and by third parties, especially from the commercial hull and yachting sectors. This outcome was largely due to the requalification of the portfolio, as mentioned earlier, but also to the reduction in international ship movements as a result of the pandemic.

Additionally, with regard to the yachting sector, the restrictions imposed to limit the spread of the virus delayed the start of the season.

The above reduction was particularly significant with regard to the notification of insured events during the year, with a resulting benefit for the unearned premiums reserve for unexpired risks.

Most loss claims related to machinery damage attributable, for the most part, to crew negligence.

The number and amount of serious claims notified during the year also fell.

With regard to the "Cargo" sector, the number and amount of notifications have continued the decline experienced in recent years, due to the selective acceptance of business and, in general, to the lockdown restrictions imposed following the healthcare emergency.

In addition, the number of serious claims has fallen.

Turning to the "Aviation" sector, there were only a small number of claims, but some were significant. Nevertheless, there was an improvement with respect to 2019, when a very serious claim was made.

The amount of claims settled in 2020, before recoveries from reinsurers and before allocating internal settlement costs, is summarised below according to the main categories:

(in thousands of euro)	Direct business	Indirect business	Total
Claims settled	136,791	8,520	145,311
Settlement costs	5,236	-	5,236
Direct costs	1,517	-	1,517
	143,544	8,520	152,064

With regard to direct business, the following breakdown by sector of claims settled in 2020 is compared with similar data for the previous year:

(in thousands of euro)	2020	2019
Hull	114,479	96,659
Marine Cargo	14,655	19,251
	129,134	115,910
General third-party liability	2,695	1,581
Motor third-party liability	2,405	2,658
Pecuniary losses	917	918
Other property damage	639	803
Personal accident	438	591
Other minor business	563	269
	7,657	6,820
Total direct business	136,791	122,730

Analysis of the above data indicates an overall increase in the amount of claims paid. This increase was essentially attributable to the "Hulls" sector, following the settlement of certain significant claims, including payment the final tranche following the loss of the "Vulcano", as mentioned earlier.

Claims relating to carrier third-party cover (from the Cargo sector) represent a significant part of the payments made in relation to the Motor third-party liability sector.

Further, with reference to the periods considered, these payments were also affected by the depreciation of the US dollar against the Euro in 2020.

In addition, with regard to direct Italian business, it is not considered necessary to report the speed of claims settlement in the elementary and motor sectors (excluding the business deriving from the "Marine" and "Aviation" sectors), since the steady reduction in the related portfolio and the sharp contraction in the numbers concerned mean that this indicator is no longer relevant.

On the other hand, for the Hulls and Cargo sectors, the rate of settlement is not given since it is not considered representative of the phenomena concerned.

With regard to the claims payable reserve, it amounts to € 176,950 thousand (€ 247,866 thousand as at 31 December 2019) and is made up as follows:

(in thousands of euro)	31.12.2020	31.12.2019
For reimbursements and settlement costs	149,340	218,899
For accidents occurred, but not reported	27,610	28,967
	176,950	247,866

It is related to direct and indirect business for € 154,181 thousand and € 22,769 thousand respectively (€ 221,167 thousand and € 26,699 thousand at 31 December 2019).

The reserve for accidents occurred, but not reported is broadly unchanged with respect to the prior year, while that for reimbursements and settlement costs has fallen considerably since the end of 2019. In addition to an improvement in the underwriting performance during the year, this reduction was also affected by the payments made in relation to certain major claims (especially the well-known "Vulcano" claim) made in prior years.

SALES ORGANISATION

While the distribution network in Italy did not change significantly during the year, the situation abroad is discussed below.

In Italy, the distribution network at 31 December 2020 consists of 28 general agents and 180 brokers (25 and 172, respectively, at 31 December 2019).

Geographically, 74.5% are located in the North (155 intermediaries, compared with 153 at 31 December 2019) and 25.5% in the Centre – South (53 intermediaries, compared with 44 at 31 December 2019).

The distribution network abroad included the permanent establishment in Germany (up to August 2020), as well as 61 brokers (75 at 31 December 2019).

As in the past, intermediaries (in both Italy and abroad) are coordinated solely from the offices in Genoa.

Acquisition expenses totalled € 25,903 thousand (€ 28,405 thousand in 2019).

The related growth is due to the increased production for the year, as previously commented.

Of these costs, € 20,200 thousand related to direct business (€ 22,540 thousand in 2019) and € 5,703 thousand to indirect business (€ 5,865 thousand in 2019).

The ratio of commissions paid to third parties for new direct business to the related premium income was 14.3% (15.2% in 2019). The one to indirect business was 24.6% (22.3% in 2019).





Singapore

Singapore

Singapore, with over 130,000 ship calls per year, is among the top three ports in the world. At the cutting edge of technology and equipment, it has post-Panamax super quay cranes at the Pasir Panjang container terminal to serve some of the largest ships in the world.





PERSONNEL AND ADMINISTRATIVE EXPENSES

At 31 December 2020, the Company had 107 employees (104 at 31 December 2019), including 5 executives, 17 middle managers and 85 office staff.

Among them, 44 were on part-time secondments to the Parent Company and to subsidiaries.

In addition to these, at the same date the staff also included 39 employees in Group companies (45 in 2019) the latter on secondments (19 full-time and 20 part-time) seconded to the Company principally in the performance of duties related to the operations of the "Marine Hub".

Further, there was one collaborator on a temporary supply contract (1 in 2019).

The full time equivalent (FTE) headcount, that is, considering actual working hours, in 2020 was 139 employees (140 in 2019).

After allocating a proportion of personnel expenses and the depreciation of tangible assets to policy acquisition and claims settlement, administrative expenses amounted to € 6,571 thousand (€ 7,018 thousand in 2019), showing a significant decrease compared with the previous year.



PROPERTY AND FINANCIAL MANAGEMENT

During 2020, financial management operated in accordance with the guidelines of the Investment Policy adopted by the Company, and with the guidelines provided by the Group Investment Committee and by the Financial Investment Committee.

The investment policy followed criteria to optimize the risk/return profile of the portfolio.

The criteria of investment marketability and prudence have been the guideline for our investment policy, while maintaining the necessary consistency with the profile of liabilities.

Management activities focused on the bond sector and there were no significant changes in asset allocation in 2020.

Sector exposure to Euro area government securities (fixed rate) was decreased, while the exposure to corporate issuers was essentially stable.

We maintained an adequate cash position in the portfolio to meet the needs of the core business.

Trading on financial markets has been designed to achieve our profitability targets.

At 31 December 2020, the duration of the portfolio is 2.93 years, a decrease on the end of 2019 (3.14 years), while complying with the limits imposed by the Investment Policy.

In the portfolio, which is denominated mainly in euro, there are positions in US Dollars for which the exchange rate risk has not been hedged because of the peculiarities of the core business, which operates mainly in US dollars.

At 31 December 2020 total investments amounted to € 113,059 thousand (€ 117,342 thousand at 31 December 2019), down on the previous year.

Details are provided below:

(in thousands of euro)	31.12.2020	31.12.2019
Buildings	18,811	18,879
Investments in group and related companies	379	121
Mutual fund units	1,224	1,224
Bonds and other fixed-income securities	91,566	96,041
Loans	19	2
Restricted deposits with banks	402	402
Deposits with ceding undertakings	658	673
	113,059	117,342

Bonds and other fixed-income securities and buildings continue to represent the bulk of total investments (97.6%, compared with 97.9% at 31 December 2019).

With regard solely to financial investments (excluding those in Group companies), shares and mutual funds invested in equities represent 1.7% of the total (1.4% at 31 December 2019) due to continuing caution in this area.

The main comments on each type of investment are as follows:

- Properties remain stable in value, decreasing as a result of depreciation and increasing due to improvements.
This caption solely comprises the commercial property located in Genoa that houses the company's headquarters and offices;
- shares and quotas continue to be insignificant.
This caption mainly refers to 96,350 shares of the direct parent company UnipolSai Assicurazioni S.p.A., for an amount of € 184 thousand, and to 48,356 shares of the indirect parent company Unipol Gruppo S.p.A., equal to € 161 thousand.
In addition to the above, this item also includes the shares of the affiliate UnipolSai Servizi Consortili S.c.a.r.l., for a total of € 34 thousand;
- the units in mutual funds (most of them equity-based) are unchanged in amount;
- bonds and other fixed-interest securities decreased during the year as a result of the disposals made.

A distinct preference for government issues (especially domestic ones) which constitute 80.9% of the total (81.4% at 31 December 2019).

The portfolio, mainly in euro, includes positions in US Dollars.

These are represented by fixed-interest securities, € 79,974 thousand, and variable-income securities, € 11,592 thousand (€ 84,094 thousand and € 11,947 thousand respectively at 31 December 2019).

The long-term securities have a book value of € 48,779 thousand (€ 46,783 thousand at 31 December 2019). These comprise € 37,621 thousand invested in Italian government securities (fixed-rate BTPs maturing between 2024 and 2033, € 36,685 thousand, and floating-rate CCTs maturing in 2025, € 936 thousand). They also include € 4,158 thousand invested in Spanish government securities and € 1,986 thousand in Portuguese government securities, as well as (banking) corporate issues totalling € 5,014 thousand. At the year-end, the total market value of long term securities amounts to € 54,468 thousand. During the year, long-term securities have not been sold or transferred to other portfolios;

- the balance of restricted deposits with banks, which consist of cash collateral, remains unchanged;
- deposits with ceding undertakings and loans are essentially unchanged.

No use was made of derivatives during the year and there were no derivative contracts outstanding at 31 December 2020 (as at 31 December 2019).

The following subordinated bonds are held at year end:

Issuer: Crédit Agricole
ISIN code: XS1204154410
Par value: 500,000 €
Book value: 499,920 €
Issue: 17 March 2015
Maturity: 17 March 2027
Structure: Tier 2 subordinated bond

Issuer: Intesa San Paolo
ISIN code: XS1109765005
Par value: 500,000 €
Book value: 500,000 €
Issue: 15 September 2014
Maturity: 15 September 2026
Structure: Tier 2 subordinated bond

Issuer: LB – Baden Wuertt
ISIN code: XS1246732249
Par value: 200,000 €
Book value: 199,662 €
Issue: 16 June 2015
Maturity: 16 June 2025
Structure: Tier 2 subordinated bond

Issuer: Monte dei Paschi
ISIN code: IT0005013971
Par value: 150,000 €
Book value: 149,985 €
Issue: 17 April 2014
Maturity: 16 April 2021
Structure: covered bond

Issuer: AG Insurance S.a.
ISIN code: BE6277215545
Par value: 500,000 €
Book value: 489,751 €
Issue: 31 March 2015
Maturity: 30 June 2047
Structure: Tier 2 subordinated bond

Issuer: Aviva Plc
ISIN code: XS1242413679
Par value: 400,000 €
Book value: 393,290 €
Issue: 4 June 2015
Maturity: 4 December 2045
Structure: Tier 2 subordinated bond

Issuer: NN Group Nv
ISIN code: XS1550988643
Par value: 500,000 €
Book value: 503,831 €
Issue: 13 January 2017
Maturity: 13 January 2048
Structure: Tier 2 subordinated bond

At year-end, the book value of the securities portfolio was € 8,161 thousand lower than its market value at the same date (€ 6,924 thousand at 31 December 2019).

The above unrealised gain comprises:

- € 7,595 thousand (€ 6,160 thousand at 31 December 2019) relating to bonds and other fixed-interest securities, including those held for the long term. The latter carry an unrealised gain of € 5,689 thousand (€ 3,981 thousand at 31 December 2019);
- € 510 thousand relating to mutual funds (€ 723 thousand at 31 December 2019);
- € 56 thousand attributable to the shares and quotas held in Group companies and affiliates (€ 41 thousand at 31 December 2019).

Additional information can be found in the notes to the financial statements.

Summary data regarding income from property and financial management is shown below for each type of investment, with comparative figures for the previous year:

(in thousands of euro)	2020	2019
Net profit from:		
shares		
dividends	16	6
net gains (losses) on disposals	-	16
net write-backs (writedowns)	-	(7)
	16	15
bonds and other fixed-income securities		
interest income	2,105	2,320
net gains (losses) on disposals	277	580
net write-backs (writedowns)	(4)	323
	2,378	3,223
other financial investments		
buildings		
rental income	442	445
depreciation	(726)	(700)
	(284)	(255)
Total income, net	2,110	2,983
Expenses		
operating expenses	706	712
interest expense	1	6
Total expenses	707	718

Overall, when compared with 2019, the results from property and financial management have decreased due to a significant reduction in net income and stable expenses.

Further information on the individual types of investment is provided below:

- for equities, the above figures confirm the lack of interest in this type of investment. Dividends were collected solely from UnipolSai Assicurazioni S.p.A., given that Unipol Gruppo S.p.A. opted to suspend payments at the request of the insurance sector regulator;
- for bonds and other fixed-interest securities, we note:
 - a decrease in interest earned, following the declining trend in the portfolio, as well as the securities with the most remunerative coupons reaching maturity;
 - a strong decline in the results from trading, which was limited (so as to protect the unrealised gain implicit in the existing portfolio);
 - a marked reduction in writebacks, net of the related adjustments, with respect to 2019 due to the reduction in the spread (108 bp at the end of 2020, 160 bp at the end of 2019);
- for other financial investments, the result is immaterial, as in the previous year;

- for buildings, represented exclusively by the property in Genoa, where the head office and the company's operations are located, we would point out the following with regard to just the portion intended for use by third parties:
 - rental income and adjustments remained stable (solely comprising depreciation);
 - the lease of four floors to the parent company UnipolSai Assicurazioni S.p.A. at current market conditions;
 - continuation of the search for an appropriate tenant for the premises on the ground floor and below ground.

Operating expenses concerned the securities sector for € 444 thousand (€ 462 thousand in 2019) and the property sector for € 262 thousand (€ 250 thousand in 2019). The latter included IMU of € 88 thousand (€ 88 thousand in 2019).

Interest expense related exclusively to the remuneration of reinsurance deposit accounts.

OWN SHARES, SHARES IN THE PARENT COMPANY AND ITS SUBSIDIARIES

The Company forms part of the "Unipol Insurance Group" (Register of Insurance Groups, no. 046), which in turn is subject to the direction and coordination of Unipol Gruppo S.p.A..

This means that the Company is subject to the direction and coordination of Unipol Gruppo S.p.A., pursuant to arts. 2497 of the Civil Code.

This activity had no effect on the company and its results.

UnipolSai Assicurazioni S.p.A. is the direct parent company, as it holds 94.69% of the Company's share capital.

Having said that, note that the Company does not hold, nor has it traded during 2020, any of its own shares or shares in companies belonging to "Gruppo Assicurativo Unipol", except as indicated below.

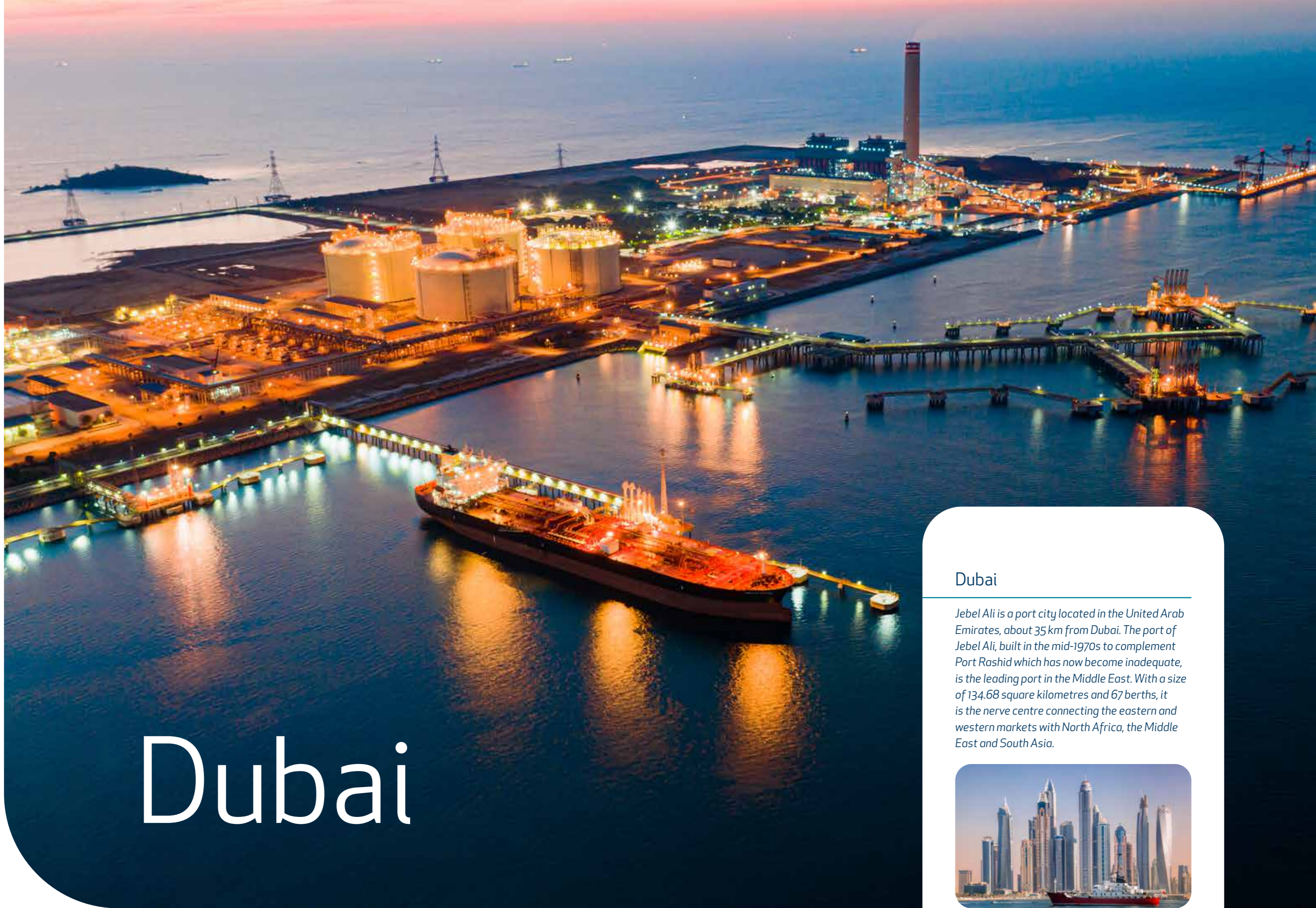
At 31 December 2020, the Company holds 48,356 ordinary shares in Unipol Gruppo S.p.A. (the indirect parent company that carries out management and control activities) and 96,350 ordinary shares in UnipolSai Assicurazioni S.p.A., the direct parent company, with carrying amounts of € 161 thousand and € 184 thousand respectively.

These shares are held to service the compensation plans based on financial instruments (performance shares) in favour of Company executives for the three-year periods 2016-2018 and 2019-2021, which will be completed in 2021 and 2024 respectively.

These plans were approved at the Shareholders' Meetings held on 18 April 2016 (for the three-year period 2016-2018) and on 19 November 2019 (for the three-year period 2019-2021).

A total of 43,000 shares in Unipol Gruppo S.p.A. and 86,000 shares in UnipolSai S.p.A. were purchased during the year, while 7,210 shares in Unipol Gruppo S.p.A. and 13,325 shares in UnipolSai S.p.A. were assigned to the above-mentioned executives.

In addition, the Company holds 10,528 quotas in UnipolSai Servizi Consortili S.c.r.l., with a carrying amount of € 34 thousand.



Dubai

Dubai

Jebel Ali is a port city located in the United Arab Emirates, about 35 km from Dubai. The port of Jebel Ali, built in the mid-1970s to complement Port Rashid which has now become inadequate, is the leading port in the Middle East. With a size of 134.68 square kilometres and 67 berths, it is the nerve centre connecting the eastern and western markets with North Africa, the Middle East and South Asia.





INTERCOMPANY TRANSACTIONS

With regard to transactions with related companies, the principal intragroup activities relate to insurance business in the broadest sense (mainly reinsurance), the management of property and securities, IT services and the settlement of claims.

As required by art. 2427.22-bis of the Italian Civil Code, it is confirmed that these transactions with related parties (which are mentioned below with reference to each Group company) have been carried out at normal market terms.

UnipolSai Assicurazioni S.p.A. has been granted mandates to provide internal audit, compliance, risk management services and actuarial function.

Moreover, the following services were received from the parent company:

- technical and administrative matters, together with services relating to the management of claims in the "non-Marine" sectors;
- Information technology;
- management of personnel and systems;
- purchase of goods;
- purchase of non-insurance services;
- management of property;
- management of financial investments.

Conversely, the Company provides the direct parent company with technical, operational and administrative services in the "Marine Insurance" sector.

The Company and its indirect parent company Unipol Gruppo S.p.A. are parties to a tax group under the joint election made.

In fact, the aforementioned parent company exercised the option for the Group taxation regime, as governed by Title II, Chapter II, section II of Presidential Decree no. 917/86 (TUIR, articles 117 and following), as consolidating company, jointly with the companies belonging to the Unipol Group that meet the regulatory requirements from time to time. The option has a three-year duration and is automatically renewed, unless cancelled.

The meeting of the Board of Directors held on 6 November 2018 resolved to renew membership of the tax group led by Unipol Gruppo S.p.A. for the three-year period 2018-2020, as well as to renew that membership for the following three-year periods on the established economic conditions and subject to the applicable regulatory requirements.

Further information is provided in point C. 7 of Part C. - "Other information" of the Notes to the financial statements.

The Company has also joined the Unipol VAT Group, again led by the indirect company, with effect from 1 January 2019.

In fact, Unipol Gruppo S.p.A. and its subsidiaries (for which there are the economic, financial and organisational ties according to current legislation) have exercised the joint option for the establishment of a Unipol VAT Group for the three-year period 2019-2021, with tacit renewal until revoked, pursuant to articles 70-bis and following of Presidential Decree no. 633/1972 and Ministerial Decree of 6 April 2018. This election was approved by the Board of Directors of the Company on 18 December 2018 and, to the extent relevant, by those of the Unipol Gruppo S.p.A. and UnipolSai Assicurazioni S.p.A. on 8 November 2018. Further information is provided in point C. 8 of Part C. - "Other information" of the Notes to the financial statements.

We also have reinsurance relationships with the affiliates Unipol Re and the direct parent company UnipolSai Assicurazioni S.p.A.

More specifically, the first case is outward reinsurance, in relation to the elementary and motor sectors, for claims that took place in years prior to 2005.

With the parent company UnipolSai Assicurazioni S.p.A., on the other hand, we have had active reinsurance relationships in the "Marine Insurance" sector.

The amounts relating to transactions and balances with companies belonging to the "Gruppo assicurativo Unipol" are disclosed in the notes.

The significant 2020 transactions with companies subject to management and coordination by the indirect parent company Unipol Gruppo S.p.A. are summarised below, in accordance with the provisions of the Civil Code, art. 2497-bis, paragraph 5:

Insurance and reinsurance transactions				Reserve			
(in thousands of euro)	Debtors	Creditors	Premiums	Claims	Premiums	Claims	Commissions
UnipolSai Assicurazioni S.p.A. (direct parent company)							
Coinsurance trans.	-	(78)	-	-	-	-	-
Reinsurance trans.							
- inward	3,174	-	(4,631)	(17,578)	16,739	(5,953)	(3,888)
- outward	-	-	11	30	(27)	23	5

Commercial transactions				
(in thousands of euro)	Debtors	Creditors	Costs	Revenues
UnipolSai Assicurazioni S.p.A. (direct parent company)				
- services	916	(944)	(976)	1,781
- personnel on secondment	714	(930)	(2,021)	1,373
- rental income and expenses	-	(84)	-	429

Fiscal relations				
(in thousands of euro)	Debtors	Creditors	Costs	Revenues
Unipol Gruppo S.p.A. (indirect parent company)				
- tax group arrangements	14	(1,270)	-	-
UnipolSai Assicurazioni S.p.A. (direct parent company)				
- Ires repayment claim	440	-	-	-

Key: (...) Creditors/Costs



PRIVACY POLICY

The Company has put in place all the required measures to ensure compliance with the obligations imposed by the legislation on the protection of personal data (EU Regulation no. 679/2016), in order to ensure the protection and integrity of the data of customers, employees and anyone else with whom it comes in contact.



ACTIVITIES TO COMBAT AND PREVENT INSURANCE FRAUD IN THE AREA OF THIRD-PARTY LIABILITY ARISING FROM THE USE OF MOTOR VEHICLES ("TPL MOTOR") AND CLAIM MANAGEMENT

In the field of fraud prevention and detection, Decree Law 1 of 24 January 2012, converted with amendments into Law 27 of 24 March 2012, resulted in IVASS issuing Regulation 44 of 9 August 2012. This Regulation requires insurance companies to send the Authority an annual report containing the information needed to assess the efficiency of processes, systems and people, in order to ensure the adequacy of the Company's organisation vis-à-vis the objective of preventing and combating fraud in the TPL Motor sector.

The same Decree Law also provides that insurance companies are required to indicate in the report or in the accompanying notes to the annual financial statements, and to publish on their websites or other appropriate form of dissemination, an estimate of the reduction in charges for claims as a result of discovering cases of fraud.

Pursuant to art. 30, paragraph 2, of Decree Law 1/2012, the estimated reduction in charges for claims as a result of combating fraud is unquantifiable, as no claims were assessed for fraud during the year 2020. This is also a result of the low number of policies pertaining to the business sector in question.

The management of complaints is an important and delicate phase in the relations with policyholders and users. They are always dealt with in compliance with the principles of propriety, transparency, diligence and professionalism.

With specific reference to 2020, a total of 2 complaints were received and catalogued (in accordance with Isvap Regulation 24 of 19 May 2008) in the specific Complaints Register. The Company received 1 claim in 2019.

At 31 December 2020, a total of 2 replies have been sent. One of the complaints was accepted, while the other was settled. Both were closed with an average response time of 24 days.



INFORMATION RELATING TO RISK MANAGEMENT POLICIES (art.2428, Civil Code)

With regard to the identification, assessment and control of business risks, the company makes use of the work performed by the risk management function within UnipolSai Assicurazioni S.p.A..

Set out below are additional disclosures to facilitate an assessment of the Company's financial position.

The control of financial risk is performed by means of periodic monitoring of the key indicators of exposure to interest rate risk, credit risk, equity risk and liquidity risk.

Interest rate risk

At 31 December 2020, the duration of the class C investment portfolio, an indicator of the Company's exposure to interest rate risk, amounted to 2.93 years (3.14 years at 31 December 2019). With specific reference to the bond portfolio, the duration is equal to 3.08 years (3.37 years at 31 December 2019).

Risk Sector	Composition	Duration	Increase	
			10 bps	50 bps
Government	86.17%	3.06	-261,599	-1,307,997
Financial	10.59%	3.62	-38,055	-190,274
Corporate	3.24%	1.83	-5,892	-29,461
Bonds	100.00%	3.08	-305,546	-1,527,732

The table below shows the sensitivity, limited to the bond portfolio, to a parallel shift in yield curves for financial instruments.

Credit risk

The policy is for the securities portfolio to be invested primarily in investment-grade securities (99.21% of the bond portfolio, compared with 99.44% at 31 December 2019). In particular, 5.36% of the bonds are rated triple A, 7.81% double A and 10.22% single A and 75.83% triple B (6.71%, 8.10%, 7.35% and 77.28% respectively at 31 December 2019).

Credit risk is monitored by means of the measurement of the sensitivity of the portfolio to changes in the credit spread.

Rating	Composition	Increase		
		1 bps	10 bps	50 bps
AAA	5.36%	-102	-1,018	-5,090
AA	7.81%	-4,035	-40,348	-201,740
A	10.22%	-6,546	-65,462	-327,308
BBB	75.83%	-33,650	-336,500	-1,682,501
NIG	0.79%	-384	-3,837	-19,187
Bonds	100.00%	-44,717	-447,165	-2,235,826

Equity risk

Equity risk is monitored by analysing the sensitivity of the equity portfolio to fluctuations in equity markets as represented by sector indices.

Sector	Composition	Beta	Shock -10%
Utilities	0.00%	-	0
Funds	100.00%	1.00	-174,975
Energy	0.00%	-	0
Raw materials	0.00%	-	0
Industrial	0.00%	-	0
Discretionary goods	0.00%	-	0
First necessity goods	0.00%	-	0
Health	0.00%	-	0
Finance	0.00%	-	0
IT	0.00%	-	0
Communication	0.00%	-	0
Real Estate	0.00%	-	0
Shares	100.00%	1.00	-174,975

Liquidity risk

The construction of the investment portfolio as coverage for reserves is done by giving a preference to highly liquid financial instruments and by limiting the purchases of securities, for which, due to their specific nature and conditions, there is no guarantee that they can be sold promptly on fair terms.

From this point of view, the Company constantly monitors cash flow matching between assets and liabilities in order to limit the need to sell off investments without adequate notice.



INFORMATION ON PRUDENTIAL SUPERVISION

As already mentioned, IVASS started the periodic monitoring of solvency on 13 March 2020.

This is to guarantee business continuity and the ability of insurers to provide services to their policyholders.

The monitoring reports sent to IVASS highlighted, at the most critical moments during the pandemic, an estimated monthly solvency ratio that was consistently between 145% and 174%, thus confirming the financial strength of the Company.

The capital adequacy of the Company is checked in compliance with the *Solvency II* regulation.

On the basis of this regulation, at 31 December 2020 the Company had own funds eligible to cover the capital requirements of 1.74 times (1.47 times at 31 December 2019) and the Solvency Capital Requirement (SCR) of 4.80 times (4.37 times at 31 December 2019) the Minimum Capital Requirement (MCR).

The following table summarizes:

- the amount of own funds available and eligible to cover capital requirements, with details for individual levels;
- the amount of SCR and MCR capital requirements;
- the capital requirements coverage ratios.

Values in thousands of €	Total	Tier 1 -		Tier 2	Tier 3
		unrestricted	restricted		
Own funds available to cover the Solvency Requirement	66,825	66,825	-	-	-
Own funds available to cover the Minimum Capital Requirement	66,825	66,825	-	-	-
Own funds eligible to cover the Solvency Requirement	66,825	66,825	-	-	-
Eligible own funds to cover the Minimum Capital Requirement	66,825	66,825	-	-	-
Solvency Requirement	38,385				
Minimum Capital Requirement	13,931				
Ratio between eligible own funds and Solvency Requirement	1.74				
Ratio between eligible own funds and Minimum Capital Requirement	4.80				

The individual solvency requirements mentioned above are calculated using the so-called market-wide standard formula.

For the purpose of determining own funds, the volatility adjustment provided for in art. 36-septies of the Private Insurance Code is applied.

OTHER INFORMATION

For information on significant events subsequent to the year end and the outlook for operations, please read Part D of the Notes to the financial statements.

Bologna, 17 March 2021

For the Board of Directors
The Chairman
(Giuseppe Santella)



Rotterdam

Europoort is the name of the area that extends into the Netherlands, on the shores of the Atlantic Ocean, and includes the complex formed by the port area of Rotterdam and the adjacent industrial estate. Rotterdam is Europe's main port and with 14 million TEU it is among the top 10 ports in the world for cargo handling. Its quays, which stretch for kilometres, are home to the largest fuel depots in the entire European Union.



Rotterdam



ANNUAL ACCOUNTS

Balance sheets
Statement of income
Notes to the financial statements
Attachments

BALANCE SHEETS AS OF 31 DECEMBER 2020 AND 2019

ASSETS	31.12.2020	31.12.2019
(in thousands of €)		
B. INTANGIBLE ASSETS		
5. Other deferred costs	1,538	1,073
C. INVESTMENTS		
C.I Property		
1. Property used for business purposes	6,739	6,825
2. Property used by third parties	12,072	12,054
C.II Investments in group and related companies	379	121
C.III Other financial investments		
2. Mutual fund units	1,224	1,224
3. Bonds and other fixed-interest securities	91,566	96,041
4. Loans	19	2
6. Restricted deposits with banks	402	402
C.IV Deposits with ceding undertakings	658	673
Total	113,059	117,342
D.bis TECHNICAL RESERVES CARRIED BY REINSURERS		
1. Unearned premiums reserve	39,117	43,335
2. Claims payable reserve	115,254	179,341
	154,371	222,676
E. DEBTORS		
E.I Receivables arising out of direct insurance		
1.a Due from policyholders for current premiums	49,572	54,146
1.b Due from policyholders for premiums relating to prior years	2,953	1,555
2. Due from agents and others intermediaries	7,164	6,054
3. Due from insurance companies	2,912	2,890
4. Due from policyholders and third parties	3,092	3,948
	65,693	68,593
E.II Reinsurance debtors		
1. Insurance and reinsurance companies	12,625	10,361
	12,625	10,361
E.III Other debtors	7,837	7,750
Total	86,155	86,704
F. OTHER ASSETS		
F.I Tangible assets		
1. Furniture and office machine	230	194
3. Plant and equipment	0	1
	230	195
F.II Cash and cash equivalents		
1. Bank accounts	2,858	4,718
2. Cheques and cash	5	2
	2,863	4,720
F.IV Other assets		
2. Other	1,147	999
	1,147	999
Total	4,240	5,914
G. PREPAYMENTS AND ACCRUED INCOME		
1. Interest	542	586
2. Other	26	42
	568	628
Total assets	359,931	434,337

LIABILITIES AND EQUITY	31.12.2020	31.12.2019
(in thousands of €)		
A. CAPITAL AND EQUITY RESERVES		
A.I Share capital	38,000	38,000
A.IV Legal reserve	2,406	2,401
A.VI Reserve for parent company's shares	345	86
A.VII Other reserves	18,401	18,576
A.IX Net profit (loss) for the year	3,441	89
Total	62,593	59,152
B. SUBORDINATED LIABILITIES	0	0
C. TECHNICAL RESERVES		
1. Unearned premiums reserve	53,566	57,435
2. Claims payable reserve	176,950	247,866
5. Other technical reserves	2,372	2,266
	232,888	307,567
E. PROVISIONS FOR RISKS AND CHARGES		
2. Provision for taxation	2,426	2,739
	2,426	2,739
F. DEPOSITS FROM REINSURERS	1,879	2,659
G. CREDITORS AND OTHERS LIABILITIES		
G.I Payables arising out of direct insurance		
1. Due to agents and other intermediaries	10,737	6,024
2. Due to insurance companies	3,015	1,920
4. Guarantee funds in favour of policyholders	0	0
	13,752	7,944
G.II Reinsurance creditors		
1. Insurance and reinsurance companies	18,178	25,448
2. Reinsurance intermediaries	0	0
	18,178	25,448
G.VII Termination indemnities	843	959
G.VIII Other creditors		
1. Taxes paid by policyholders	365	202
2. Miscellaneous taxes payable	441	337
3. Due to social security and welfare institutions	297	324
4. Sundry creditors	2,754	1,410
	3,857	2,273
G.IX Other liabilities		
2. Commission on premiums to be collected	6,506	7,140
3. Sundry liabilities	17,009	18,456
	23,515	25,596
Total	60,145	62,220
Total liabilities and equity	359,931	434,337

STATEMENT OF INCOME FOR THE YEARS ENDED 31 DECEMBER 2020 AND 2019

I. TECHNICAL ACCOUNT	01.01-31.12.2020	01.01-31.12.2019
(in thousands of €)		
1. EARNED PREMIUMS, NET OF REINSURANCE		
a. Gross premiums written	149,364	159,776
b. Outward reinsurance premiums	(104,677)	(116,169)
c. Change in unearned premium reserve	2,685	(5,309)
d. Change in unearned premium reserve carried by reinsurers	(3,449)	4,993
	43,923	43,291
2. INVESTMENT RETURN TRANSFERRED FROM THE NON-TECHNICAL ACCOUNT	803	1,350
3. OTHER TECHNICAL INCOME, NET OF RECOVERIES AND REINSURANCE	921	2,685
4. CLAIMS INCURRED, NET OF RECOVERIES AND REINSURANCE		
a. Claims paid		
aa. Gross amount	(153,361)	(139,755)
bb. (less) ceded to reinsurers	120,739	99,579
	(32,622)	(40,176)
b. Change in recoveries, net of reinsurance		
aa. Gross amount	3,279	1,894
bb. (less) ceded to reinsurers	(1,768)	(995)
	1,511	899
c. Changes in claims payable reserve		
aa. Gross amount	64,861	9,244
bb. (less) ceded to reinsurers	60,042	2,725
	4,819	6,519
Total	(26,292)	(32,757)
6. PROFIT COMMISSIONS, NET OF REINSURANCE	(139)	(232)
7. OPERATING EXPENSES		
a. Acquisition commissions	(23,512)	(25,946)
b. Other acquisition costs	(2,391)	(2,459)
e. Other administrative expenses	(6,571)	(7,018)
f. Commission and other income from reinsurers	20,712	24,013
	(11,762)	(11,410)
8. OTHER TECHNICAL EXPENSES, NET OF REINSURANCE	(1,711)	(2,499)
9. CHANGE IN OTHER TECHNICAL RESERVES	(106)	(101)
Underwriting result	5,637	326

III. NON-TECHNICAL ACCOUNT	01.01-31.12.2020	01.01-31.12.2019
(in thousands of €)		
1. NET INVESTMENT INCOME		
a. Income from shares	15	6
b. Income from other investments		
aa. Income on properties	442	445
bb. Income from financial investments	2,105	2,319
c. Writebacks	0	324
d. Gains on sale of investment	288	621
	2,850	3,715
5. CAPITAL AND FINANCIAL CHARGES		
a. Investment management charges and interest expense	(707)	(719)
b. Writedowns	(730)	(708)
c. Losses on sale of investment	(11)	(25)
	(1,448)	(1,452)
6. INVESTMENT RETURN TRANSFERRED TO THE TECHNICAL ACCOUNT	(803)	(1,350)
7. OTHER INCOME	4,318	4,494
8. OTHER EXPENSES	(4,741)	(4,696)
10. EXTRAORDINARY INCOME	253	367
11. EXTRAORDINARY EXPENSES	(1,211)	(987)
Non-technical result	(782)	91
Profit (loss) before taxes	4,855	417
14. INCOME TAXES FOR THE YEAR	(1,414)	(328)
Net profit (loss) for the year	3,441	89

Hamburg

Hamburg

The port of Hamburg is located on the Elbe River, about 100 km from the North Sea. This remoteness from the sea is due to the fact that the North Sea has large differences between high tide and low tide and makes it difficult to load and unload large vessels in ports directly on the sea. It is Germany's main port and the third largest European port (after Rotterdam and Antwerp); it is one of the leading ports in the world in terms of container traffic with over 9 million TEUs handled in 2019.



NOTES TO THE FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2020 comprise the balance sheet and statement of income, and these explanatory notes and related attachments, prepared in accordance with ISVAP Regulation 22 of 4 April 2008 (the Regulation) and subsequent additions and amendments. As required by this "Regulation", a statement of changes in financial position is attached to the financial statements.

The financial statements is accompanied by the directors' report on operations.

These financial statements have been prepared in accordance with current civil laws and specific regulations of the insurance sector.

In particular, they have been drawn up in compliance with the provisions of title VIII of the Legislative Decree 209 of 7 September 2005 (the "Insurance Code"), of the Legislative Decree 173 of 26 May 1997, the provisions of "Regulation" and subsequent additions or amendments, and the indications issued by the Supervisory Authority.

Even though not expressly governed by the sector regulations, reference is made to the general provisions of the Italian Civil Code on financial statements, as well as to the accounting standards issued by the Italian Accounting Body ("OIC").

The balance sheet and the income statement are drawn up in Euro, without decimals, while the explanatory notes and the other tables are drawn up in thousands of Euro, unless otherwise indicated.

These notes are organised into the following parts:

Part A: Accounting policies

Part B: Balance sheet and statement of income

Part C: Other information

In addition, they are accompanied by the Attachments, which form an integral part of the Notes.

Comparative figures are provided, as required by the "Regulation", in order to enhance the clarity of presentation.

The presentation of these notes follows the division into parts and sections indicated in Attachment 2 of the above "Regulation" supplying the information required therein.

For simplicity, the comments on the balance sheet and statement of income captions are coded in the same way as the schedules.

The financial statements, have been audited by PricewaterhouseCoopers S.p.A., who were appointed as auditors for the period 2013 - 2021, pursuant to current legislation and the shareholders' resolution of 28 November 2013.

The financial statements have been translated into English from the original version in Italian solely from the convenience of international readers.

They have been prepared in accordance with the Italian law related to financial statements of insurance companies, interpreted and integrated by the accounting principles established by the Italian Accounting Profession.

Certain accounting practice applied by the Company that conform with generally accepted accounting principles in Italy may not conform with generally accepted principles in other countries.

PART A - ACCOUNTING POLICIES

SECTION 1 - DESCRIPTION OF ACCOUNTING POLICIES

The accounting policies applied for the preparation of these financial statements are in conformity with applicable laws and refer to the accounting standards issued by the OIC (Italian Accounting Board) for interpretation.

The accounting policies are the same as those applied in the previous year.

The various items in the financial statements have been valued on a prudent, going-concern basis.

Moreover, we have borne in mind the economic function of each asset or liability; in other words, substance has been preferred over form.

The more important accounting policies adopted for the preparation of these financial statements are discussed below:

Start-up and expansion costs and other deferred costs

These are booked at historical cost and systematically reduced by direct amortisation calculated in relation to their estimated useful lives, which does not exceed five years.

Research and advertising costs are charged to the statement of income in the year they are incurred.

Property

Tangible assets are recorded at purchase cost, including related charges and any revaluation made in accordance with specific laws. They are shown net of accumulated depreciation.

The carrying value is written down in the event of permanent losses.

The amounts recorded in the financial statements include improvements and conversion costs incurred to increase the income-earning capacity of property, or prolong its useful life.

Premises used for business purposes directly by the Company or leased to third parties, are systematically depreciated using rates that reflect their residual useful lives.

Depreciation of wholly-owned property is calculated on the value of the building, net of the value of the land on which it is built.

Shares, quotas, bonds and other fixed-income securities

Long-term investments

Bonds that the Company intends to keep permanently on its balance sheet are recorded at book value.

Carrying value, determined on a weighted moving-average cost basis, is represented by their purchase or subscription cost. It is adjusted or integrated to take account of the amount accrued in the year relating to the negative or positive difference between the redemption value and the purchase cost, with separate disclosure of the amount accrued relating to any issue or trading discounts.

Investments in unlisted companies held as long-term investments are booked at purchase cost, determined on a weighted moving-average basis.

The carrying value is written down in the event of permanent losses.

Original cost is reinstated in future accounting periods if the reasons for any writedowns cease to apply.

Short-term investments

These are stated at the lower of carrying or market value.

Carrying value, determined on a weighted moving-average cost basis, is represented by their purchase or subscription cost, as adjusted in the case of bonds and other fixed-income securities by the accrued net issue discount.

Original cost is reinstated in future accounting periods if the reasons for any writedowns cease to apply.

The market value of securities listed on organised markets is determined as the simple average of stock market prices struck during the last month of the year.

For securities not listed on organised markets, market value is determined with reference to their estimated realisable value considering the market value of listed securities with similar characteristics or, otherwise, using objective criteria applied on a consistent basis.

Debtors

These are stated at their estimated realisable value, as provided for by Legislative Decree no. 173/1997, article 16, paragraph 9.

They are stated net of a writedown.

Tangible assets

Tangible assets are recorded at purchase cost, including related charges, and are stated net of accumulated depreciation.

Depreciation is calculated on a systematic basis, using rates that reflect the residual useful lives of the assets to which they refer, and starts when assets are available for use or, in any case, when they start producing economic benefits.

Accruals and deferrals

Accruals and deferrals are calculated in order to match costs and revenues that refer to more than one year in the accounting periods to which they relate.

Unearned premiums reserve

This includes the apportioned premiums reserve and the provision for unexpired risks, if applicable.

These are calculated together, in accordance with Attachment 15 of "Regulation", to cover the cost of accidents and the related expenses that will occur after year-end, to the extent of the cover provided by the premiums paid by policyholders.

Direct business

The apportioned premiums reserve is calculated on a detailed, accruals basis considering the gross premiums recorded net of acquisition commissions and other costs directly attributable to the acquisition.

This reserve includes specific provisions required by law to cover risks of a particular nature (such as bond insurance, hail and other natural disasters, and those relating to nuclear energy).

In limited cases, with reference to certain premiums accepted by the foreign branches, the accruals basis is applied using inductive systems that are considered to produce essentially the same result.

The reserve for unexpired risks is determined, segment by segment, to cover the risks outstanding after year-end in cases where estimated indemnities and expenses deriving from contracts written before the year-end exceed any related unearned premiums and premiums to be collected. As required by Attachment 15 of "Regulation", the related calculation is based on the ratio of claims to current generation premiums (net of acquisition commission and other directly attributable acquisition costs), compared with the same ratio in previous years.

The share of the apportioned premiums reserve borne by reinsurers is calculated on a detailed, accrual basis.

The share of the reserve for unexpired risks, borne by reinsurers is determined by applying to this gross reserve the ratio of premiums transferred to reinsurers (net of excess-of-loss transfers) to the gross premiums written on direct business.

Indirect business

The apportioned premiums reserve is calculated on an accruals basis with reference to related communications received from reinsurers. If reinsurers do not provide sufficient information for this method to be applied, an overall approach is taken.

In any case, the general principle of sufficiency required by Attachment 15 to the "Regulation" was taken into account.

The reserve for outstanding risks is determined using criteria similar to those employed for direct business.

The share of the unearned premiums reserve carried by reinsurers is determined by applying to this reserve the ratio of premiums transferred to reinsurers to the premiums written on indirect business.

Claims payable reserve

This comprises the reserve for accidents already reported and the reserve for accidents that have occurred, but which have not yet been reported.

These are calculated together, in accordance with Attachment 15 of "Regulation", to cover the cost of accidents that took place in the current or prior years (regardless of the date of the claim) but which have not yet been settled, together with the related direct and indirect settlement costs.

Direct business

The claims payable reserve is determined on a prudent basis considering all claims not yet settled at year-end, applying objective criteria and taking into account for each segment all foreseeable future charges (using available historical data and considering the specific characteristics of each company), in order to cover a reasonable estimate of all outstanding commitments.

For this reason, the reserve also includes an estimate of accidents that have occurred, but which have not yet been reported at year-end.

The share of the claims payable reserve carried by reinsurers is determined on the basis of the estimated amount recoverable, taking into account the related contractual agreements.

Indirect business

This is determined on the basis of communications from reinsurers or, if unavailable or insufficient, using an inductive approach that takes historical experience into account.

The share of the claims payable reserve carried by reinsurers is determined using the criteria described for direct business.

Equalisation reserve

The reserve for natural disasters, which has been set up to offset the trend in claims over time, and the compensation reserve of the credit insurance business, designed to cover any negative technical balance retained at the end of each year, have been determined on the basis of the criteria laid down in Attachment 15 (paragraph 50) of "Regulation".

Provisions for risks and charges

These provisions cover known or likely charges, whose timing and extent cannot be determined at year-end.

Provisions reflect the best possible estimates, based on the information available.

Creditors

These are stated at their nominal value.

Termination indemnities

This reserve reflects the Company's liability to all employees, pursuant to art. 2120 of the Italian Civil Code and current labour contracts, taking into account their length of service at year-end and their remuneration.

Premiums

Gross premiums include all amounts earned during the year on insurance contracts, whatever their collection date.

They are booked net of related taxes and duties collected from policyholders and technical cancellations of securities issued during the year.

Direct business premiums include apportioned premiums for the Hulls and related third-party liability businesses.

The accruals basis is applied by provisions to the reserve for unearned premiums.

Claims

The gross value of claims includes sums paid for direct and indirect business in settlement and as claim settlement expenses.

The latter, in particular, include personnel costs and the depreciation and amortisation of the tangible and intangible assets used in the management of claims.

Interest and other costs and revenues

These are booked on an accruals basis.

Dividends

Dividends are recorded when collected.

Income taxes

Income taxes are provided on the basis of an estimate of taxable income made in accordance with current tax laws, taking account of any tax losses carried forward and costs disallowed for fiscal purposes.

When timing differences arise (deductible or taxed) between the results for the year and taxable income for corporate income tax purposes, the related taxation is allocated to other liabilities or assets using the tax rate expected at the time the differences reverse.

Deferred tax assets are only recorded if it is reasonably certain that they will be recovered in the future.

Translation of foreign currency balances

Foreign currency balances are recorded by means of a multicurrency accounting system.

Foreign currency balances (excluding non-current assets) are shown in the financial statements after they have been translated into the functional currency (euro) using year-end exchange rates.

The effects of translation are recorded in the statement of income as either "Other income" or "Other expense", depending on whether they give rise to a gain or a loss.

When the financial statements are approved and the results allocated, any net profits deriving from this translation represent an unrealised gain and are transferred to a non-distributable reserve until they are realised, pursuant to article 2426, paragraph 8 of the Italian Civil Code.

Exchange rates used

The exchange rates applied for the translation to euro of the principal currencies used by the company are reported below (determined with reference to the official rates at 31 December each year), together with the percentage changes with respect to the prior year:

Exchange rate against the euro	31.12.2020	31.12.2019	Change (%)
US Dollar	1.2271	1.1234	(9.2)
British pound	0.8990	0.8508	(5.7)

Functional currency

All amounts shown in the financial statements are expressed in Euro (€), without decimals.

The only exception to this are the figures shown in the Notes to the financial statements and in the Attachments, which are expressed in thousands of euro, with the roundings envisaged in art. 4 of "Regulation".

Exemptions pursuant to Art. 2423, paragraph 4, of the Civil Code

No exemptions have been taken in accordance with the article in question.

SECTION 2 - TAX ADJUSTMENTS AND PROVISIONS

As envisaged under current regulations, no adjustments and/or provisions have been recorded solely for tax purposes.

New York

Today, the Port of New York and New Jersey is the largest port area in the United States. It occupies territories within a radius of about 40 kilometres around America's most famous monument - the Statue of Liberty. The Big Apple's port has an extensive network of canals, with depths ranging from 7 to 14 metres. In fact, large ships use tugs to navigate canals with tighter corners.



New York



PART B - BALANCE SHEET AND STATEMENT OF INCOME

BALANCE SHEET - ASSETS

SECTION 1 - INTANGIBLE ASSETS (CAPTION B)

B. "Intangible assets", which will all benefit future years, amount to € 1,538 thousand (€ 1,073 thousand at 31 December 2019) and comprise:

(in thousands of euro)	31.12.2020	31.12.2019	Change
5. Other deferred costs	1,538	1,073	465

Attachment 4 shows the changes during the year in the above caption, being additions of € 955 thousand and amortisation for the year of € 490 thousand.

B.5 "Other deferred costs" refer solely to software, which have a useful life of several years, for the residual portion yet to be amortised.

They are stated net of the direct amortisation charge accumulated at year-end.

The increase recorded during the year is mainly attributable to the development of IT projects and application update.

SECTION 2 - INVESTMENTS (CAPTION C)

C. "Investments" total € 113,059 thousand (€ 117,342 thousand at 31 December 2019) and comprise:

(in thousands of euro)	31.12.2020	31.12.2019	Change
I. Property	18,811	18,879	(68)
II. Investments in group and other companies	379	121	258
III. Other financial investments	93,211	97,669	(4,458)
IV. Deposits with reinsurers	658	673	(15)
	113,059	117,342	(4,283)

C.I. "Property" amounts to € 18,811 thousand (€ 18,879 thousand at 31 December 2019) and comprises:

(in thousands of euro)	31.12.2020	31.12.2019	Change
1. Property used for business purposes	6,739	6,825	(86)
2. Property used by third parties	12,072	12,054	18
	18,811	18,879	(68)

These are shown net of accumulated depreciation at 31 December 2020, amounting to € 8,720 thousand (€ 7,994 thousand at 31 December 2019).

The related depreciation charge for the year (€ 726 thousand) is calculated at 3% per year and starts when the property is available and ready for use.

The buildings concerned are considered to be long-term assets as the company intends to hold them over time as a stable investment.

Attachment 4 shows the changes during the year in the above caption.

At 31 December 2020, the market value of the above property was estimated to be € 25,000 thousand (€ 25,500 thousand at 31 December 2019).

Market value was determined in accordance with the rules laid down by "Regulation", articles from 16 to 20. This represents the price at which each property could be sold, at the time of the valuation, by private contract between a seller and a purchaser, assuming that the sale takes place on normal terms and, for property leased to third parties, taking into account the lease instalments and the expiry date of the contract.

The above market value has been determined on the basis of a separate valuation for each building, as shown in the appraisal prepared by an independent expert, bearing in mind the characteristics and income-earning capacity of each property.

The value of property still owned by the Company was not restated under revaluation laws in previous years.

Property is not mortgaged.

C.I.1 "Property used for business purposes" relates entirely to part of the building situated at Via V Dicembre 3, Genoa, where the Company's headquarters are located.

A total of € 264 thousand was invested in improvements during the year. By contrast, the depreciation charge for the year was € 350 thousand.

C.I.2 "Property used by third parties" is only for business purposes and includes a portion of the building situated in via V Dicembre 3, Genoa.

This increased by € 394 thousand due to work done in the year on improvements and renovation and decreased by € 376 thousand due to depreciation for the year.

Rental income and expense recoveries from tenants (only the Parent Company UnipolSai Assicurazioni S.p.A.) amount to € 375 thousand and € 67 thousand respectively.

No property is subject to finance leasing contracts.

C.II "Investments in group and other companies" amount to € 379 thousand (€ 121 thousand at 31 December 2019), an increase of € 258 thousand.

These are represented entirely by "Shares and quotas".

C.II.1 "Shares and quotas" comprise:

(in thousands of euro)	31.12.2020	31.12.2019	Change
a) parent companies	345	87	258
c) affiliated companies	34	34	-
e) other	-	-	-
	379	121	258

The shares of the parent companies relate to the ordinary shares of the direct parent UnipolSai Assicurazioni S.p.A. (no. 96,350, for a value of € 184 thousand) and of the indirect parent company Unipol Gruppo S.p.A. (no. 48,356, for a value of € 161 thousand).

These shares are to service the "performance share" stock-based compensation plan for the Company's top management for the three-year periods from 2016 - 2018 and 2019 - 2021.

These plans were approved by the Shareholders' Meeting of 18 April 2016 and 19 November 2019 respectively.

The following changes occurred during the year:

- increases due to the purchase of 43,000 shares in Unipol Gruppo S.p.A. and 86,000 shares in UnipolSai Assicurazioni S.p.A. for € 149 thousand and € 159 thousand respectively.
The purchase was made in compliance with the resolution of the Shareholders' Meeting of 19 November 2019;
- a decrease due to the assignment to top management of no. 7,210 Unipol Gruppo S.p.A. shares, for a value of € 19 thousand, and no. 13,325 UnipolSai Assicurazioni S.p.A. shares, for a value of € 31 thousand.

These investments, with the exception of the parent companies shares referred to above, are considered to be long-term assets as the companies intend to hold them over time as a stable investment.

The definition of affiliated companies makes reference to Art. 5.1.c) of Legislative Decree 173 of 26 May 1997. "Other" companies mean equity investments as defined in Art. 4.2 of the above mentioned Decree.

Attachments 5 and 7 summarise and analyse the changes in this caption during the year.

General information on equity investments is provided in Attachment 6.

The shares and quotas of parent companies are on deposit at BPER Banca S.p.A., while those of subsidiaries and other companies at the companies to which they refer.

C.III "Other financial investments" amount to € 93,211 thousand (€ 97,669 thousand at 31 December 2019) and comprise:

(in thousands of euro)	31.12.2020	31.12.2019	Change
2. Mutual fund units	1,224	1,224	-
3. Bonds and other fixed-income securities	91,566	96,041	(4,475)
4. Loans	19	3	16
6. Restricted deposits with banks	402	401	1
	93,211	97,669	(4,458)

As indicated in Attachment 8, the above financial investments are all considered to be short term, with the exception of the following listed securities that have been classified as long-term investments:

(in thousands of euro)	Par value	Book value	Market value
BTP 1 March 2024 - 4.5%	3,000	3,000	3,462
BTP 1 March 2030 - 3.5%	2,500	2,526	3,187
BTP 11 April 2024 - 0.4%	15,500	15,467	15,731
BTP 1 June 2025 - 1.5%	3,000	2,971	3,217
BTP 15 May 2028 - 1.3%	1,000	1,043	1,170
BTP 15 September 2032 - 1.25%	5,000	5,126	6,070
BTP 1 September 2033 - 2.45%	4,000	3,661	4,807
BTP 21 May 2026 - 0.55%	1,000	930	1,021
CCT 15 September 2025	1,000	936	1,006
Rep. of Italy 11 May 2026 CMS	2,000	1,961	1,972
Spain 30 November 2030 - 1.0%	4,000	4,158	5,025
Portugal 21 July 2026 - 2.875%	2,000	1,986	2,369
Dexia Credit Local 18 October 2027 - 1.0%	5,000	5,014	5,431
		48,779	54,468

Attachment 8 also compares the book value of each type of investment with its market value.

The latter was determined on the basis described in Part A, Section 1, to which reference is made.

As shown in this Attachment, the book value at 31 December 2020 of "Other financial investments" is € 8,161 thousand (€ 6,924 thousand at 31 December 2019) lower than their market value at that date.

The changes in “Mutual fund units” and “Bonds and other fixed-income securities” during the year are analysed below:

(in thousands of euro)	Mutual fund units	Bonds and other fixed-income securities
Opening balance	1,224	96,041
Purchases	-	20,266
Writebacks	-	-
Issue discounts and trading	-	50
Sales and reimbursements	-	(23,333)
Adjustments	-	(4)
Exchange differences	-	(1,454)
Closing balance	1,224	91,566

C.III.2 “Mutual fund units” comprise open-end funds invested in shares.

Their book value is € 510 thousand (€ 723 thousand at 31 December 2019) lower than their year-end market value.

These units are deposited with third parties.

C.III.3 “Bonds and other fixed-income securities” consist of:

(in thousands of euro)	31.12.2020	31.12.2019	Change
a) listed	91,566	96,040	(4,474)
b) unlisted	-	1	(1)
	91,566	96,041	(4,475)

Their book value is € 7,595 thousand (€ 6,160 thousand at 31 December 2019) lower than their year-end market value.

This amount includes a net gain of € 5,689 thousand (net loss of € 3,981 thousand at 31 December 2019) on long-term investments.

“Bonds and other fixed-income securities” denominated in euro total € 75,076 thousand, while those in other currencies (exclusively US dollars) amount to € 16,490 thousand (€ 78,831 thousand and € 17,210 thousand at 31 December 2019).

They comprise investments earning interest at fixed rates, € 79,974 thousand, and floating rates, € 11,592 thousand (€ 84,094 thousand and € 11,947 thousand at 31 December 2019).

As for listed “Bonds and other fixed-income securities”, government and corporate securities amount to € 74,073 thousand and € 17,493 thousand, respectively (€ 78,153 thousand and € 17,888 thousand at 31 December 2019).

The issue discounts booked to the statement of income relating to this caption are positive for € 25 thousand and negative for € 12 thousand, while positive and negative trading discounts amount to € 282 thousand and € 246 thousand.

The following analysis of “Bonds and other fixed-income securities” details the significant positions held (more than € 1 million) by issuer, with the clarification that they are all listed in organised markets:

Issuer	Amount
(in thousands of euro)	
Italy	59,377
EIB	5,297
Dexia Credit Local	5,014
Spain	4,158
Portugal	1,986
Corp Andina de Fom	1,617
Goldman Sachs	1,219
Barclays Plc	1,170
eBay Inc.	1,155

“Bonds and other fixed-interest securities” are all deposited with BPER Banca S.p.A..

C.III.4 “Loans” relate to loans granted to employees. The changes during the year are shown in Attachment 10.

C.III.6 “Restricted deposits with banks” relates exclusively to a restricted deposit (without deadline) that has been provided as security on our behalf and for the same amount by a bank in connection with domestic insurance business. The changes during the year are shown in Attachment 10.

C.IV “Deposits with ceding undertakings” amount to € 658 thousand (€ 673 thousand at 31 December 2019) and have decreased by € 15 thousand.

These solely comprise cash deposits held by reinsurers on the basis of contractual terms regarding their reinsurance risks.

Deposits with ceding undertakings were not written down at any time during the year.

SECTION 4 - TECHNICAL RESERVES CARRIED BY REINSURERS (CAPTION D BIS)

D.bis. "Technical reserves carried by reinsurers" amount to € 154,371 thousand (€ 222,675 thousand at 31 December 2019) and consist of:

(in thousands of euro)	31.12.2020	31.12.2019	Change
1. Unearned premiums reserve	39,117	43,335	(4,218)
2. Claims payable reserve	115,254	179,341	(64,086)
	154,371	222,675	(68,304)

The changes in this caption are the same as though affecting gross "Technical reserves". Accordingly, reference is made to Section 10 for the related discussion.

The significant reduction in the "Claims payable reserve" is explained by the large payments made against several serious claims, as well as by the reduction in event notifications received during the year.

The technical reserves carried by UnipolSai Assicurazioni S.p.A. to cover reinsurance transactions amount to € 41 thousand, of which € 11 thousand by way of unearned premiums reserve and € 30 thousand by way of claims payable reserve.

SECTION 5 - DEBTORS (CAPTION E)

E. "Debtors" total € 86,155 thousand (€ 86,704 thousand at 31 December 2019) and comprise:

(in thousands of euro)	31.12.2020	31.12.2019	Change
I. Receivables arising out of direct insurance	65,693	68,593	(2,900)
II. Reinsurance debtors	12,625	10,361	2,264
III. Others debtors	7,837	7,750	87
	86,155	86,704	(549)

E.I. "Receivables arising out of direct insurance" amount to € 65,693 thousand (€ 68,593 thousand at 31 December 2019) and are due from:

(in thousands of euro)	31.12.2020	31.12.2019	Change
1.a Due from policyholders for current premiums	49,572	54,146	(4,574)
1.b Due from policyholders for premiums relating to prior years	2,953	1,555	1,398
2. Due from agents and other intermediaries	7,164	6,054	1,110
3. Due from insurance companies	2,912	2,890	22
4. Due from policyholders and third parties	3,092	3,948	(856)
	65,693	68,593	(2,900)

E.I.1 The amounts "Due from policyholders" for current and prior-year premiums total € 52,525 thousand (€ 55,701 thousand at 31 December 2019).

These are shown net of a provision of € 572 thousand (€ 416 thousand at 31 December 2019).

"Due from policyholders" were written down by € 225 thousand during the year, given that they were considered uncollectable after an analytical valuation; this writedown was charged to "Other technical expenses, net of reinsurance" in the statement of income.

At the same time, the provision for doubtful accounts was reduced by € 69 thousand as a result of changes in estimates; this amount was charged against "Other technical expenses, net of reinsurance" in the statement of income.

These receivables include € 24,135 thousand in premium instalments not yet due for the Hull, Aircraft and the related accessories (€ 22,502 thousand at 31 December 2019).

E.I.2 The amounts "Due from agents and other intermediaries" are stated net of the related provision, which is zero as at 31 December 2019.

In fact, "Due from agents and other intermediaries" were not written down during the year, after an analytical valuation.

These debtors were mostly settled during the early months of the following year.

E.I.3 "Due from insurance companies" relate to current account deposits to secure co-insurance and services performed.

These are shown net of a provision of € 860 thousand (€ 557 thousand at 31 December 2019).

Following a detailed analysis of their recoverability, the amounts "Due from insurance companies" were written down during the year by € 303 thousand, with a charge to the "Other expenses" caption of the statement of income.

This balance does not include any amounts due from the parent company UnipolSai Assicurazioni S.p.A. or subsidiaries for co-insurance transactions.

E.I.4. "Due from policyholders and third parties" amount to € 3,092 thousand and refer to reimbursements of claims paid (€ 3,948 thousand at 31 December 2019).

These mainly relate to the Hulls sector for € 1,097 thousand and Cargo for € 1,735 thousand (€ 1,804 thousand and € 1,649 thousand respectively at 31 December 2019).

The portion to be transferred to reinsurers has been recorded under "Other liabilities".

E.II "Reinsurance debtors" amount to € 12,625 thousand (€ 10,361 thousand at 31 December 2019) and are due from:

(in thousands of euro)	31.12.2020	31.12.2019	Change
1. Insurance and reinsurance companies	12,625	10,361	2,264
	12,625	10,361	2,264

E.II.1 Reinsurance receivables from "Insurance and reinsurance companies" are stated net of a provision of € 244 thousand (unchanged since 31 December 2019) which relates solely to reinsurance current accounts.

There were no movements in the above provision during the year.

This caption includes amounts due from UnipolSai Assicurazioni S.p.A. of € 3,174 thousand in relation to reinsurance transactions, while no amount is due from affiliated companies for the same reason.

E.III "Other debtors" amount to € 7,837 thousand (€ 7,750 thousand at 31 December 2019).

Their main components are shown below:

(in thousands of euro)	31.12.2020	31.12.2019	Change
Amounts due from the tax authorities	4,717	4,655	62
Due from the direct parent company	2,070	2,074	(4)
Deposits with clearing houses	705	475	230
Amounts due from tax authorities for disputed tax claim	291	273	18
Amounts due from the indirect parent company	14	159	(145)
Due from affiliated companies	11	26	(15)
Other debtors	29	88	(59)
	7,837	7,750	87

These receivables were not written down during the year, nor were any provisions for doubtful accounts recorded in the past, since there were no reasons for doing so.

Amounts due from the tax authorities relate solely to the Italian authorities and comprise:

- the tax advance on insurance policies for 2021 of € 3,755 thousand paid in November 2020. From February 2021, this advance was partially used to offset the tax bill due for the previous month;
- € 948 thousand direct taxes (including € 746 thousand due to be reimbursed and € 202 thousand of IRAP advances paid during 2017);
- € 14 thousand relating to government concession taxes (also due to be reimbursed);

Since the Company is a member of the domestic tax group, it has transferred its tax credits to the indirect parent company Unipol Gruppo S.p.A. to be deducted from the Group tax liability. The amount concerned, € 14 thousand, has therefore been reclassified to the caption "Amounts due from the indirect parent company", as described below.

These credits relate to the Ires advances paid during the year.

The amounts due from the direct parent company, UnipolSai Assicurazioni S.p.A. refer to operating costs incurred on behalf of that company and therefore recharged to it.

They relate to services provided to it (€ 916 thousand) and personnel on secondment (€ 714 thousand).

The total also includes € 440 thousand attributable to a tax rebate claim filed in 2013 for the excess IRES paid during the period 2007 to 2010 because of the non-deductibility of IRAP on personnel.

Deposits with clearing houses refer solely to deposits made in France to Cesam – Comité d'Etudes et des Services des Assureurs Maritimes et Transports, in the ordinary course of business (under the freedom to provide services regime).

The amounts due from the Tax Authorities for disputed tax claim relate to indirect taxes on coinsurance and refer to the residual amounts that were paid on provisional collection of the following tax assessments received:

- in July 2010, € 258 thousand in relation to VAT for the 2003 tax year;
- in December 2018, € 15 thousand, in relation to IRAP for the 2013 tax year;
- in February 2020, € 18 thousand, in relation to IRAP for the 2014 tax year.

Further information about the outstanding tax dispute is provided in point E.2 of Section 12.

The amounts due from the indirect parent company Unipol Gruppo S.p.A. derive from membership of the domestic tax group and reflect the Ires advances paid during the year.

Note that, for 2018 -2020, the Group tax regime is headed up by Unipol Gruppo S.p.A., the indirect parent company.

Due from affiliated companies refer to staff seconded to Incontra Assicurazioni S.p.A. (€ 6 thousand) and BIM Vita S.p.A. (€ 5 thousand).

SECTION 6 - OTHER ASSETS (CAPTION F)

F. "Other assets" total € 4,240 thousand (€ 5,914 thousand at 31 December 2019) and comprise:

(in thousands of euro)	31.12.2020	31.12.2019	Change
I. Tangible assets	230	195	35
II. Cash and cash equivalents	2,863	4,720	(1,857)
IV. Other assets	1,147	999	148
	4,240	5,914	(1,674)

F.I "Tangible assets" of € 230 thousand, are stated net of accumulated depreciation at year-end of € 2,191 thousand, as analysed below:

(in thousands of euro)	Gross value	Accumulated depreciation	Book value
1. Furniture and office machines	2,178	(1,948)	230
3. Plant and equipment	243	(243)	-
	2,421	(2,191)	230

These are considered to be long-term tangible assets forming part of the Company's permanent structure. The movements in their gross book value during the year were as follows:

(in thousands of euro)	Gross value			Balance at 31.12.2020
	Balance at 31.12.2019	Increase	Decrease	
1. Furniture and office machines	2,067	111	-	2,178
3. Plant and equipment	243	-	-	243
	2,310	111	-	2,421

Accumulated depreciation amounts to € 2,191 thousand (€ 2,115 thousand at 2019).

The increase of € 77 thousand from last year reflects the depreciation charge for the year. It has decreased by € 1 thousand due to the utilisations during the year.

The following table sets out the rates of depreciation rates used for each class of assets:

Category	Rate %
Furniture	12
Fixtures	15
Office machines	20
Equipment	15
Internal communication equipment	25
Publicly registered assets	25

These rates have been applied taking into account the year in which the asset is available and ready for use, also in compliance with current tax law.

No accelerated or advance depreciation has been provided.

F.II **"Cash and cash equivalents"** amount to € 2,863 thousand (€ 4,720 thousand at 31 December 2019) and consist of:

(in thousands of euro)	31.12.2020	31.12.2019	Change
1. Bank accounts	2,858	4,718	(1,860)
2. Cheques and cash	5	2	3
	2,863	4,720	(1,857)

F.II.1 **"Bank accounts"** include demand deposits and time deposits of less than 15 days.

These amounts include interest income accrued up to year-end.

F.IV **"Other assets"** amount to € 1,147 thousand (€ 999 thousand at 31 December 2019) and consist of:

(in thousands of euro)	31.12.2020	31.12.2019	Change
2. Other	1,147	999	148
	1,147	999	148

F.IV.2 The main items included in **"Other"** are detailed below:

(in thousands of euro)	31.12.2020	31.12.2019	Change
Deferred tax assets	773	738	35
Other assets	374	261	113
	1,147	999	148

Deferred tax assets derive from temporary differences between the result reported in the financial statements and taxable income for IRES and IRAP purposes. The recovery of these timing differences against future taxable income is deemed to be reasonably likely.

They are mainly attributable to the taxed provision for doubtful accounts (in particular, for receivables from insurance and reinsurance companies) and the change in the provision for net long-term claims outstanding.

The balance was determined using the tax rates that are expected to apply in the year when the related timing differences reverse. The rates used in relation to IRES and IRAP were 24.00% and 6.82% respectively.

Deferred tax assets were fully recognised in prior years.

Other assets mainly include € 136 thousand of the temporary accounting contra-entry for settlements recharged to us by other insurance companies under co-insurance relationships, waiting for supporting documentation or to be reversed.

Balances relating to such claims are recorded as amounts due to these companies or in the claims payable reserve, as the case may be.

They also include € 94 thousand deposited with BPER Banca S.p.A., which is subject to attachment for claims at the request of third parties.

SECTION 7 - PREPAYMENTS AND ACCRUED INCOME (CAPTION G)

G. **"Prepayments and accrued income"** amount to € 568 thousand (€ 628 thousand at 31 December 2019) and comprise:

(in thousands of euro)	31.12.2020	31.12.2019	Change
1. Interest	542	586	(44)
3. Other	26	42	(16)
	568	628	(60)

They are analysed as follows:

(in thousands of euro)	Accrued income	Prepayments	Total
1. Interest	542	-	542
3. Other	-	26	26
	542	26	568

Accrued interest income solely concerns bonds and other fixed-income securities.

Non-interest prepayments comprise subscriptions to periodicals (€ 12 thousand), rating agency fees (€ 9 thousand), utilities (€ 3 thousand) and insurance premiums (€ 2 thousand).

No accrued income or prepayments have a duration of more than five years, or more than one year.

Piraeus

Piraeus/Athens

The history of the port of Piraeus begins in 482 BC when Themistocles, donating the new revenue from the Laurium mines, decided to create a fleet, laying the foundations of the maritime power of Athens. Today the port of Piraeus, is formed by a deep and multiple natural inlet, with depths reaching up to 18 metres. About 45% of the tonnage of ships fly the national flag, being the centre of the very active Greek cabotage.



BALANCE SHEET - LIABILITIES AND EQUITY

SECTION 8 - CAPITAL AND EQUITY RESERVES (CAPTION A)

A. As at 31 December 2020 equity amounts to € 62,593 thousand (€ 59,152 thousand at 31 December 2019) and consist of:

(in thousands of euro)	31.12.2020	31.12.2019	Change
I. Subscribed share capital	38,000	38,000	-
IV. Legal reserve	2,406	2,401	5
VI. Reserve for parent company's shares	345	86	259
VII. Other reserves	18,401	18,576	(175)
IX. Net income for the year	3,441	89	3,352
	62,593	59,152	3,441

The changes during the year are summarised as follows:

(in thousands of euro)	Subscribed share capital	Legal reserve	Reserve for parent company's shares	Other reserves	Net profit for the year	Total
Balance at 31.12.2019	38,000	2,401	86	18,576	89	59,152
Allocation of 2019 earnings authorised at the shareholders' meeting held on 22 April 2020:						
- to legal reserve	-	5	-	-	(5)	-
- to other reserves	-	-	-	84	(84)	-
Transfer to Other reserves, pursuant to art. 2359-bis	-	-	259	(259)	-	-
Net profit for 2020	-	-	-	-	3,441	3,441
Balance at 31.12.2020	38,000	2,406	345	18,401	3,441	62,593

As required by Art. 2427, 7-bis of the Italian Civil Code, the following table analyses the various items included in equity at 31 December 2020, explaining their origin, possible use and availability for distribution or other purposes (in thousands of euro):

Caption	Amount	Possible use	Available amount
I. Subscribed share capital	38,000	-	-
IV. Legal reserve	2,406	B	-
VI. Reserve for parent company's shares	345	-	-
VII. Other reserves			
- Reserve for losses	1,953	A, B, C	1,953
- Extraordinary reserve	16,075	A, B, C	16,075
- Reserve for exchange gains	202	A, B	202
- Reserve for purchase of parent company's shares	171	-	-

Key: A: for increase in capital - B: to cover losses - C: for distribution to shareholders

The total distributable amount is € 18,028 thousand.

A.I "Subscribed share capital" amounts to € 38,000,000.

This amount did not change during the year.

It is represented by 38,000,000 fully-paid ordinary shares, par value € 1 each.

A.IV The "Legal reserve" amounts to € 2,406 thousand.

It increases by € 5 thousand during the year following the allocation of part of the net profit for 2019, as required by art. 2430 of the Italian Civil Code.

A.VI The "Reserve for parent company's shares" amounts to € 345 thousand.

This reserve has been set up as these shares relating to the direct parent company UnipolSai Assicurazioni S.p.A. (€ 184 thousand) and to the indirect parent company Unipol Gruppo S.p.A. (€ 161 thousand) are to service the "performance share" stock-based compensation plan for the Company's top management.

For further information on the above, please refer to what is indicated in the Directors' Report on Operations, in the section "Own shares, shares in the parent company and its subsidiaries".

This reserve has increased by € 259 thousand to adjust it to the carrying amounts in the financial statements of the assets in portfolio, in compliance with the provisions of article 2359 - bis, paragraph 3 of the Italian Civil Code, by transferring the same amount to the reserve for purchase of parent company's shares, included in "Other reserves".

A.VII "Other reserves" amount to € 18,401 thousand.

During the year there were the following changes:

(in thousands of euro)	Balance at 31.12.2019	Increase	Decrease	Balance at 31.12.2020
Reserve for losses	1,953	-	-	1,953
Extraordinary reserve	16,249	273	(447)	16,075
Reserve for purchase of parent company's shares	189	430	(448)	171
Reserve for exchange gains (art. 2426-bis Civil Code)	185	17	-	202
	18,576	720	(895)	18,401

The changes in the extraordinary reserve and the reserve for exchange gains reflect the resolutions adopted at the Shareholders' Meeting held on 22 April 2020, which approved the financial statements as of 31 December 2019, as well as the resolution adopted at the Shareholders' Meeting held on 19 November 2019 with regard to the purchase of shares in the parent companies (direct and indirect).

The extraordinary reserve showed the following changes:

- increase on the allocation of € 84 thousand from the net income for 2019 and on the transfer of € 189 thousand from the reserve for purchase of parent company's shares;
- decrease on the transfer of € 430 thousand to the reserve for purchase of parent company's shares and € 17 thousand to the reserve for exchange gains.

The reserve for purchase of parent company's shares showed the following movements:

- increase on the transfer of € 430 thousand from the extraordinary reserve;

- decrease on the transfer of € 259 thousand to the "Reserve for parent company's shares" (as described above in point A.VI) and € 189 thousand to the extraordinary reserve.

This reserve is to service the "performance share" stock-based compensation plan for the top management.

The reserve for exchange gains has increased due to the transfer of € 17 thousand from the extraordinary reserve, as authorised at the Shareholders' Meeting held on 20 April 2020, pursuant to art. 2426, point 8-bis, of the Civil Code.

This amount represents that part of net income for 2019 represented by net unrealised exchange gains.

None of these reserves have been used in the last three years (including 2020).

SECTION 9 - SUBORDINATED LIABILITIES (CAPTION B)

B. As in the previous year, there are no Subordinated Liabilities at 31 December 2020.

SECTION 10 - TECHNICAL PROVISIONS (CAPTION C.I)

C.I. "Technical provisions" at 31 December 2020 amount to € 232,888 thousand (€ 307,567 thousand at 31 December 2019) and consist of:

(in thousands of euro)	31.12.2020	31.12.2019	Change
1. Unearned premiums reserve	53,566	57,435	(3,869)
2. Claims payable reserve	176,950	247,866	(70,916)
5. Other technical reserves	2,372	2,266	106
	232,888	307,567	(74,679)

In compliance with Attachment 15 of "Regulation", these technical provisions have been calculated based on estimates that make the best possible use of available information to ensure that they adequately cover the commitments inherent in insurance policies, to the extent that these are reasonably foreseeable.

The amount of these reserves carried by the direct parent company, UnipolSai Assicurazioni S.p.A. for reinsurance transactions, totals € 22,209 thousand and includes € 4,631 thousand in unearned premiums and € 17,578 thousand for claims.

The changes in the unearned premiums reserve and in the claims payable reserve during the year are detailed in Attachment 13.

C.I.1 The "Premiums payable reserve" amounts to € 53,566 thousand (€ 57,435 thousand at 31 December 2019) and has been calculated in accordance with "Regulation", Attachment 15.

The unearned premiums reserve refers to direct business for € 48,333 thousand (€ 50,360 thousand at 31 December 2019) and to indirect business for € 5,233 thousand (€ 7,075 thousand at 31 December 2019).

This is made up as follows:

(in thousands of euro)	31.12.2020	31.12.2019	Change
For apportioned premiums	49,306	51,390	(2,084)
For unexpired risks	4,260	6,045	(1,785)
	53,566	57,435	(3,869)

As required, the unearned premiums reserve is analysed by sector below, considering direct business and indirect business separately:

Business segment (in thousands of euro)	Unearned premiums reserve		Total
	Direct business	Indirect business	
Personal accident	283	18	301
Rolling stock	-	9	9
Aircraft	575	29	604
Hulls	44,039	1,671	45,710
Marine Cargo	1,135	2,256	3,391
Fire	377	-	377
Other property damage	57	91	148
Motor third-party liability	715	1,114	1,829
Aircraft third-party liability	279	4	283
Hull third-party liability	17	-	17
General third-party liability	435	41	476
Pecuniary losses	419	-	419
Assistance	2	-	2
	48,333	5,233	53,566

With regard to the unearned premiums reserve for direct business, the above amounts include € 4,260 thousand for unexpired risks (€ 6,045 thousand at 31 December 2019).

The latter refers to the sectors:

- Hull, € 3,500 thousand (€ 5,500 thousand at 31 December 2019);
- Motor third-party liability, € 400 thousand (€ 300 thousand at 31 December 2019);
- Marine Cargo, € 100 thousand (€ 100 thousand at 31 December 2019);
- General third-party liability, € 120 thousand (€ 100 thousand at 31 December 2019);
- Personal accident, € 130 thousand (€ 35 thousand at 31 December 2019);
- TPL Hull for € 10 thousand (no balance at 31 December 2019);
- Rolling stock, zero balance (€ 10 thousand at 31 December 2019).

The unearned premiums reserve for indirect business has a zero balance for unexpired risks (unchanged since 31 December 2019).

Note that any reserve for unexpired risks has been calculated for each business sector taking into account the "Regulation" mentioned above.

In particular, reference was made to the ratio of claims to current generation premiums (net of acquisition commissions and other directly attributable acquisition expenses), compared with the same ratio in previous years.

In addition, as regards the fact that an unearned premiums reserve for unexpired risks has not been set up, except for the one relating to the sectors mentioned above, the following has to be said:

- direct business: the reason is related to the technical performance of the various sectors and, therefore, to the adequacy of the apportioned premium reserve to cover the cost of claims and the related expenses that will take place after the year end;
- indirect business does not require an unexpired risk reserve.

Lastly, € 377 thousand has been added to the apportioned premium reserve (€ 450 thousand at 31 December 2019) against risks related to previous years for natural disasters.

C.I.2 The “**Claims payable reserve**” amounts to € 176,950 thousand (€ 247,866 thousand at 31 December 2019) and has been calculated in accordance with ISVAP Regulation 16 of 4 March 2008.

The claims payable reserve refers to direct business for € 154,181 thousand (€ 221,167 thousand at 31 December 2019) and to indirect business for € 22,769 thousand (€ 26,699 thousand at 31 December 2019).

This is made up as follows:

(in thousands of euro)	31.12.2020	31.12.2019	Change
For reimbursements and direct costs	144,594	210,009	(65,415)
For settlement costs	4,745	8,890	(4,145)
For accidents occurred, but not reported	27,611	28,967	(1,356)
	176,950	247,866	(70,916)

As indicated earlier in Section 4. with regard to the claims payable reserve carried by reinsurers, the significant reduction in this item is attributable to the large payments made against several serious claims, as well as to the reduction in event notifications received during the year.

As discussed in greater detail in Section I, the valuation of the claims payable reserve was based on a claim-by-claim assessment.

The claims payable reserve has been estimated using the “latest cost method”, where necessary applied on the basis of the insurance cover provided in each sector, bearing in mind how it has evolved from prior generations to the year under review.

In particular, considering the special nature of the Hulls and Cargo sectors, the “latest cost method” was included as part of a broader evaluation of the generation as a whole.

In addition, the claims payable reserve also includes an estimate of accidents that have taken place, but which have not yet been reported at year-end.

This estimate is based on experience in previous years, bearing in mind the frequency of late claims and the average cost of accidents reported during the year.

Lastly, taking into account the type of risks for these sectors of business, no especially onerous or exceptional accidents are reported late.

C.I.5 The “**Other non-technical reserves**” amount to € 2,372 thousand (€ 2,266 thousand at 31 December 2019) and solely comprise the reserve for natural disasters.

It refers to direct business for € 2,308 thousand (€ 2,224 thousand at 31 December 2019) and to indirect business for € 64 thousand (€ 42 thousand at 31 December 2019).

This reserve was established pursuant to Ministerial Decree 705 dated 19 November 1996 (as referred to in Attachment 15 of “Regulation”), in order to offset over time the loss experience associated with the risks concerned.

The following changes took place during the year:

(in thousands of euro)	Balance at 31.12.2019	Increase	Decrease	Balance at 31.12.2020
Reserve for natural disasters	2,266	106	-	2,372
	2,266	106	-	2,372

The increases during the year related to both direct business, € 84 thousand, and indirect business, € 22 thousand.

SECTION 12 - PROVISIONS FOR RISKS AND CHARGES (CAPTION E)

E. “**Provisions for risks and charges**” amount to € 2,426 thousand (€ 2,739 thousand at 31 December 2019) and are made up as follows:

(in thousands of euro)	31.12.2020	31.12.2019	Change
2. Provision for taxation	2,115	2,739	(624)
3. Other provisions	311	-	311
	2,426	2,739	(313)

The changes in the year for this caption are detailed in Attachment 15.

E.2 The “**Provision for taxation**” includes € 2,115 thousand in relation to the following disputes with the Tax Authorities.

Starting from 2005 the company was subjected to various tax audits, which covered the tax years from 2003 to 2015 included, with the exclusion of the years 2004, 2005, 2009, 2011 and 2012.

The above audits identified minor matters in relation to direct taxation, but major issues with regard to indirect taxes that were followed by notices of assessment and objections.

For the indirect taxation, the above assessments and objections relate to the coinsurance relations established with other insurers, for the tax treatment of which the Company has consistently followed the market practice established over many decades.

The above matters mainly derive from the non-application of VAT to the assignment commissions charged to the coinsurers and failure to correct the assignment commissions charged by the assignors, with the consequent issues of assessments for additional taxation in the first case and objections in the second.

Appeals against all the above assessments were lodged with the competent tax commissions, resulting in the establishment of a lengthy dispute that has continued for several years. To date, the rulings of the provincial and regional tax commissions and the Court of Cassation have essentially favoured the Company.

However, from 2018, the Court of Cassation has tended to favour the arguments of the Tax Authorities regarding the application of VAT.

Given this and the uncertainties associated with continuing the tax dispute, in 2019 the Company benefited from the assisted settlement of outstanding litigation pursuant to Decree 119/2018, thus closing all open disputes up to 2012, with the exception of the 2003 tax year (since the appeal was essentially accepted by the Court of Cassation, with referral back to the Liguria Regional Tax Commission).

Following amendment of the code of self-regulation governing coinsurance and the willingness indicated by the Tax Authorities to close the open tax years on payment of the tax due on the commission income, plus related interest but without the application of penalties (on both the commission income and commission expense), in 2020 the Company signed agreed assessments for the 2013 and 2014 tax years with the competent Regional Department.

The tax due for 2013 (€ 658 thousand, including interest of € 123 thousand) was paid in January 2021 and, accordingly, is included in the "Provisions for taxation" at year end.

The tax due for 2014 was paid in full during 2020.

The agreed assessment for 2015 was signed in February 2021 and the amount due (€ 423 thousand, including interest of € 63 thousand) was paid on 10 March 2021. That amount is also included among the above provisions.

The "Provisions for taxation" also contain the estimated amount required to close the 2016-2018 tax years, totalling € 1,035 thousand (including interest of € 84 thousand).

The commission income and expense accrued in 2019 and 2020 have been and will be settled with the application of VAT and exercise of the related recharge rights.

Following application of the new code of self-regulation, mentioned above, no further assignment commissions will be applied in the coming years.

E.3 "Other provisions" relate to charges to be incurred on the departure of employees, in process that began during the year.

F. "Deposits from reinsurers" amount to € 1,879 thousand (€ 2,658 thousand at 31 December 2019), down by € 779 thousand compared with the previous year.

This caption solely comprises the cash deposits received under the terms of reinsurance agreements.

SECTION 13 - CREDITORS AND OTHER LIABILITIES (CAPTION G)

G. "Creditors and other liabilities" amount to € 60,146 thousand (€ 62,220 thousand at 31 December 2019) and comprise:

(in thousands of euro)	31.12.2020	31.12.2019	Change
I. Payables arising out of direct insurance	13,752	7,944	5,808
II. Reinsurance creditors	18,179	25,448	(7,269)
VII. Termination indemnities	843	959	(116)
VIII. Other creditors	3,857	2,273	1,584
IX. Other liabilities	23,515	25,596	(2,081)
	60,146	62,220	(2,074)

G.I "Payables arising out of direct insurance" amount to € 13,752 thousand (€ 7,944 thousand at 31 December 2019) and consist of:

(in thousands of euro)	31.12.2020	31.12.2019	Change
1. Due to agents and other intermediaries	10,737	6,024	4,713
2. Due to insurance companies - current accounts	3,015	1,920	1,095
	13,752	7,944	5,808

G.I.1 "Due to agents and other intermediaries" comprise amounts payable to agents, brokers and other intermediaries in connection with their activities.

G.I.2 "Due to insurance companies" relate to current account deposits to secure co-insurance relationships and services received.

They include: an amount due to the direct parent company UnipolSai Assicurazioni S.p.A., for co-insurance transactions, amounting to € 78 thousand.

G.II **"Reinsurance creditors"** amount to € 18,178 thousand (€ 25,448 thousand at 31 December 2019) and are due to:

(in thousands of euro)	31.12.2020	31.12.2019	Change
1. Insurance and reinsurance companies	18,178	25,448	(7,270)
	18,178	25,448	(7,270)

The reduction in this item partly reflects reclassification of the estimated premiums due to reinsurers. In particular, that amount - previously classified in this item (€ 2,741 thousand at 31 December 2019) - has been more appropriate classified among the "Other liabilities" from 2020.

G.II.1 Reinsurance payables deriving from transactions with **"Insurance and reinsurance companies"** relate solely to the balances on reinsurance current accounts.

These include € 14,031 thousand (€ 14,762 thousand at 31 December 2019) in liabilities for premium instalments not yet expired in respect of Hull and related Third-party liability insurance business. Part of these apportioned premiums have been recorded as a reduction of the corresponding asset caption relating to reinsurance transactions, where the intermediary concerned has a residual liability to the company.

They do not include any amount due to the direct parent company UnipolSai Assicurazioni S.p.A. for reinsurance transactions.

G.VII **"Termination indemnities"** amount to € 843 thousand (€ 959 thousand at 31 December 2019) and represent the indemnities accrued in compliance with current laws and labour contracts.

This reflects the liability accrued up to 31 December 2006, as (following the pension reform introduced by Law no. 296/2006) with effect from 1 January 2007, the termination indemnities accruing are transferred either to a supplementary pension fund or to the Treasury Fund set up at INPS and accounted for on an accrual basis, depending on the choice made by the individual employee.

The changes during the year are detailed in Attachment 15.

G.VIII **"Other creditors"** amount to € 3,857 thousand (€ 2,273 thousand at 31 December 2019) and comprise:

(in thousands of euro)	31.12.2020	31.12.2019	Change
1. Taxes paid by policyholders	365	202	163
2. Miscellaneous taxes payable	441	337	104
3. Due to social security and welfare institutions	297	324	(27)
4. Other creditors	2,754	1,410	1,344
	3,857	2,273	1,584

G.VIII.1 **"Taxes paid by policyholders"** include the amount due to the Tax Authorities on insurance policies (€ 332 thousand), net of advances paid during the year. This amount was duly paid over in January 2021.

The total also includes € 33 thousand due to foreign tax authorities (mainly United Kingdom, Germany and Finland) for taxes withheld from policyholders, regarding the provision of unrestricted services.

G.VIII.2 The **"Miscellaneous taxes payable"** comprise € 261 thousand of amounts withheld by the Company acting as a tax agent that were properly paid over in January 2021.

In addition, they include € 180 thousand for IRAP payable related to 2020.

In particular, the transfer of the latter is not allowed for the purpose of the Group's tax group arrangements.

G.VIII.3 **"Due to social security and welfare institutions"** relate to social security contributions payable by the Company and amounts withheld from employees.

This amount was duly paid over in January 2021.

G.VIII.4 **"Sundry creditors"** are analysed below:

(in thousands of euro)	31.12.2020	31.12.2019	Change
Due to suppliers of goods and services	1,356	1,093	263
Due to the indirect parent company	1,270	262	1,008
Due to the direct parent company	84	-	84
Due to corporate office bearers	43	43	-
Other creditors	1	12	(11)
	2,754	1,410	1,344

The amount due to the indirect parent company Unipol Gruppo S.p.A. refers to amounts that are payable to it for 2020 IRES, following the Company's inclusion in the national tax consolidation.

Note that, for 2018 - 2020, the Group tax regime is headed up by Unipol Gruppo S.p.A.

The amounts due to the direct parent company UnipolSai Assicurazioni S.p.A. concern the property rent contract.

Amounts due to corporate officers relate to the Board of Directors.

G.IX **"Other liabilities"** amount to € 23,515 thousand (€ 25,596 thousand at 31 December 2019) and comprise:

(in thousands of euro)	31.12.2020	31.12.2019	Change
2. Commission on premiums to be collected	6,505	7,140	(635)
3. Sundry liabilities	17,010	18,456	(1,446)
	23,515	25,596	(2,081)

G.IX.2 The reduction in **"Commission on premiums to be collected"** reflects the related decrease in the amount due from policyholders for premiums.

G.IX.3 “Sundry liabilities” are analysed below:

(in thousands of euro)	31.12.2020	31.12.2019	Change
Claims being settled	8,323	10,660	(2,337)
Due to employees	2,583	1,938	645
Amounts due for recoveries	2,290	3,081	(791)
Invoices to be received from the parent company	1,930	2,302	(372)
Due to insurers and reinsurers	1,543	-	1,543
Due to third parties	212	354	(142)
Due to affiliated companies	15	13	2
Other liabilities	114	108	6
	17,010	18,456	(1,446)

Claims being settled relate to amounts that have already been receipted, but not yet paid to the eligible beneficiaries.

Before being settled, we are waiting to receive a statement of account from the insurance brokers, through whom payment is made.

Amounts due to employees mainly concern:

- for € 1,483 thousand to staff bonuses owed to them (of which € 230 thousand relating to LTI), to be settled in the future;
- for € 509 thousand to seniority bonuses to be paid to staff reaching 25 and 35 years of service with the Company.
The increase with respect to the prior year was due to an improvement made to the calculation criteria. The effect of this change, € 499 thousand, was recorded among the “Other expenses”;
- for € 402 thousand to the provision for the renewal of the national and local labour contracts;
- for € 174 thousand in holidays accrued but not yet taken by them.

Amounts due for recoveries relate to claims recoveries.

They refer to amounts owed by reinsurers for insurance excesses and amounts to be recovered from policyholders recorded under “Due from policyholders and third parties”.

These mainly relate to the Hulls sector for € 924 thousand and Cargo for € 1,130 thousand (€ 1,412 thousand and € 1,079 thousand respectively at 31 December 2019).

The invoices to be received from UnipolSai Assicurazioni S.p.A. relate for € 986 thousand to employees on secondment and for € 944 thousand to services that it provides as the parent company.

The amount due to insurers and reinsurers, following the adjustment of premiums on the business transferred to them, has been recognised in this line item in order to improve its classification.

In the prior year, the amount concerned -€ 2,741 thousand- was classified as “Due on reinsurance operations”.

Amounts due to third parties relate to invoices to be received for goods or services supplied at the end of the year.

Amounts due to affiliated companies relate to services provided by UnipolSai Servizi Consortili S.c.a.r.l.

SECTION 14 - DEFERRED INCOME AND ACCRUED EXPENSES (CAPTION H)

H.I “Deferred income and accrued expenses” amount to zero (as at 31 December 2019).

SECTION 15 - ASSETS AND LIABILITIES RELATED TO GROUP COMPANIES AND OTHER COMPANIES

Details of assets and liabilities related to Group companies and other companies are given in Attachment 16.

SECTION 16 - RECEIVABLES AND PAYABLES

No payables are secured on the assets of the company.

Receivables and payables booked to captions C. and E. in assets and captions F. and G. in liabilities include the following that are due beyond one year and, of these, due beyond five years:

Caption	Due beyond 12 months	Of which: due beyond 5 years
(in thousands of euro)		
Assets		
E.3 Other debtors	1,491	-

The amount due after one year in relation to E.3 “Other receivables” comprises:

- € 746 thousand in direct taxes relating to 1998 due to be reimbursed in 1999;
- € 440 thousand attributable to a tax rebate claim filed in 2013 for the excess IRES paid during the period 2007 to 2010 because of the non-deductibility of IRAP on personnel;
- € 258 thousand paid on provisional collection of the amount demanded in the indirect tax assessment received in relation to the coinsurance transaction carried out in the 2003 tax year;
- € 18 thousand paid on provisional collection of the amounts demanded in the direct tax assessments received in relation to IRAP for the 2014 tax year;
- € 15 thousand paid on provisional collection of the amounts demanded in the direct tax assessments received in relation to IRAP for the 2013 tax year;
- € 14 thousand relating to government concession taxes due to be reimbursed of 2001.

In addition, as required by Art. 2427.6 of the Italian Civil Code, the following is a breakdown of receivables and payables by geographical area:

(in thousands of euro)	Italy	Other E.U. countries	Other non E.U. countries	Total
E. Receivables				
E.1 Receivables arising out of direct insurance	39,968	12,496	13,229	65,693
E.2 Reinsurance debtors	4,438	2,047	6,140	12,625
E.3 Other debtors	7,132	705	-	7,837
Total	51,538	15,248	19,369	86,155

(in thousands of euro)	Italy	Other E.U. countries	Other non E.U. countries	Total
G. Creditors				
G.I Payables arising out of direct insurance	5,719	7,525	508	13,752
G.II Reinsurance creditors	1,901	6,060	10,217	18,178
G.VIII Other creditors	3,807	41	9	3,857
Total	11,427	13,626	10,734	35,787

SECTION 17 - COMMITMENTS, GUARANTEES, CONTINGENT LIABILITIES AND OTHER MEMORANDUM ACCOUNTS

As required by article 2427 of the Italian Civil Code, the following table shows commitments, guarantees and other memorandum accounts at the reporting date, with comparative figures for the previous year:

(in thousands of euro)	31.12.2020	31.12.2019	Change
Guarantees given by third parties in favour of the Company	1,224	1,224	-

“Guarantees given by third parties in the interests of the Company” relate to guarantees given by leading Italian banks in favour of third parties in connection with insurance activities and are represented on the basis of the contractual value of the commitment versus the beneficiary.

There were no dealings in derivative contracts during the year.

There were no derivative contracts outstanding at 31 December 2020.

The “Property and financial management” section of the report on operations provides more details concerning the subordinated bonds held at year end.

Lastly, it should be noted that at the end of the year:

- there are no known contingent liabilities that are not adequately reflected in the financial statements;
- there are no commitments to associated companies, parent companies or companies controlled by the latter.

STATEMENT OF INCOME

SECTION 18 - INFORMATION ON THE TECHNICAL ACCOUNT OF THE LOSS SECTORS (I)

Summary information on the technical account is given in Attachment 19, breaking down the Italian business into direct and indirect and showing it separately from foreign business.

The main captions of the technical statement of income are shown below.

I.1 “Earned premiums net of reinsurance” amounted to € 43,923 thousand, of which € 34,212 thousand of direct business and € 9,710 thousand of indirect business.

I.1.a “Gross premiums written” have been commented on in the report on operations.

As required by ISVAP Regulation 22 of 4 April 2008, this balance does not include the cancellation of securities issued in prior periods (classified as “Other technical charges”).

Within “Gross premiums written”, those related to indirect business include the amount accepted by the direct parent company UnipolSai Assicurazioni S.p.A. (€ 16,739 thousand) for the sectors within the “Maritime and Cargo insurance” segment.

I.1.b “Outward reinsurance premiums” do not include any amount transferred to affiliated companies, whereas premiums transferred to the direct parent company UnipolSai Assicurazioni S.p.A. amounted to € 27 thousand.

I.1.c, I.1.d The “Change in the unearned premiums reserve”, gross and net of outward reinsurance premiums, is summarised as follows:

(in thousands of euro)	Gross	Reinsured	Net
Unearned premiums reserve at 31.12.2019	(57,436)	43,335	(14,101)
Unearned premiums reserve at 31.12.2020	53,567	(39,117)	14,450
Net exchange differences	1,184	(770)	414
Portfolio movements, net	-	2	2
	(2,685)	3,450	765

I.2 The “Share of profit from investments transferred from the non-technical account” amounts to € 803 thousand and was determined in accordance with the criteria envisaged in art. 22 of “Regulation”.

The investment return, determined in order to calculate the above amount, comprises the sum of the investment income and related capital and financial charges recorded in the non-technical account.

The portion attributable to the technical account pursuant to the above Instructions is obtained by applying the following ratio to the investment return:

- numerator: the average of the technical reserves (net of reinsurance) at the start and the end of the year;
- denominator, the same average plus the average of opening and closing shareholders' equity at the same dates.

In the 2020 financial statements, this ratio amounted to 57.31% (59.6% in the 2019 financial statements).

I.3 **"Other technical income, net of recoveries and reinsurance"** amounts to € 921 thousand and comprises a variety of items.

These include technical cancellations of amounts due from policyholders for prior-year premiums transferred to reinsurers (€ 236 thousand), use of the allowance for amounts due from policyholders (€ 68 thousand) and cancellation of the related premiums due to intermediaries for the acquisition of that business (€ 30 thousand).

I.4 **"Claims incurred, net of recoveries and reinsurance"** amount to € 26,292 thousand.

I.4.a Gross "Amounts paid" include those relating to the reinsurance business accepted from the direct parent company UnipolSai Assicurazioni S.p.A. (€ 5,933 thousand).

This caption includes, among other things, € 6,882 thousand of accident settlement expenses.

These expenses include administrative costs (mainly payroll) incurred for the management of claims totalling € 1,297 thousand.

The portions charged to reinsurers of the amounts paid include the amount pertaining to the direct parent company UnipolSai Assicurazioni S.p.A. for € 23 thousand.

I.4.c The "Change in claims payable reserve", gross and net of reinsurance, is summarised as follows:

(in thousands of euro)	Gross	Reinsured	Net
Claims payable reserve at 31.12.2019	(247,866)	179,340	(68,526)
Claims payable reserve at 31.12.2020	176,950	(115,254)	61,696
Net exchange differences	6,055	(4,044)	2,011
Portfolio movements, net	-	-	-
	(64,861)	60,042	(4,819)

The net difference between the opening claims payable reserve and the aggregate amount representing prior year payments made during the year, the change in recoveries relating to prior years and the related new reserve at year end, taking portfolio movements and exchange differences into account, represents a positive difference (net of reinsurance) of the opening claims payable reserve.

I.6 **"Profit commissions, net of reinsurance"** amounted to € 139 thousand and include only the amounts paid to policyholders during the year for profit commissions.

I.7 **"Operating expenses"** amount to € 11,762 thousand.

I.7.a "Acquisition commissions" mainly includes payments to third parties for the acquisition and renewal of insurance policies.

These commissions also include those recognised on the acceptance of reinsurance business. In particular, the latter refer for € 3,888 thousand to the direct parent company UnipolSai Assicurazioni S.p.a.

I.7.b "Other acquisition costs" are principally attributable to the payroll costs of employees engaged in the acquisition of new policies.

I.7.d "Collection commissions" relate to administrative expenses connected with the collection of premiums.

I.7.e "Other administrative expenses" comprise general costs, net of those allocated to "other acquisition expenses" (€ 2,387 thousand) and "claims incurred" (€ 1,297 thousand).

The general costs include directors' emoluments (€ 204 thousand), as well as the fees of the statutory auditors (€ 42 thousand) and the members of the supervisory body (€ 14 thousand) for 2020.

I.7.f "Commission and other income from reinsurers" include commission income on transfers and retrocessions.

Commission income comprises commissions related to the direct parent company UnipolSai Assicurazioni S.p.A. amounting to € 5 thousand.

I.8 **"Other technical expenses, net of reinsurance"** amount to € 1,711 thousand.

They include various items, such as the technical cancellation of amounts due from policyholders for prior-year premiums (€ 171 thousand) and the commission on business assigned to reinsurers (€ 22 thousand).

They also include the provision writing down amounts due from policyholders for premiums (€ 225 thousand).

I.9 The **"Change in the equalisation reserve"** during the year amounts to € 106 thousand and is summarised by business sector as follows:

Sector	Opening balance	Utilisations	Provisions	Closing balance
(in thousands of euro)				
Personal accident (1)	101	-	4	105
Motor fire, theft, etc. insurance (3)	68	-	-	68
Marine, aircraft and transport insurance (4,5,6,7,12)	1,772	-	98	1,870
Fire and other property damage (8,9)	325	-	4	329
	2,266	-	106	2,372

For further information on "Other non-technical reserves" please refer to paragraph C.I.5 of Section 10.

Tokyo

Tokyo is one of the largest ports on the Pacific Ocean. In 2019 it handled goods for 4.5 million TEUs. The port is also an important workplace as it employs over 30,000 people who service more than 32,000 ships annually.



Tokyo



SECTION 20 - TECHNICAL RESULTS BY BUSINESS SECTOR

With reference to the Italian business technical account, Attachment 26 summarises all sectors, while Attachment 25 shows the results by individual sector.

Reports from the Company's management accounting system have been used, for the most part, to allocate common costs to individual business sectors.

Revenues and costs not analysed by the management accounting system are generally allocated, where appropriate, in proportion to the sector's premiums or claims with respect to the total. In particular cases, specific decisions have been reached on a logical basis.

SECTION 21 - INFORMATION ON THE NON-TECHNICAL ACCOUNT

III.3 "Income from investments" amounts to € 2,850 thousand and is detailed in Attachment 21.

This includes € 375 thousand and € 54 thousand and concerns respectively rental income and expenses related to rental to the direct parent company UnipolSai Assicurazioni S.p.A. of part of the freehold property used by third parties.

Please refer to the report on operations under "Property and financial management" for further information about this caption.

III.5 "Capital and financial charges" amount to € 1,448 thousand and are detailed in Attachment 23.

III.5.a "Investment management charges and interest expense" amounting to € 707 thousand relate to the management of property (€ 444 thousand) and financial investments (€ 262 thousand), as well as to interest expense on deposits withheld from reinsurers in relation to risks transferred (€ 1 thousand). Management charges for financial investments include € 64 thousand relating to fees payable to the indirect parent UnipolSai Assicurazioni S.p.A. for the management of the securities portfolio. Property management charges relate in particular to IMU (local property tax) for € 88 thousand).

III.5.b "Writedowns on investments," amounting to € 730 thousand, are made up of property depreciation (€ 726 thousand, of which € 376 thousand for properties used by third parties and € 350 thousand for properties used by the Company), as well as writedowns of bonds (€ 4 thousand).

Please refer to the report on operations under "Property and financial management" for further information about this caption.

III.6 For the "Investment return transferred to the technical account", the same comments apply as were made in point 1.2 of Section 18.

III.7 "Other income" amounts to € 4,319 thousand and is detailed below:

(in thousands of euro)	
Revenues from direct parent company	3,155
Releases of the "Provision for risks and charges"	664
Exchange gains	381
Gain on long-term indemnity liability	35
Revenues from affiliated companies	20
Bank interest income	32
Other	32
	4,319

Revenues from the parent company relate for € 1,781 thousand to services rendered and for € 1,374 thousand to the recovery of costs from UnipolSai Assicurazioni S.p.A..

Revenues from services refer to technical services carried out in the context of managing the Marine Insurance business, as contractually formalised.

The recovery of expenses relates exclusively to the secondment of staff.

The release of the "Provision for risks and charges" offsets the cost of the same amount, recorded in "Extraordinary expenses", incurred during the year due to the settlement of the tax disputes about VAT for the years 2013 and 2014 on relations with other companies in the insurance sector for co-insurance.

Exchange gains, like exchange losses (totalling € 328 thousand), derive from the application of multicurrency methodologies.

This balance includes both realised gains (€ 366 thousand) and those arising on translation (€ 15 thousand).

The unrealised gain on the long-term indemnity (LTI) liability represents the adjustment made to reflect the market value of the underlying securities.

The latter relate to shares in UnipolSai Assicurazioni S.p.A. and Unipol Gruppo S.p.A. already held in portfolio and to be bought to service the "performance share" stock-based compensation plan for the Company's top management for the periods 2016-2018 and 2019-2021

Revenues from affiliated companies are for personnel seconded to BIM Vita S.p.A. (€ 10 thousand) and Incontra Assicurazioni S.p.A. (€ 10 thousand).

III.8 “Other expenses” amount to € 4,741 thousand and comprise:

(in thousands of euro)	
Administrative expenses and costs on behalf of third parties	2,847
Expenses for long-service awards	499
Amortisation of intangible assets	490
Exchange losses	328
Provisions for doubtful accounts	304
Interest expense on amounts due to tax authorities	125
Sundry taxes	56
Provisions for risks and charges	40
Operating costs of clearing houses	37
Loss on long-term indemnity liability	5
Other	10
	4,741

The administrative expenses and costs on behalf of third parties relate to the operating costs (expenses and other administrative costs for services provided and seconded personnel) incurred on behalf of the direct parent company, UnipolSai Assicurazioni S.p.A., (€ 2,827 thousand) and affiliated companies (BIM Vita S.p.A. and Incontra Assicurazioni S.p.A., € 10 thousand each).

The expenses for long-service awards (art. 32 of the collective employment contract) are non-recurring in nature and derive from their more appropriate recognition on an accruals basis. These awards are made to employees on completion of 25 and 35 years of service with the Company.

The amortisation of intangible assets relates to the investment made in information technology.

Exchange losses, like exchange gains (totalling € 381 thousand), derive from the application of multicurrency methodologies.

This balance includes both realised amounts (€ 57 thousand) and those arising on translation (€ 271 thousand). In consideration of the fact that there is a net unrealised loss on exchange of € 256 thousand, on approval of the 2020 financial statements, a proposal will be made to reclassify this amount from the reserve for exchange gains to an equity reserve (as provided for in point 8-bis of art. 2426 of the Italian Civil Code). However, as the reserve for exchange gains only amounts to € 202 thousand, the proposed reclassification will be limited to that amount.

The provisions for doubtful accounts cover amounts due other than those receivable from policyholders for insurance premiums (as provisions for the latter are classified in the technical account). They relate entirely to the amounts due from insurers and reinsurers.

The interest expense on amounts due to tax authorities relates to the agreed assessment for the 2014 tax year (€ 117 thousand) and settlement of the 2015 tax year (€ 8 thousand), on termination of the VAT disputes regarding transactions carried out in the context of coinsurance relationships.

The 2015 tax year was formally settled and closed after the reporting date, in February 2021.

Further information is provided in point E.2 of Section 12 above.

Sundry taxes mainly include those relating to advertising and the disposal of solid urban waste.

The “Provisions for risks and charges” reflect the adjustment of interest expense to represent the amount accrued, but not yet paid, in relation to the aforementioned VAT disputes regarding the 2018 and earlier tax years.

The operating costs of clearing houses relate to insurance activities conducted in France under the freedom to provide services regime.

The unrealised loss on the long-term indemnity (LTI) liability represents the adjustment of this liability to the market value of the underlying securities.

The latter relate to shares in UnipolSai Assicurazioni S.p.A. and Unipol Gruppo S.p.A. already held in portfolio and to be bought to service the “performance share” stock-based compensation plan for the Company’s top management for the periods 2016-2018 and 2019-2021.

III.10 “Extraordinary income” amounts to € 253 thousand.

This includes income that does not derive from current operations and refers essentially to out-of-period income.

III.11 “Extraordinary expenses” amount to € 1,211 thousand.

They comprise non-operating costs relating to prior periods.

This caption includes costs of € 664 thousand incurred in relation to VAT disputes concerning the coinsurance relations with other companies in the insurance sector.

That amount comprises € 628 thousand for the 2014 tax year and € 36 thousand for the 2013 tax year.

The cost is offset by releases of the “Provision for risks and charges” for the same amount.

The caption also includes a provision of € 436 thousand to cover the cost of employee leaving incentives, incurred and to be incurred, under a programme activated during the year.

III.14 “Income taxes for the year”, totalling € 1,414 thousand, include IRES (€ 1,270 thousand), IRAP (€ 180 thousand) and the change in deferred tax assets (€ 36 thousand).

Deferred tax assets and liabilities are discussed further in points F.IV.2 of Section 6 and E.1 of Section 12.

As required by art. 2427.14 of the Italian Civil Code, the following information is provided on the timing differences that have given rise to deferred tax assets and liabilities (in thousands of €):

Deferred tax assets	Amount	IRES tax rate	IRAP tax rate	Deferred tax assets
Net change in claims payable reserve	1,280	24.00%	-	307
Taxed prov. doubtful accounts	796	24.00%	-	191
Long-term indemnity (LTI) liability	230	24.00%	6.82%	71
Adjustments to the value of equity securities	31	24.00%	-	7
Depreciation of land used by the Company	300	24.00%	-	72
Depreciation of land used by the Company	258	-	6.82%	18
Provisions for doubtful accounts exceeding the limit set in art. 106.3 Tax Law	257	24.00%	6.82%	79
Remuneration of Independent Auditors	78	24.00%	-	19
Emoluments of Directors	43	24.00%	-	10
<i>Deferred tax assets at 31 December 2020</i>				774
<i>Deferred tax assets at 31 December 2019</i>				(738)
Decrease (increase) in deferred tax assets				36

Deferred tax liabilities	Amount for deferred tax liabilities
<i>Deferred tax liabilities at 31 December 2020</i>	-
<i>Deferred tax liabilities at 31 December 2019</i>	-
Decrease (increase) in deferred tax liabilities	-

Lastly, with regard to taxation for the year, the following schedule for 2020 reconciles the theoretical IRES rate (24.00%) with the effective rate:

Profit (loss) before taxes (A)	4,855
Theoretical IRES (24.00%)	(1,165)
Tax effect of differences (B)	
Permanent	(42)
Temporary	(23)
Other differences (C)	
Decrease in deferred tax assets - IRES	33
Increase in deferred tax liabilities - IRES	-
Other	(37)
Effective IRES (A) + (B) + (C)	(1,234)
Effective Ires tax rate	25.4%

IRAP has not been taken into consideration since the way the taxable amount is calculated means that it cannot be correlated with the reported pre-tax profit.

For further comments on non-technical statement of income captions, reference should be made to the report on operations.

SECTION 22 - SUNDRY INFORMATION ON THE STATEMENT OF INCOME

- Transactions with Group and other companies are summarised in Attachment 30.
- Direct business premiums are summarised in Attachment 31.
- Charges for personnel, directors and statutory auditors are summarised in Attachment 32.

PART C - OTHER INFORMATION

C.1 Revenue or cost elements of exceptional entity or incidence

Pursuant to article 2427, paragraph 13) of the Italian Civil Code, there were no revenue or cost elements of exceptional entity or incidence in 2020.

C.2 Trend in exchange rates

The exchange rates at the date the financial statements were prepared do not differ significantly from those at 31 December 2020 (especially considering the US dollar, a currency that is widely used in the Marine insurance sector).

C.3 Transactions with related parties

As required by art. 2427-bis of the Italian Civil Code, it is confirmed that no significant transactions with related parties have been conducted on other than market terms.

Information about relations with Group companies during 2020 is provided in the report on operations, to which reference is made.

C.4 Off-balance sheet agreements

As required by art. 2427-ter of the Italian Civil Code, it is confirmed that, at 31 December 2020, there are no off-balance sheet agreements that might result in significant risks or benefits for the Company.

C.5 Financial fixed assets

As required by para. 1 of art. 2427-bis of the Italian Civil Code, it is confirmed that the financial statements for the year ended 31 December 2 include financial fixed assets consisting of:

- investments in parent and associated companies (pursuant to art. 2359 of the Civil Code), as indicated in point C.II.1 of Section 2;
- government securities (mainly Italian) and other non-governmental securities with various maturities and a total carrying amount of € 48,779 thousand, as detailed in point C.III of Section 2.

These financial assets are shown at an amount lower than their fair value.

C.6 Derivative instruments

As mentioned in the report on operations, no use of derivative instruments was made during the year.

However, at 31 December 2020, the portfolio contains bonds with subordination clauses (as detailed in the section on "Property and financial management" in the Report on Operations), as the result of trading activities in previous years.

There were no derivative contracts outstanding at 31 December 2011.

C.7 Formation of a domestic tax group

Following the resolution of 10 May 2018 of its Board of Directors, Unipol Gruppo S.p.A., as the consolidating company, informed the Tax Authorities, in the manner foreseen, that it had joined the Group tax regime (as per arts. 117 to 129 of the Income Tax Code).

The company resolved to join the tax regime for the period 2018 - 2020 at the meeting of its Board of Directors on 6 November 2018.

An agreement has been signed with Unipol Gruppo S.p.A. to govern the financial transactions deriving from the above.

The related agreement involves the transfer to the indirect parent company of the taxation and advances payable in relation to the Ires taxable income of the company.

Conversely, the company receives from the consolidating company the amount of the tax reduction obtained by the latter via use of any tax losses transferred to it by the company.

C.8 Membership of the Unipol VAT Group

The joint option to participate in the Unipol VAT Group took effect from 1 January 2019.

This election was approved by the Board of Directors of the Company on 18 December 2018 and, to the extent relevant, by those of the Unipol Gruppo S.p.A. and UnipolSai Assicurazioni S.p.A. on 8 November 2018.

This election is binding for the three-year period 2019-2021, after which it will be renewed automatically each year until revoked.

Following the establishment of this VAT Group, the member companies waived their subjective autonomy for VAT purposes and established a new entity with its own VAT number.

Transfers of goods and the provision of services among the Group members are not subject to VAT.

Unipol Gruppo S.p.A. is the representative of the Group and, in that role, is responsible for satisfying the obligations and exercising the rights of members envisaged in the VAT regulations.

Since the taxpayer representing the VAT Group is just one company, all the other members are deemed to be jointly liable for its activities.

C.9 Transparency in the system of public payments

With reference to the rules governing transparency in the system of public payments, introduced in art. 1, paras. 125 and 125-bis, of Law 124/2017 and subsequent amendments and additions, it is confirmed that the Company has not benefited from any grants, subsidies, advantages, contributions or aid, whether in cash or in kind, drawn from the public resources subject to the above transparency requirements.

C.10 Fees for services provided by the independent auditors

Pursuant to art. 149-duodecies of Consob's Issuers' Regulations, as amended most recently by resolutions 15915 of 3 May 2007 and 15960 of 30 May 2007, the following schedule reports the 2020 fees for services provided to the Company by the independent auditors and companies that are members of its network. Amounts are stated in thousands of euro and include the Consob contribution, VAT and expenses:

Type of service	Provider of the service	Fees
Auditing services	PricewaterhouseCoopers S.p.A.	77
Other certification services	PricewaterhouseCoopers S.p.A.	22

C.11 Interim dividends (if any)

No interim dividends were approved or paid during 2020.

C.12 Changes in shareholders' equity after the year-end

As required by "Regulation", the statement of changes in shareholders' equity after the year-end is reported below:

(in thousands of euro)	Subscribed	Legal	Other	Net profit	Total
	share capital	reserve	reserves	for the year	
Balance at 31.12.2020	38,000	2,406	18,746	3,441	62,593
Allocation of 2020 earnings, as proposed by the Board of Directors on 17 March 2021					
- to legal reserve	-	172	-	(172)	-
- to extraordinary reserve	-	-	1,369	(1,369)	-
- dividends	-	-	-	(1,900)	(1,900)
	38,000	2,578	20,115	-	60,693

C.13 Key figures from the separate financial statements of Unipol Gruppo S.p.A.

With reference to the information required by article 2427.22-quinquies and sexies of the Civil Code, the Company is directly controlled by the insurance company UnipolSai Assicurazioni S.p.A.. The latter draws up the consolidated financial statements pursuant to art. 154-ter of Legislative Decree 58/1998 (CFA) and ISVAP Regulation 7 of 13 July 2007, and subsequent amendments and additions, in compliance with the IAS/IFRS issued by the IASB and endorsed by the European Union.

A copy of the consolidated financial statements at 31 December 2019 (the latest to be approved) of UnipolSai Assicurazioni S.p.A. is available at the company's registered office, as well as on its website (www.unipolsai.com).

UnipolSai Assicurazioni S.p.A. is directly controlled by the mixed financial holding company Unipol Gruppo S.p.A., a company listed on the Milan Stock Exchange, with registered office in via Stalingrado 45, Bologna.

Unipol Gruppo S.p.A. prepares the consolidated financial statements pursuant to art. 154-ter of Legislative Decree 58/1998 (CFA) and ISVAP Regulation 7 of 13 July 2007, and subsequent amendments and additions, in compliance with the IAS/IFRS issued by the IASB and endorsed by the European Union.

Unipol Gruppo S.p.A. exercises direction and coordination of its direct and indirect subsidiaries.

It is also the parent company of Gruppo Assicurativo Unipol, registered in the Register of Insurance Groups at no. 046, and parent company of the Unipol Banking Group.

In addition, Unipol Gruppo S.p.A. operates as a mixed investment holding company at the head of the Unipol financial conglomerate.

A copy of the consolidated financial statements at 31 December 2019 (the latest to be approved) of Unipol Gruppo S.p.A. is available at the company's registered office, as well as on its website (www.unipol.it).

As required by Art. 2497-bis, para. 4 of the Italian Civil Code, the following table provides a summary of the key figures from the statutory and consolidated financial statements at 31 December 2019 (the latest to be approved) of the indirect parent company, Unipol Gruppo S.p.A., as it exercises direction and coordination of the Company:

KEY FIGURES FROM THE FINANCIAL STATEMENTS OF UNIPOL GRUPPO S.P.A.	
(in millions of euro)	31.12.2019
BALANCE SHEET	
ASSETS	
A) SUBSCRIBED CAPITAL UNPAID	-
B) FIXED ASSETS	
I Intangible assets	1.5
II Tangible assets	0.6
III Financial assets	7,375.9
TOTAL FIXED ASSETS	7,378.0
C) CURRENT ASSETS	
I Inventories	-
II Debtors	487.3
III Financial assets not held as fixed assets	435.4
IV Cash and cash equivalents	258.2
TOTAL CURRENT ASSETS	1,180.9
D) PREPAYMENTS AND ACCRUED INCOME	1.5
TOTAL ASSETS	8,560.4
LIABILITIES	
A) CAPITAL AND EQUITY RESERVES	
I Share capital	3,365.3
II Share premium reserve	1,345.7
IV Legal reserve	673.1
VI Other reserves	0.5
IX Net profit (loss) for the year	283.5
X Negative reserve for own shares in portfolio	(1.2)
TOTAL CAPITAL AND EQUITY RESERVES	5,666.9
B) PROVISIONS FOR RISKS AND CHARGES	36.7
C) TERMINATION INDEMNITIES	-
D) CREDITORS	2,856.8
TOTAL LIABILITIES	8,560.4
STATEMENT OF INCOME	
A) VALUE OF PRODUCTION	21.4
B) PRODUCTION COSTS	(70.6)
DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION (A-B)	(70.6)
C) FINANCIAL INCOME AND EXPENSES	329.3
D) ADJUSTMENTS TO FINANCIAL ASSETS	2.8
PROFIT (LOSS) BEFORE TAXES	261.5
INCOME TAXES	22.0
NET PROFIT (LOSS) FOR THE YEAR	283.5

C.15 Data of the companies that prepare consolidated financial statements

The consolidated financial statements are prepared by the direct parent company UnipolSai Assicurazioni S.p.A. and the indirect parent company Unipol Gruppo S.p.A., both with registered office in Via Stalingrado 45, Bologna.

Copies of their consolidated financial statements are available at these companies' headquarters.

PART D - SIGNIFICANT EVENTS SUBSEQUENT TO YEAR END AND OUTLOOK FOR OPERATIONS

The effects of the spread of the Covid-19 pandemic continue to be felt, significantly, in early 2021.

The waves of contagion and the vaccination delays threaten the hoped for economic recovery. Italy undoubtedly did not benefit from the political instability that marked the early part of the year, with tensions that resulted in the formation of a new government that must now prepare timely plans for effective use of the funds available under the Next Generation plan. This will be key to enhancing the growth potential of the Italian economy.

All this has reflected on financial investment and financial management, which remains focused on matching assets and liabilities, optimising the risk-return profile of the portfolio and maintaining an adequate level of solvency.

Preparation of the separate financial statements at 31 December 2020 included appropriate analysis to identify the impact, if any, of Covid-19 risks and uncertainties on business continuity and the outlook for operations.

Based on this analysis and the information currently available, having regard for the nature of the Company and its business, it is not thought that the effects of Covid-19 will jeopardise business continuity and/or prevent, to any significant extent, achievement of the long-term objectives of the Company.

As ever, the solvency of the Company is monitored constantly, with great care.

This monitoring has been particularly strict since March 2020, given the high degree of volatility and uncertainty caused by the spread of the pandemic, not least in view of the specific requests made by the Supervisory Authorities. The objective is to ensure the timely activation of any work required to optimise the risk profile.

The monitoring agreed with IVASS has not identified any critical areas.

There are no significant events to report with regard to the business performance of the Company.

With the exclusion of currently unforeseeable events, possibly linked to a deterioration in the current operating environment, the results of operations during 2021 are expected to be positive.

PART E - PROPOSED RESOLUTIONS TO THE ORDINARY SHAREHOLDERS' MEETING

Resolution concerning the financial statements and the results for the year

You are invited to approve the report on operations and the financial statements for the year ended 31 December 2020, together with the following proposed allocation of the net profit of € 3,441,187:

- Net profit for the year ended 31 December 2020	3,441,187 €
- to the legal reserve, 5%	(172,059) €
- to each of the 38,000,000 shares, a gross dividend of € 0.05	(1,900,000) €
- the balance to Other reserves: Extraordinary reserve	(1,369,128) €
	-

Resolution with regard to the reserve for exchange gains (as per art. 2426, point 8-bis of the Civil Code)

We submit for approval of the Board of Directors the transfer within other reserves of € 201,584 from the reserve for exchange gains to the extraordinary reserve (as per art. 2426, point 8-bis of the Italian Civil Code).

Bologna, 17 March 2021

For the Board of Directors
The Chairman
(Giuseppe Santella)

ATTACHMENT

Statement of changes in financial position for the year ended 31 December 2020		
(in thousands of euro)	2020	2019
Sources of funds		
Net profit for the year	3,441	89
Writedown of receivables	529	29
Depreciation and amortisation of property, tangible and intangible assets	861	925
Adjustments to financial investments	4	8
Provisions for termination indemnities	443	400
Decrease in deposits with insurance and reinsurance companies	15	26
Decrease in financial investments	4,454	-
Increase in deposits from reinsurers	-	1,729
Provisions for risks and charges	476	1,127
Net change in other creditors and debtors	1,497	435
Net change in other assets and liabilities	-	2,190
Net change in debtors and creditors from/to insurance and reinsurance operations	-	2,229
Net change in accruals and deferrals	60	161
Total sources of funds	11,780	9,348
Application of funds		
Increase in financial investments	-	191
Increase in investments in Group and other companies	258	37
Utilisation of reserve for termination indemnities	559	450
Utilisation of reserves for risks and charges	789	899
Net change in other assets and liabilities	2,229	-
Decrease in deposits received from reinsurers	779	-
Net decrease in technical reserves	6,375	-
Net change in debtors and creditors from/to insurance and reinsurance operations	1,356	-
Net decrease in technical reserves	-	4,989
Investments in property	658	766
Increase in tangible and intangible assets	634	593
Total application of funds	13,637	7,925
Increase (decrease) in cash and cash equivalents	(1,857)	1,423
Cash and cash equivalents:		
- beginning of the year	4,720	3,297
- end of the year	2,863	4,720
Increase (decrease) in cash and cash equivalents	(1,857)	1,423

Marseille

The Grand Seaport of Marseille is divided into two basins, east (Marseille) and west (Martigues, Port-de-Bouc, Fos-sur-Mer and Port-Saint-Louis-du-Rhône). Historically, the original harbour was the Old Port of Marseille. In 1840, maritime traffic became too intense and expansion was necessary. It was decided to build it outside the city in the Joliette basin, north of the Old Port. Today it is the first port of France and one of the largest in Europe.



Marseille



ATTACHMENTS

Distribution of the result for the year between life and non-life business

		Non life business	Life business	Total
Direct margin on insurance business.....	1	5,638 ²¹		41 5,638
Income from investments.....	+ 2	2,850		42 2,850
Financial charges.....	- 3	1,448		43 1,448
Portion of income from investments transferred to direct insurance life result.....	+ 24			44
Portion of income from investments transferred to direct insurance non-life result.....	- 5	804		45 804
Intermediate result.....	6	6,236 ²⁶		46 6,236
Other income	+ 7	4,319 ²⁷		47 4,319
Other expenses.....	- 8	4,742 ²⁸		48 4,742
Extraordinary income.....	+ 9	253 ²⁹		49 253
Extraordinary expenses.....	- 10	1,211 ³⁰		50 1,211
Result before tax.....	11	4,855 ³¹		51 4,855
Income taxes.....	- 12	1,414 ³²		52 1,414
Net result for the year.....	13	3,441 ³³		53 3,441

Year 2020

Changes in intangible assets (Item B.) and property (Item C.I)

		Intangible assets B.	Property C.I
Gross opening balance	+ 1	2,810	26,873
Increase.....	+ 2	955	658
due to : Purchases	3	955	0
Write backs.....	4	0	0
Revaluation	5	0	0
Other changes.....	6	0	658
Decrease.....	- 7	0	0
due to : Sales.....	8	0	0
Permanent writedowns.....	9	0	0
Other changes.....	10	0	0
Gross closing balance.....(a)	11	3,764	27,531
Depreciation / Amortisation.....			
Opening balance.....	+ 12	1,737	7,994
Increase.....	+ 13	490	726
due to : Depreciation / Amortisation.....	14	490	726
Other changes.....	15	0	0
Decrease.....	- 16	0	0
due to : Sales.....	17	0	0
Other changes.....	18	0	0
Accumulated depreciation / amortisation.....(b)	19	2,226	8,720
Net book value(a - b)	20	1,538	18,811
Market value.....			25,000
Total revaluation.....	22	0	0
Total writedowns.....	23	0	0
(*) of which depreciation / amortisation made solely for tax purposes	24		

Year 2020

Changes in investments in group and related companies (Item C.II)

		Shares and quotas	Bonds	Loans
Opening balance	+ 1	121	21	41
Increase.....	+ 2	308	22	42
due to : Purchases	3	308	23	43
Write backs.....	4		24	44
Revaluation	5			
Other changes.....	6		26	46
Decrease.....	- 7	49	27	47
due to : Sales.....	8	49	28	48
Writedowns.....	9		29	49
Other changes.....	10		30	50
Book value.....	11	379	31	51
Market value.....	12	435	32	52
Total revaluation.....	13			
Total writedowns.....	14		34	54

The item "Bonds" includes :

Listed Bonds.....	61
Unlisted Bonds.....	62
Book value.....	63
Of which convertible bonds.....	64

Group and related companies

: general information (*)

		Listed or Unlisted	Activity carried out	Company name and registered office	Currency
	(1)	(2)	(3)		
1	e	NQ	7	UCI Società Consortile a r.l. Corso Sempione, 39 MILANO	242
2	c	NQ	7	UNIPOLSAI Servizi Consortili Scarl Via Stalingrado, 37 BOLOGNA	242
3	a	Q	2	UNIPOL GRUPPO S.p.A. Via Stalingrado, 45 BOLOGNA	242
4	a	Q	1	UNIPOLSAI ASSICURAZIONI S.p.A. Via Stalingrado, 45 BOLOGNA	242

Share capital		Net Worth (**)	Profit / Loss for the last year closed (**)	Participating share (5)		
Amount	Number of Shares			Direct %	Indirect %	Total %
(4)		(4)	(4)			
527,850	1,035,000			0.09	0.09	
5,200,000	10,000			0.11	0.11	
3,365,292,407	717,473,508			0.01	0.01	
2,031,456,338	2,829,717,372			0,00	0,00	

(*) The statement includes all group and related companies, directly or indirectly owned

(**) Only for controlled and affiliated companies

(1) a = Parent company
b = Controlled company
c = Related company
d = Affiliated company
e = Others

(2) L = Listed
U = Unlisted

(3) 1 = Insurance company
2 = Holding company
3 = Bank
4 = Real Estate company
5 = Fiduciary company
6 = Management or distribution company for unit trusts
7 = Consortium
8 = Industrial company
9 = Other

(4) Original currency

(5) Global percentage owned

Year 2020

Changes in group and related companies :

(1)	(2)	(3)	Company name	Increase in the year		
				Purchases		Other Increases
				Number of shares	Amount	
1	e	D	UCI Società Consortile a r.l. Corso Sempione, 39 MILANO			
2	c	D	UNIPOLSAI Servizi Consortili Scarl Via Stalingrado, 37 BOLOGNA			
3	a	D	UNIPOL GRUPPO S.p.A. Via Stalingrado, 45 BOLOGNA	43,000	149	
4	a	D	UNIPOLSAI ASSICURAZIONI S.p.A. Via Stalingrado, 45 BOLOGNA	86,000	159	
	a		Parent company		308	
	b		Controlled company			
	c		Related company			
	d		Affiliated company			
	e		Other			
			Totale D.I			
			Totale D.II			

(1) As per annex 6

(2) a = Parent company
b = Controlled company
c = Related company
d = Affiliated company
e = Others

shares and quotas

Decrease in the year			Book value (4)		Purchase cost	Market value
Sales		Other decrease	Number of shares	Amount		
Number of shares	Amount					
			948		1	
			10,528	34	64	34
7,210	19		48,356	161	161	189
13,325	30		96,350	184	184	212
	49			345	345	401
		7		34	64	34
					1	1

Distribution between long-term and short-term investments: shares and quotas, mutual fund units, bonds and other fixed securities, quotas in mutual investments and other financial investments (Items C.III.1, 2, 3, 5, 7)

I - Non life business

	Long-term investments		Short-term investments		Total	
	Book value	Market value	Book value	Market value	Book value	Market value
1. Shares and quotas:	21		61		81	
a) listed shares	22		62		102	
b) unlisted shares	23		63		103	
c) quotas	24		64		104	
2. Mutual funds units	25	1,224	65	1,734	1,224	1,734
3. Bonds and other fixed securities	26	54,467	66	44,693	91,566	86
a1) listed State bonds	27	48,779	67	40,994	74,072	107
a2) other listed securities	28	49,036	68	30,908	79,944	108
b1) unlisted State bonds	29	5,014	69	12,479	17,493	108
b2) other unlisted securities	30		70			109
c) convertible bonds	31		71			111
5. Quotas in mutual investments	32		72			112
7. Other financial investments	33		73			113

II - Life business

	Long-term investments		Short-term investments		Total	
	Book value	Market value	Book value	Market value	Book value	Market value
1. Shares and quotas:	141		181		201	
a) listed shares	142		182		222	
b) unlisted shares	143		183		203	
c) quotas	144		184		204	
2. Mutual funds units	145		185		205	
3. Bonds and other fixed securities	146		186		226	
a1) listed State bonds	147		187		227	
a2) Other listed securities	148		188		228	
b1) Unlisted State Bonds	149		189		229	
b2) Other unlisted securities	150		190		230	
c) convertible bonds	151		191		231	
5. Quotas in mutual investments	152		192		232	
7. Other financial investments	153		193		233	

Notes to the financial statements - Attachment 9
Year 2020

Company SIAT Società Italiana Assicurazioni e Riassicurazioni p.A.

Assets - Changes during the year of other long-term financial investments: shares and quotas, mutual fund units, bonds and other fixed-income securities
shares in investment pools and other financial investments (captions C.III.1, 2, 3, 5, 7)

	Shares and quotas C.III.1		Mutual funds C.III.2		Bonds and other fixed-income securities C.III.3		Shares in investment pools C.III.5		Other financial investments C.III.7	
Opening balance	1	21	41	46,783	81		101			
Increase during the year:	2	22	42	2,248	82		102			
for: purchases	3	23	43	1,959	83		103			
writedowns	4	24	44		84		104			
transfers from the short-term portfolio	5	25	45		85		105			
other changes	6	26	46	289	86		106			
Decreases during the year:	7	27	47	252	87		107			
for: sales	8	28	48		88		108			
writedowns	9	29	49		89		109			
transfers to the short-term portfolio	10	30	50		90		110			
other changes	11	31	51	252	91		111			
Book value	12	32	52	48,779	92		112			
Current value	13	33	53	54,467	93		113			

Year 2020

Changes in loans and restricted deposits with banks (Items C.III.4 , 6)

		Loans C.III.4	Restricted deposits with banks C.III.6
Opening balance	+ 1	2 ²¹	401
Increase:	+ 2	20 ²²	1
due to : disbursements.....	3	20	
write backs.....	4		
other changes	5		
Decrease:.....	- 6	3 ²⁶	0
due to : reimbursements.....	7	3	
writedowns	8		
other changes	9		
Book value	10	19 ³⁰	402

Year 2020

Changes in unearned premiums reserve (Item C.I.1) and claims payable reserve (Item C.I.2)

		Year	Prior Year	Change
Unearned premiums reserve :				
Reserve for apportioned premiums	1	49,306 ¹¹	51,391 ²¹	-2,085
Reserve for unexpired risks	2	4,260 ¹²	6,045 ²²	-1,785
Book value	3	53,566 ¹³	57,436 ²³	-3,870
Claims payable reserve:				
Reserve for claims and direct expenses	4	144,594 ¹⁴	210,009 ²⁴	-65,415
Reserve for liquidation expenses	5	4,745 ¹⁵	8,891 ²⁵	-4,146
Reserve for IBNR	6	27,611 ¹⁶	28,966 ²⁶	-1,355
Book value	7	176,950 ¹⁷	247,866 ²⁷	-70,916

Changes in provision for risks and charges (Item E.) and termination indemnities (Item G. VII)

		Provision for retirement	Provision for taxation	Other provisions	Termination Indemnities
Opening balance	1		2,739		959
Provision for the year	2		40	436	443
Other increase	3		0		0
Use in the year	4		664	126	560
Other decrease	5		0		-2
Book value	6		2,115	310	844

PAGE LEFT BLANK

Statement of assets and liabilities for intercompany transactions

I: Assets

	Parent companies	Controlled companies	Related companies	Affiliated companies	Others	Total
Shares and quotas	1 345	2 0	3 34	4 0	5 0	6 379
Bonds	7 0	8 0	9 0	10 0	11 0	12 0
Loans	13 0	14 0	15 0	16 0	17 0	18 0
Quotas in mutual investments	19 0	20 0	21 0	22 0	23 0	24 0
Restricted deposits with banks	25 0	26 0	27 0	28 0	29 0	30 0
Other financial investments	31 0	32 0	33 0	34 0	35 0	36 0
Deposits with ceding undertakings	37 0	38 0	39 0	40 0	41 0	42 0
Investments linked with mutual funds and other index	43 0	44 0	45 0	46 0	47 0	48 0
Investments deriving from management or pension funds	49 0	50 0	51 0	52 0	53 0	54 0
Receivables arising out of direct insurance	55 0	56 0	57 0	58 0	59 0	60 0
Reinsurance debtors	61 3,174	62 0	63 1	64 64	65 0	66 3,175
Other receivables	67 2,084	68 0	69 22	70 70	71 71	72 2,106
Bank accounts	73 0	74 0	75 0	76 0	77 0	78 0
Other assets	79 0	80 0	81 0	82 0	83 0	84 0
Total	85 5,603	86 86	87 57	88 88	89 89	90 5,660
of which subordinated assets	91 0	92 0	93 0	94 0	95 0	96 0

Statement of assets and liabilities for intercompany transactions

II: Liabilities

	Parent companies	Controlled companies	Related companies	Affiliated companies	Others	Total
Subordinated liabilities	97 0	98 0	99 0	100 0	101 0	102 0
Deposits from reinsurers	103 2	104 0	105 0	106 0	107 0	108 2
Payables arising out of direct insurance	109 78	110 0	111 0	112 0	113 0	114 78
Reinsurance creditors	115 0	116 0	117 0	118 3	119 0	120 3
Bank overdrafts	121 0	122 0	123 0	124 0	125 0	126 0
Secured payables	127 0	128 0	129 0	130 0	131 0	132 0
Loans	133 0	134 0	135 0	136 0	137 0	138 0
Other payables	139 1,354	140 0	141 0	142 0	143 0	144 1,354
Other liabilities	145 1,954	146 0	147 14	148 148	149 0	150 1,968
Total	151 3,388	152 152	153 18	154 154	155 0	156 3,406

Insurance business highlights

	Gross premiums written	Gross premiums earned	Gross claims incurred	Operating expenses	Reinsurance Balance
Direct insurance:					
Personal accident and health insurance	663	530	218	108	-230
Motor third party liability	3,485	3,291	1,566	1,141	-237
Motor fire, theft, etc. insurance			6		
Marine insurance	117,340	118,499	70,400	22,752	-22,207
Fire and other property damage	1,287	1,365	366	380	-456
Generale third party liabilities	4,559	4,430	6,501	1,037	1,706
Credit and bond insurance			-77		108
Pecuniary losses	1,773	1,998	1,451	324	-118
Legal defence	4	4			-3
Assistance	6	7		1	-7
Total direct insurance	129,116	130,124	80,430	25,745	-21,444
Indirect insurance	19,206	20,882	4,012	6,553	-7,171
Total Italian business	148,322	151,006	84,442	32,298	-28,615
Foreign business	1,042	1,044	780	177	56
Grand total	149,364	152,049	85,222	32,474	-28,559

Investment income (Items II.2 and III.3)

	Non-life business	Life business	Total
Income from shares and quotas:			
Dividends from group companies	15	81	15
Other dividends		42	82
Total	15	83	15
Income from property:	442	84	442
Income from other investment:			
Interest income from group companies	45	85	
Interest income on loans granted to group companies		46	86
Income from mutual fund units		47	87
Interest income on bonds and other fixed securities	2,105	88	2,105
Interest income on loans	0	89	0
Income from mutual investments		50	90
Interest income on restricted deposits with banks		51	91
Interest income on other financial investments		52	92
Interest income on deposits with ceding undertakings	0	93	0
Total	2,105	94	2,105
Writebacks from :			
Property	55	95	
Group companies' shares	56	96	
Group companies' bonds			
Other shares and quotas	58	98	
Other bonds	59	99	
Other financial investments	60	100	
Total	61	101	
Gains on disposal of :			
Property	62	102	
Group companies shares	63	103	
Group companies bonds	64	104	
Other shares and quotas	65	105	
Other bonds	288	106	288
Other financial investments	67	107	
Total	288	108	288
GRAND TOTAL	2,850	109	2,850

Year 2020

Capital and financial charges (Item II.9 and III.5)

	Non-life Business	Life Business	Total
Investment management charges and interest expenses for			
Shares and quotas	1	31	61
Properties.....	2	262	262
Bonds.....	3	257	257
Mutual fund units	4	34	64
Mutual investments.....	5	35	65
Other financial investments.....	6	187	187
Deposits from reinsurers.....	7	1	1
Total.....	8	707	707
Writedowns of:			
Properties.....	9	726	726
Group company's shares.....	10	40	70
Group company's bonds	11	41	71
Other shares and quotas	12	42	72
Other bonds.....	13	4	4
Other financial investments.....	14	44	74
Total.....	15	730	730
Losses on sale of :			
Properties.....	16	46	76
Shares and quotas	17	47	77
Bonds.....	18	11	11
Other financial investments.....	19	49	79
Total.....	20	11	11
GRAND TOTAL	21	1,448	1,448

PAGE LEFT BLANK

	Personal accident	Health insurance
Direct business net of reinsurance		
Premiums written.....	+ 1 663	1
Change in unearned premiums reserve.....	- 2 133	2
Claims incurred	- 3 218	3
Change in other technical reserves	- 4	4
Other technical income (expenses) net.....	+ 5	5
Operating expenses	- 6 108	6
Underwriting result of direct business (+ o -).....	A 7 204	7
Result of outward reinsurance (+ o -)	B 8 -230	8
Net underwriting result of indirect business (+ o -)	C 9 -15	9
Change in equalisation reserve (+ o -)	D 10 4	10
Portion of income from inv. transferred from non technical account.....	E 11 1	11
Technical result (+ o -)	(A + B + C - D + E) 12 -43	12

	Cargo insurance	Fire
Direct business net of reinsurance		
Premiums written.....	+ 1 21,476	1 2
Change in unearned premiums reserve.....	- 2 202	2 -73
Claims incurred	- 3 10,186	3 -139
Change in other technical reserves	- 4	4
Other technical income (expenses) net.....	+ 5 -649	5
Operating expenses	- 6 6,656	6
Underwriting result of direct business (+ o -).....	A 7 3,783	7 214
Result of outward reinsurance (+ o -)	B 8 -3,793	8 -142
Net underwriting result of indirect business (+ o -)	C 9 2,217	9 -6
Change in equalisation reserve (+ o -)	D 10 32	10
Portion of income from inv. transferred from non technical account.....	E 11 128	11 1
Technical result (+ o -)	(A + B + C - D + E) 12 2,303	12 66

	General third party liability	Credit insurance
Direct business net of reinsurance		
Premiums written.....	+ 1 4,559	1
Change in unearned premiums reserve.....	- 2 129	2
Claims incurred	- 3 6,501	3
Change in other technical reserves	- 4	4
Other technical income (expenses) net.....	+ 5 -17	5
Operating expenses	- 6 1,037	6
Underwriting result of direct business (+ o -).....	A 7 -3,125	7
Result of outward reinsurance (+ o -)	B 8 1,706	8
Net underwriting result of indirect business (+ o -)	C 9 93	9
Change in equalisation reserve (+ o -)	D 10	10
Portion of income from inv. transferred from non technical account.....	E 11 53	11
Technical result (+ o -)	(A + B + C - D + E) 12 -1,273	12

	Motor fire, theft, etc. Insurance	Railway carriage insurance	Aircraft insurance	Hull insurance
1	1	1	2,159	1 92,804
2	2	-18	194	2 -1,615
3	6	-409	869	3 59,433
4	4	4	4	4
5	5	5	5	5 121
6	6	6	298	6 15,567
7	-6	426	797	7 19,450
8	8	-298	-774	8 -16,999
9	9	-63	-86	9 -109
10	10	10	10	10 66
11	11	2	3	11 520
12	-6	67	-61	12 2,796

	Other property damage	Motor third party liability	Aircraft third party liability	Hull third party liability
1	1,285	1 3,485	1 879	1 22
2	-5	2 194	2 71	2 6
3	505	3 1,566	3 217	3 103
4	4	4	4	4
5	-3	5 -56	5	5
6	380	6 1,141	6 138	6 4
7	402	7 527	7 453	7 -91
8	-314	8 -237	8 -425	8 83
9	5	9 889	9 -4	9
10	4	10	10	10
11	5	11 75	11	11
12	94	12 1,254	12 24	12 -8

	Bond insurance	Pecuniary losses	Legal defense	Assistance
1	1	1,773	1 4	1 6
2	2	-226	2	2 -1
3	-77	3 1,451	3	3
4	4	4	4	4
5	53	5 -45	5	5
6	6	324	6	6 1
7	130	7 178	7 4	7 6
8	108	8 -118	8 -3	8 -7
9	-31	9	9	9
10	10	10	10	10
11	18	11 6	11	11
12	217	12 66	12	12 -1

Summary of technical account for non-life business
Italian Business

	Direct insurance		Indirect insurance		Retained risks Total 5=1+2+3+4
	Direct risks 1	Ceded risks 2	Indirect risks 3	Reinsured risks 4	
Premiums written.....	129,116	94,086	19,206	10,153	44,083
Change in unearned premiums reserve.....	-1,008	-1,826	-1,676	-1,623	765
Claims incurred.....	80,430	56,833	4,012	1,699	25,911
Change in other technical reserves.....					
Other technical income (expenses) net.....	-597	216	-257	-141	-929
Operating expenses.....	25,745	17,851	6,553	2,765	11,681
Underwriting result (+ o -).....	23,322	21,444	10,060	7,171	4,798
Change in equalisation reserve (+ o -).....	686		117		106
Portion of income from inv. transferred from non technical account.....	24,038		10,178		803
Technical result (+ o -).....	24,038	21,444	10,178	7,171	5,495

Summary of technical account for non-life and life business - foreign business

Section I : Non-life business

		All branches
Direct business net of reinsurance		
Premiums written.....	+	1
Change in unearned premiums reserve.....	-	2
Claims incurred.....	-	3
Change in other technical reserves.....	-	4
Other technical income (expenses) net.....	+	5
Operating expenses.....	-	6
Underwriting result of direct business (+ o -).....	A	7
Result of outward reinsurance (+ o -).....	B	8
Net underwriting result of indirect business (+ o -).....	C	9 143
Change in equalisation reserve (+ o -).....	D	10
Portion of income from inv. transferred from non technical account.....	E	11
Technical result (+ o -)..... (A + B + C - D + E)		12 143

Section II : Life business

		All branches
Direct business net of reinsurance		
Premiums written.....	+	1
Claims incurred.....	-	2
Change in other technical reserves.....	-	3
Other technical income (expenses) net.....	+	4
Operating expenses.....	-	5
Income from investment net of portion transferred to non technical account.....	+	6
Underwriting result of direct business (+ o -).....	A	7
Result of outward reinsurance (+ o -).....	B	8
Net underwriting result of indirect business (+ o -).....	C	9
Technical result (+ o -)..... (A + B + C)		10

Intercompany transactions

I: Revenues

	Parent companies	Controlled companies	Related companies	Affiliated companies	Others	Total
Investments income						
Income from property	429	2	4	5	6	429
Dividends	15	8	10	11	12	15
Interest income on bonds			16	17	18	
Interest on loans	20	20	22	23	24	
Interest income on other financial investments	26	27	28	29	30	
Interest income on deposits with ceding undertakings	32	33	34	35	36	
Total	444	40	60	41	42	444
Other revenues						
Interest income on receivables	44		46	47	48	
Recovery of administrative expense	50		52	53	54	
Others	3,155	21	58	59	60	3,176
Total	1	63	783	64	66	784
Gains on disposal of investments	3,156	68	804	70	72	3,960
Extraordinary revenues	74	75	76	77	78	
Extraordinary revenues	80	81	82	83	84	
GRAND TOTAL	3,600	86	804	88	90	4,404

Intercompany transactions

II: Charges

	Parent companies	Controlled companies	Related companies	Affiliated companies	Others	Total
Investment management charges and interest expenses :						
Investment charges	82	92	94	95	96	82
Interest expenses on subordinated liabilities	96	99	100	101	102	
Interest expenses on deposits from reinsurers	104	105	106	107	108	
Interest expenses on payables arising out of direct insurance	109	110	111	112	113	
Interest expenses on payables arising out of reinsurance	115	117	118	119	120	
Interest expenses on bank overdrafts	122	123	124	125	126	
Interest expenses on secured payables	127	128	130	131	132	
Other interest expenses	133	134	136	137	138	
Losses on receivable	139	140	142	143	144	
Administrative expenses on behalf of third parties	145	147	148	149	150	
Other charges	365	152	154	155	156	369
Total	447	158	4	161	162	451
Loss on disposal of investments	163	164	166	167	168	
Extraordinary costs	169	170	172	173	174	
Extraordinary costs	175	176	178	179	180	
GRAND TOTAL	447	182	4	184	186	451

Direct business : summary of gross premiums written

	Non-life Business		Life Business		Total	
	Permanent establishment	Freedom of services	Permanent establishment	Freedom of services	Permanent establishment	Freedom of services
Premiums written:						
in Italy.....	69,817	5	11	15	69,817	15
in other european countries.....	7,902	4	12	16	7,902	16
in other countries.....		7	13	17		17
Total.....	77,719	16	14	18	77,719	18

Statement of personnel expenses and costs for directors and statutory auditors

I: Personnel expenses

	Non life business	Life business	Total
Payroll costs			
Italian business :			
- Salaries.....	5,400	61	5,400
- Social contributions.....	1,501	62	1,501
- Provision for termination indemnities.....	398	63	398
- Other personnel expenses.....	697	64	697
Total.....	7,996	65	7,996
Foreing business:			
- Salaries.....		66	
- Social contributions.....		67	
- Other personnel expenses.....		68	
Total.....		69	
Grand total	7,996	70	7,996
Fees for consultancy :			
Italian Business		71	
Foreing business		72	
Total.....		73	
Total personnel expenses	7,996	74	7,996

II: Splitting of personnel expenses

	Non life business	Life business	Total
Investment management charges.....		45	75
Claims operating expenses	693	46	693
Other acquisition costs.....	1,719	47	1,719
Other administrative expenses.....	3,354	48	3,354
Administrative expenses on behalf of third parties.....	2,231	49	2,231
		50	80
Total.....	7,997	51	7,997

III: Average personnel workforces for the year

	Number
Managers	5
Clerks.....	17
	85
Others.....	2
Total.....	109

IV: Directors and statutory auditors

	Number	Emoluments
Directors.....	10	204
Statutory auditors	3	42

Antwerp

The port of Antwerp is located in the city of the same name in Flanders, Belgium. Located in the upper part of the Scheldt estuary, it is the second largest port in Europe after Rotterdam. In 2016, the architect Zaha Hadid designed the new headquarters of the Port Authority. An "original and innovative" building that acts as a symbolic door for the entire port area. An extraordinary shape made out of glass panels perched on the roof of the old fire station.



Antwerp



AUDITOR'S REPORT

Independent auditor's report

in accordance with article 14 of Legislative Decree n° 39 of 27 January 2010, article 10 of Regulation (EU) n° 537/2014 and article 102 of Legislative Decree n° 209 of 7 September 2005

To the Shareholders of
SIAT – Società Italiana Assicurazioni e Riassicurazioni – per Azioni

Report on the Audit of the Financial Statements as of 31 December 2020

Opinion

We have audited the financial statements of SIAT – Società Italiana Assicurazioni e Riassicurazioni – per Azioni (the “Company”), which comprise the balance sheet as of 31 December 2020, the income statement for the year then ended and notes to the financial statements.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2020, and of the result of its operations for the year then ended in compliance with the Italian laws governing the criteria for their preparation.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers SpA

Sede legale: **Milano** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240 Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035 229691 - **Bologna** 40126 Via Angelo Finelli 8 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 010 29041 - **Napoli** 80121 Via dei Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 349737 - **Parma** 43121 Viale Tanara 20/A Tel. 0521 275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06 570251 - **Torino** 10122 Corso Palestro 10 Tel. 011 556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422 696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 040 3480781 - **Udine** 33100 Via Poscolle 43 Tel. 0432 25789 - **Varese** 21100 Via Albuzzi 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001 - **Vicenza** 36100 Piazza Pontelandolfo 9 Tel. 0444 393311

Key Audit Matters

Actuarial estimates of Non-life claims provisions

Notes to the Financial Statements:

Part A: Accounting policies

Part B: Balance sheet and statement of income, Section 10 – Technical provision (Caption C.I)

Technical provisions include Euro 177 million of Non-Life claims provisions representing the 49 per cent of “Total liabilities and equity”.

Non-Life claims provisions is posted to face the amounts incurred by the Company to settle the claims incurred in the current and in previous years and not yet defined at year end. Granted that the valuation of outstanding claims relies on the quality of the underlying data, a range of methods, underlying a number of implicit or explicit assumptions relating to the expected settlement amount and number of claims, may be used to determine these provisions. Change in these assumptions can modify the estimate of the final provisions.

The valuation of Non-Life claims provisions involves the use of significant estimates and relies on a significant professional judgement based on the actuarial assumption adopted.

Professional judgement is involved, for instance, in estimating the period over which claims are expected to settle.

Auditing procedures performed in response to key audit matters

In order to challenge the quality of the data utilized to evaluate the Non-Life claims provisions, we understood and tested the governance process in place to determine the insurance contract liabilities and validated, on a sample basis, the controls in place. In addition, we verified the accuracy and completeness of the data base testing a sample of claims and matching the information included in the IT system with those of the related dossiers.

Our audit procedures applied to verify the actuarial valuation include the following:

- analysis of the methodologies, hypothesis and assumptions adopted by management;
- challenge these methodologies and assumptions by comparing them with those used in the industry and in prior periods.

Moreover, for the more relevant LoBs, assisted by our own actuarial experts, we performed a technical-comparative analysis on assumptions and estimates utilized by the Company in the year end and in the previous year together with a statistical analysis based on claims indicators.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Italian laws governing the criteria for their preparation and, in the terms prescribed by law, for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Management is responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, management uses the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- we identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;



- we obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management;
- we concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- we evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.



Additional Disclosures required by article 10 of Regulation (EU) n° 537/2014

On 28 November 2013, the Shareholders of SIAT – Società Italiana Assicurazioni e Riassicurazioni – per Azioni in general meeting engaged us to perform the statutory audit of the Company’s financial statements audit for the years ending 31 December 2013 to 31 December 2021.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) n° 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to those charged with governance, in their capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on Compliance with other Laws and Regulation

Opinion in accordance with article 14, paragraph 2, letter e), of Legislative Decree n° 39/2010

Management of SIAT – Società Italiana Assicurazioni e Riassicurazioni – per Azioni is responsible for preparing a report on operations of SIAT – Società Italiana Assicurazioni e Riassicurazioni – per Azioni as of 31 December 2020, including its consistency with the relevant financial statements and its compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) n° 720B in order to express an opinion on the consistency of the report on operations, with the financial statements of SIAT – Società Italiana Assicurazioni e Riassicurazioni – per Azioni as of 31 December 2020 and on its compliance with the law, as well as to issue a statement on material misstatements, if any.

In our opinion, the report on operations is consistent with the financial statements of SIAT – Società Italiana Assicurazioni e Riassicurazioni – per Azioni as of 31 December 2020 and is prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e), of Legislative Decree n° 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.



Opinion drawn up pursuant to article 102, paragraph 2, of Legislative Decree n° 209 of 7 September 2005, Non –Life technical provisions

In execution of the assignment received from SIAT – Società Italiana Assicurazioni e Riassicurazioni – per Azioni, we have performed procedures, in accordance with article 102, paragraph 2, of Legislative Decree n° 209 of 7 September 2005, on the items relating to the Non – Life technical provisions, included in the liabilities section of the balance sheet of SIAT – Società Italiana Assicurazioni e Riassicurazioni – per Azioni as at 31 December 2020. The Directors are responsible to establish technical provisions to the extent to guarantee the obligations arising from insurance and reinsurance contracts.

On the basis of the procedures performed in accordance with article 102, paragraph 2, of Legislative Decree n° 209 of 7 September 2005, of ISVAP Regulation n° 22/2008 and associated guidelines included in the application document published by IVASS on its website on 31 January 2017, the above mentioned technical provisions, included in the liabilities section of the balance sheet of SIAT – Società Italiana Assicurazioni e Riassicurazioni – per Azioni as at 31 December 2020, are sufficient in accordance with applicable law and regulations and on the basis of correct actuarial techniques, in accordance with ISVAP Regulation n° 22/2008.

Milan, 6 April 2021

PricewaterhouseCoopers SpA

Signed by

Rudy Battagliarin
(Partner)

This report has been translated into the English language from the original, which was issued in Italian and in accordance with Italian law, solely for the convenience of international readers.

Genoa

The port of Genoa, a crossroads of traffic since Roman times, is historically one of the main ports of call in the Mediterranean. Greatly expanded during the periods of splendour of the Maritime Republics, the port was profoundly transformed at the end of the nineteenth century, becoming a fundamental element for the industrial development of Northern Italy. Today it is a state-of-the-art port that has kept its versatile soul, able to accommodate all types of traffic: containers, solid and liquid bulk, perishable goods, metals, petroleum products and passengers.



Genoa



RESOLUTION OF THE SHAREHOLDERS' MEETING – EXTRACT

The following resolutions were passed at the Annual General Meeting held on 21 April 2021:

- that the Financial statements at 31 December 2020 be approved, together with the Director's Report on operations;
- that the Directors' proposal regarding the allocation of the net income be approved, and the payment of a gross dividend of € 0,05 per share be approved;
- that EY be appointed as independent auditor of the financial statements for the years 2022 - 2030.



Via V Dicembre, 3 - 16121 Genova - Italy
Ph. 0039.010.5546.1 - Telefax 0039.010.5546.400
www.siat-assicurazioni.it
siat@siatass.com