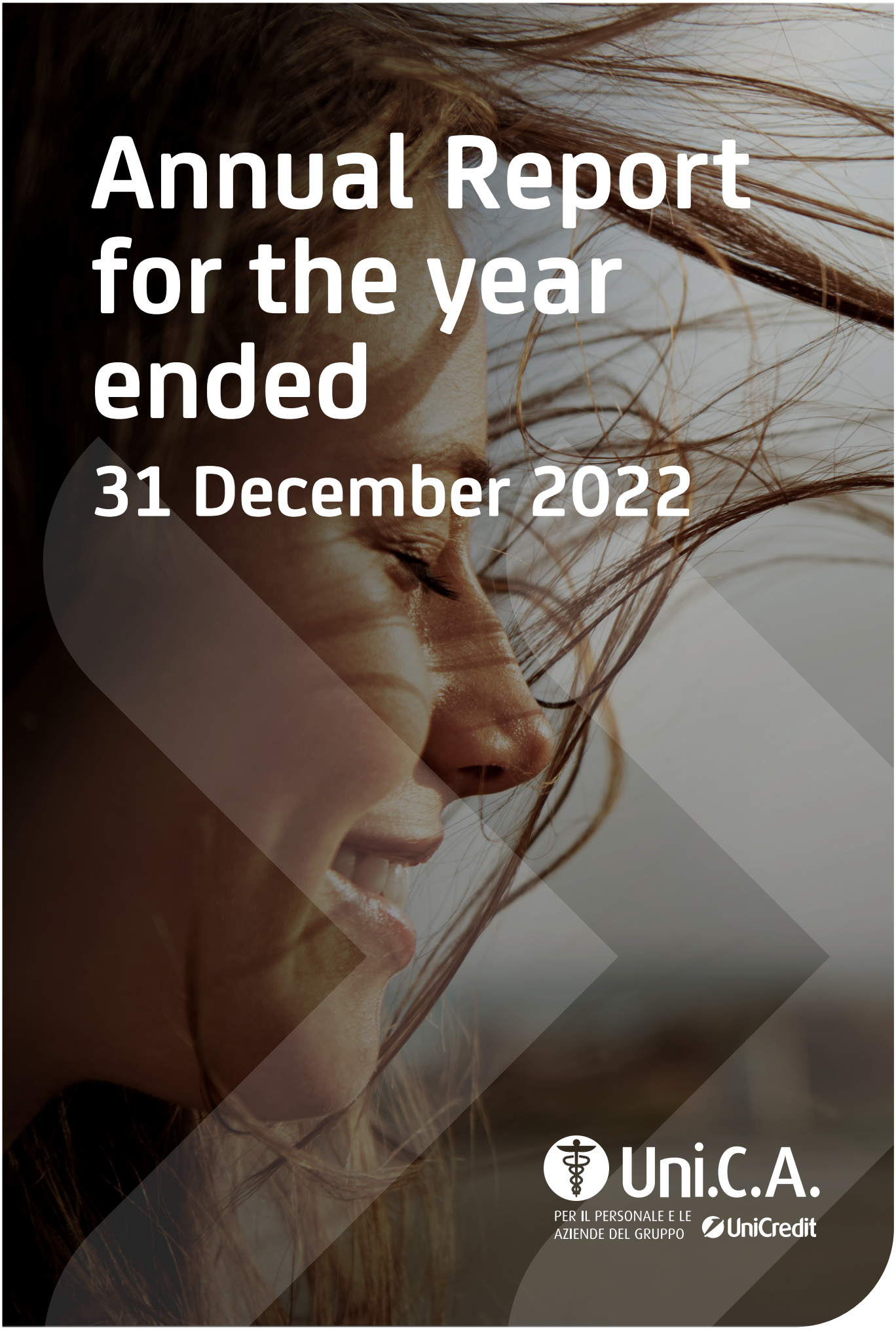
Annual Report for the year ended

31 December 2022



Uni.C.A.

PER IL PERSONALE E LE AZIENDE DEL GRUPPO UniCredit

Table of contents

Corporate bodies as at 31.12.2022

Board of Directors

Chairwoman	Luisa Livatino*	
Deputy Chair	Ignazio Stefano Farina	
Directors	Antonio Argento	
	Maurizio Beccari	*until February 2022*
	Renato Carlo Bianchi	
	Marco Carabelli	
	Cinzia Caracciolo	
	Gianluca D'Auria	
	Fulvia Fusaroli	
	Tommaso Gigliola	*From 28.02.2022*
	Federico Granito	
	Giuseppe Matta	
	Giovanni Paloschi	
	Costanza Ramorino	
	Luigi Marcello Rimoldi	
	Gianna Maria Roggero	
	Franco Pietro Scaccabarozzi	
	Luigi Spera	
	Rodolfo Zingariello	

Executive Committee

Chairwoman	Luisa Livatino
Deputy Chair	Ignazio Stefano Farina
Directors	Antonio Argento
	Renato Carlo Bianchi
	Federico Granito
	Giuseppe Matta
	Giovanni Paloschi
	Luigi Marcello Rimoldi

Board of Auditors

Chairman	David Davite
Standing Auditors	Cristina Costigliolo
	Vincenzo Ferraro
	Fiorenza Sibille
Alternate Auditor	Roberto Maria Innocenti

Director

Miriam Travaglia

Assistant Director

Renato De Mattia

*Following the renewal of the Corporate Bodies effective 1 January 2023, the new Chair is Ignazio Stefano Farina, who is the signatory of this annual report.

Health is our heritage, our right.
Edward Bach.

Board of Directors' report

Members,

31 December 2022 marked the end of the sixteenth year of the Association's activities and the end of the three-year term of office of Uni.C.A.'s Board of Directors and Board of Auditors.

Our first thought goes to Director Maurizio Beccari, who sadly passed away in 2022. We remember him with deep respect and appreciation for his kindness, his unwavering collaboration, and his dedication as an indefatigable professional, always attentive to the needs of all members, and particularly those of the Retirees' group he represented. We would also like to express our sincere appreciation to Tommaso Gigliola, who took over for the rest of the year.

The lingering effects of Covid-19 continued to be felt in the year that has just ended. Healthcare facilities and doctors continued to act prudently to ensure the highest level of protection for patients' health. In the Italian National Health Service, there were delays in providing services and accompanying persons were unable to gain access to health facilities. Healthcare expenditure in 2022 was not unaffected by the significant rise in inflation, which was driven by increases in energy commodity prices and uncertainty surrounding the progression of the war between Russia and Ukraine.

Regarding the activities of the Cassa, two key events stood out in the year: the launch of two new health plans spanning two years, as well as new prevention initiatives, bringing some exciting news for members.

Uptake of the new 2022-2023 health cover – completed in advance online at the end

of 2021 – were finalised during the first few months of the year for some categories of members. This mainly concerned retirees, survivors, early retirees and long-term absentees, who were sent the document kit and signup form in paper format.

Renewing the Health Plans for two years proved to be more complex than in the past, due to the combination of rising healthcare costs and the significant increase in healthcare consumption in 2021 as a result of the recovery from the forced contraction during the pandemic. The rebound resulted in a deterioration in the loss ratio of Uni.C.A's coverage, necessitating corrective measures to prevent additional costs for members and ensure the economic sustainability of the overall system. After lengthy discussions with the insurance companies, certain targeted interventions were proposed, such as revising certain excesses and/or deductibles amounts, without altering the contribution amounts to be paid by members.

Following the market survey and negotiation process, the best offer made by ISPRBM Salute was accepted, confirming Previmedical as the service provider for the management of non-dental insurance coverage, and Aon Pronto Care (Aon Italia Group) as the service provider for dental coverage.

More details on the new Health Plans 2022-2023 can be found in the relevant chapter of the Report on Operations.

A further highlight was the launch of the new prevention initiatives, as previously mentioned.

In the latest edition, the ninth, the traditional Uni.C.A. Prevention Campaign has been enhanced with the addition of more screenings and diagnostic tests, designed to detect cancer and cardiovascular diseases at an early stage, particularly during life transitions such as menopause and andropause.

At the same time, a brand new dental prevention initiative was launched for retiree members, offering them the chance to take advantage of discounted rates from the service provider Aon Pronto Care for any additional dental services not included in the initiative.

The entire Prevention Programme, free of charge for all participants, will conclude on 31 July 2023.

Aside from the aforementioned events, it is important to note that the Cassa has taken further steps to ensure it is properly equipped to carry out its special activities. It has implemented a number of safeguards to ensure this. Of all of them, it is worth highlighting the formalisation of the Accounting Regulations, which provide the guidelines for maintaining the Cassa's accounts.

In addition, during the first half of 2022, a market survey was conducted to identify a specialist consultancy firm, which was appointed to act as the Association's internal audit service, responsible for auditing its processes and activities.

As part of the same market survey, an expert consultancy firm was commissioned to carry out a Quality Review of the Management and Organisational Model in accordance with Legislative Decree 231/01, as adopted by the Association. The consultant's advice and guidance constitutes a logical progression in the development of the Model, enabling the

Board to make the necessary changes for the future.

The Supervisory Board found no irregularities with respect to the checks it was responsible for carrying out in relation to said Decree 231/2001.

In the closing months of the year, the necessary steps were taken to elect new corporate bodies with a mandate for the three-year period 2023-2025, and the new Uni.C.A. customer satisfaction survey was launched.

Discussions with the Ministry of Health continued as part of institutional activities. This ministry has been working on a project for some years now, which aims to increase the amount of information available on health funds and health insurance funds, in order to create potential synergies or strategies in the health sector, with the goal of providing citizens with adequate health services. The aforementioned discussion, in which Uni.C.A. took part alongside other health insurance funds involved in the project, was also backed by Mefop and SDA Bocconi of Milan, with which partnerships were reaffirmed.

In 2022, the Association was again in line with the requirements of the so-called "Sacconi Decree", enabling members to deduct their health plan contributions from taxable income.

The accounts for 2022 show that the Association closed the year with a surplus of €65,921.09, proposed to be taken to reserves and added to existing reserves consisting of prior year surpluses. The increased reserves can thus be used for future association activities.

Having come to the end of our three-year term of office, we are proud to have represented a the Association over the last few years. We now leave to the new Board members in good health and with the hope that they will strive to achieve even greater goals and meet the needs of all members, keeping up with the changes in the health sector.

The Chair
Ignazio Stefano Farina

Photo Andrea Cherchi

Report on operations

1. The UniCredit Group's health benefits fund: origins and development

Uni.C.A. was formally established on 15 November 2006 in the form of a non-profit association established pursuant to art. 36 et seq of the Italian Civil Code, with the aim of guaranteeing and managing various types of healthcare benefits to its members, natural persons and their families, including services designed to supplement those offered by Italy's National Health Service. The Association is a welfare provider operating in accordance with the mutuality principle.

Its foundation, however, dates back to 15 December 2005, the date on which the agreement setting up the Association was signed by the then UniCredito Italiano (now UniCredit Spa) and the labour unions representing the Group's staff.

Following major changes to the bank and to its organisational structure, the Articles of Association and the Regulation implementing the Articles were then finalised on 23 October 2006 with the signature of the relevant agreement between the parties.

Uni.C.A. began operating on 1 January 2007.

Following the UniCredito Group's merger with the then Capitalia Group, in the second half of 2007, the parties to the original agreement decided that Uni.C.A. was to be the "vehicle" through which to provide healthcare benefits to all the new bank's Italy-based staff.

In our over ten years of operation, the Association has undergone significant change, as we have gradually developed our service model and upgraded our control and governance system.

Since 1 August 2018, the registered office has been located at Piazza Gae Aulenti 3 (where the UniCredit Group is also headquartered).

Thanks to the experience acquired, the activities carried out and our active participation in initiatives and working groups within the sector, we can rightly claim that Uni.C.A. is today one of Italy's leading providers of supplementary healthcare.

16

YEARS OF OPERATION

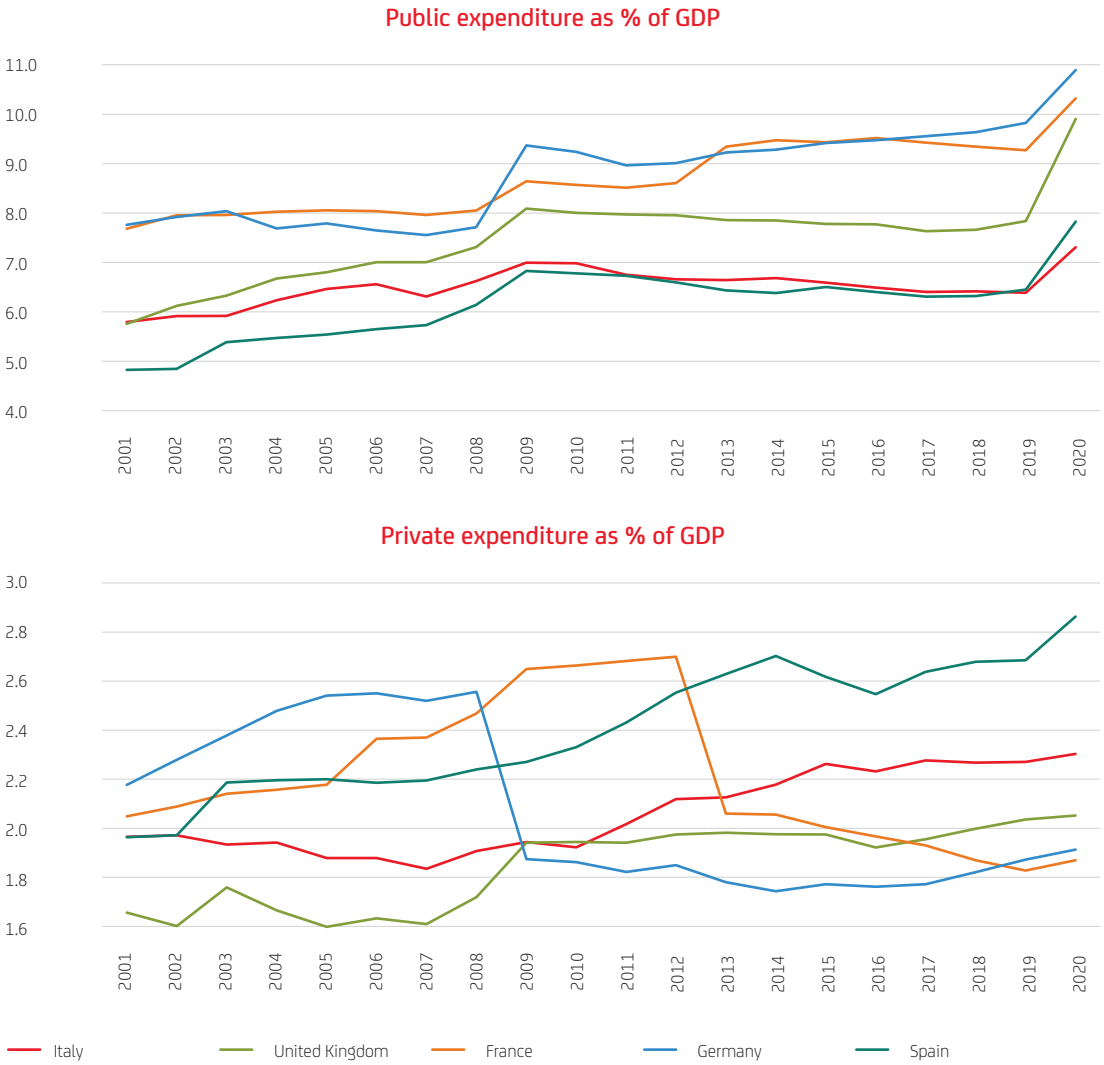
2. Italian healthcare at the end of the pandemic and the onset of the NRRP

The following is a contribution from the Observatory on Private Consumption in Healthcare (OCPS) at SDA Bocconi, the Graduate Business School of Bocconi University, with which Uni.C.A. has been collaborating for several years. It provides an analysis of the state of the Italian healthcare system after the pandemic, reflecting on the consequences of Covid-19 and the potential scenarios associated with the National Recovery and Resilience Plan (NRRP).

Prospects for the Italian healthcare system after the pandemic

The proportion of Gross Domestic Product (GDP) that a country devotes to financing its health system can give an indication of the importance of health on the political agenda. The below graphs provide an indication of the share of GDP allocated to public and private health expenditure over the last two decades in some of the major European countries, including Italy.

Figure 1 - Trend in public and private compulsory health expenditure (1st graph) and private voluntary expenditure (2nd graph) as % of GDP over the period 2001-2020 with reference to Italy, France, Germany, the United Kingdom and Spain

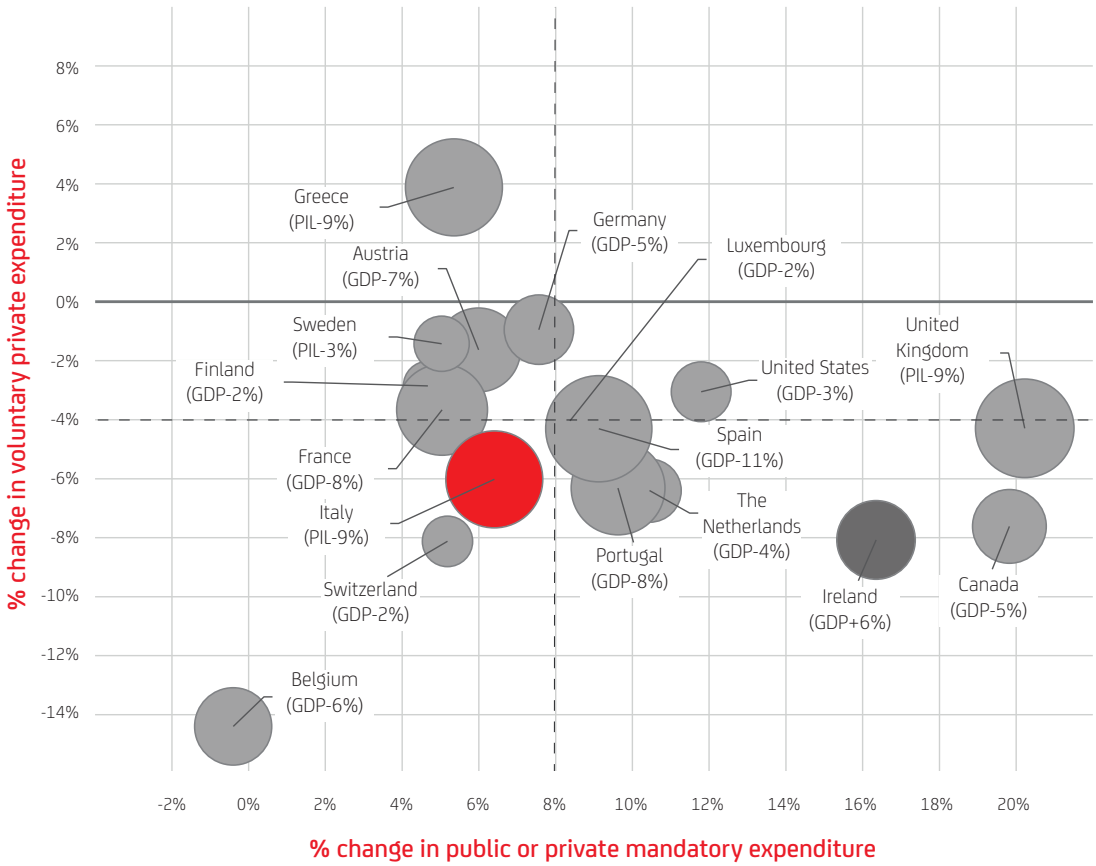


Source: Del Vecchio et al. *I consumi privati in sanità.* In Cergas – SDA Bocconi, Rapporto OASI 2022. EGEA Milan, 2022. Page 248.

It is clear that Germany and France have a much larger proportion of their GDP devoted to financing public expenditure than Italy and Spain, while the UK lies somewhere in between these two groups. In terms of the share of GDP allocated to financing private expenditure, we have a more complex situation. The "collapses" in France and Germany are largely due to the OECD (Organisation for Economic Co-operation and Development) redefining certain financing categories. This issue aside, it is evident that Italy and Great Britain have a very similar trend in the ratio of GDP to private health expenditure, while Spain has a significantly higher share of financing compared to the other countries. In summary, if we compare Italy's share of GDP allocated to health with that of other major European countries, we find that it is significantly lower than the wealthiest countries when it comes to public health expenditure, but is more comparable to France and the UK for private health expenditure.

The Italian approach to healthcare financing, which is characterised by a relatively limited mix of public and private healthcare spending, is also supported by the data collected internationally during the pandemic. Against the backdrop of a catastrophic health emergency – which Italy was at the sharp end of for a long time – it is clear that our country has managed to increase its public health expenditure in a responsible manner, increasing the share of GDP allocated for this purpose by only one percentage point, without overburdening citizens' private expenditure. The figure below illustrates the change in GDP (shown in brackets) and the degree to which governments have stepped in to cover health spending (mandatory public or private expenditure) as citizens have significantly reduced their own health spending (voluntary private expenditure). Exceptions to this pattern can be seen in Greece, where voluntary health expenditure has increased, and Belgium, where public health expenditure appears to have remained static. As mentioned, Italy experienced a relatively small rise in public expenditure and a significant decrease in private spending due to the closure of businesses. Other countries, such as France, saw a similar increase in public expenditure as Italy, but there was a smaller decrease in private healthcare expenditure, likely due to the different strategies employed by the French government to facilitate access to healthcare providers. In a nutshell, the above shows that our health system managed to maintain a restrained use of financial resources despite the extreme state of emergency in which it was operating.

Figure 2 - 2019-2020 % change in compulsory public and private healthcare expenditure (horizontal axis), voluntary private expenditure (vertical axis) and GDP (size of bubbles and values in brackets)



Source: Del Vecchio et al. *I consumi privati in sanità.* In Cergas – SDA Bocconi, Rapporto OASI 2022. EGEA Milan, 2022. Page 244.

Focusing on the Italian data specifically, public health expenditure remained between 6.7 and 7% of GDP between 2011 and 2019, increasing by one percentage point during the pandemic emergency in 2020, before beginning to decline (-0.4%) as soon as 2021. It is also worth noting the resurgence in private spending: Following the dramatic decrease in 2020, largely due to the closure of healthcare providers, there has been a noticeable rise that has almost levelled the figures for 2019 and 2021.

Table 3 - Current NHS expenditure and its funding; current private healthcare spending; total current expenditure (2011-2021) (€ m)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total current health expenditure											
Billions of euros	146.2	146.9	145.8	148.2	150.4	151.8	155	157	158.4	162.5	168.6
% of GDP	8.9	9	9	9.1	9.1	9	8.9	8.9	8.8	9.8	9.5
Current public health expenditure											
Billions of euros	112.8	114	112.9	114.3	114.6	115.9	117.7	119.1	120.3	126.8	130.2
% of total health expenditure	77.2	77.6	77.4	77.1	76.2	76.3	75.9	75.8	75.9	78	77.2
% of GDP	6.8	7	7	7	6.9	6.8	6.8	6.7	6.7	7.7	7.3
% of final consumption gov. expenditure	33.9	33.9	33.9	34.6	34.8	34.4	34.3	34.3	34.6	35.6	36.4
Health expenditure of resident and non-resident households in the economic territory											
Billions of euros	33.4	32.9	32.9	33.9	35.8	35.9	37.3	37.9	38.4	35.7	38.4
% of GDP	22.8	22.4	22.6	22.9	23.8	23.7	24.1	24.2	24.2	22	22.8
% of GDP	2	2	2	2.1	2.2	2.1	2.2	2.1	2.1	2.2	2.2
% of household expenditure	3.3	3.3	3.3	3.4	3.5	3.5	3.5	3.5	3.5	3.7	3.7

Source: Del Vecchio et al. *I consumi privati in sanità.* In Cergas – SDA Bocconi, Rapporto OASI 2022. EGEA Milan, 2022. Page 250.

A potential reason for the lack of financial investment by Italian governments over the years in healthcare can be found in the competition between healthcare and other expenditure items included in social protection. This is the outcome of political decisions that will not be examined here. We would like to emphasise, however, that the funding of healthcare has long been in competition with two other strategically important areas of social protection, namely pensions and social care. These include items such as redundancy pay, unemployment benefits, wage integration allowance, family allowances, etc.

Generally speaking, it appears that while pensions make up almost two-thirds of social protection expenditure, the largest growth over the years has been in the area of welfare, with an increase of around 6% over the past two decades. At the time of the Covid-related health, social and economic emergency, expenditure growth in 2019-2021 was 13% for social care and 5% for health services, respectively.

Table 4- Expenditure on social protection benefits (1990, 1995, 2000, 2005, 2010, 2015, 2019-2021) (€ m)

	1990	1995	2000	2001	2005	2010	2015	2019	2020	2021	Average growth rate "90/"21	Average growth rate "95/"01	Average growth rate "01/"10	Average growth rate "10/"21	Average growth rate "19/"21
Healthcare															
expenditure (millions of euros)	38,790	44,534	63,384	70,185	89,896	104,447	102,922	108,501	115,015	120,116	3.70%	7.90%	4.50%	1.30%	5.20%
% of total	26.50%	20.30%	22.50%	23.60%	24.90%	23.80%	21.80%	21.40%	20.90%	21.50%					
% change	-	-1.20%	12.30%	10.70%	6.70%	2.30%	0.20%	1.10%	6.00%	4.40%					
Pensions															
expenditure (millions of euros)	96,413	159,556	200,375	208,045	244,675	300,998	322,747	345,766	367,867	369,716	4.40%	4.50%	4.20%	1.90%	3.40%
% of total	65.70%	72.70%	71.00%	69.90%	67.90%	68.50%	68.50%	68.10%	66.70%	66.20%					
% change	-	17.70%	2.20%	3.80%	3.30%	3.30%	1.00%	2.90%	6.40%	0.50%					
Welfare															
expenditure (millions of euros)	11,447	15,508	18,425	19,575	25,904	34,167	45,789	53,540	68,465	68,768	6.00%	4.00%	6.40%	6.60%	13.30%
% of total	7.80%	7.10%	6.50%	6.60%	7.20%	7.80%	9.70%	10.50%	12.40%	12.30%					
% change	-	2.20%	4.40%	6.20%	1.50%	-3.00%	9.30%	6.50%	27.90%	0.40%					
Total	**146,650**	**219,598**	**282,184**	**297,805**	**360,475**	**439,612**	**471,458**	**507,807**	**551,347**	**558,600**	**4.40%**	**5.20%**	**4.40%**	**2.20%**	**4.90%**
% change	-	12.10%	4.50%	5.50%	4.00%	2.60%	1.50%	2.90%	8.60%	1.30%					

Source: P. Armeni et al. La spesa sanitaria: composizione ed evoluzione nella prospettiva nazionale, regionale ed aziendale. In Cergas – SDA Bocconi, Rapporto OASI 2022. EGEA Milan, 2022. Page 116.

Given the above, the question arises as to what the future of NHS funding will look like post-pandemic. The recent Additional Note to the Economic and Financial Document 2022 (NADEF) provides some initial guidance: Over the next three years, the share of GDP allocated to public health is expected to reach 6.1%, with the potential for a significant increase in GDP due to the productivity gains in the economy thanks to investments funded by the NRRP. The area of welfare – here referred to as "Other social benefits" – is also expected to fall by about one percentage point.

Despite any changes that may be taking place, it is clear that public health funding is back to the same position it had on the Government's agenda before the pandemic began – a period which saw a decade of underinvestment (see Table 5).

Table 5 - The government spending account under current legislation (% of GDP) in the Draghi government's NADEF

	2011	2012	2013	2014	2015
Expenses					
Income from employment	9.9	9.9	9.5	9	8.7
Intermediate consumption	8.8	8.8	8.3	7.9	7.6
Social benefits	22.3	21.6	21.6	21.6	21.5
of which: Pensions	16.1	15.7	16.2	16.4	16.4
Other social benefits	6.3	5.9	5.4	5.2	5.1
Other current benefits	4.6	5.6	4.5	4.2	4.1
Total current expenditure net of interest	**45.7**	**46**	**43.9**	**42.7**	**41.9**
Interest expense	3.6	4	3.9	3.8	3.9
Total current expenditure	**49.3**	**49.9**	**47.9**	**46.5**	**45.7**
of which: Health expenditure	7.2	7.1	6.7	6.2	6.1

Source: Ministry of Economy and Finance, Economic and Financial Document. Update Note. Approved by the Council of Ministers on 28 September 2022. Taken from Table III.1.b, p. 60. https://www.quotidianosanita.it/allegati/allegato1664556735.pdf

The Court of Auditors has noted in its document entitled "Memo from the Court of Auditors on the DEF 2022 Update Note" of November 2022 that:

"It will need to be checked whether a funding (and spending) profile such as the one outlined in the trend frameworks is compatible with the needs that still exist in the sector, particularly with regards to meeting staffing requirements linked to the reform of territorial assistance envisaged by the NRRP, as well as the increased energy costs." (p. 29).

In the same document, the Court of Auditors also recalls a very heated dispute – albeit one which may have gone unnoticed – between the State and the Regions concerning the updating of tariffs for the Essential Levels of Care (LEA) in the area of specialist outpatient treatment. These measures were passed in 2017, but have yet to be fully implemented due to the regions' resistance to the additional healthcare spending that would be required by the tariffs, as they are deemed to be too costly under the current funding situation.

"There appears to be an issue with resources when it comes to updating the tariff system, which is closely linked to the operation of the new Essential Levels of Services. Despite the efforts of the Ministry's offices to collaborate with the scientific community and the regions, a measure that was due five years ago is still yet to be implemented." (pp. 30-31).

Finally, the difficult situation in which the NHS continues to operate due to the challenges of restoring services that have been disrupted and reducing waiting times even after the pandemic has passed is highlighted:

"*The overall picture of health expenditure is thus particularly tight. This does not take into account the ongoing need to reduce waiting lists and those associated with restoring quality standards in healthcare*

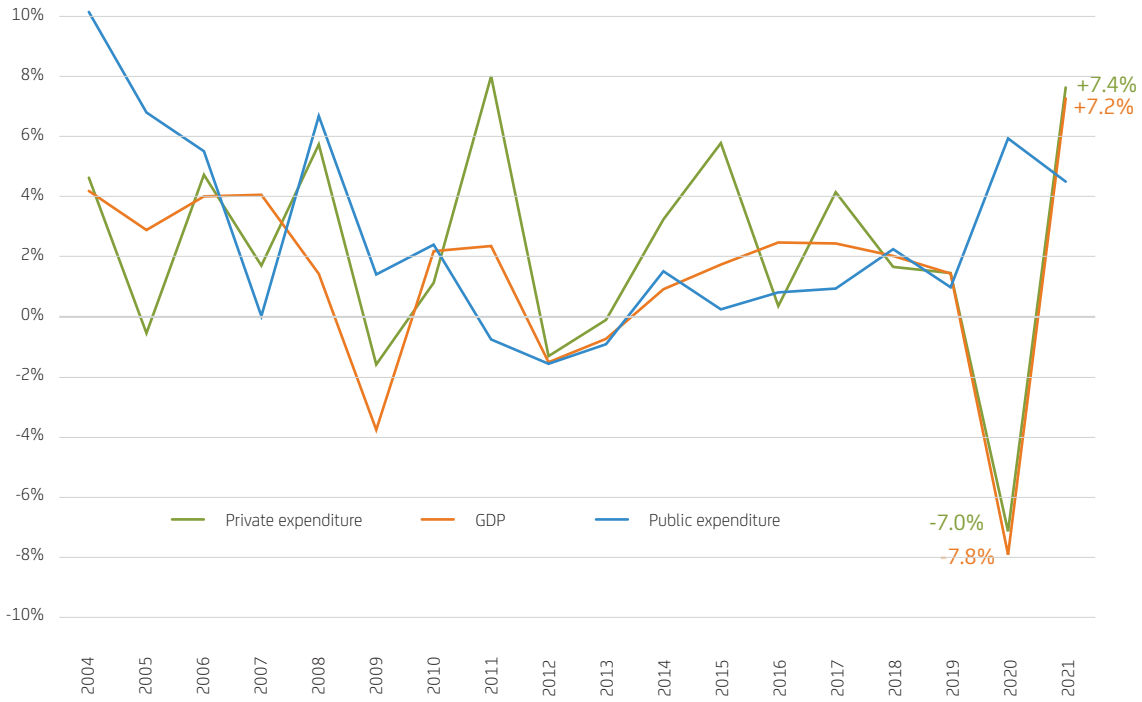
provision, which have been impacted by the health crisis. As shown by the plans for the recoupment of benefits lost during the pandemic years, many regions are still in the process of recovery and it is expected that it will be completed in the coming year." (p. 31).

These excerpts, taken from a document by a respected authority such as the Court of Auditors, provide external confirmation of the ongoing pressures in the system and the potential for a return to the under-funding of the NHS that was typical of the last decade.

Private healthcare spending after the pandemic.

When considering the growth of private healthcare expenditure, it is important to remember the strong link between this and the growth of GDP.

Figure 6 - Annual growth rates for public and private health expenditure and GDP (2004 to 2021)



Source: Del Vecchio et al. *I consumi privati in sanità.* In Cergas – SDA Bocconi, Rapporto OASI 2022. EGEA Milan, 2022. Page 252.

As the figure above shows, it is evident that there is an inverse relationship between GDP and private health expenditure: As mentioned, in the last two pandemic years, the rebound effect between 2020 and 2021 is evident. The table below provides more detail on this trend, based on estimates from ISTAT's surveys of Italian household expenditure. Data for 2022 is awaited to confirm the 0.2% growth in private health expenditure intermediated by voluntary health insurance between 2020 and 2021.

Table 7 - Private health expenditure by financing scheme, 2012-2021 (billion euros)

Private health expenditure	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Direct household expenditure	31.5	31.5	32.5	34.4	34.5	35.9	36.2	36.5	34	36.5
Voluntary financing schemes, of which:	2.9	2.9	2.9	3.1	3.4	3.7	4	4.3	4.2	4.5
-Voluntary health insurance	2.3	2.2	2.2	2.3	2.5	2.7	2.9	3.2	3.2	3.4
-Funding schemes by non-profit institutions	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.4	0.3	0.4
-Funding schemes by companies	0.5	0.5	0.6	0.6	0.6	0.7	0.7	0.8	0.7	0.8
Total	**34.4**	**34.3**	**35.5**	**37.5**	**37.9**	**39.6**	**40.2**	**40.8**	**38.2**	**41**

Source: Del Vecchio et al. *I consumi privati in sanità.* In Cergas – SDA Bocconi, Rapporto OASI 2022. EGEA Milan, 2022. Page 255.

Getting into the details of private healthcare expenditure financing, the combined value of all types of scheme – ranging from supplementary healthcare to occupational medicine – decreased in 2020 compared to 2019, before rebounding in 2021 and surpassing the 2019 figure (4.3 versus 4.5). The growth of this can be attributed to voluntary health insurance alone, which could be explained by an increase in utilisation due to longer waiting times in the public sector and, more generally, difficulties in accessing public providers even in 2021. As mentioned, what happened in 2022 will need to be closely analysed when the data becomes available, to determine whether this was a short-term increase that ended with the end of the emergency, or if it involved a learning process in the use of this private expenditure financing instrument.

Against the backdrop of the pandemic, which has been catastrophic for public health and the economy, we must consider how health expenditure fits into the budget of Italian households. It is clear that this cost element is increasingly important for single people, and this impact grows with age. The same can be seen for couples without children, both in absolute terms and when considering the amount of money spent on healthcare relative to the overall family budget. Compared to 2019, there are no changes to report, except for the fact that childless couples with a reference person aged between 18 and 34, and those aged 65 and over, have not seen their spending levels reach the values observed in 2019 in absolute terms. Single-parent households, which are generally seen to be at a higher risk of vulnerability, have instead seen an increase in the proportion of their monthly income that is spent on health expenses. Once more, the figures for 2022 will tell us whether these are simply "temporary issues" or if new areas of social vulnerability are arising in terms of access to healthcare.

Table 8 - Average monthly health expenditure per household (in euros), by household type 2019-2021

Family type	2019				2020		2021	
	% House-holds	% Population	Euro per household	% Total expendi-ture	Euro per household	% Total expendi-ture	Euro per household	% Total expendi-ture
Single person 18-34 years old	2.70%	1.20%	40	2.30%	38	2.20%	41	2.40%
Single person 35-64 years old	13.90%	6.00%	73	3.60%	67	3.60%	75	3.80%
Single person 65 years and over	16.60%	7.20%	97	5.80%	97	6.10%	99	5.90%
Childless couple with r.p. aged 18-34	1.60%	1.40%	106	3.60%	90	3.20%	98	3.60%
Childless couple with r.p. aged 35-64	7.80%	6.70%	132	4.60%	116	4.50%	128	4.90%
Childless couple aged 65 and over	12.80%	11.20%	182	6.80%	150	6.40%	159	6.40%
Couple with 1 child	14.60%	19.00%	130	4.30%	125	4.50%	131	4.40%
Couple with 2 children	13.30%	23.10%	131	3.90%	119	4.10%	138	4.40%
Couple with 3 or more children	3.60%	8.10%	149	4.30%	113	3.70%	141	4.20%
Single parent	11.60%	12.80%	101	4.10%	100	4.50%	113	4.90%
Other types	1.70%	3.40%	114	4.10%	115	4.50%	127	4.90%
Total	**100%**	**100.00%**	**118**	**4.60%**	**108**	**4.60%**	**118**	**4.80%**

Source: Del Vecchio et al. *I consumi privati in sanità.* In Cergas – SDA Bocconi, Rapporto OASI 2022. EGEA Milan, 2022. Page 266.

We also take this opportunity to read these results in the context of recent Italian demographic data reported by ISTAT, which suggests that the dynamics described above are likely to worsen. Indeed, in addition to the decrease of 1.4 million citizens between 2012 and 2021, it is expected that over the next 10 years there will be an increase in the number of single people compared to households with children throughout Italy. It is estimated that by 2059, the ratio of people aged between 15 and 65 (defined as independent) to those over 65 will be almost equal.

Figure 9 - ISTAT demographic forecast: age group size 2021 - 2050, millions of Italian residents

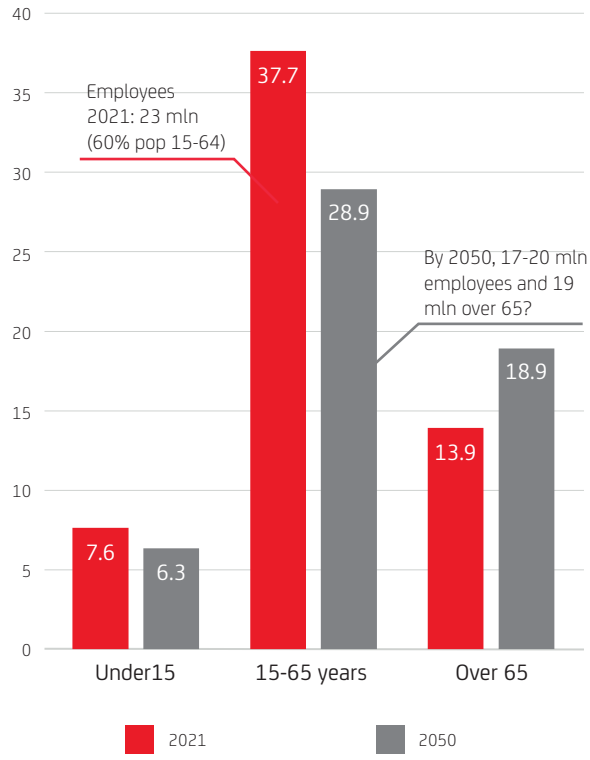
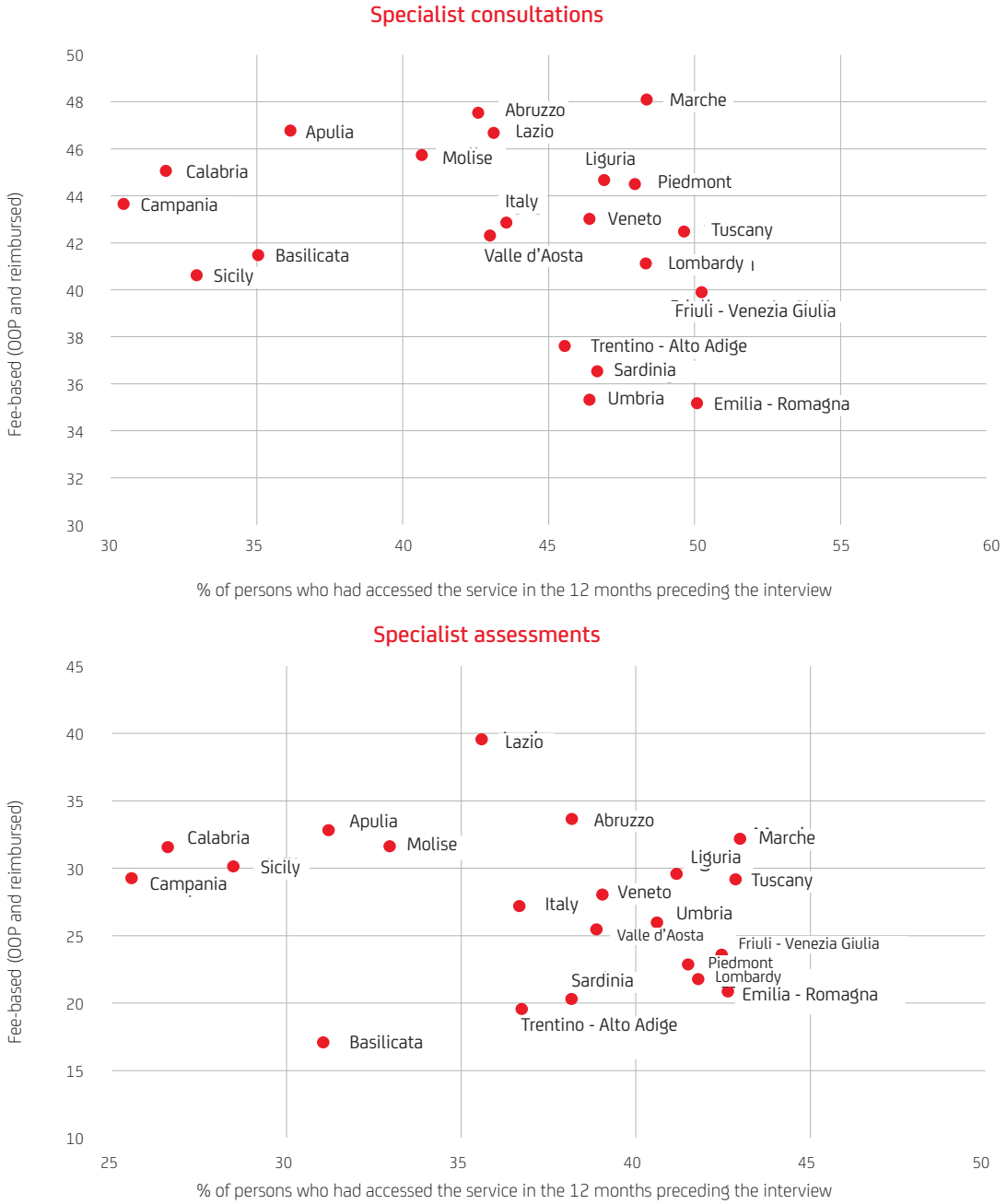


Figure 10 - Demographic forecasts: % of couples with children and single persons, out of total households, by geographical breakdown, 2021 -2030

Source: A. Ricci, Domanda e offerta di servizi sanitari, Convegno OASI 2022. Milan, 16 November 2022.

Turning from the national to the regional level of private consumption, it has already been shown that this expenditure component, although closely linked to income, has not yet had a significant impact in replacing public health expenditure. It is clear that regional health services (SSR) have many shortcomings in terms of both the quantity and quality of care they provide, and this has already been highlighted previously. Furthermore, private healthcare expenditure in these regions is low, suggesting that it does not act as a substitute for the services offered by SSR. Thus, it appears that citizens' health may be under-treated and under-invested in. The following figure provides an indication of this.

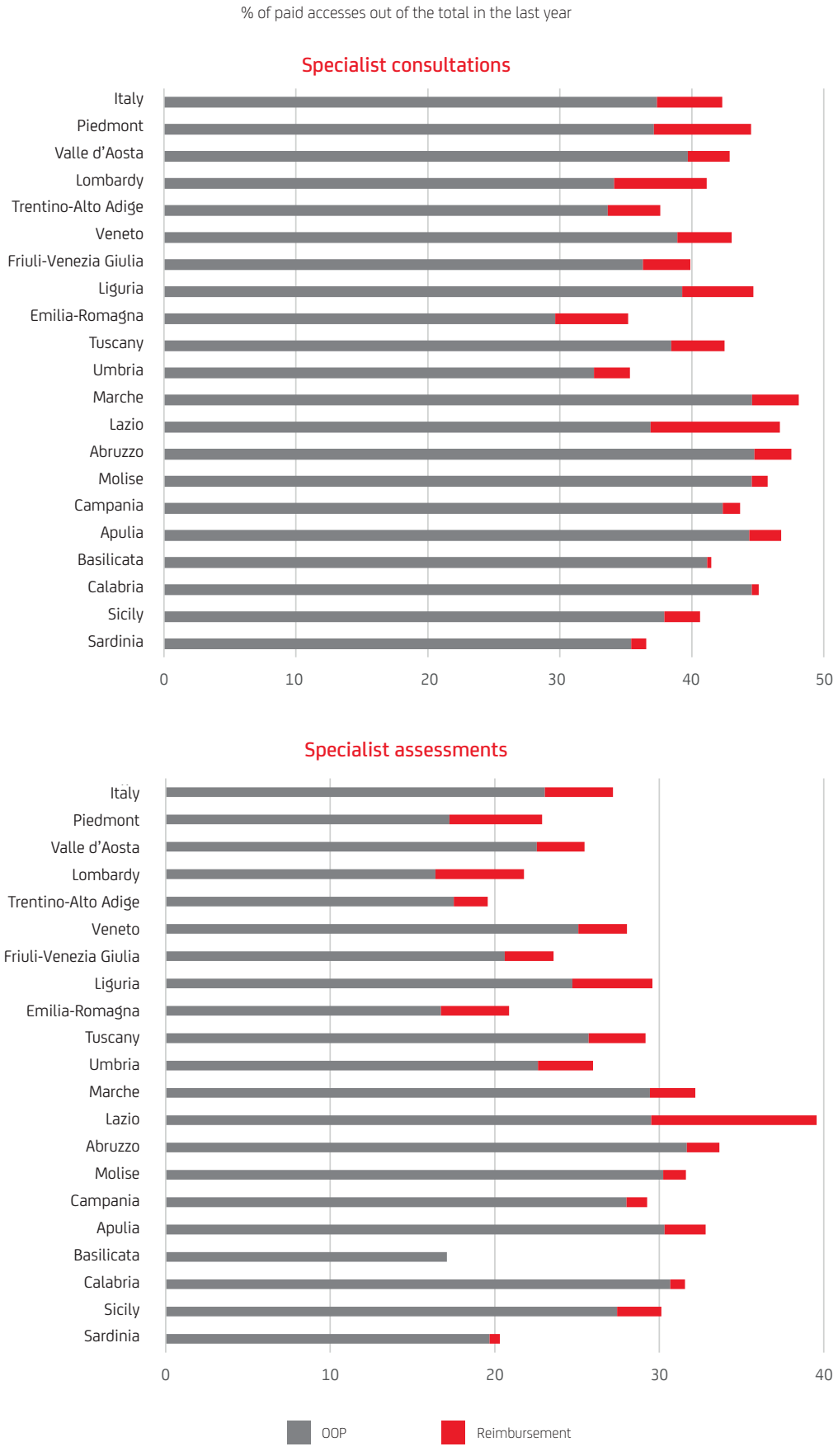
Figure 11 - Payment method and rate of access to healthcare services, by type of service recorded in 2019 for the year 2018, by region



Source: Del Vecchio et al. *I consumi privati in sanità.* In Cergas – SDA Bocconi, Rapporto OASI 2022. EGEA Milan, 2022. Page 271.

It should be noted that the regions of Campania, Calabria, Sicily, Molise and Apulia have the lowest frequency of access to specialist visits and diagnostic tests. This is based on the percentage of people who had at least one specialist visit or diagnostic test in the 12 months prior to the ISTAT survey on the expenditure and consumption of Italian households. As the graph below shows, there is a lower presence of supplementary health funds in the South of Italy, suggesting that these costs are mainly paid for directly by the public (known as out-of-pocket expenses). On the other hand, regions such as Emilia-Romagna, which is renowned for its efficient Regional Health Service, are characterised by a higher frequency of access to specialist visits and diagnostic tests, as well as a lower proportion of out-of-pocket expenditure.

Figure 12 - Method of payment by type of service recorded in 2019 for the year 2018, by region



Source: Del Vecchio et al. *I consumi privati in sanità.* In Cergas – SDA Bocconi, Rapporto OASI 2022. EGEA Milan, 2022. Page 269.

The transition from 2019 to 2020 highlights an exacerbation of these differences, as shown in the table below. For consultations, regional variability was found to have increased (the coefficient of variation rose from 14% to 18%), with the least changes seen in Liguria and Veneto and the most significant changes recorded in Molise, Basilicata and Calabria. For specialist assessments, on the other hand, the variability figure remains largely unchanged in Lazio and Apulia, with greater reductions seen in Basilicata, Marche and Calabria. In general, the variations observed in the southern regions tend to be more significant on average on both fronts. In the face of these changes in access to services, there was little change in the mix of payment channels (out-of-pocket and supplementary healthcare reimbursements).

A picture thus emerges in which, in the regions with higher incomes and better performing regional healthcare systems, there is still an expected level of private healthcare consumption, a large portion of which is covered by insurance reimbursements (in some regions), supported by the industrial infrastructure that facilitates the development of group policies to a greater extent. On the other hand, it should be noted that, as has been observed to some extent in Greece, some Italian regions may have entered a vicious cycle in which the poor functioning of public health systems, lower welfare provisions, and the presence of the voluntary sector all contribute to a decline in access to services overall. In these situations, out-of-pocket expenditure is no longer a viable option, particularly for those on lower incomes, and instead becomes an additional obstacle to accessing healthcare.

Table 13 - Payment method by type of service recorded in 2019 for the year 2018 and in 2020 for the year 2019, by region (percentage share of total private healthcare expenditure)

	Free		Ticket		OOP		Reimbursement	
Regions	2019	2020	2019	2020	2019	2020	2019	2020
Piedmont	27	27	29	28	37	36	7	9
Valle d'Aosta	20	21	37	29	40	41	3	9
Lombardy	27	28	31	33	34	32	7	7
Trentino-Alto Adige	23	25	40	37	34	34	4	3
Veneto	25	24	32	32	39	41	4	4
Friuli-Venezia Giulia	27	29	33	30	36	37	4	4
Liguria	24	24	31	31	39	38	5	6
Emilia-Romagna	27	26	38	36	30	33	6	5
Tuscany	23	21	35	30	38	43	4	7
Umbria	25	26	39	32	33	38	3	5
Marche	24	21	28	32	45	44	4	3
Lazio	21	23	32	29	37	37	10	11
Abruzzo	23	23	29	33	45	41	3	3
Molise	27	24	28	32	45	40	1	5
Campania	16	13	41	45	42	40	1	2
Apulia	27	23	26	27	44	48	2	2
Basilicata	24	26	34	35	41	35	0	4
Calabria	26	31	29	27	45	42	1	1
Sicily	30	29	30	30	38	40	3	1
Sardinia	33	29	31	32	35	38	1	1
Total	**27**	**25**	**33**	**32**	**37**	**38**	**5**	**5**

Source: Del Vecchio et al. *I consumi privati in sanità.* In Cergas – SDA Bocconi, Rapporto OASI 2022. EGEA Milan, 2022. Page 273.

As expected, the regions where households are most likely to use supplementary healthcare to pay for specialist examinations are Lombardy, Lazio, Piedmont and Emilia-Romagna. It should also be noted that regions such as Tuscany experienced a significant rise in both the proportion of out-of-pocket expenditure and the proportion of intermediated expenditure (from 38% to 43% and from 4% to 7% respectively). Molise saw a significant decrease in out-of-pocket expenditure (from 45% to 40%) and a near-equal increase in the share of intermediated expenditure (from 1% to 5%).

In summary, these data not only effectively demonstrate the significant variation between Italian regions in terms of how they finance their private healthcare expenditure, but also show – in the case of specialist visits in particular – how each region has reacted differently to the sources of financing to be used in an emergency situation characterised by difficulty of access and longer waiting times. No similar data are available for 2021. It is hoped that the data will be available by 2022, so that we can gain an understanding of the consequences of the changes in behaviour and choices that have been made.

The NRRP and Italian healthcare

In the context of the above considerations on the availability of economic and financial resources for public health, and the way private health expenditure is financed and used, the European Union's National Resilience and Recovery Plan (NRRP) stands out as a way to support Member States in their post-pandemic recovery. The following table shows the funding items included in the health-related Mission 6 of the NRRP for a total amount of €15.63 billion, including an additional €4 billion from additional funds.

Table 14 - Breakdown of the financing items of NRRP Mission 6 dedicated to health

Mission and component	Interventions	Intervention amount	Component amount
M6.1	Local healthcare hub (CdC)	2 bn €	
M6.1	Integrated Home Care (ADI) and telemedicine, Territorial Operations Centres (TOC)	4 bn €	**7 bn €**
M6.1	Community Hospitals	1 bn €	
M6.2	Technology and Digital Park, DEA, TI	4.05 bn €	
M6.2	Hospital infrastructure (security)	1.64 bn €	
M6.2	Technological infrastructure (Electronic Health Record - FSE)	1.67 bn €	**8.63 bn €**
M6.2	Research improvement	0.52 bn €	
M6.2	Training	0.74 bn €	

Source: F. Longo, L'evoluzione della sanità italiana, 14 September 2022, Milan.

It should be emphasised that the resources provided by the NRRP are a form of debt to finance capital investments. Therefore, there are no significant current resources envisaged (with the exception of funding for ADI). The aim is to achieve productivity gains with current expenditure, to redeploy staff and to reallocate private expenditure. Moreover, it should be noted that investment expenditure can be intangible too, such as reorganising service delivery points, increasing staff skills, redesigning care processes, and introducing new service formats. This suggests that a new blend of innovations is on the rise, rooted in a combination of physical investments (such as the construction or refurbishment of buildings to transform them into Local Healthcare Hubs (CdC) or Community Hospitals) and healthcare delivery process enhancements (e.g. integrating teleconsultations into care pathways, which could be between patients and doctors or among doctors themselves, or the establishment of a central operations hub, capable of ensuring seamless local care by coordinating the schedules of all participating professionals.

These scenarios are certainly interesting and challenging, and it is useful to make some observations. Investing in bricks and mortar is relatively straightforward to implement and measure, whereas processes can be far more contentious and certainly challenging to not only measure, but, more importantly, to change, as it requires professionals to work in a different way than they have been accustomed to. The risk looming on the horizon is that priority will be given to bricks and mortar due to the tight deadlines imposed by the European Commission, leaving the issue of process innovation in the shadows, when the key to success actually lies in designing and planning both paths together.

This first theme is accompanied by a second, equally critical, one. As can be seen from the table above, most of the expenditure items are related to the construction of facilities and services that focus on providing local care. This is certainly a positive choice, especially in light of the difficulties and limitations that have arisen in this area of care during the pandemic. In this context, it is worth noting the issuance of the Ministry of Health Decree No. 77 of 2022, which provided for the first time minimum national standards for the personnel and technologies required to classify a community home or hospital as such. This is therefore an additional measure designed to ensure a minimum level of uniformity in the quality of care across the country and to provide guidance on the investment standards to be implemented with the NRRP in this area of care, which has been neglected for a long time. Despite attempts to create a clear picture of the territorial care facilities funded by the NRRP, the services they offer, and the standards of the professionals involved, an alarming issue has become apparent - the lack of nurses. A simulation conducted by the OASI Observatory of Cergas - SDA Bocconi has revealed a shortfall of over 100,000 nurses that will be needed within the next three years in order to make the facilities constructed or renovated through the NRRP, as outlined in Ministerial Decree 77/2022, operational.

Undoubtedly, digitalisation and telemedicine and telecare services can play a significant role in boosting the efficiency of our healthcare system and overcoming some of the obstacles that were exposed, often dramatically, during the pandemic. For such goals to be achieved, it is essential that these activities are incorporated into redesigned care pathways, including this extra care setting, and that there are staff who have been trained to manage them remotely. Once again, there is a need to address this path to improve our system in an integrated and systematic way.

Conclusions

It has already been said that the policy appears to be delivering a clear message, beyond the ad-hoc announcements of "a few more billions" soon to be invested in healthcare, of a return to a level of resource availability for healthcare similar to that before the pandemic. However, it should be noted that in recent months, more voices from different stakeholders in the health system have been raised with greater intensity to highlight the critical nature of the situation, which had not been as apparent in the years prior to Covid. It is thus important to keep a close watch on the situation, especially in terms of its implications for integrative healthcare and the potential burden it could bring. This is also accompanied by the need to assess, in the upcoming months, the actual impact of the pandemic in the medium-term on private healthcare expenditure, and more specifically, the proportion of expenditure mediated by supplementary healthcare. We therefore need to understand whether the increased reliance on intermediaries in private spending is a temporary phenomenon due to external circumstances, or if it will become a more permanent fixture, necessitating further consideration of the sustainability of supplementary healthcare itself.

Bibliographic references

P. Armeni, L. Borsoi, E. Notarnicola, S. Rota. La spesa sanitaria: composizione ed evoluzione nella prospettiva nazionale, regionale ed aziendale. Cergas – SDA Bocconi (a cura di), Rapporto OASI. Milan, EGEA 2022.
Corte dei Conti, Memoria della Corte dei Conti sulla Nota di Aggiornamento del DEF 2022. November 2022.
M. Del Vecchio, L. Fenech, LM. Preti, V. Rappini. I consumi privati in sanità. Cergas – SDA Bocconi (a cura di), Rapporto OASI. Milan, EGEA 2022.
F. Longo, L'evoluzione della sanità italiana, 14 September 2022, Milan.
A. Ricci, Domanda e offerta di servizi sanitari, Presentazione Rapporto OASI 2022, Milan. 16 November 2022.

3. Uni.C.A. in the aftermath of Covid-19

By 2022, the health situation related to Covid_19 had greatly improved; however, the queues that built up during the acute phase of the pandemic were still being felt, especially in the National Health Service.

In particular, the failure to provide medical examinations during the most acute phase of the pandemic resulted in a significant lengthening of waiting lists in the public health system. This meant that, in most Italian regions, the public health system was not able to offer the requested services in times deemed necessary or appropriate by the end users, thus leading to a perceived gap in quality when compared to private facilities.

This is why the role of private healthcare, which has been growing for several years now, is fundamental to enabling the country's system to overcome the difficulties of the past months and its citizens to benefit from the healthcare services needed to keep Italy among the world's leading countries in terms of life expectancy.

In this complex health environment, Uni.C.A. has kept up its core activity of providing its members with access to support services for their individual healthcare needs, which cannot be efficiently met by the public healthcare system as previously mentioned. In this vein, the Fund has decided to fully cover the cost of any pneumococcal vaccine administered to its members up to the annuities of 2022 and 2023, at its own expense.

4. The organisational model and its evolution

4.1. Changes in the Board of Directors

In February, Board Member Maurizio Beccari sadly passed away. He was a highly respected Board member elected to represent retired staff and had a wealth of experience in the Association, having been one of its founding members.

In accordance with the terms of the Articles of Association, Mr Tommaso Gigliola, the first of the non-elected candidates representing retired staff, assumed office.

4.2. Uni.C.A.'s staff

In compliance with art. 16 of Uni.C.A.'s Articles of Association, UniCredit provides the personnel needed to staff the Association, including the Director.

The number of staff of the Association, which has gradually taken on the nature and responsibilities typical of an "Expertise Centre", has remained stable over recent years, with five people including the Director and the Assistant Director.

In addition to their usual activities of managing supplier relations and providing advice to members, the staff provided constant support to institutional bodies and the Supervisory Board in accordance with Legislative Decree 231/01. During the first half of the year, they also managed the preparation of the accounting regulations, launched the new 2022-2023 Health Plans and associated memberships, and prepared the association's budget for 2021.

During the second half of the year, the staff were occupied with activities related to the launch of new prevention initiatives, updating the Policy governing conflicts of interest, and preparing for the renewal of Uni.C.A.'s corporate bodies.

4.3. Medical advice

The Association has maintained its cooperative relationship with medical advisors Dr Francesco Sanguinetti and Pier Paolo Cirulli for several years, especially when providing opinions in both the non-dental and dental fields on complex health situations or for clarification of particular pathological areas.

In 2022, the above-mentioned medical advisors issued a total of 23 opinions in connection with complaints management.

4.4. Supervisory Board pursuant to Legislative Decree 231/01

In 2022, the Supervisory Board carried out their supervisory activity without detecting any operational anomalies or reports of irregularities.

At the start of the year, the Supervisory Board carried out in-depth studies as part of its prerogatives for initiating and monitoring the functioning of the Organisation and Management Model. The results of these studies enabled the Cassa to take action to further structure certain activities, such as refining the Conflict of Interest Management Policy Document and formalising the Accounting Regulations, a document that outlines the scope of the Association's accounting.

In the second half of 2, a Quality Review of the 2022 Organisational Model was carried out by a specialist consultant, Protiviti Srl. The results of the review were presented to the Board at the end of the year and were positive. The consultant's suggested improvements to the Model will be subject to evaluation by the Supervisory Board, as part of the Model's regular updating process.

5. Service model

5.1. Insurance and service partnership

Since its foundation, Uni.C.A. has provided health services to its members, mainly by taking out insurance policies with leading insurance companies and outsourcing the services relating to the insurance cover (the payment of claims, the services provided by our network of healthcare partners, etc.) to specialist service companies.

In addition to the services provided through insurance policies and service agreements, the Association also supplies certain services directly, such as prevention initiatives or the coverage of medical expenses not included in the cover provided by the above insurance policies. These regard particularly serious cases judged by the Board of Directors to qualify for exceptional forms of support.

Uni.C.A.'s initial approach was based on a multi-provider model, using a number of service providers that were independent of our partner insurance companies. Having acquired sufficient experience and operational independence, enabling us to assess the data contained in our database and the related trends, from 2014 the Association adopted a radically different service model. This resulted in the switch to a mono-provider approach, based on an insurance and service partnership, for non-dental services, with companies forming part of the same group and affiliated with each other, namely RBM Assicurazione Salute and Previmedical, both RBHold group companies.

Thanks to the synergies resulting from this partnership, the Association has been able to improve the levels of cover in the subsequent years. This has been done without any increase in costs for members, whilst achieving notable savings despite the far from favourable scenario resulting from the economic crisis, the reduction in NHS capacity, putting more pressure on the sector, an aging membership and rising healthcare costs.

In terms of dental cover, since 2016, the Association has fully self-insured the related risk, appointing Aon Pronto Care (Aon Advisory and Solutions Srl), an Aon Italia group company, solely to manage the service, having been satisfied with the services offered by this provider over the years.

Over time, the decision to self-insure dental plans has proven to have been correct as, partly due to the definition of clear rules governing usage and continuous monitoring of the cover provided, it has been possible to achieve savings related to disintermediation that have been progressively reinvested in improvements (in terms of limits and reimbursement percentages) to the cover provided under the various health plans offered in the following years.

Basic Cover*

- **Uni.C.A. enters into an insurance contract with the main health insurance companies.**
- Uni.C.A. signs a service agreement with the Provider linked to the selected Insurance Company.

- The insurance company, through special insurance policies, provides health cover by assuming the related risk.
- The Provider handles administrative services (the payment of claims, etc.) and makes available its network of participating facilities and doctors.

*non-dental

Dental Cover

- **Since 2016, Uni.C.A. has adopted a model of risk self-insurance**

- The Provider handles administrative services (the payment of claims, etc.) and makes available its network of participating facilities and doctors.

5.2 The agreement between Uni.C.A. and UniCredit

Taking into account the provisions of the articles of association, in 2013 Uni.C.A. and UniCredit signed an Operating Agreement, which outlines their mutual commitments and responsibilities in the management of activities related to the running of the Cassa and the achievement of its corporate goals.

In relation to this, the Association continued to rely on the support of UniCredit Group's operational structures for information technology (IT) and administrative services in 2022.

Following amendment of the agreement in 2018 with the implementation related to the Data Protection Officer (linked to compliance with the GDPR), the agreement was further revised in 2020 in order to bring it into line with organisational changes, above all the correct assignment of operational responsibilities to the Team dedicated to Uni.C.A. forming part of the People Services department (formerly HC Operations Italy which has assumed the role previously carried out by the former ES-SSC, later DXC, unit previously outsourced and then later insourced by the Group). The alignment was also necessary following a number of changes to the operational processes involved in certain membership procedures (e.g. the direct debit of contributions using the SEPA payment procedure).

The Uni.C.A. People Services Team is responsible for managing the more administrative activities, such as those related to the process of accessing assistance; initial membership information services; dealing with correspondence with members; collecting membership fees; verifying members' ID and tax status, etc.

Thanks to the synergies developed over time with the relevant team, Uni.C.A. has managed to structure a number of operational processes into a system, ensuring a service that is tailored to the needs of its members.

5.3. The benefits provided by Uni.C.A. and its beneficiaries

Article 7 of Uni.C.A.'s Articles of Association defines the healthcare services that the Association can provide, including through the reimbursement of costs incurred by members and their family members.

The beneficiaries of the services are employees of the Group, retirees, persons previously covered by the health plans offered within the Group and who have taken early retirement ("early retirees") and surviving family members of employees and retirees. Former employees who have become such as a result of the sale of a business unit to companies outside the Group may also continue to be members, in accordance with the provisions of the relevant trade union agreements.

It is possible to extend cover to family members against payment of an additional fee depending on whether they are legally dependent or on the type of relationship.

Services may be provided directly, or via agreements with other entities or service or insurance companies. In addition to the services provided through insurance policies and service agreements, the Association also supplies certain services directly, such as prevention initiatives or the coverage of medical expenses not covered by the above insurance policies, subject to specific authorisation by the Board of Directors. In this regard, Uni.C.A.'s role as a mutual and as a welfare provider allows the Association to intervene, in keeping with the financial resources at our disposal, in order to support members where policyholders or family members included in the cover finds themselves in a particularly serious situation.

6. Members: figures at 31.12.2022 and related trends

The total number of members as at 31.12.2022 was 113,647, of whom 53,565 were policyholders (47.13%) and 60,082 were family members; of the latter, 14,163 (23.57% of the total number of family members) were included against payment of an additional fee.

Retirees accounted for 9,037 members (16.87% of total policyholders) and 6,840 are their family members, of whom 4,284 are included against payment of an additional fee (30.24% of total family members included against payment of an additional fee). The number of retired members increased slightly compared to 2021, at +1.5% (8,902 in 2021)

Within the category of employees, the number of those who terminated their service early in order to access the benefits of the credit-sector Solidarity Fund (early-retiree policyholders) amounted to 7,107, compared to 6,712 in 2021. The share of early retirees out of the total number of policyholders is rising, from 12.3% in 2021 to 13.3% in 2022: This increase is closely related to the implementation of the company's redundancy incentive policies, with the possibility of accessing the industry solidarity fund, governed by the collective bargaining agreements signed in recent years by the Group.

On an overall level, there was a 4% decrease in members compared to last year: This reduction is mainly due to the gradual decrease in the workforce at UniCredit, as well as the decision by new retirees not to remain members.

The average age of members at the end of 2022 is 52.9 years, almost the same as compared to 2021.

The following tables (from 1 to 11) show figures relating to membership at 31 December 2022 and membership trends over the years.

113,647

MEMBERS

53,565

POLICYHOLDERS (47.3%)

60,082

FAMILY MEMBERS

52.9 YEARS

AVERAGE AGE OF POLICYHOLDERS

Tables 1: Membership figures at 31 December 2022

Table 1.a - Membership figures for basic coverage guaranteed by insurance policy

Policy description	NO. OF POLICY-HOLDERS	NO. OF FAMILY MEMBERS			POLICY MEMBERS	TOTAL NO. OF MEMBERS BY GEOGRAPHICAL AREA			
		DEPENDENT FAMILY	PAYING FAMILY MEMBERS	TOTAL		NORTH	CENTRE	SOUTH AND ISLANDS	OVERSEAS (2)
NUOVA PLUS employees	42,498	40,844	8,823	49,667	92,165	53,718	20,001	18,389	57
EXTRA employees	1,209	1,360	663	2,023	3,232	1,662	1,313	253	4
EXTRA 4 employees	552	749	279	1,028	1,580	1,257	234	88	1
EXTRA 5 employees	269	410	114	524	793	690	72	21	10
TOTAL EMPLOYEES *of which 7,107 retiree policyholders belonging to the UniCredit Group and 1,057 policyholders belonging to companies outside the Group, including 51 early retirees (1)".*	**44,528**	**43,363**	**9,879**	**53,242**	**97,770**	**57,327**	**21,620**	**18,751**	**72**
BASE retirees	1,946	465	966	1,431	3,377	1,485	1,214	678	0
BASE + retirees	4,474	1,226	2,143	3,369	7,843	3,883	2,994	966	0
STANDARD retirees	1,784	544	824	1,368	3,152	1,472	1,428	252	0
PLUS retirees	312	142	135	277	589	270	253	66	0
EXTRA retirees	283	112	142	254	537	271	240	26	0
OVER 85 retirees	238	67	74	141	379	140	228	11	0
TOTAL RETIREES	**9,037**	**2,556**	**4,284**	**6,840**	**15,877**	**7,521**	**6,357**	**1,999**	**0**
GRAND TOTAL	**53,565**	**45,919**	**14,163**	**60,082**	**113,647**	**64,848**	**27,977**	**20,750**	**72**

(1) Companies outside the Group, following a sale, which have retained the option, under union agreements, of continuing membership for their employees.
(2) Expatriate employees with family in Italy.

Table 1.b - Membership figures for dental cover

Description of dental cover	POLICYHOLDERS		FAMILY MEMBERS INCLUDED
	NO.	of which	
Collective dental cover (1)	41,850		
of which extended collective dental cover		2,751	6,115
of which full dental cover middle managers and professional area		2,436	5,422
of which full dental cover for senior managers		679	1,197
Total	**41,850**	**5,866**	**12,734**
Dental policy Treviso	109		

(1) The data refer to employees and early-retiree policyholders. For the latter, dental coverage is optional.

Table 2: Membership data at 31 December 2022, showing breakdown of policyholders by gender and type of family member

Policy description	NO. POLICYHOLDERS			NO. OF DEPENDENTS			NO. OF PAID FAMILY MEMBERS				TOTAL
	MEN	WOMEN	TOTAL	SPOUSES	CHILDREN	TOTAL	SPOUSES	CHILDREN	OTHER	TOTAL	
NUOVA PLUS employees	22,599	19,899	42,498	3,277	37,567	40,844	6,471	1,505	847	8,823	**92,165**
EXTRA employees	781	428	1,209	170	1,190	1,360	442	131	90	663	**3,232**
EXTRA 4 employees	451	101	552	101	648	749	207	46	26	279	**1,580**
EXTRA 5 employees	214	55	269	50	360	410	86	9	19	114	**793**
TOTAL EMPLOYEES *of which, 6,560 family members of early retirees belonging to the UniCredit Group and 1,355 family members of policyholders from outside the Group, including 48 relating to early retirees.(1)*	**24,045**	**20,483**	**44,528**	**3,598**	**39,765**	**43,363**	**7,206**	**1,691**	**982**	**9,879**	**97,770**
BASE retirees	1,296	650	1,946	244	221	465	781	176	9	966	**3,377**
BASE + retirees	2,654	1,820	4,474	694	532	1,226	1,791	328	24	2,143	**7,843**
STANDARD retirees	1,163	621	1,784	340	204	544	681	137	6	824	**3,152**
PLUS retirees	219	93	312	79	63	142	107	26	2	135	**589**
EXTRA retirees	194	89	283	73	39	112	106	34	2	142	**537**
OVER 85 retirees	197	41	238	67		67	72		2	74	**379**
TOTAL RETIREES	**5,723**	**3,314**	**9,037**	**1,497**	**1,059**	**2,556**	**3,538**	**701**	**45**	**4,284**	**15,877**
GRAND TOTAL	**29,768**	**23,797**	**53,565**	**5,095**	**40,824**	**45,919**	**10,744**	**2,392**	**1,027**	**14,163**	**113,647**
% of total by category	56.0%	44.0%	100.0%	11.0%	89.0%	100.0%	76.2%	17.2%	6.6%	100.0%	

(1) Companies outside the Group, following a sale, which have retained the option, under union agreements, of continuing membership for their employees.

Table 3: Membership data at 31 December 2022, showing breakdown by age group

Policy description	NUMBER OF POLICYHOLDERS BY AGE GROUP					
	UP TO 30	31 TO 40	41 TO 50	51 TO 60	OVER 60	TOTAL
NUOVA PLUS employees	2,991	4,953	12,875	16,472	5,207	**42,498**
EXTRA employees	10	93	261	597	248	**1,209**
EXTRA 4 employees		22	141	327	62	**552**
EXTRA 5 employees	1	17	123	105	23	**269**
TOTAL EMPLOYEES	**3,002**	**5,085**	**13,400**	**17,501**	**5,540**	**44,528**
BASE retirees	2	1	1	16	1,926	**1,946**
BASE + retirees			4	55	4,415	**4,474**
STANDARD retirees			1	14	1,769	**1,784**
PLUS retirees			1	2	309	**312**
EXTRA retirees			1	5	277	**283**
OVER 85 retirees					238	**238**
TOTAL RETIREES	**2**	**1**	**8**	**92**	**8,934**	**9,037**
GRAND TOTAL	**3,004**	**5,086**	**13,408**	**17,593**	**14,474**	**53,565**
% of total	4.4%	10.5%	25.6%	33.3%	26.2%	**100.0%**

Note: all policies are restricted to members aged no older than 85, with the exception of the specific Over 85 policy for retirees. The policies restricted to retirees may include the recipients of survivor pensions regardless of age (not over the age of 85).

Table 4: Membership data at 31 December 2022, showing breakdown by number and age group of dependent family members

Policy description	NUMBER OF DEPENDENT FAMILY MEMBERS BY AGE GROUP								TOTAL
	SPOUSES				CHILDREN				
	UP TO 40	41 TO 50	OVER 50	TOTAL	UP TO 20	21 TO 30	OVER 30	TOTAL	
NUOVA PLUS employees	309	855	2,113	3,277	28,564	8,582	421	37,567	**40,844**
EXTRA employees	18	30	122	170	828	340	22	1,190	**1,360**
EXTRA 4 employees	11	27	63	101	494	151	3	648	**749**
EXTRA 5 employees	7	19	24	50	307	53		360	**410**
TOTAL EMPLOYEES	**345**	**931**	**2,322**	**3,598**	**30,193**	**9,126**	**446**	**39,765**	**43,363**
BASE retirees	1	3	240	244	32	128	61	221	**465**
BASE + retirees	1	10	683	694	70	281	181	532	**1,226**
STANDARD retirees		2	338	340	28	109	67	204	**544**
PLUS retirees		1	78	79	8	38	17	63	**142**
EXTRA retirees			73	73	6	22	11	39	**112**
OVER 85 retirees			67	67				0	**67**
TOTAL RETIREES	**2**	**16**	**1,479**	**1,497**	**144**	**578**	**337**	**1,059**	**2,556**
GRAND TOTAL	**347**	**947**	**3,801**	**5,095**	**30,337**	**9,704**	**783**	**40,824**	**45,919**
% of total	7.4%	19.4%	73.2%	100.0%	71.1%	26.7%	2.2%	100.0%	

Table 5: Membership data at 31 December 2022, showing breakdown by number and age group of paying family members

Policy description	NUMBER OF PAID-FOR FAMILY MEMBERS PER AGE GROUP												TOTAL
	SPOUSES				CHILDREN				OTHER				
	UP TO 40	41 TO 50	OVER 50	TOTAL	UP TO 20	21 TO 30	OVER 30	TOTAL	UP TO 40	41 TO 50	OVER 50	TOTAL	
NUOVA PLUS employees	567	1,816	4,088	6,471	65	1,190	250	1,505	162	198	487	847	**8,823**
EXTRA employees	33	104	305	442	5	99	27	131	9	8	73	90	**663**
EXTRA 4 employees	11	52	144	207	1	41	4	46	1	5	20	26	**279**
EXTRA 5 employees	7	35	44	86		8	1	9	3	3	13	19	**114**
TOTAL EMPLOYEES	**618**	**2,007**	**4,581**	**7,206**	**71**	**1,338**	**282**	**1,691**	**175**	**214**	**593**	**982**	**9,879**
BASE retirees			781	781		51	125	176		1	8	9	**966**
BASE + retirees		1	1,790	1,791		104	224	328			24	24	**2,143**
STANDARD retirees		2	679	681		41	96	137			6	6	**824**
PLUS retirees			107	107	1	13	12	26			2	2	**135**
EXTRA retirees		1	105	106	2	14	18	34			2	2	**142**
OVER 85 retirees			72	72				0			2	2	**74**
TOTAL RETIREES	**0**	**4**	**3,534**	**3,538**	**3**	**223**	**475**	**701**	**0**	**1**	**44**	**45**	**4,284**
GRAND TOTAL	**618**	**2,011**	**8,115**	**10,744**	**74**	**1,561**	**757**	**2,392**	**175**	**215**	**637**	**1,027**	**14,163**
% of total	6.1%	19.0%	74.9%	100.0%	2.0%	61.0%	37.0%	100.0%	15.8%	20.4%	63.8%	100.0%	

Table 6: Membership data at 31 December 2022, showing breakdown by region and geographical area

Region	No. of members	%
Abruzzo	815	0.7%
Basilicata	298	0.3%
Calabria	780	0.7%
Campania	4,693	4.1%
Emilia Romagna	11,550	10.2%
Friuli Venezia Giulia	2,297	2.0%
Lazio	21,053	18.5%
Liguria	1,797	1.6%
Lombardy	26,503	23.3%
Marche	1,458	1.3%
Molise	505	0.4%
Piedmont	10,697	9.4%
Apulia	3,265	2.9%
Sardinia	879	0.8%
Sicily	10,330	9.1%
Tuscany	3,020	2.7%
Trentino Alto Adige	958	0.8%
Umbria	1,631	1.4%
Valle d'Aosta	245	0.2%
Veneto	10,801	9.5%
Overseas	72	0.1%
Grand total	**113,647**	**100.0%**

Members 2022: % distribution by geographical area

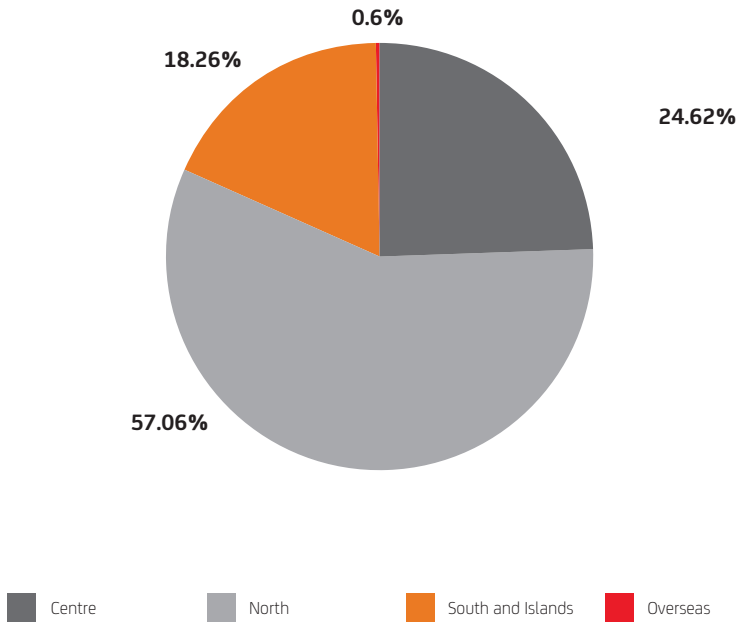
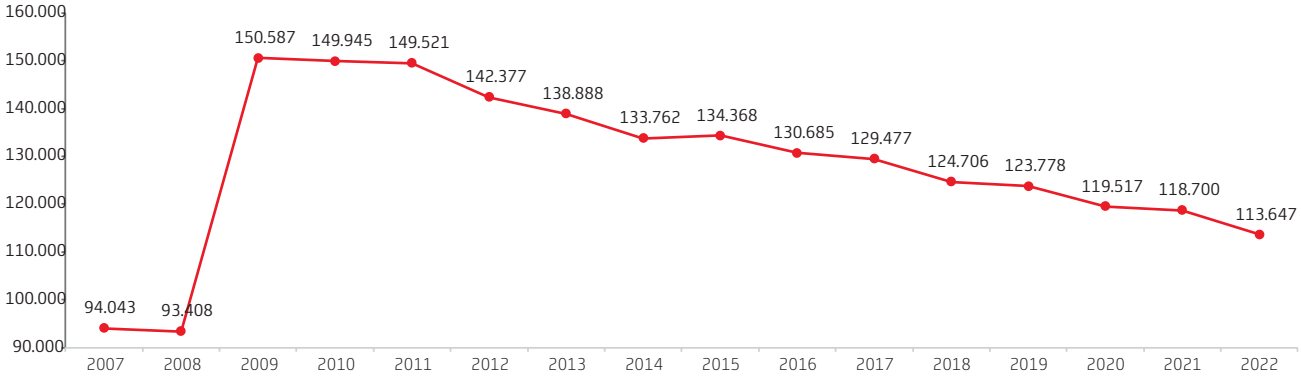
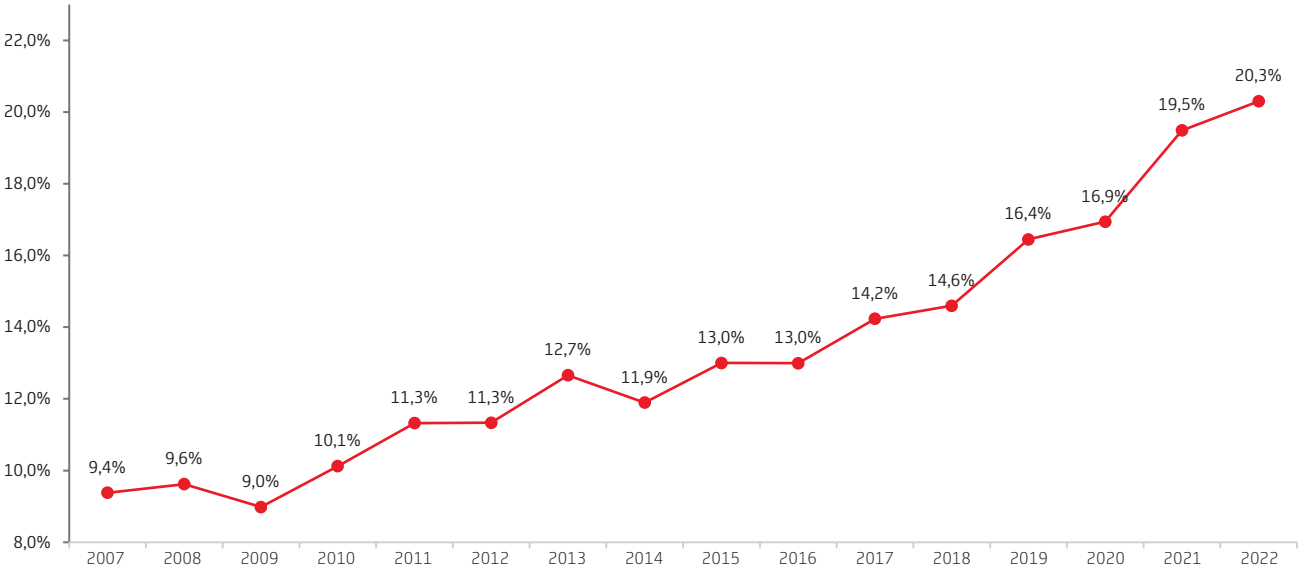


Table 7: Membership changes between 2007 and 2022



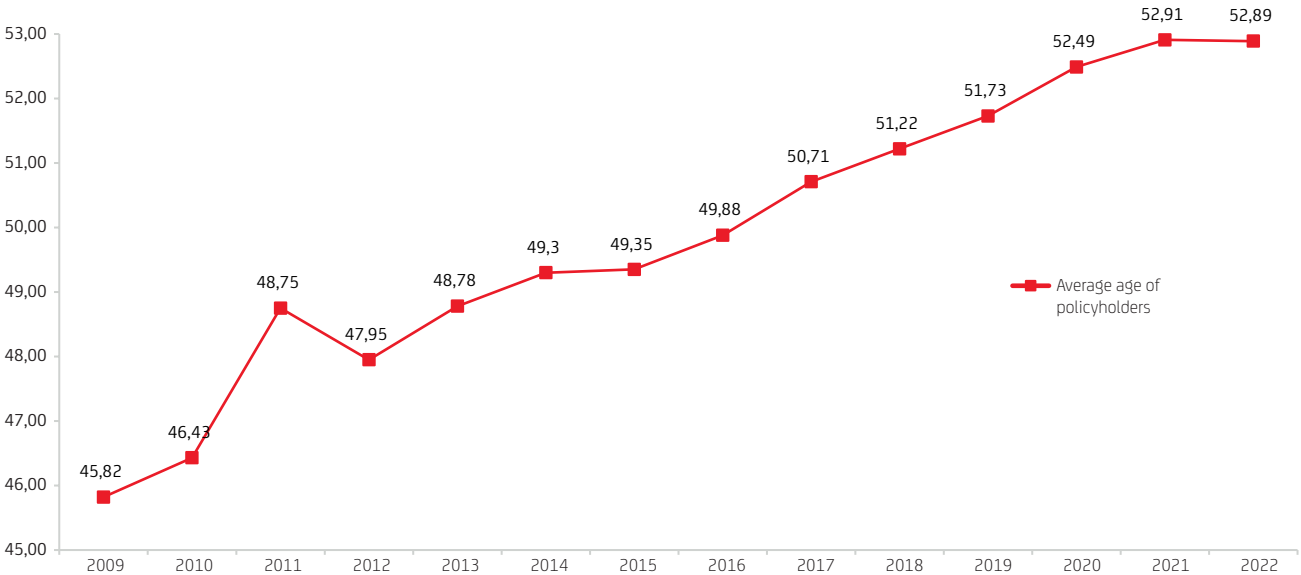
Note: the peak in membership in 2009 is linked to the merger between the former Unicredito and Capitalia banking groups and the consequent enrolment of the latter's employees and retirees in Uni.C.A.

Table 8: Ratio of retirees to employees from 2007 to 2022



Note: the table shows the percentage growth in retiree members versus employee members.

Table 9: Trend for the average age of policyholders



Note: The table shows the increasing average age of members.

Table 10 - Percentage changes by macro-category of members from 2007 to now

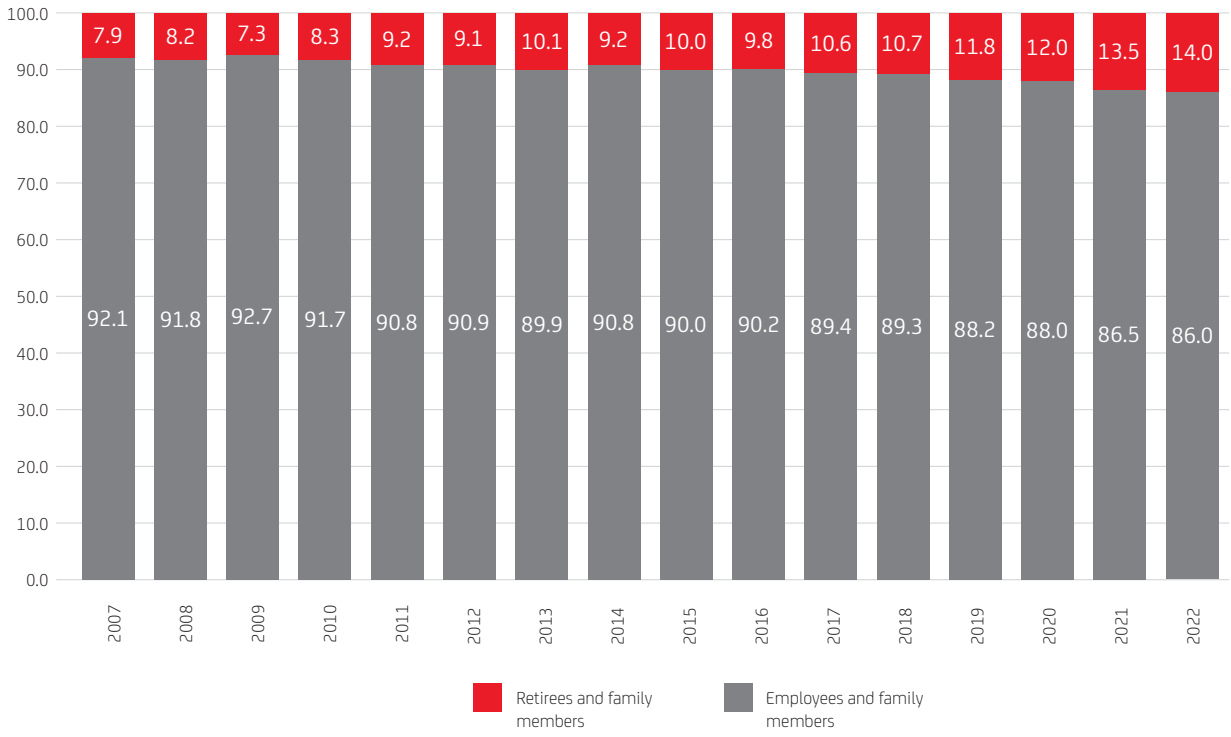
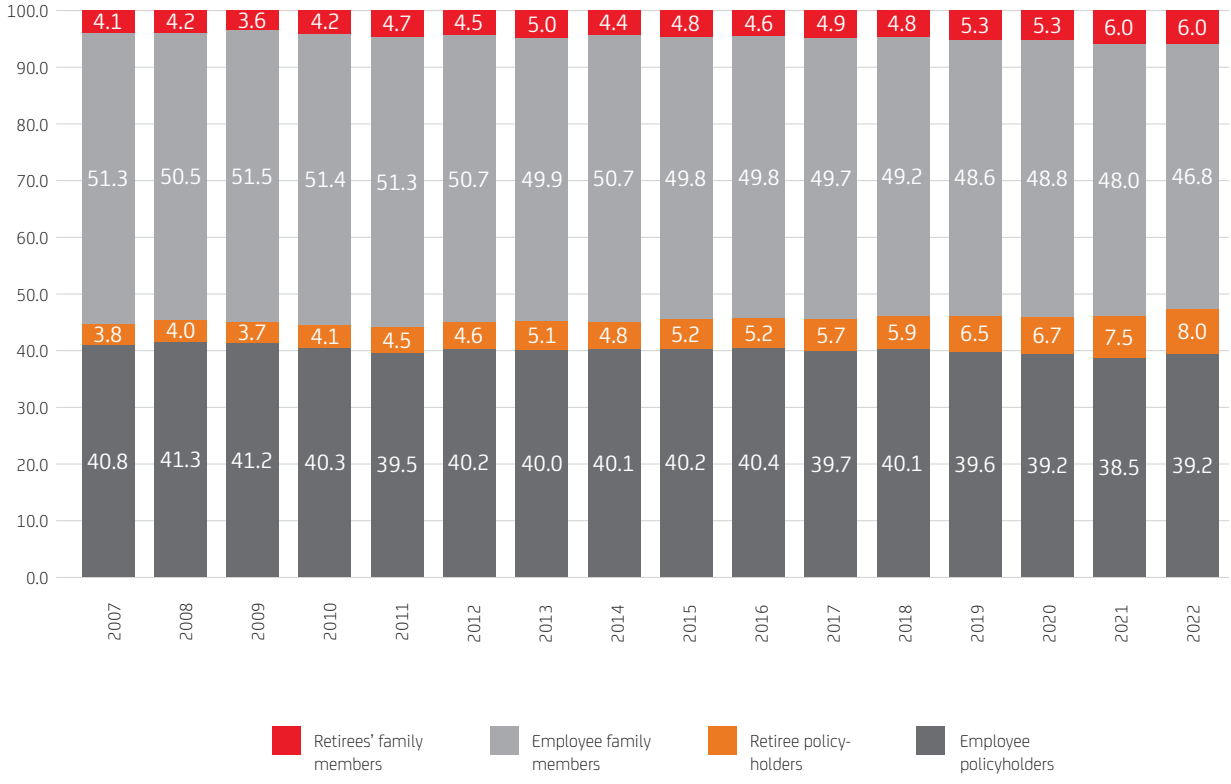


Table 11: Percentage changes by type of member from 2007 to now



7. Member services

7.1. Health plans 2022-2023

The new Health Plans valid for the two-year period 2022-2023 began on 1.1.2022. The structure of the new health plans, i.e. the non-dental insurance covers (so-called "basic covers"), was the result of a particularly complex negotiation process involving the main insurance companies operating in the health insurance sector, driven by two factors: the significant rise in health costs due to the pandemic; On the other hand, the renewal of insurance policies has resulted in an unfavourable loss ratio trend, i.e. the ratio between the claims settled by the Company and the premiums paid by Uni.C.A. has been negative.

Given the economic and social context, as well as the unusual status of the health plans in place, targeted interventions had to be considered that would make it possible to contain loss ratios without reducing coverage or raising premiums, ensuring the sustainability of health plans over time.

Therefore, by making adjustments to excesses and deductibles, particularly for hospital stays and out-patient services, it was possible to maintain the same level of coverage without any additional costs for members.

The renewal process saw the confirmation of both the insurance company ISPRbm and the service provider Previmedical.

For in-service personnel (to which early retirees are equivalent), the following policies have been confirmed:

- Nuova Plus, intended for all employees belonging to Professional Areas and Management;
- Extra, intended for Senior Management.

The policies reserved for senior management personnel with a Global Band Title of 3 or higher were confirmed, as well as the option for employees receiving the Nuova Plus policy to upgrade to the Extra policy, at the same cost over the two-year period 2020-2021.

The maximum age of 85 was retained as the limit for access to coverage.

For retired staff, the following policies were confirmed:

- Base p, Base + p, Standard p, Plus p and Extra p.;
- Over 85, reserved for retirees already over 85 on the effective date of the new health plans.

The six optional supplementary covers, which can only be taken out by on-duty staff, were also renewed without any changes, as was the Earthquake policy, which is borne exclusively by Uni.C.A.

On the other hand, with regards to dental coverage, which is managed entirely on a self-insured basis, it was possible to introduce improvements to all coverage plans (Collective, Extended Collective, Comprehensive and Extended Comprehensive) considering the positive loss ratio.

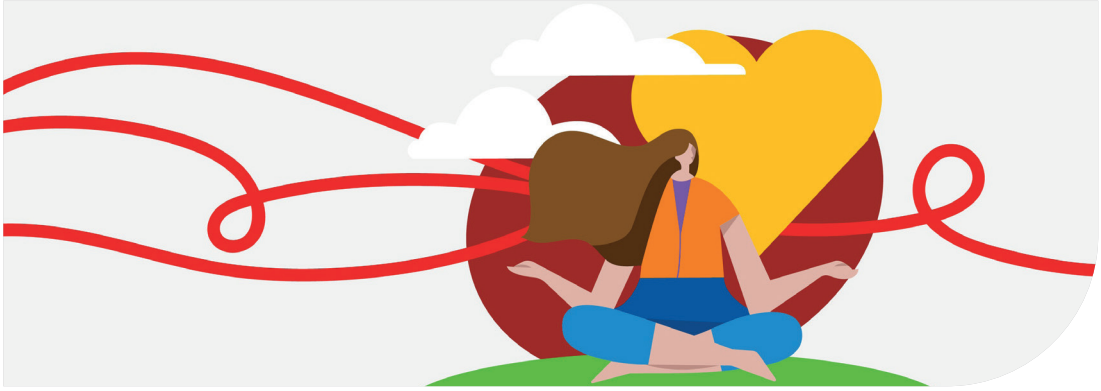
In particular:

- the annual ceiling of all coverage plans has been increased by €1,000 by including sub-ceilings for family members;
- In both the Collective and Extended Collective policies, the amount available for orthodontic services has been increased to £600 for direct forms, and £300 for indirect forms.

The costs of all dental plans remained unchanged.

Given the tried and tested cooperation over many years, Aon Pronto Care (Aon Italia Group) was confirmed as the service provider for dental cover.

The campaign to sign up for the 2022-2023 programmes, which was launched online in November 2021, closed early in 2022 with those who had not taken advantage of the IT procedure subscribing on paper.



We take care of your health

Prevention Campaign 2022-2023

7.2. Prevention - new initiatives

Following the health emergency caused by the pandemic, which led to individuals having to postpone examinations, check-ups and treatments, it is essential that we start taking care of ourselves again.

There is now clear scientific evidence demonstrating the importance of preventive measures and health promotion in reducing the incidence of disease and mortality, as well as in helping to maintain good health and quality of life.

Diseases such as type 2 diabetes, some types of cancer and dementia are, in part, preventable. Almost 80% of heart disease and strokes can be avoided if people are willing to change their lifestyle. Not forgetting the importance of regular check-ups and screenings, according to age and individual health risk. In a nutshell, by following preventative measures, much can be done to improve not just the length but also the quality of our lives, particularly through early diagnosis of conditions which allows for appropriate and timely treatments to be put in place.

The Association has always strongly believed in the importance of prevention; Evidence of this is the fact that, since its establishment, it has invested around €30 million in prevention initiatives, with a high level of engagement from its members, who have cumulatively recorded around 140,000 activities.

The pandemic meant that the usual prevention campaign could not be held for the past two years; In the last months of 2021, as the emergency began to subside, members were offered the option of a "mini" screening which included blood tests.

30 MILLION EUROS

IN PREVENTION INITIATIVES

140,000

PARTICIPANTS

In the latter half of 2022, with the health situation having improved, the Association launched a more comprehensive prevention programme than ever before, available to members at no cost.

The main initiative of the new programme was the Prevention Campaign, aimed at all policyholders and extended to their spouses, provided they are employees, early retirees or retirees of the UniCredit Group. The campaign, which involves separate screenings for different genders and age groups, has been supplemented with further examinations and diagnostic tests, aiming to identify early signs of cancer and cardiovascular diseases that are more likely to occur during life stages such as menopause and andropause.

At the same time as the traditional prevention campaign, pensioner members were, for the first time, given the opportunity to access a specific dental prevention initiative. They were also offered access to any additional dental services not included in the initiative, with subsidised rates applied by the service provider Aon Pronto Care.

The new Prevention Programme will start in October 2022 and will run until 31 July 2023, with appointments needing to be booked by 30 June.

Because of its importance, the campaign has been enhanced as part of the initiatives forming part of UniCredit's Welfare Reconnect offer.

The following table shows the provisional number of participants in the Prevention Campaign by protocol type.

Table 12- Prevention campaign (provisional data at year-end)

Protocol	Number of benefits
"Unica" Prevention Package 2022-2023 Women < 40 Years	558
"Unica" Prevention Package 2022-2023 Women < 40 Years Additional examinations	550
"Unica" Prevention Package 2022-2023 Women >= 40 - < 50 Years	1,452
"Unica" Prevention Package 2022-2023 Women >= 40 - < 50 Years Additional examinations	1,449
"Unica" Prevention Package 2022-2023 Women >= 50 - < 60 years old	2,420
"Unica" Prevention Package 2022-2023 Women >= 50 - < 60 Years Additional examinations	2,415
"Unica" Prevention Package 2022-2023 Women >= 60 Stage III	17
"Unica" Prevention Package 2022-2023 Men < 40 Years	464
"Unica" Prevention Package 2022-2023 Men < 40 Years Additional examinations	1,064
"Unica" Prevention Package 2022-2023 Men >= 40 - < 50 years old	1,063
"Unica" Prevention Package 2022-2023 Men >= 40 - < 50 Years Additional examinations	2,950
"Unica" Prevention Package 2022-2023 Men >= 50 - < 60 years old	4
"Unica" Prevention Package 2022-2023 Men >= 50 - < 60 Years Additional examinations	2,948
"Unica" Prevention Package 2022-2023 Men >= 60 Stage III	64
Total	**17,418**
Number of members who participated in the campaign	**8,920**

Therefore, the campaign continues to follow the path taken since its inception by Uni.C.A., which has made prevention its defining feature, recognising its social and health benefits.

7.3. Other directly financed initiatives

In 2022, the Association also made extraordinary contributions in response to requests from members who were in particularly challenging health circumstances. This is in strict compliance with the provisions of the specific Policy, approved in 2019 by the Board of Directors of Uni.C.A., which provides for the disbursement of contributions to support members' health needs not covered by the insurance policies taken out.

The aim of the Policy is to offer help to members forced to meet the cost of treatment for particularly serious conditions, sometimes over an extended period of time, where this could cause financial difficulties for their families.

A total of €10,380 was disbursed in 2022.

The Policy document and the application form are available to members on Uni.C.A.'s website on the "Directly financed initiatives" page.

7.4. Uni.C.A.'s complaints procedure

For all complaints concerning benefits guaranteed by an insurance policy, there is the option to initiate the insurance complaints process. This approach is due to the IVASS regulations, which insurance companies must comply with in relation to complaints. However, in order to provide greater protection for members, complaints can be forwarded to Uni.C.A., in the event of an unsatisfactory outcome or late response to a complaint by the insurance company (so-called "second-stage" complaints).

For services not covered by an insurance policy, such as dental care managed by the provider Aon Pronto Care, the "internal" Uni.C.A. claims procedure can be activated.

In terms of providers, **Previmedical**:

- the insurance company handled 572 insurance complaints, of which 38% were positive; Uni.C.A. received 122 second-level reports of insurance complaints, of which 32% had a positive outcome despite an initially negative/unsatisfactory result.
- The company also handled 1,703 reports that could not be classified as insurance complaints, but as enquiries about cases authorised directly or settled indirectly. At the second level, 137 reports were received by Uni.C.A., of which 50% were handled positively.

As regards Aon Pronto Care:

- 325 first-stage complaints were processed, of which 301 – about 93% – concerned requests for clarification;
- Uni.C.A. received 32 second-level complaints, of which 53% was resolved positively.

A total of 504 complaints were handled at the second stage in 2022, of which approximately 29% regarding the settlement of claims and 16% regarding the authorisation of health services paid for directly by the Association.

Response times at the second stage were satisfactory (96% by the 30-day deadline set by policy). Where responses took longer, this was connected with the need to acquire additional information about a case, on occasion including the need to obtain an opinion from Uni.C.A.'s medical advisors.

The complaints procedure remains a very important tool for monitoring the services provided to members, enabling us to identify and promptly resolve any problems relating to the service provided and the settlement of claims.

Table 13 – Second-stage complaints handled by Uni.C.A.

	RELATED TO COMPANY OR PROVIDER	NOT RELATED TO COMPANY OR PROVIDER	TOTAL	% OF TOTAL
POSITIVE OUTCOME	124	100	224	44.44%
PARTIALLY POSITIVE OUTCOME	2	1	3	0.60%
NEGATIVE OUTCOME	48	29	77	15.28%
CLARIFICATIONS PROVIDED	117	83	200	39.68%
TOTAL OUTCOMES	**256**	**213**	**504**	**100.00%**
WITHIN 10 DAYS	222	207	429	85.12%
BETWEEN 11 AND 20 DAYS	36	3	39	7.74%
BETWEEN 21 AND 30 DAYS	16	2	18	3.57%
BETWEEN 31 AND 40 DAYS	10		10	1.98%
OVER 40 DAYS	7	1	8	1.59%
TOTAL PROCESSING TIME	**256**	**213**	**504**	**100.00%**

Table 14 - Breakdown of complaints by provider

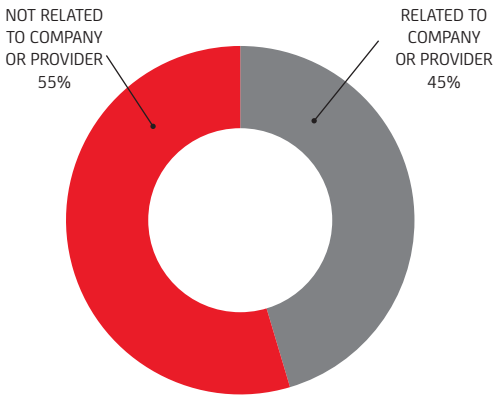


Table 15: Complaint outcomes

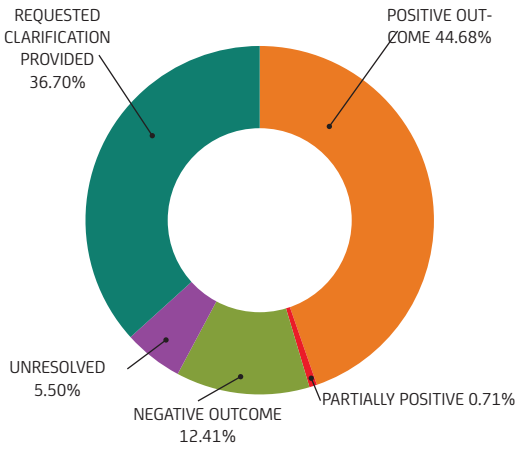


Table 16 - Complaint response times

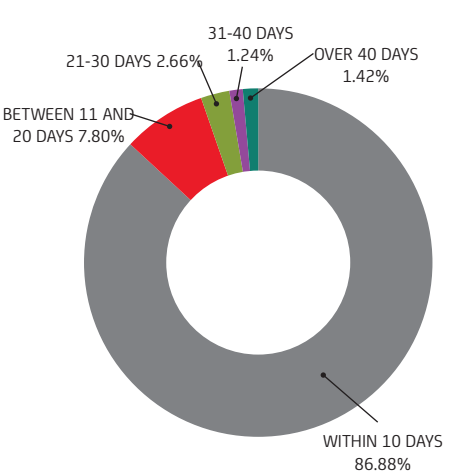
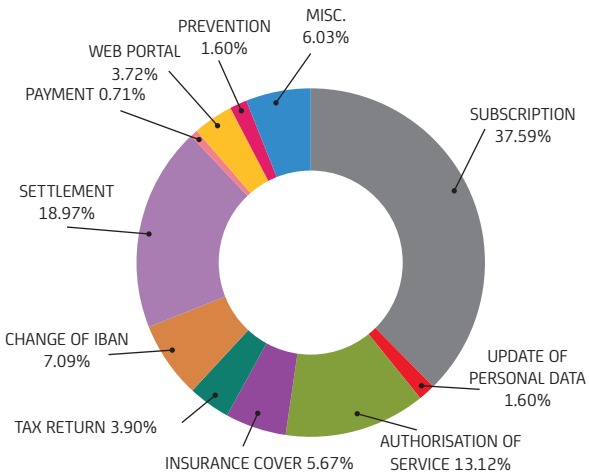


Table 17: Breakdown by type of complaint



8. Audit of membership database

The aim of this activity, which has become a regular practice, is to ensure the accuracy of the data held in the Association's database, ensuring that only eligible members are registered and that the Articles of Association and membership rules are adhered to.

In 2022, the Fund conducted its checks on memberships through a random audit, focusing particularly on identity and comparing individual positions with those from previous years.

In the near future, the usual generalised checks on the identity and tax status of family members will be resumed, requiring them to submit the necessary supporting documentation.

Over time, these checks have proven to be a useful tool for monitoring the accuracy of the identity details recorded, which has a subsequent impact on the loss ratio. In fact, based on the changes made for the regularisation of family members included, an improvement in the loss ratio of almost 5 percentage points was estimated in 2019 (the last year of full checks).

9 Loss ratios

9.1 Basic health policies

With regard to the basic non-dental cover guaranteed by insurance policies, the so-called loss ratios - the ratio of claims paid to the premiums (minus taxes) paid to the insurer - have generally shown an unfavourable trend over the years.

The average for the period 2007-2022 is 103.12%.

The main reasons for the negative trend in the loss ratio are: the increase in medical expenditure ("medical inflation"); The increased awareness of cover options among members, resulting in increased usage; the extension of the available health guarantees.

The estimated closing result for 2022 is around 99%, which is especially noteworthy since it goes against the trend of the past few years, with the exception of 91.7% in 2020, mainly due to the restrictions imposed during the pandemic which resulted in less access to healthcare. This figure is subject to change, however, as the final measure of the loss ratio won't be determined until the two-year statute of limitations for health insurance reimbursements expires.

The decrease in the loss ratio for 2022 can mainly be attributed to the corrective measures that have been implemented in the new Health Plans for the 2022-2023 period. The increase in excesses on certain benefits has had a restraining effect on healthcare spending, providing a better balance between costs (premiums paid) and benefits (benefits reimbursed). The above-mentioned result is undoubtedly important and positive in terms of the future sustainability of health plans.

The tables below show data on the ratio of claims to premiums, broken down by employees and retirees and aggregated by geographical area and by age group.

Table 18: Changes in loss ratio data

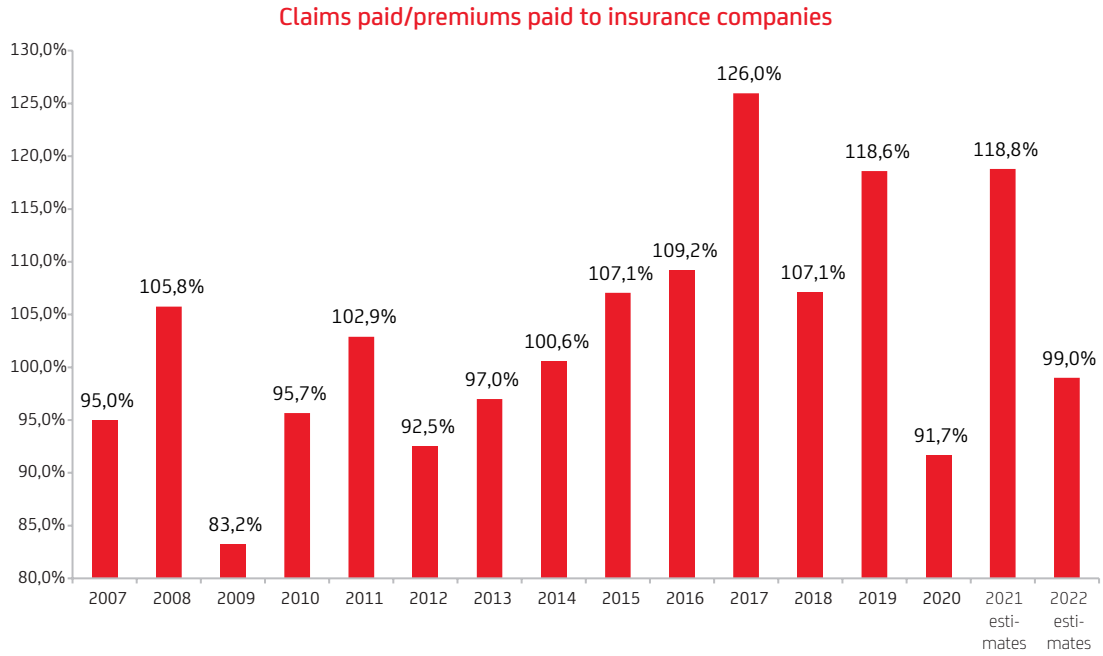


Table 19: Changes in loss ratios data by member category

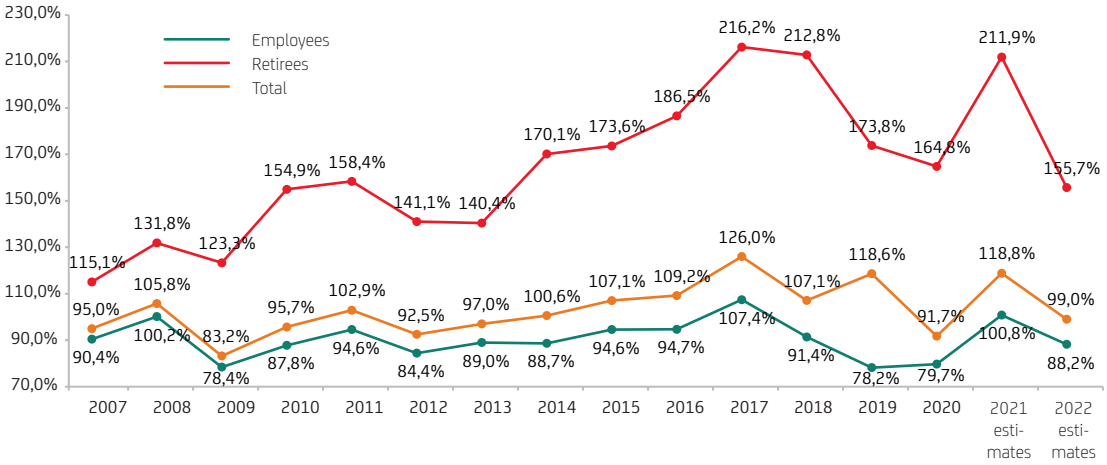
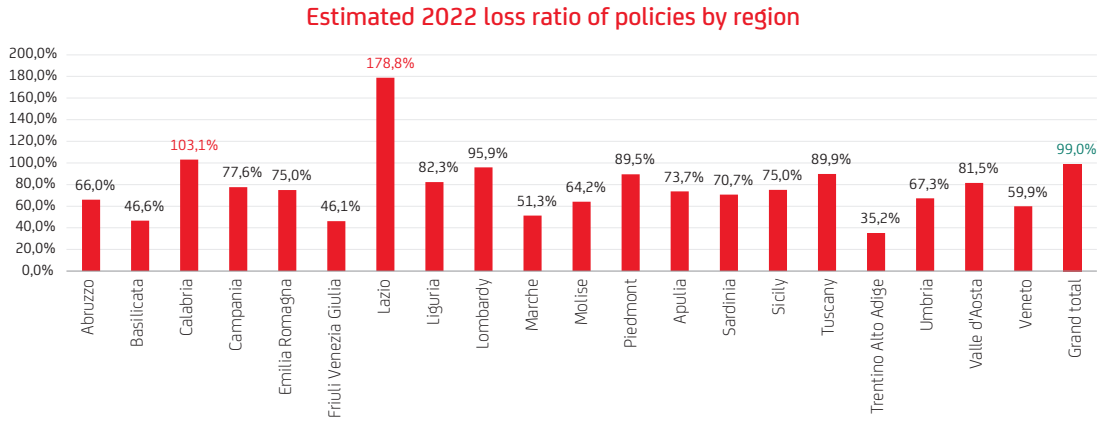


Table 20 - Geographical distribution of loss ratio



Compiled on the basis of data provided by ISRBM Salute S.p.A.

The regions with the highest loss ratio are highlighted in red. The region of Lazio once again recorded the highest imbalance in terms of usage of healthcare services, a trend that is traditionally driven by the large number of members and the high concentration of healthcare facilities in this area. The figure for Calabria in 2021 (87.5%) shows a significant increase in claims for 2022, particularly in the hospital sector and generally for access to services for 50% of those eligible. This appears to be a departure from previous years.

9.2 Dental cover

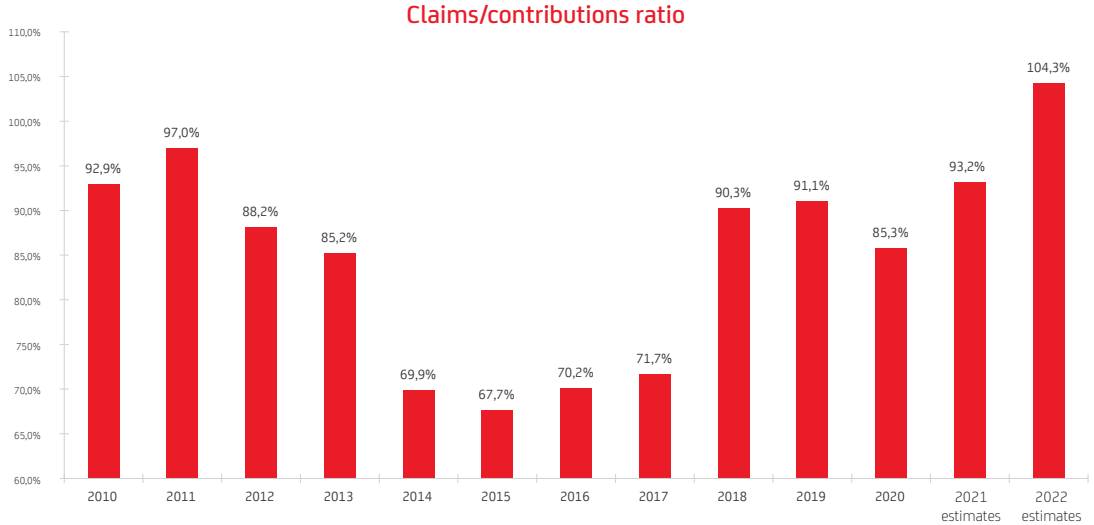
In 2022, in sharp contrast to previous years, the loss ratio for dental coverage was negative. Investigations conducted through the provider Aon Pronto Care also revealed that the unfavourable trend in the above-mentioned ratio is due to a number of concurrent factors: a different distribution of sign-ups to the dental plans offered in 2022; the increase in utilisation; the effect of increased limits of cover and increased out-of-network costs.

Almost all plans show an increase in the frequency of use, i.e. there are more claims per head on average. This is most evident for the Complete and Full membership Plans.

The increase in the cap, which is still in line with the estimates made at the start of the 2022-2023 plans, is about 2.5% of the overall rise of the plans.

Furthermore, the rise in healthcare costs associated largely with the sudden surge in healthcare inflation has led to greater average reimbursements for services outside of the provider's network (where the provider has no control over costs) compared to this 2021.

Table 21 – Changes in the loss ratio of dental cover



10. Key operational and management data - Summary

Overall, under the non-dental policies, approximately 623,000 claims were handled in 2022, with €51.8 million effectively paid out. Based on the estimates made by the insurance company, a higher number of benefits will be attributable to the year, totalling €54.8 million paid out.

As regards dental coverage, in 2022, given about 40,100 claims, approximately €11.2 million was reimbursed, of which €8 million related to 2022 and €3.2 million to previous years. Since 2017 the provider Aon Pronto Care has directly reimbursed members (for claims handled indirectly) and dentists (for claims handled directly), while the Association paid claims for previous years.

The contributions of retirees who were not "*channelled*" – i.e. retirees whose Uni.C.A. contributions were not withheld from the pensions paid by UniCredit Group pension funds – were collected by SDD (Sepa Direct Debit) or by bank transfer, with a total of €9.237 million collected relating to 5,755 positions. This method of collecting contributions has seen a significant increase since 2021 due to the capitalisation of individual pension plans chosen by the majority of pensioners who are members of UniCredit Group pension funds. This means contributions can no longer be debited from the funds themselves.

Failure to pay contributions resulted in exclusion from the Association (35 cases), in keeping with the Articles of Association.

623,000

NON-DENTAL BENEFITS

40,100

OVERALL DENTAL CLAIMS

51.8

MILLION EUROS

SETTLED IN 2022

11.2

MILLION EUROS

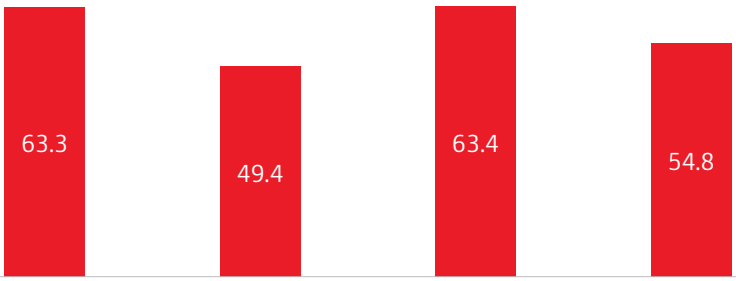
REIMBURSED IN 2022

11. Services provided: analysis and comparison with previous years

As the months passed and the emergency situation caused by the pandemic began to ease, the recovery in healthcare consumption first saw a moderate increase, before accelerating significantly in the second half of 2021 and surpassing the consumption levels seen before the arrival of Covid-19. In 2022, usage levels were back to 2019 levels, as shown in the table below.

11.1. Performance of basic cover

Comparison of annual performance data



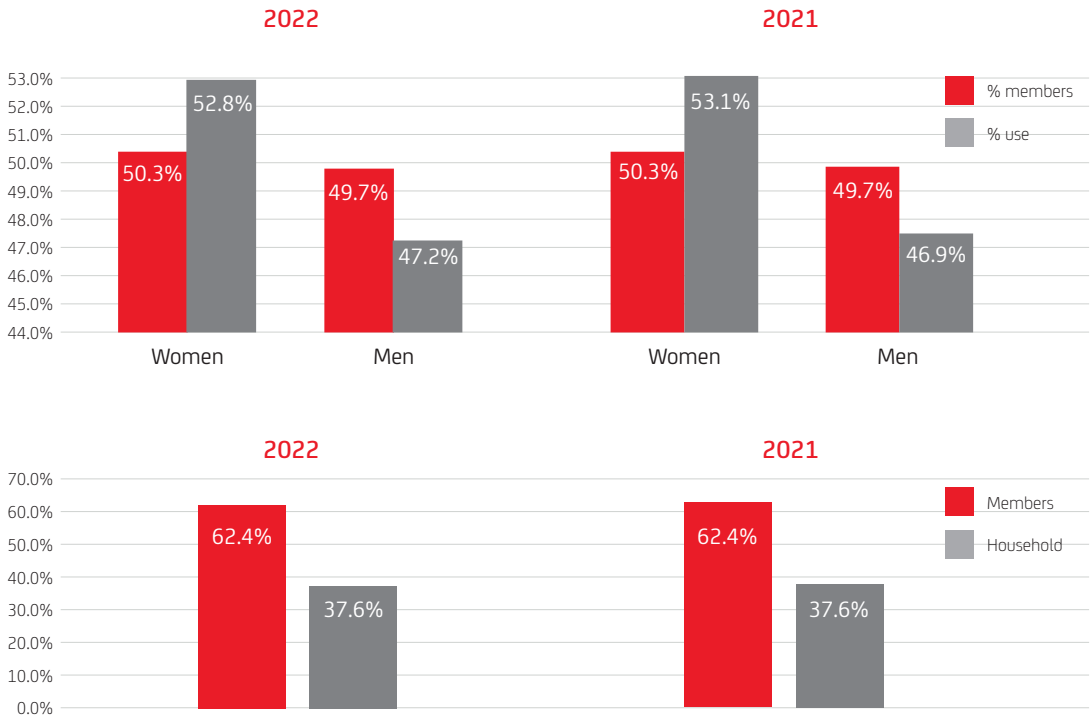
	2019	2020	2021 estimate	2022 estimate
Claims (€m)				
No. of services (thousands)	631 k	540 k	707 k estimate	650 k estimate

Source: ISPRBM data as at 31.12.2022

Given the impact of the Covid-19 emergency in 2020, which resulted in a net reduction of claims due to difficulty accessing healthcare providers, it is anticipated that healthcare consumption will significantly increase in 2021 and 2022, particularly in 2021 due to the so-called 'post-pandemic rebound effect', i.e. a recovery in service provision that is greater than the proportional reduction in 2020. As at 31.12.2022, 51.8 million claims had actually been paid, corresponding to approximately 623,000 benefits: The difference in both the number of claims and benefits, compared to the data shown in the table, largely relates to claims that have already been reported but not yet paid. A small proportion of these are claims the Company has statistically evaluated as having occurred, although no claim has yet been received.

The following graphs compare and highlight various aspects of members' use of policy benefits over two years (2021 and 2022).

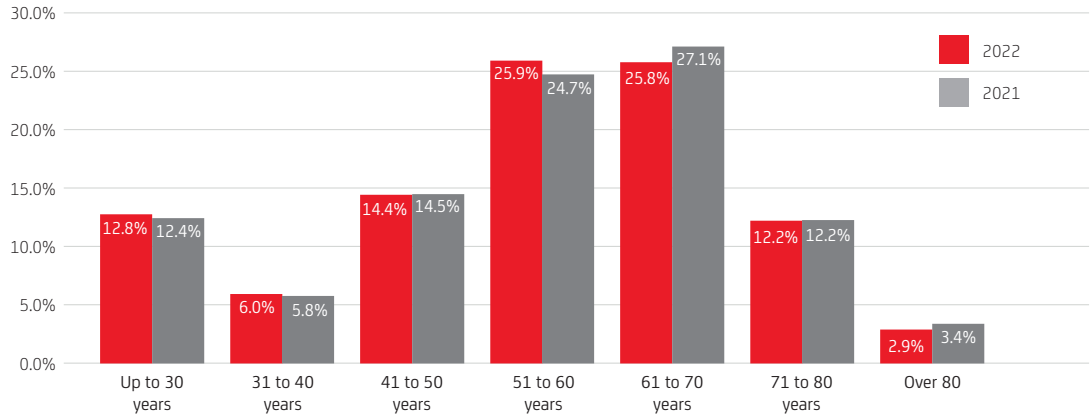
Tables 22 - Focus on the distribution of usage by gender, with a breakdown between members and households



A comparison of the two years shows that the composition of membership and usage between policyholders and households stayed the same, even though there was an overall decrease in membership of around 4%.

Compiled on the basis of data provided by ISRBM Salute S.p.A..

Table 23 - Use of basic policies by age group

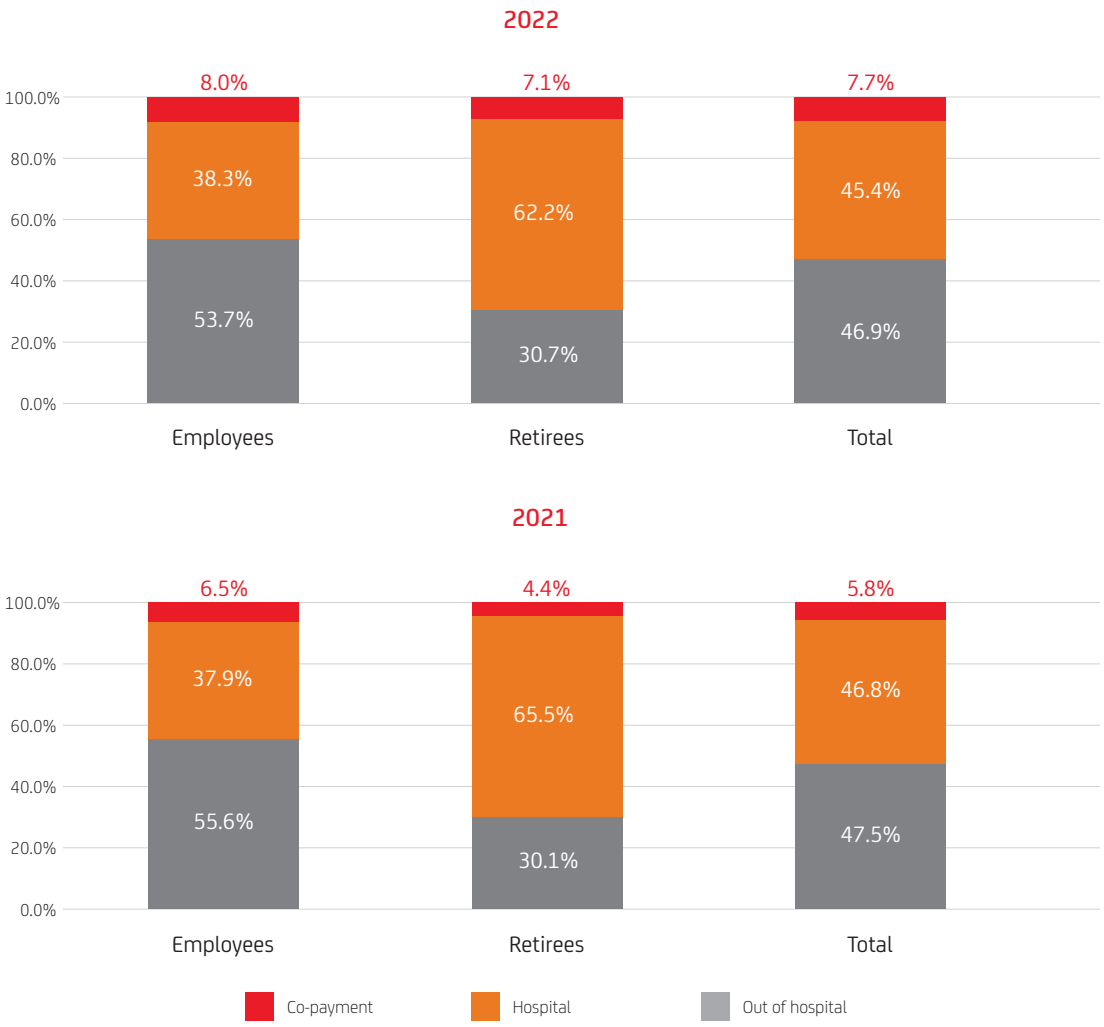


Compiled on the basis of data provided by ISRBM Salute S.p.A..

Regarding the distribution of usage by age group, it is observed that policy usage increases with age. An exception is the figure for those aged up to 30 years, which is applicable to all policies and linked to examinations and prevention.

The following graphs demonstrate the differing prevalence of claims between employees and retirees: In the first instance, more claims are made for non-hospital services such as specialist visits, exams, treatments and therapies. In the second case, however, it is hospital services such as admissions that account for the most claims. This is also confirmed by the breakdown of macro benefits by type of policy.

Table 24 - Use by macro-service

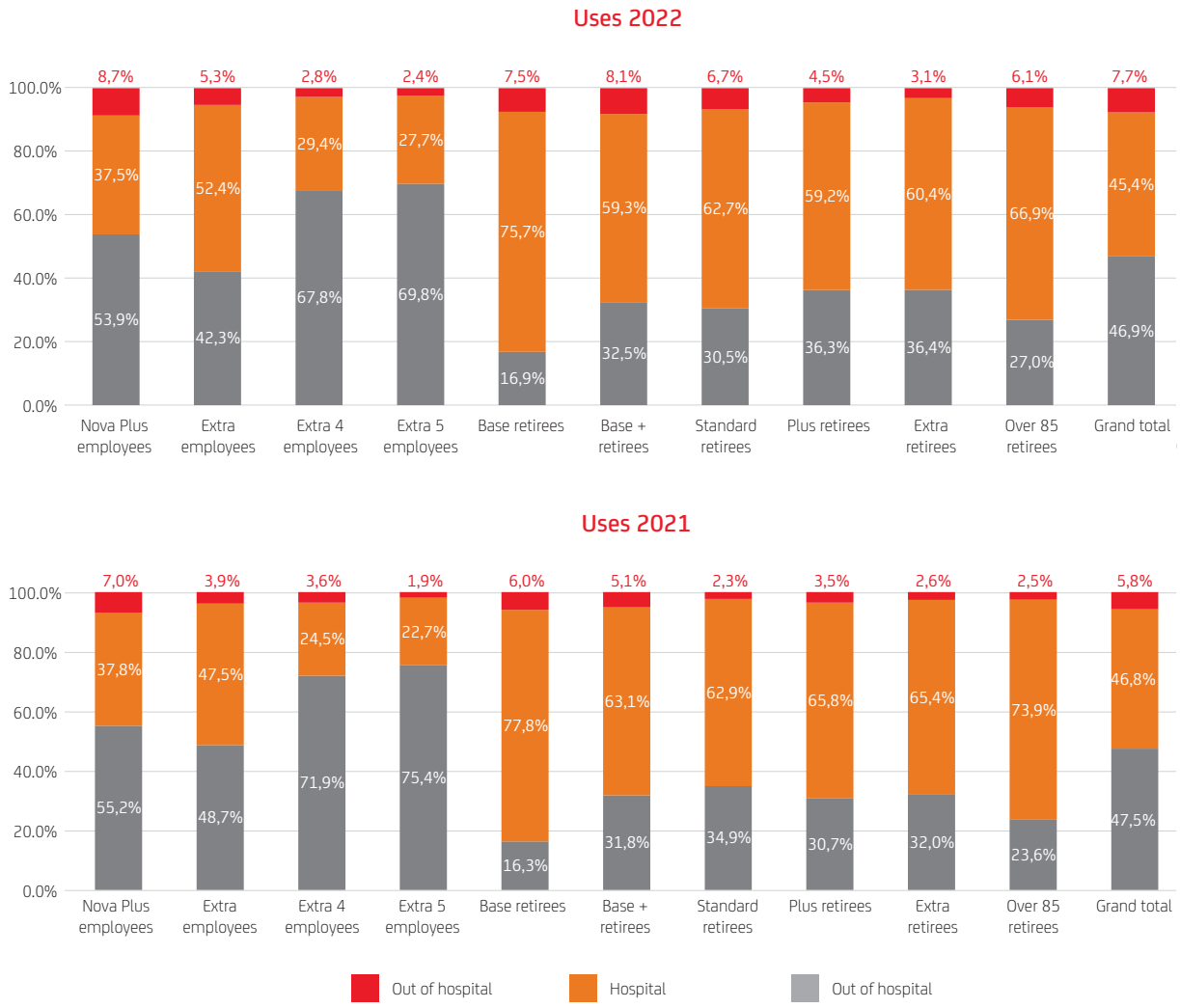


Compiled on the basis of data provided by ISRBM Salute S.p.A..

In the comparison between the two years, there was substantially no change in utilisation by macro-category of services.

The trend in utilisation for the two categories of members, employees and retirees, is also confirmed in the tables below, which provide more detail.

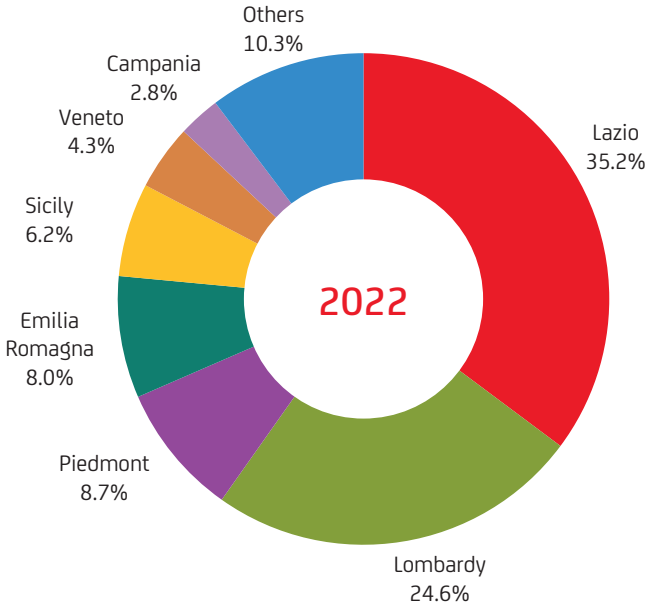
Tables 25 - Use by macro-service and type of basic policy

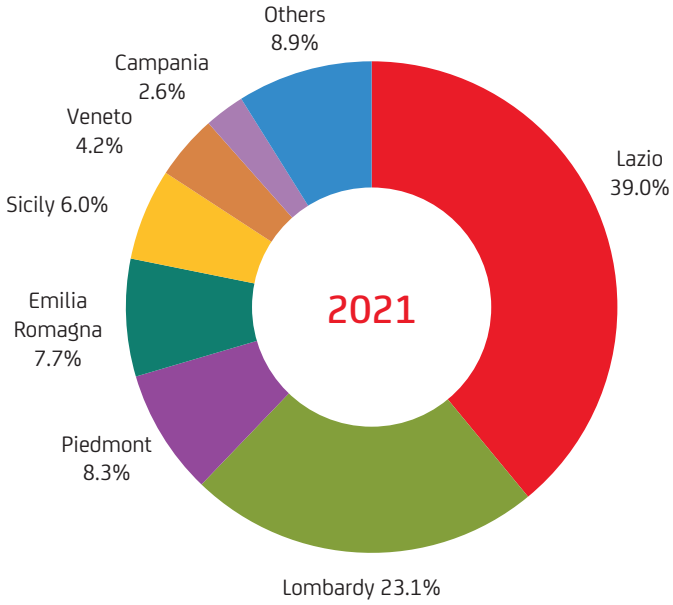


Compiled on the basis of data provided by ISRBM Salute S.p.A.

Further details of the types of benefits used by members are shown in the tables below. These tables provide a broader view, including at the regional level, of the settlement of claims made.

Table 26 - Breakdown of uses per region





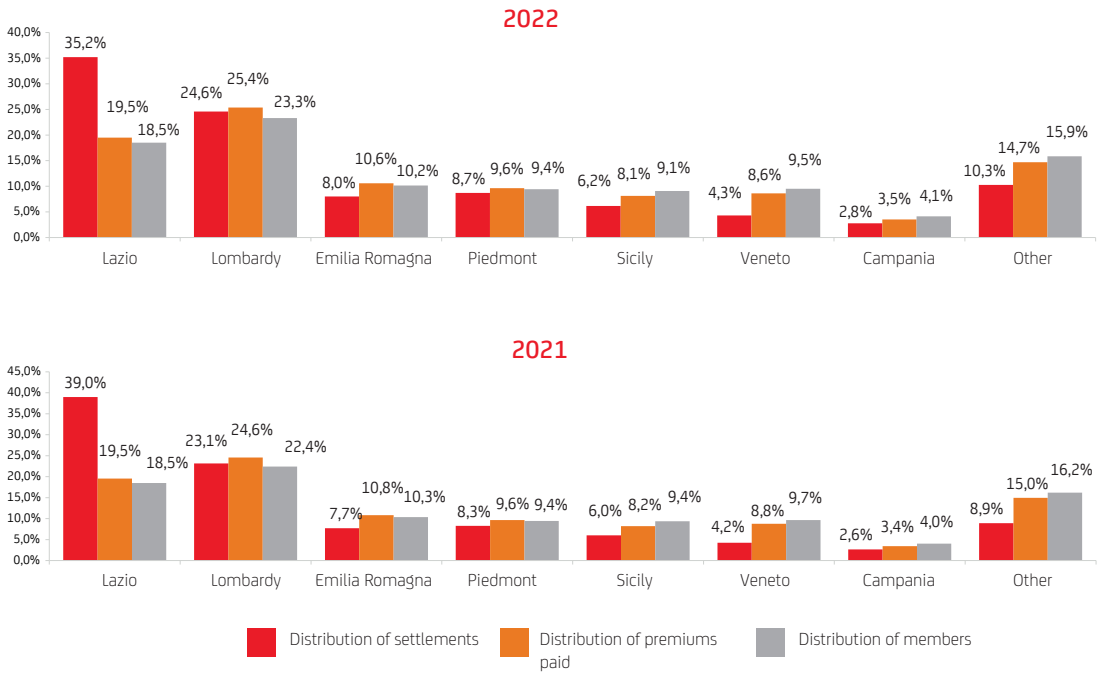
Compiled on the basis of data provided by ISRBM Salute S.p.A..

As regards the geographical distribution of claims, in keeping with previous years, Lazio (Central area) is the area where the greatest number of paid claims is concentrated, followed by Lombardy (North-Western area), basically the two regions where the most members live. With reference to Lazio, as mentioned above, this is a well-known phenomenon due to a series of factors such as the high availability of contracted healthcare facilities and the use of services mainly provided by hospitals due to the presence of a greater number of retirees.

Table 27 - Distribution of uses by region in absolute values and percentage of users

REGION	CLAIMS PAID (€)	USERS		AVERAGE USE (€)
		NO.	% OF TOTAL MEMBERS	
Abruzzo	206,013.78	445	54.6%	462.95
Basilicata	54,979.39	118	39.6%	465.93
Calabria	317,113.04	393	50.4%	806.90
Campania	1,431,868.20	2,512	53.5%	570.01
Emilia Romagna	4,151,282.96	6,929	60.0%	599.12
Friuli Venezia Giulia	472,665.28	1,121	48.8%	421.65
Lazio	18,243,485.06	13,635	64.8%	1,337.99
Liguria	728,374.87	1,018	56.6%	715.50
Lombardy	12,739,149.75	15,662	59.1%	813.38
Marche	297,152.78	743	51.0%	399.94
Molise	125,916.41	264	52.3%	476.96
Piedmont	4,505,085.74	6,161	57.6%	731.23
Apulia	943,845.27	1,790	54.8%	527.29
Sardinia	234,683.20	387	44.0%	606.42
Sicily	3,192,939.56	5,420	52.5%	589.10
Tuscany	1,238,143.02	1,622	53.7%	763.34
Trentino Alto Adige	136,709.43	385	40.2%	355.09
Umbria	461,028.37	769	47.1%	599.52
Valle d'Aosta	87,977.00	121	49.4%	727.08
Veneto	2,222,958.61	5,733	53.1%	387.75
Foreign (Expat commuter)	8,333.51	29	40.3%	287.36
Grand total	**51,799,705.21**	**65,257**	**57.4%**	**793.78**

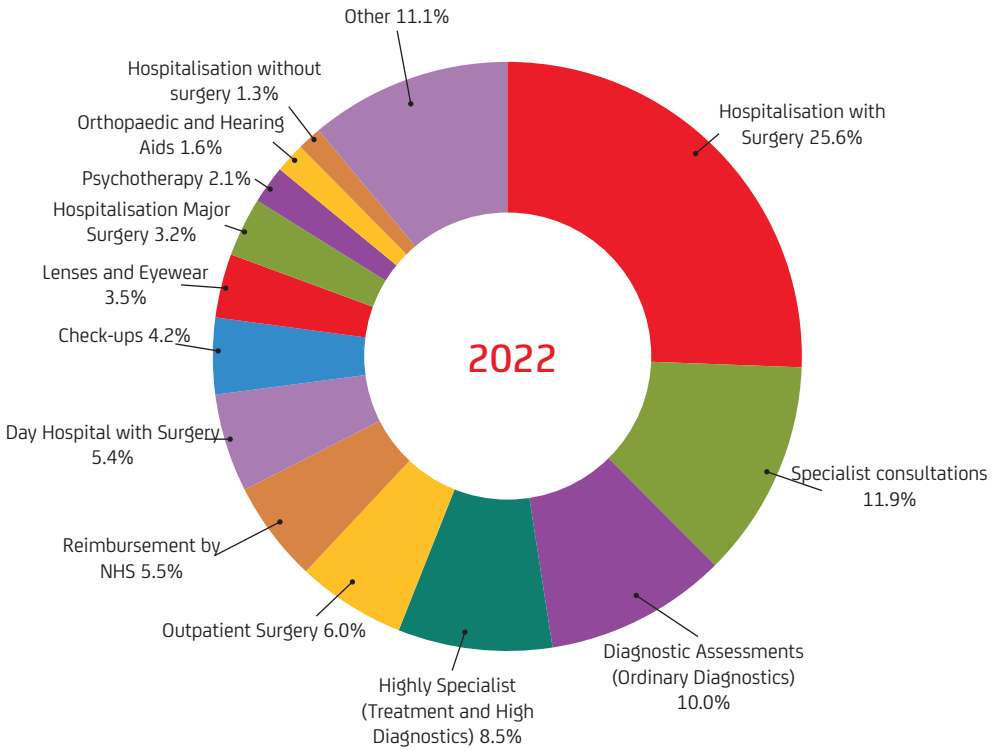
Table 28 - Distribution of uses, premiums paid and members by region

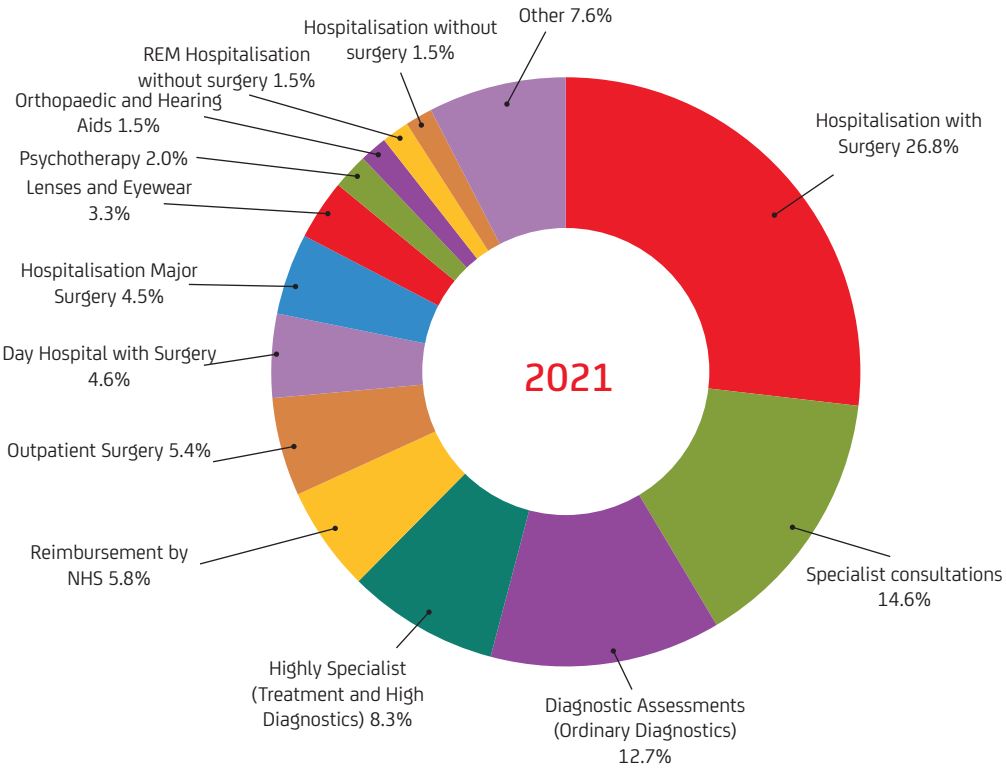


The graph shows the most representative regions in terms of the level of settlement, premiums paid and number of members.

Compiled on the basis of data provided by ISRBM Salute S.p.A.

Table 29 - Distribution of settlement by service

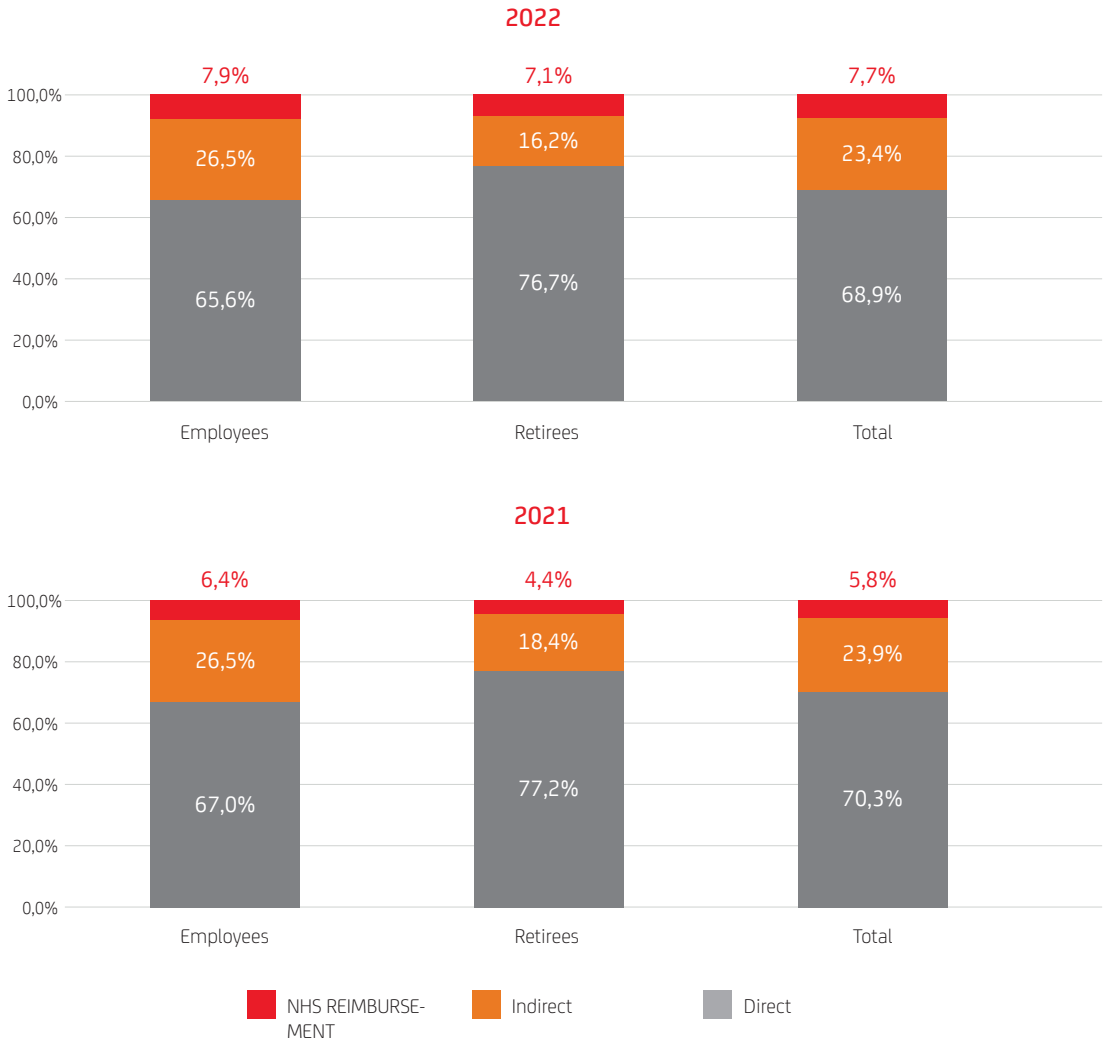




Compiled on the basis of data provided by ISRBM Salute S.p.A..

Regarding the provider regime (see Table 30), there was an increase in the use of the NHS by members in comparison to 2021, likely due to the resumption of access to public healthcare following the pandemic. The proportion of direct services, such as those provided at affiliated network facilities, compared to indirect services is still high.

Table 30 – Breakdown of uses by method of access to benefits



Compiled on the basis of data provided by ISRBM Salute S.p.A..

Table 31, below, shows that the ratio of total claims received to total claims paid out, i.e. claim settlement ratio, for 2022 was excellent, averaging 77% with peaks of 100% (per diem NHS).

Table 31 – Breakdown of settlements by macro-area and type of benefit – Payment rate per claim (amounts in €)

TYPE OF BENEFIT (MACRO AREA)	TYPE OF COVER	NETWORK	INDIVIDUAL DATA			TOTAL DATA		
			NO. BENEFITS	PAID	% REIMBURSE-MENT	NO. BENEFITS	PAID	% AVERAGE REIMBURSE-MENT
HOSPITAL	HOSPITALISATION WITHOUT SURGERY	DIRECT	3,507	1,883,876.87	89.0%	7,639	2,236,119.49	84.7%
		INDIRECT	4,060	350,159.50	67.1%			
		TICKET	72	2,083.12	100.0%			
	HOSPITALISATION WITH SURGERY	DIRECT	46,602	17,413,203.47	90.8%	51,927	19,241,768.16	88.7%
		INDIRECT	5,325	1,828,564.69	72.9%			
	OUTPATIENT SURGERY	DIRECT	9,360	2,838,448.35	87.3%	14,201	3,493,607.82	77.5%
		INDIRECT	3,508	619,774.16	50.6%			
		TICKET	1,333	35,385.31	100.0%			
	PER DIEM	DIRECT	229	766.4	100.0%	3,335	936,342.15	100.0%
		INDIRECT	3,106	935,575.75	100.0%			
	OTHER (ACCOMPANYING PERSONS, TRANSPORT AND REPATRIATION OF REMAINS, ETC.)	DIRECT	112	15,455.18	82.4%	588	54,212.29	90.2%
		INDIRECT	476	38,757.11	93.8%			
HOSPITAL Total			**77,690**	**25,962,049.91**	**87.0%**	**77,690**	**25,962,049.91**	**87.0%**
OUT OF HOSPITAL	SPECIALIST CONSULTATIONS	DIRECT	50,720	2,903,018.28	62.3%	126,435	7,493,562.07	58.3%
		INDIRECT	64,455	4,380,121.36	54.9%			
		TICKET	11,260	210,422.43	100.0%			
	ORTHOPAEDIC THERAPIES (PHYSIOTHERAPY)	DIRECT	11,664	317,121.70	85.2%	14,740	444,840.99	81.6%
		INDIRECT	2,608	122,800.62	73.1%			
		TICKET	468	4,918.67	100.0%			
	PROSTHESES/EQUIPMENT	DIRECT	953	719,565.87		974	782,277.81	74.7%
		INDIRECT	21	62,711.94	65.3%			
	DRUGS	INDIRECT	1,506	23,522.48	100.0%	1,929	26,996.33	75.5%
		TICKET	423	3,473.85	59.7%			
	LENSES/GLASSES	DIRECT	3,400	189,480.70	48.4%	16,970	1,714,841.66	49.4%
		INDIRECT	13,570	1,525,360.96	99.1%			
	TREATMENT AND OTHER THERAPIES (CANCER TREATMENT, DSA)	DIRECT	1,019	211,101.20	82.3%	3,178	483,210.68	89.0%
		INDIRECT	1,909	267,809.46	100.0%			
		TICKET	250	4,300.02	87.1%			
	HIGH DIAGNOSTICS	DIRECT	26,374	4,091,422.16	64.3%	31,888	4,699,790.54	84.0%
		INDIRECT	3,022	529,494.19	100.0%			
		TICKET	2,492	78,874.19	69.4%			
	ROUTINE DIAGNOSTICS/ EXAMINATIONS/MEDICAL SERVICES	DIRECT	234,592	4,607,851.58	47.0%	300,226	6,478,121.78	69.4%
		INDIRECT	21,215	730,473.22	100.0%			
		TICKET	44,419	1,139,796.98	66.2%			
OUT-OF-HOSPITAL Total			**496,340**	**22,123,641.86**	**66.2%**	**496,340**	**22,123,641.86**	**66.2%**
DENTAL CARE	DENTAL CARE	DIRECT	148	40,374.04	73.2%	1,554	299,838.95	74.5%
		INDIRECT	1,402	259,464.91	0.0%			
		TICKET	4	-	74.5%			
DENTAL CARE Total			**1,554**	**299,838.95**	**74.5%**	**1,554**	**299,838.95**	**74.5%**
PREVENTION	PREVENTION	DIRECT	32,391	2,549,481.98	85.1%	35,905	2,761,207.25	98.0%
		INDIRECT	3,110	202,483.29	82.7%			
		TICKET	404	9,241.98	100.0%			
PREVENTION Total			**35,905**	**2,761,207.25**	**98.0%**	**35,905**	**2,761,207.25**	**98.0%**
UNICA - INTEGRATION OF EXCESSES/DEDUCTIBLES	UNICA - INTEGRATION OF EXCESSES/DEDUCTIBLES	DIRECT	1,734	48,951.14	95.1%	2,710	107,400.76	96.7%
		INDIRECT	976	58,449.62	96.7%			
UNICA - INTEGRATION OF EXCESSES/DEDUCTIBLES Total			**2,710**	**107,400.76**	**96.7%**	**2,710**	**107,400.76**	**96.7%**
OTHER BENEFITS	OTHER BENEFITS	INDIRECT	8,812	545,566.48	78.5%	8,812	545,566.48	78.5%
OTHER BENEFITS Total			**8,812**	**545,566.48**	**78.5%**	**8,812**	**545,566.48**	**78.5%**
GRAND TOTAL			**623,011**	**51,799,705**	**77.0%**	**623,011**	**51,799,705**	**77.0%**

Compiled on the basis of data provided by ISRBM Salute S.p.A..

Table 32 - Breakdown of settlements and utilisation percentages by type of members (amounts in €)

TYPE OF MEMBERS	CLAIMS PAID	USERS		AVERAGE USES
		NO.	% OF TOTAL MEMBERS	
EMPLOYEES AND HOUSEHOLDS	36,368,292.17	54,733	56.0%	664.47
RETIREES AND HOUSEHOLDS	15,431,413.04	10,542	66.4%	1,463.80
Grand total	**51,799,705.21**	**65,257**	**57.4%**	**793.78**

65,257

NUMBER OF USERS

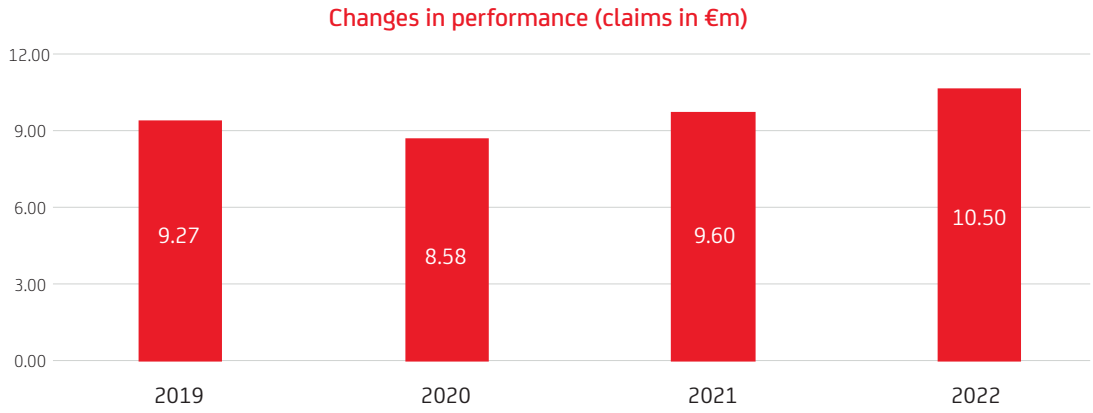
793, 98

AVERAGE USE

Compiled on the basis of data provided by ISRBM Salute S.p.A..

11.2 Performance of dental cover

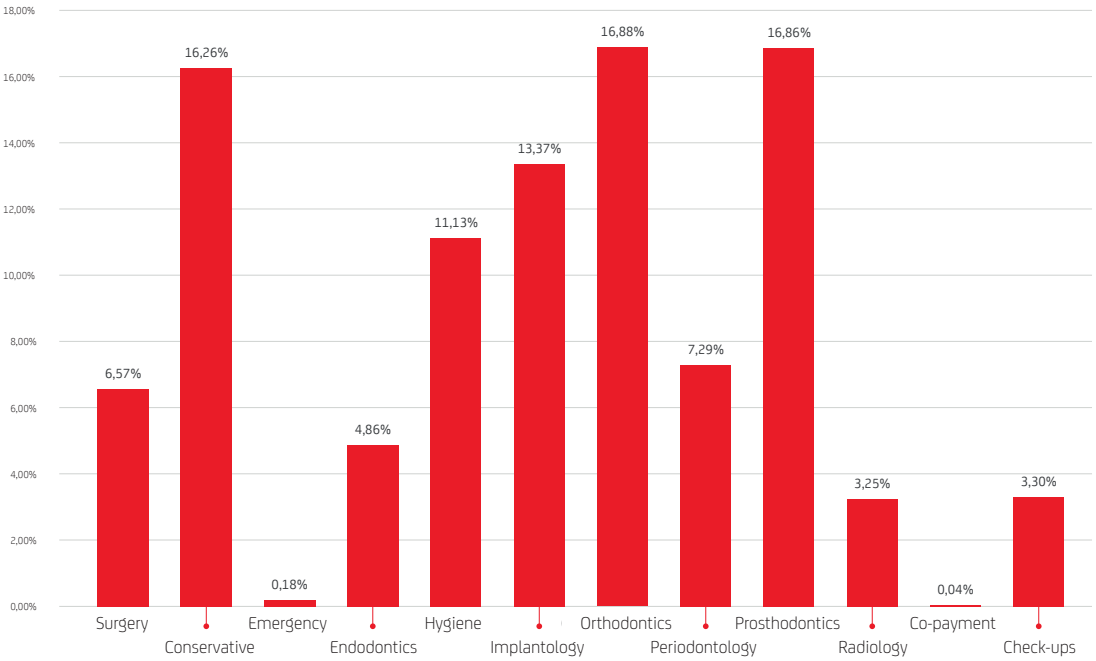
In 2022 there was an increase in the amount of claims compared to 2021.



In 2022, the figure shown is an estimated year-end total, showing an increase compared to previous years in both economic terms and the number of claims. As at 31 December 2022, around 31,541 claims had been settled as against 27,291 as at 31 December 2021.

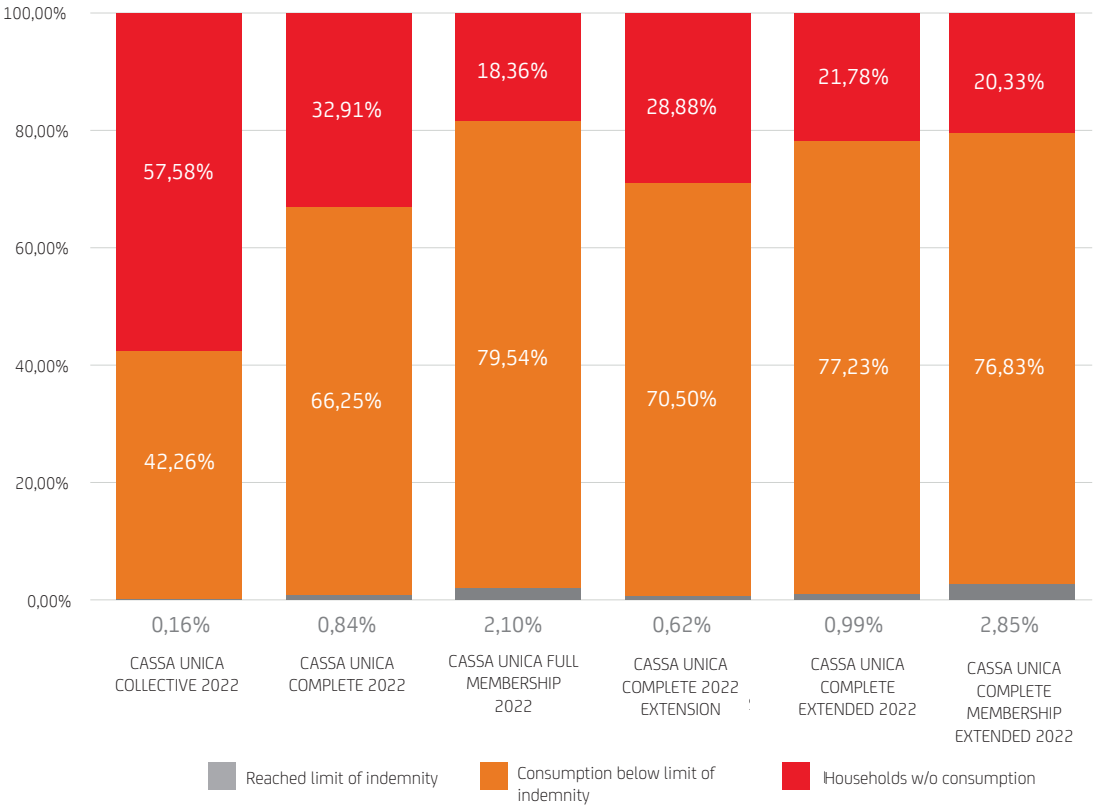
Table 33: Uses of dental cover

Table 33a – Distribution of claims settled by type of service



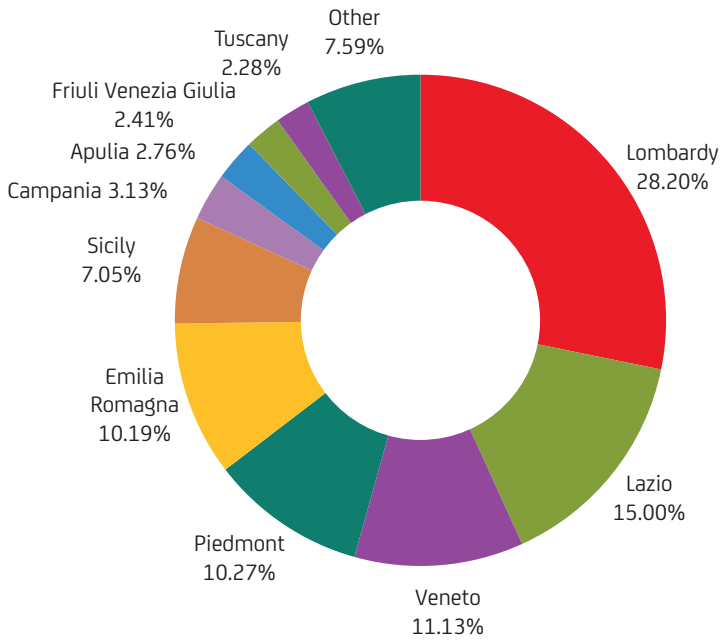
Compiled on the basis of data provided by Aon Pronto Care. The Treviso Dental policy operated by ISRBM Salute S.p.A. is not considered.

Table 33b - Analysis of dental expenditure by type of coverage



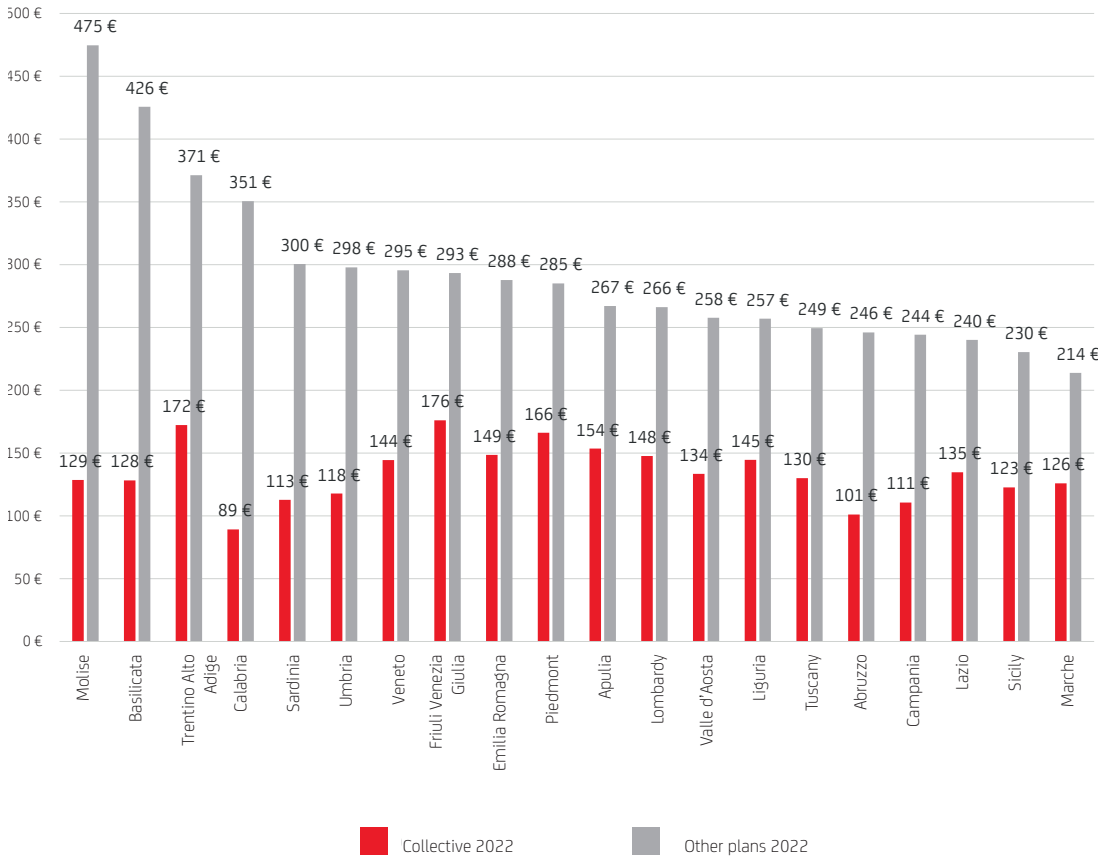
Compiled on the basis of data provided by Aon Pronto Care. The Treviso Dental policy operated by ISRBM Salute S.p.A. is not considered.

Table 33c – Distribution of claims settled by region



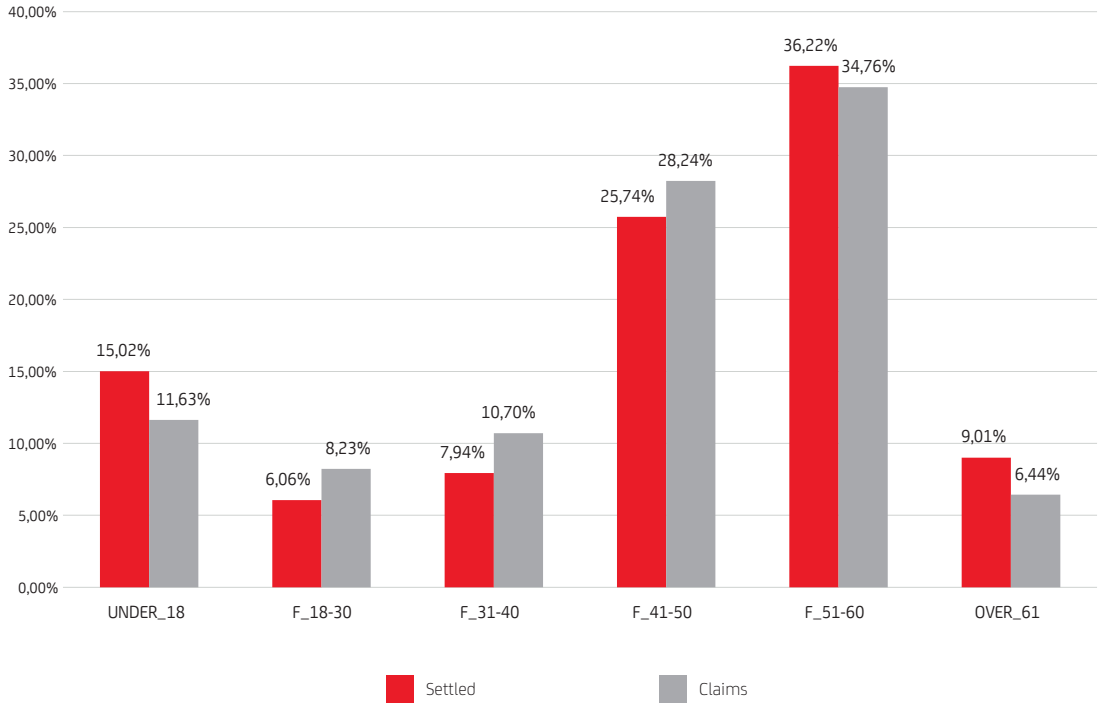
Compiled on the basis of data provided by Aon Pronto Care. The Treviso Dental policy operated by ISRBM Salute S.p.A. is not considered.

Table 33d - Average settlement amount per capita



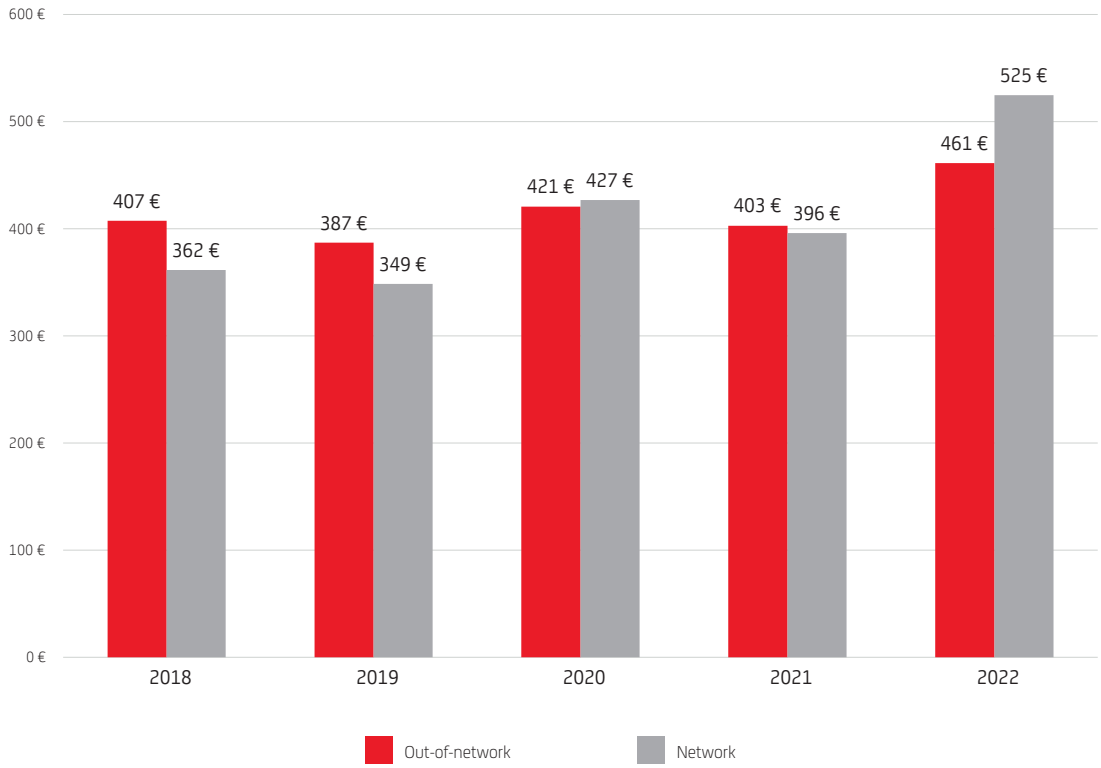
Compiled on the basis of data provided by Aon Pronto Care. The Treviso Dental policy operated by ISRBM Salute S.p.A. is not considered.

Table 33e - Percentage of claims and settlements Breakdown by age



Compiled on the basis of data provided by Aon Pronto Care. The Treviso Dental policy operated by ISRBM Salute S.p.A. is not considered.

Table 33f - Comparison of average settlement per household, network and out-of-network



Compiled on the basis of data provided by Aon Pronto Care. The Treviso Dental policy operated by ISRBM Salute S.p.A. is not considered.

Table 33g – Network and out-of-network utilisation – percentage of claims 2022

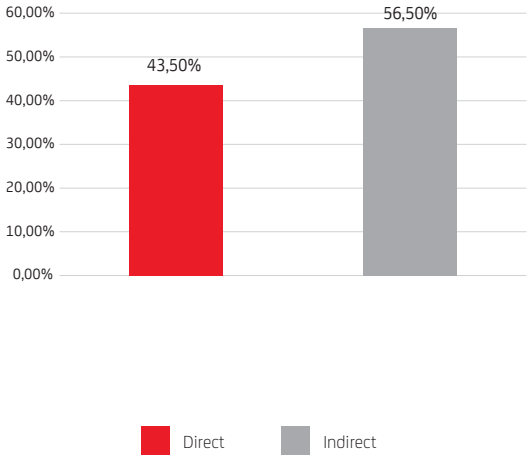
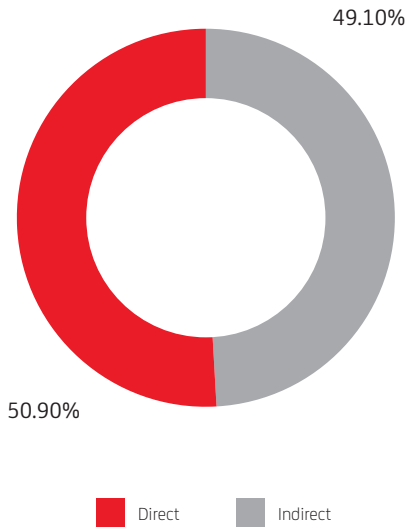


Table 33h – Network and out-of-network utilisation – percentage of accesses



Compiled on the basis of data provided by Aon Pronto Care. The Treviso Dental policy operated by ISRBM Salute S.p.A. is not considered.

12. Exercise of Director's powers. Legal disputes

In 2022, the Director exercised her powers, as delegated by the Board of Directors, to settle seven claims totalling €1,196.08.

As at 31.12.2022, the Fund was involved in 1 civil litigation (not as a plaintiff), at first instance.

The substantial absence of litigation, 16 years after the start of operations, is one of the Association's strengths, testifying to the quality of settlements and the positive impact of the procedures used to manage and defuse any disputes.

13. Accounting highlights

The year under review ended with a surplus of €65,921.09. The reserve fund consists of €45,685,604.55 in surpluses from previous years and €9,097 in net assets resulting from the winding up of the former Bipop Health Fund (FAP), which were transferred to the Association in 2018. In addition, the following provisions have been made: €7,604,709 for health campaigns; €8,400 for legal disputes; and €59,620 for requests for exceptional contributions. A technical reserve has been established for self-insured dental plans, amounting to €2,500,000.

14. Application of the Sacconi Decree

For 2022, funds earmarked for restricted healthcare services pursuant to the Sacconi Decree account for 35.57% of the total funds designed to cover all the services guaranteed to members, thus well above the 20% limit set by the Decree. This will enable members to continue to deduct health benefit contributions from their taxable income (table amounts in €).

Member contributions	72,018,019
Figurative CASDIC contribution	3,924,300
Deductible operating costs	-1,967,453
Total contributions after operating costs	**73,974,866**

20% of total contributions after operating costs: minimum compliant healthcare services	14,573,248

COVER OF COMPLIANT SERVICES	Self-insured premiums or uses	% compliant services	Compliant amounts
- collective use of self-insured dental cover	6,772,666	100%	6,772,666
- "Denti Treviso" dental cover	112,633	100%	112,633
- additional use of self-insured cover for managers	488,186	100%	488,186
- fully paid use under self-insured cover	3,218,467	100%	3,218,467
- policies for dental and non-dental cover	56,651,441	20.82%	11,796,470
- CASDIC LTC	3,924,300	100%	3,924,300
Total	**71,167,693**		**26,312,722**

Ratio of compliant services to total contributions after operating costs	**35.57%**

15. Association activities

Participation in the "Supplementary Health Fund Dashboard" ("*Cruscotto Fondi sanitari integrativi*") working group, set up by the Anagrafe dei Fondi Sanitari, continued in 2022 with the aim of clearly identifying the individual health and socio-health services provided by supplementary health funds, as well as the costs incurred, in order to develop synergies with the public health service.

This activity, supported by Mefop, will be trialled for at least two years, and the co-operation relationship between Mefop and the Cassa continued in 2022.

It is clear that this institutional activity will have important repercussions on the Cassa's future operations.

The partnership with the Bocconi University of Milan in relation to the Osservatorio Consumi Privati in Sanità (Private Consumption in Health Care Survey) also continued.

16. Events in the first quarter of 2023

In the first quarter of 2023, Uni.C.A. focused in particular on:

- activities related to so-called 'infra-plan subscriptions', i.e. subscriptions by new retirees, new senior management and employees with a change of classification/banding that resulted in a different insurance cover;
- activities related to the installation of the updated corporate bodies;
- preparation of the financial statements for 2022;
- activities preparatory to the start of the market survey for the renewal of the Health Plans from 2024.

FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022

Uni.C.A.
PER IL PERSONALE E LE AZIENDE DEL GRUPPO UniCredit

Statement of financial position as at 31 December 2022

ASSETS	31.12.2022	31.12.2021	Change
Trade receivables	**37,323.34**	**84,091.98**	**-46,768.64**
Due from Unicredit Group companies (for employee members)	35,186.83	82,858.87	-47,672.04
Due from participating companies (for employee members)	1,048.51	580.11	468.40
Due from retirees not enrolled in Group pension funds	1,088.00	653.00	435.00
Due from retirees enrolled in Group pension funds	0.00	0.00	0.00
Sundry receivables	**0.00**	**4,191.92**	**-4,191.92**
Due from third parties for charges incurred on their behalf	0.00	4,191.92	-4,191.92
Due from providers and others	0.00	0.00	0.00
Cash and cash equivalents	**59,947,950.68**	**57,537,917.98**	**2,410,032.70**
Cash and other valuables on hand	9.00	23.00	-14.00
Bank deposits	59,947,941.68	57,537,894.98	2,410,046.70
Due from Group companies for advance contributions	**0.00**	**235,976.00**	**-235,976.00**
Due from Group companies for advance contributions	0.00	235,976.00	-235,976.00
TOTAL ASSETS	**59,985,274.02**	**57,862,177.88**	**2,123,096.14**

LIABILITIES AND NET ASSETS	31.12.2022	31.12.2021	Change
Reserve funds	**45,760,622.36**	**45,694,701.27**	**65,921.09**
Surplus/deficit for the year	65,921.09	120,393.61	-54,472.52
Accumulated surplus/deficit	45,685,604.55	45,565,210.94	120,393.61
Residual net assets former Bipop Carire health plan	9,096.72	9,096.72	0.00
Provisions for health campaigns	**7,604,709.51**	**4,493,606.15**	**3,111,103.36**
Provisions for health campaigns	7,604,709.51	4,493,606.15	3,111,103.36
Provisions for risks and charges	**8,400.00**	**9,000.00**	**-600.00**
Provisions for legal disputes	8,400.00	9,000.00	-600.00
Provisions for "Requests for exceptional contributions"	**59,620.00**	**60,900.00**	**-1,280.00**
Provisions for "Requests for exceptional contributions"	59,620.00	60,900.00	-1,280.00
Liabilities arising from self-insured dental plans	**5,830,398.13**	**6,519,299.23**	**-688,901.10**
Technical reserves for self-insured dental plan	2,500,000.00	2,500,000.00	0.00
Due to members covered by dental insurance	3,330,398.13	4,019,299.23	-688,901.10
Due to Group companies for advance contributions	**0.00**	**0.00**	**0.00**
Due to Group companies for advance contributions	0.00	0.00	0.00
Trade payables	**691,502.60**	**1,030,149.97**	**-338,647.37**
Due to Unicredit Group companies	2,874.00	0.00	2,874.00
Due to affiliated companies		0.00	0.00
Due to insurance companies	349,225.23	115,912.47	233,312.76
Due to claims management companies	339,403.37	914,237.50	-574,834.13
Sundry payables	**30,021.42**	**51,723.26**	**-21,701.84**
Due to members	865.49	2,750.99	-1,885.50
Due to service providers	29,155.93	48,972.27	-19,816.34
Tax payables	**0.00**	**2,798.00**	**-2,798.00**
Due to tax authorities	0.00	2,798.00	-2,798.00
TOTAL LIABILITIES AND NET ASSETS	**59,985,274.02**	**57,862,177.88**	**2,123,096.14**

Income statement for the year ended 31 December 2022

COSTS	2022	2021	Change
Benefit expenses	**72,477,453.70**	**73,008,780.08**	**-531,326.38**
Insurance premiums	56,764,074.02	54,706,257.25	2,057,816.77
Self-insurance costs	10,479,319.25	10,519,540.65	-40,221.40
Self-insurance reserve	0.00	0.00	0.00
Claims management costs	1,899,044.35	3,942,787.72	-2,043,743.37
Provisions for prevention campaigns	3,317,000.00	3,800,000.00	-483,000.00
Provisions for “Requests for exceptional contributions”	9,100.00	10,700.00	-1,600.00
Costs for direct payment of claims	1,196.08	9,879.46	-8,683.38
Provisions for legal disputes	0.00	0.00	0.00
Sundry expenses	7,720.00	19,615.00	-11,895.00
Financial expenses	**226.23**	**160.09**	**66.14**
Banking commissions and fees	226.23	160.09	66.14
Other expenses	**1,017.22**	**103,045.03**	**-102,027.81**
Expenses incurred on behalf of third parties under specific arrangements	0.00	79,329.03	-79,329.03
Contingent losses	1,017.22	23,716.00	-22,698.78
Charitable donations and gratuities	0.00	0.00	0.00
Extraordinary expenses	**67,165.16**	**89,763.89**	**-22,598.73**
Professional fees	28,182.87	41,354.84	-13,171.97
Miscellaneous expenses	38,982.29	48,409.05	-9,426.76
TOTAL COSTS	**72,545,862.31**	**73,201,749.09**	**-655,886.78**
SURPLUS FOR THE YEAR	**65,921.09**	**120,393.61**	**-54,472.52**
TOTALS	**72,611,783.40**	**73,322,142.70**	**-710,359.30**

REVENUE	2022	2021	Change
Member contributions	**72,018,018.55**	**72,825,365.97**	**-807,347.42**
From employers	44,831,634.83	46,497,417.31	-1,665,782.48
From members	27,186,383.72	26,327,948.66	858,435.06
Financial income	**584,683.85**	**398,206.70**	**186,477.15**
Interest income	584,683.85	398,206.70	186,477.15
Other income	**9,081.00**	**98,570.03**	**-89,489.03**
Recovery of costs incurred on behalf of third parties	0.00	79,329.03	-79,329.03
Penalties and cost recoveries	4,581.00	19,091.00	-14,510.00
Excess provisions from previous years	0.00	0.00	0.00
Sundry cost recoveries and contingent gains	4,500.00	150.00	4,350.00
TOTAL REVENUES	**72,611,783.40**	**73,322,142.70**	**-710,359.30**
DEFICIT FOR THE YEAR	**0.00**	**0.00**	**0.00**
TOTALS	**72,611,783.40**	**73,322,142.70**	**-710,359.30**

Income statement for the year ended 31 December 2022 Employees section

COSTS	2022	2021	Change
Benefit expenses	**60,685,780.11**	**61,643,271.34**	**-957,491.23**
Insurance premiums	46,007,493.87	44,655,499.87	1,351,994.00
Self-insurance costs	10,479,319.25	10,519,540.65	-40,221.40
Self-insurance reserve	0.00	0.00	0.00
Claims management costs	1,598,907.48	3,273,541.27	-1,674,633.79
Provisions for prevention campaigns	2,586,033.78	3,167,567.61	-581,533.83
Provisions for “Requests for exceptional contributions”	6,800.00	10,700.00	-3,900.00
Cost of direct payment of claims	987.20	449.45	537.75
Provisions for legal disputes	0.00	0.00	0.00
Sundry expenses	6,238.53	15,972.49	-9,733.96
Financial expenses	**182.82**	**130.36**	**52.46**
Banking commissions and fees	182.82	130.36	52.46
Sundry expenses	**535.22**	**21,300.00**	**-20,764.78**
Contingent losses	535.22	21,300.00	-20,764.78
Charitable donations and gratuities	0.00	0.00	0.00
Extraordinary expenses	**54,276.16**	**73,094.74**	**-18,818.58**
Professional fees	22,774.57	33,675.25	-10,900.68
Miscellaneous expenses	31,501.59	39,419.49	-7,917.90
TOTAL COSTS	**60,740,774.31**	**61,737,796.44**	**-997,022.13**
SURPLUS FOR THE YEAR	**0.00**	**0.00**	**0.00**
GRAND TOTAL	**60,740,774.31**	**61,737,796.44**	**-997,022.13**

REVENUE	2022	2021	Change
Member contributions	**57,481,118.75**	**58,550,858.97**	**-1,069,740.22**
From employers	44,831,634.83	46,497,417.31	-1,665,782.48
From members	12,649,483.92	12,053,441.66	596,042.26
Financial income	**476,108.06**	**324,259.72**	**151,848.34**
Interest income	476,108.06	324,259.72	151,848.34
Other income	**4,564.35**	**150.00**	**4,414.35**
Penalties and cost recoveries	900.00	0.00	900.00
Excess provisions made in previous years	0.00	0.00	0.00
Sundry cost recoveries and contingent gains	3,664.35	150.00	3,514.35
TOTAL REVENUES	**57,961,791.16**	**58,875,268.69**	**-913,477.53**
DEFICIT FOR THE YEAR	**2,778,983.15**	**2,862,527.75**	**-83,544.60**
GRAND TOTAL	**60,740,774.31**	**61,737,796.44**	**-997,022.13**

Income statement for the year ended 31 December 2022 Retirees section

COSTS	2022	2021	Change
Benefit expenses	**11,791,673.59**	**11,365,508.74**	**426,164.85**
Insurance premiums	10,756,580.15	10,050,757.38	705,822.77
Self-insurance costs	0.00	0.00	0.00
Self-insurance reserve	0.00	0.00	0.00
Claims management costs	300,136.87	669,246.45	-369,109.58
Provisions for prevention campaigns	730,966.22	632,432.39	98,533.83
Provisions for “Requests for exceptional contributions”	2,300.00	0.00	2,300.00
Costs for direct payment of claims	208.88	9,430.01	-9,221.13
Provisions for legal disputes	0.00	0.00	0.00
Sundry expenses	1,481.47	3,642.51	-2,161.04
Financial expenses	**43.41**	**29.73**	**13.68**
Banking commissions and fees	43.41	29.73	13.68
Sundry expenses	**482.00**	**2,416.00**	**-1,934.00**
Contingent losses	482.00	2,416.00	-1,934.00
Charitable donations and gratuities	0.00	0.00	0.00
Extraordinary expenses	**12,889.00**	**16,669.15**	**-3,780.15**
Professional fees	5,408.30	7,679.59	-2,271.29
Miscellaneous expenses	7,480.70	8,989.56	-1,508.86
TOTAL COSTS	**11,805,088.00**	**11,384,623.62**	**420,464.38**
SURPLUS FOR THE YEAR	**2,844,904.24**	**2,982,921.36**	**-138,017.12**
GRAND TOTAL	**14,649,992.24**	**14,367,544.98**	**282,447.26**

REVENUE	2022	2021	Change
Member contributions	**14,536,899.80**	**14,274,507.00**	**262,392.80**
From members	14,536,899.80	14,274,507.00	262,392.80
Financial income	**108,575.79**	**73,946.98**	**34,628.81**
Interest income	108,575.79	73,946.98	34,628.81
Other income	**4,516.65**	**19,091.00**	**-14,574.35**
Penalties and expense recoveries	3,681.00	19,091.00	-15,410.00
Excess provisions made in previous years	0.00	0.00	0.00
Sundry cost recoveries and contingent gains	835.65	0.00	835.65
TOTAL REVENUES	**14,649,992.24**	**14,367,544.98**	**282,447.26**
DEFICIT FOR THE YEAR	**0.00**	**0.00**	**0.00**
GRAND TOTAL	**14,649,992.24**	**14,367,544.98**	**282,447.26**

Notes

Introduction

Uni.C.A., UniCredit Cassa Assistenza, is a health benefits provider serving the employees of the UniCredit Group, established on 15 November 2006 and having its registered office in Milan.

It is a non-recognised association pursuant to article 36 et seq. of the Italian Civil Code.

Uni.C.A.'s purpose is to provide and manage health benefits to its individual members and their families, including in addition to those provided by the National Healthcare Service, in case of sickness, injury and other events that might require medical assistance or care, in accordance with collective labour agreements and/or company policies, within the framework of the laws applicable from time to time.

The corporate bodies and officers of the Cassa Assistenza are: the General Meeting of members, the Board of Directors, the Executive Committee, the Chairwoman and the Deputy Chair, and the Board of Auditors.

Basis of presentation of the financial statements

The financial statements consist of the statement of financial position, the income statement and the notes and are accompanied by the Board of Directors' report and the "Report on operations".

In accordance with article 19 of the Articles of Association, in the income statement, costs and revenues are divided into two distinct sections in relation to the nature of the members (Employees and Retirees/Survivors) with the exception of the costs incurred on behalf of third parties as a result of agreements and their recovery.

The 2022 financial year, the sixteenth year of operation for the Association, ended with a surplus of €65,921.09, which has been carried forward for use in subsequent years

The financial statements are audited by the Board of Auditors.

As UniCredit Cassa Assistenza does not perform commercial activities, it is not registered for VAT and its income is exempt from income tax.

Accounting policies

Costs and revenue are recognised on an accruals basis and in accordance with the matching principle, except for extraordinary revenue, which is recognised on a cash basis. In particular, costs and revenue resulting from ordinary operations are divided into two distinct sections based on the type of members to whom they refer: employees and retirees/survivors.

Assets

Receivables

Receivables are recognised at their expected realisable value.

Trade receivables reflect sums due from companies for their employees and family members and sums due from pension funds or retirees/ survivors in relation to enrolled retirees/family members.

Sundry receivables include sums due from third parties for charges incurred on their behalf and suspense account items.

Cash and cash equivalents are recognised at their nominal value and consist of bank deposits and cash and other valuables on hand.

Accrued income and prepaid expenses

These are calculated on an accruals basis and are treated in accordance with the matching principle.

Liabilities and net assets

Reserve fund

This item reflects the cumulative surpluses generated over the years until 31 December 2022.

Provisions for prevention campaigns regard provisions solely for use in funding health and/or prevention campaigns carried out over the years.

Provisions for risks and charges

This item reflects sums set aside for disputed claims and litigation.

Provisions for "Requests for exceptional contributions"

This item has been established to fund Requests for exceptional contributions.

Liabilities arising from self-insured dental plans

This item reflects sums set aside in technical reserves and direct and indirect payables due to members covered by the self-insured dental plan.

Payables

Payables are recognised at their nominal value.

Payables due to Group companies for advance contributions represent contribution payments made in advance by certain Unicredit Group companies and attributable to the following year.

Trade payables reflect sums owed to companies for their employees and family members and sums due from pension funds or retirees/survivors in relation to enrolled retirees/family members; amounts owed to insurance companies on account of the insurance premiums to be paid; amounts owed to claims management companies and the contracted network, for invoices that have been received but not yet paid, as well as other liabilities of a definite nature and certain existence, representing obligations to pay fixed amounts.

Sundry payables include payables due to members, entities, suppliers for invoices to be received or still unpaid in connection with services rendered in the year, as well as sums available to third parties or suspense account items.

Tax payables include sums due to the tax authorities.

Accrued expenses and deferred income

These are calculated on an accruals basis and are treated in accordance with the matching principle.

Costs

Benefit expenses include premiums due to insurance companies, costs incurred for uses related to self-insured benefits and operating costs, including provisions to the technical reserves necessary to manage the risks associated with self-insured cover. In addition, they include provisions for prevention campaigns, for litigation, for Requests for exceptional contributions, for the other initiatives approved by the Board of Directors and for direct reimbursements to members.

Financial expenses concern bank charges and expenses related to the payment of claims to members.

Sundry expenses reflect the costs incurred on behalf of third parties and subsequently reimbursed on the basis of existing arrangements, contingent losses relating to previous years and donations to charities or research projects.

Extraordinary expenses reflect costs incurred for special events, advice and opinions requested from external experts, as well as any other expenditure approved by the Board of Directors.

Revenue

Member contributions refer to regular contributions and any special contributions received during the year.

Financial income relates to interest income net of any tax withholdings.

Other income includes any income of a nature other than the above, such as releases from provisions and recoveries of costs incurred on behalf of third parties on the basis of existing arrangements, as well as excess provisions made.

Note

In the Employee/Retiree sections, costs and revenue that could not be attributed directly have been allocated in proportion to the contributions received, in order to calculate the related percentage share of the surplus/deficit for the year.

Notes to the statement of financial position and the income statement

Assets

	31.12.2022	31.12.2021	change
Trade receivables	**37,323.34**	**84,091.98**	**-46,768.64**

This item reflects the value of receivables due from UniCredit Group companies **(€35,186.83),** participating companies **(€1,048.51)** and retirees who are not members of the Group's pension funds **(€1,088.00)** for contributions or cost recoveries relating entirely to 2022 and that were received at the beginning of 2023 or are in the process of being received.

	31.12.2022	31.12.2021	change
Sundry receivables	**0.00**	**4,191.92**	**-4,191.92**
Due from third parties for charges incurred on their behalf	0.00	4,191.92	-4,191.92
Due from providers and others	0.00	0.00	0.00

Sundry receivables reflect sums due from third parties for costs incurred on their behalf on the basis of existing arrangements and prepayments to suppliers and others.

	31.12.2022	31.12.2021	change
Due from Group companies for advance contributions	**0.00**	**235,976.00**	**-235,976.00**

The item related to contributions advanced by Unicredit Group companies in respect of the extraordinary disbursement for the two-year period 2020/2021. The adjustment was made in 2022, resulting in the receivable being set at zero.

	31.12.2022	31.12.2021	change
Cash and cash equivalents	**59,947,950.68**	**57,537,917.98**	**2,410,032.70**
Cash and other valuables	9.00	23.00	-14.00
Bank deposits	59,947,941.68	57,537,894.98	2,410,046.70

Cash and other valuables include cash and revenue stamps on hand for immediate use. **Bank deposits** reflects the balance of current accounts held with UniCredit SpA. Financial statements.

Liabilities and net assets

	31.12.2022	31.12.2021	change
Reserve funds	**45,760,622.36**	**45,694,701.27**	**65,921.09**
Surplus/deficit for the year	65,921.09	120,393.61	-54,472.52
Accumulated surplus/deficit	45,685,604.55	45,565,210.94	120,393.61
Residual net assets former Bipop Carire health plan	9,096.72	9,096.72	0.00

The reserve fund amounts to **€45,760,622.36** including:

- the surplus for the year of €65,921.09;
- surpluses from previous years, totalling €45,685,604.85;
- the residual net assets transferred to the Association following the winding up of the former Bipop Health plan (FAP), amounting to €9,096.72.

In accordance with applicable accounting standards, the allocation of costs relating to provisions for prevention campaigns cannot be directly attributable to employees or retirees; therefore, an allocation was made in proportion to the premiums paid. The provision for the dental campaign, as it is intended exclusively for retirees, was charged directly to this category. This apportionment had a greater impact on the Employee section than on the Retiree section (the amount of premiums paid for employees being much greater than for retirees), resulting in a different presentation of the overall surplus for the year of **€65,921.09** in the two sections of the income statement (a deficit of €2,778,983.15 for employees and a surplus of €2,884,904.24 for retirees).

Movements in the reserve fund for the year.

	Surplus/deficit for the year	Surplus/deficit from previous years	Residual assets of the former Bipop Carire health fund	Total reserve funds
Opening balance - 2022	-	45,685,604.55	9,096.72	45,694,701.27
Provisions	-	-	-	0.00
Uses/transfers of provisions	-	-	-	0.00
Surplus for the year	65,921.09	-	-	65,921.09
Balance as at 31/12/2022	65,921.09	45,685,604.55	9,096.72	45,760,622.36

	31.12.2022	31.12.2021	change
Provisions for prevention campaigns	**7,604,709.51**	**4,493,606.15**	**3,111,103.36**

Provisions for prevention campaigns reflect specific provisions made over the years.

	31.12.2022	31.12.2021	change
Provisions for risks and charges	**8,400.00**	**9,000.00**	**-600.00**
Provisions for legal disputes	8,400.00	9,000.00	-600.00

Provisions for legal disputes refer to funds set aside prudentially in relation to legal proceedings under way.

	31.12.2022	31.12.2021	change
Provisions for "Requests for exceptional contributions"	**59,620.00**	**60,900.00**	**-1,280.00**
Provisions for "Requests for exceptional contributions"	59,620.00	60,900.00	-1,280.00

Provisions for "Requests for exceptional contributions" concern funds set aside to address members' healthcare requirements not covered by the insurance policies entered into.

Movements in other provisions during the year

STATEMENT OF CHANGES IN OTHER PROVISIONS FOR THE YEAR 2022

	Provisions for prevention campaigns	Provisions for legal disputes	Provisions for "Requests for exceptional contributions"	Technical reserve for self-insured dental plan	Total other provisions
Start of FY 2022	4,493,606.15	9,000.00	60,900.00	2,500,000.00	**7,063,506.15**
Accruals to provisions	3,317,000.00	0.00	9,100.00	0.00	**3,326,100.00**
Uses/transfers of provisions	-205,896.64	-600.00	-10,380.00	0.00	**-216,876.64**
Surplus provisions		0.00	0.00		**0.00**
Surplus for the year	0.00	0.00	0.00	0.00	**0.00**
Balance as at 31/12/2022	**7,604,709.51**	**8,400.00**	**59,620.00**	**2,500,000.00**	**10,172,729.51**

	31.12.2022	31.12.2021	Change
Liabilities arising from self-insured dental plans	**5,830,398.13**	**6,519,299.23**	**-688,901.10**
Technical provisions for self-insurance	2,500,000.00	2,500,000.00	0.00
Due to members covered by dental insurance	3,330,398.13	4,019,299.23	-688,901.10

Liabilities arising from the self-insured dental plan relate to cover whose risk is borne by the Association. They consist of:

- the technical reserve for the potential risk, totalling €2,500,000.00;
- sums due to healthcare/medical providers (i.e., where services are paid for directly by the Association) and members (i.e. in the form of claims for reimbursement), totalling €3,330,398.13.

	31.12.2022	31.12.2021	change
Due to Group companies for advance contributions	**0.00**	**0.00**	**0.00**
Due to Group companies for advance contributions	0.00	0.00	0.00

This item should be seen in relation with the asset item Due from group companies for advance contributions.

	31.12.2022	31.12.2021	change
Trade payables	**691,502.60**	**1,030,149.97**	**-338,647.37**
Due to Unicredit Group companies	2,874.00	0.00	2,874.00
Due to participating companies	0.00	0.00	0.00
Due to insurance companies	349,225.23	115,912.47	233,312.76
Due to claims management company	339,403.37	914,237.50	-574,834.13

The amount of **€349,225.23** due to insurance companies refers to insurance premiums still to be paid, of which €312,773.29 refers to 2022 and €36,451.97 to previous years.

The amount owing to the claims management company, totalling **€339,403.37**, is due to an invoice issued at the end of the year and paid at the beginning of 2023.

	31.12.2022	31.12.2021	change
Sundry payables	**30,021.42**	**51,723.26**	**-21,701.84**
Due to members	865.49	2,750.99	-1,885.50
Due to service providers	29,155.93	48,972.27	-19,816.34

This item consists of:

- amounts due to members, totalling **€865.49**, mainly in relation to benefits and contributions for prior years, which were repaid in early 2023 or are in the process of being repaid;
- amounts due to suppliers, including providers, or professionals for services received and not yet invoiced, totalling **€29,155.93**.

	31.12.2022	31.12.2021	change
Tax payables	**0.00**	**2,798.00**	**-2,798.00**

This item represents any withholding tax to be paid in January of the following year and refers to invoices issued by healthcare facilities (for selfinsured dental coverage) and paid in December. In 2022, there are no withholdings to be paid in the following year.

The income statement is divided into two distinct sections according to the type of member to whom the costs and revenue refer, with the exception of the costs incurred on behalf of third parties and the related recoveries, the related information is provided by item, with the subsequent presentation of the overall data followed by figures for the two sections.

Costs

Benefit expenses

These are the expenses incurred to achieve the purposes of Uni.C.A.. They amount to **€72,477,453.70** (employees €60,685,780.11, retirees €11,791,673.59) and break down as follows:

	2022	2021	change
Benefit expenses	**72,477,453.70**	**73,008,780.08**	**-531,326.38**
Insurance premiums	56,764,074.02	54,706,257.25	2,057,816.77
Self-insurance costs	10,479,319.25	10,519,540.65	-40,221.40
Technical reserve for self-insurance	0.00	0.00	0.00
Claims management costs	1,899,044.35	3,942,787.72	-2,043,743.37
Provision for prevention campaigns	3,317,000.00	3,800,000.00	-483,000.00
Provisions for “Requests for exceptional contributions”	9,100.00	10,700.00	-1,600.00
Costs for direct payment of claims	1,196.08	9,879.46	-8,683.38
Provisions for legal disputes	0.00	0.00	0.00
Sundry expenses	7,720.00	19,615.00	-11,895.00

Employee section

	2022	2021	change
Benefit expenses	**60,685,780.11**	**61,643,271.34**	**-957,491.23**
Insurance premiums	46,007,493.87	44,655,499.87	1,351,994.00
Self-insurance costs	10,479,319.25	10,519,540.65	-40,221.40
Technical reserve for self-insurance	0.00	0.00	0.00
Claims management costs	1,598,907.48	3,273,541.27	-1,674,633.79
Provision for prevention campaigns	2,586,033.78	3,167,567.61	-581,533.83
Provisions for “Requests for exceptional contributions”	6,800.00	10,700.00	-3,900.00
Costs for direct payment of claims	987.20	449.45	537.75
Provisions for legal disputes	0.00	0.00	0.00
Sundry expenses	6,238.53	15,972.49	-9,733.96

Retiree section

	2022	2021	change
Benefit expenses	**11,791,673.59**	**11,365,508.74**	**426,164.85**
Insurance premiums	10,756,580.15	10,050,757.38	705,822.77
Self-insurance costs	0.00	0.00	0.00
Technical reserve for self-insurance	0.00	0.00	0.00
Claims management costs	300,136.87	669,246.45	-369,109.58
Provision for prevention campaigns	730,966.22	632,432.39	98,533.83
Provisions for "Requests for exceptional contributions"	2,300.00	0.00	2,300.00
Costs for direct payment of claims	208.88	9,430.01	-9,221.13
Provisions for legal disputes	0.00	0.00	0.00
Sundry expenses	1,481.47	3,642.51	-2,161.04

Insurance premiums amount to a total of **€56,764,074.02** (employees €46,007,493.87, retirees *€10,756,580.15*) and includes premiums for the year relating to policies purchased directly from insurance companies.

Self-insurance costs amount to **€10,479,319.25** (attributed to employees in its entirety) and relate to fully self-insured dental cover for 2022.

Claims management costs of €1,899,044.35 (employees €1,598,907.48, retirees €300,136.87) reflect the costs incurred for claims management activities carried out by the providers, Previmedical and Aon Pronto-care.

The item "**Provision for Prevention Campaigns**", totalling €3,317,000.00 (€2,586,033.78 attributed to employees and €730,966.22 to retirees) represents the charge for the 2022/23 financial year related to the prevention initiatives.

Provision for "Requests for exceptional contributions", totalling **€9,100.00** (employees €6,800.00 and retirees €2,300.00), includes provisions for the year relating to reimbursements paid to members for particular claims not covered by the insurance companies, as authorised by the Board of Directors.

Costs for direct payment of claims, totalling **€1,196.08** (employees €987.20 and retirees €208.88) regards the charge for the year relating to the direct reimbursement of claims falling within the Director's powers or as authorised by the Board of Directors.

Sundry expenses of **€7,720.00** (employees €6,238.53, retirees €1,481.47) consist of costs for the year relating to the fees paid to medical advisors.

	2022	2021	change
Financial expenses	**226.23**	**160.09**	**66.14**
Bank charges and fees	226.23	160.09	66.14

Financial expenses (employees €182.82, retirees €43.41) consist of bank charges and fees relating to current accounts.

	2022	2021	change
Other expenses	**1,017.22**	**103,045.03**	**-102,027.81**
Expenses incurred on behalf of third parties under specific arrangements	0.00	79,329.03	-79,329.03
Contingent losses	1,017.22	23,716.00	-22,698.78
Charitable donations and gratuities	0.00	0.00	0.00

The items included in miscellaneous charges include charges incurred on behalf of third parties as a result of agreements that are not relevant to the calculation of the surplus/deficit for the year. These charges are fully recovered and are therefore an exception to the inclusion in the separate employee/retiree sections. The item also includes contingent losses (€535.22 employees and €482,000 retirees) of **€1,017.22** concerning returned contributions and unforeseen extraordinary fees.

	2022	2021	change
Extraordinary expenses	**67,165.16**	**89,763.89**	**-22,598.73**
Professional fees	28,182.87	41,354.84	-13,171.97
Miscellaneous expenses	38,982.29	48,409.05	-9,426.76

These amount to **€67,165.16** and reflect the cost of legal opinions, tax and technical advice requested from external professionals, totalling €28,182.87 (employees €22,774.57, retirees €5,408.30) and sundry administrative costs amounting to €38,982.29 (employees €31,501.59, retirees €7,480.70).

It should be noted that the above administrative costs are the only ones borne by Uni.C.A., as all other administrative costs are borne directly by the UniCredit Group, as established in the Articles of Association.

Revenue

Member contributions

These represent contributions for 2022 and amount to **€72,018,018.55** (employees €57,481,118.75, retirees €14,536,899.80).

	2022	2021	change
Member contributions	**72,018,018.55**	**72,825,365.97**	**-807,347.42**
From employers	44,831,634.83	46,497,417.31	-1,665,782.48
From members	27,186,383.72	26,327,948.66	858,435.06

Contributions in the employee section concern payments made by companies in favour of their employees (€44,831,634.83) and by employees (€12,649,483.92) who have purchased additional cover or who have added family members who are not legal dependents, paying the agreed sum directly.

They are also broken down into ordinary contributions received from: UniCredit Group companies (€43,755,653.00) and affiliated companies (€1,075,981.83).

Contributions of €14,536,899.80 in the retiree section are paid only by the retirees themselves. They break down into contributions received from retirees who are members of Group pension funds (€5,300,187.30) and contributions from retirees who are not members of Group pension funds (€9,236,712.50).

	2022	2021	change
Financial income	**584,683.85**	**398,206.70**	**186,477.15**
Interest income	584,683.85	398,206.70	186,477.15

This item relates to interest accrued during the year on current accounts held with UniCredit SpA. It is shown net of 26% withholding tax and is divided between employees (€476,108.06) and retirees (€108,575.79).

	2022	2021	change
Other income	**9,081.00**	**98,570.03**	**-89,489.03**
Recovery of costs incurred on behalf of third parties	0.00	79,329.03	-79,329.03
Penalties and cost recoveries	4,581.00	19,091.00	-14,510.00
Surplus provisions made in previous years	0.00	0.00	0.00
Sundry cost recoveries and contingent gains	4,500.00	150.00	4,350.00

The amount of the item Recovery of expenses incurred on behalf of third parties, by its nature, was not included in the separate employee/retiree sections.

The penalties and expense recoveries amounted to €4,581.00 (€900.00 employees and €3,681.00 retirees) and were derived from the regularisation of the registrations of some members; Contingent assets amounted to €4,500.00 (€3,664.35 employees and €835.65 retirees).

Other information

As at 31 December 2022, the Association had no employees but availed itself of the services provided by UniCredit Group employees, whose cost is allocated to the participating companies.

Members of the Board of Directors and the Board of Auditors do not receive any compensation.

Milan, 30 March 2023

The Chairwoman
Ignazio Stefano Farina

Board of Auditors' report

Dear Members of Uni.C.A. UniCredit Cassa di Assistenza per il Personale del Gruppo UniCredito Italiano

Introduction

In the year ended 31 December 2022, the Board of Auditors carried out both the functions provided for in article 2403 et seq. of the Italian Civil Code and those provided for in article 2409-bis of the Italian Civil Code, as well as those provided for in the Association's Articles of Association.

This report contains:

- section A), with the "Report of the independent auditor pursuant to article 14 of Legislative Decree 39 of 27 January 2010; and
- section B), with the "Report pursuant to article 2429, paragraph 2 of the Italian Civil Code".

Report of the independent auditor pursuant to article 14 of Legislative Decree 39 of 27 January 2010

Auditor's opinion on the financial statements

Opinion

We have audited the financial statements of Uni.C.A.- Cassa di Assistenza per il Personale del Gruppo UniCredito Italiano, consisting of the statement of financial position, the income statement and the notes, accompanied by the Board of Directors' report and the report on operations as at and for the year ended 31 December 2022.

In our opinion, the financial statements give a true and fair view of the financial position of the Association and of the results of its operations for the year ended 31 December 2022, in accordance with Italian law governing the preparation of financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) Italy, insofar as they are applicable to the audited entity. 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 Association in accordance with ethical and independence rules and principles applicable to the audit of financial statements under Italian law.

We believe that we have obtained sufficient appropriate audit evidence on which to base our opinion.

Responsibilities of the Directors and the Board of Auditors for the financial statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with Italian law and, within the terms provided by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Association's ability to continue as a going concern and, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof.

The Board of Auditors is responsible, within the terms provided by law, for overseeing the Association's financial reporting process.

Auditor's responsibility for the audit of financial statements

Our task is 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 auditor's 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.

As part of an audit, carried out – to the extent applicable to the audited entity – in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional scepticism throughout the audit. In addition, we have:

- identified and assessed the risks of material misstatement in the financial statements, whether due to fraud or error;
- designed and performed audit procedures responsive to those risks;
- obtained sufficient appropriate audit evidence on which to base our opinion;
- gained an understanding of internal control relevant to the audit for the purpose of designing audit procedures that are appropriate in the circumstances and not for the purpose of expressing an opinion on the effectiveness of the Association's internal control;
- Board of Auditors' report (continued) assessed the appropriateness of the accounting policies used and the reasonableness of accounting estimates and the related disclosures made by the Directors;
- evaluated the overall presentation, form and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a fair representation;
- 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 shortcomings in internal controls identified during our audit.

We have reached a conclusion on the appropriateness of the Directors' 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. Our conclusions are based on the audit evidence obtained up to the date of this report.

Report on compliance with other legal and regulatory requirements

Opinion on the consistency of the report on operations with the financial statements pursuant to article 14, paragraph 2(e) of Legislative Decree 39/10

The Directors of Uni.C.A. – UniCredit Cassa di Assistenza per il personale del Gruppo UniCredito Italiano - are responsible for the preparation of the Association's report on operations for the year ended 31 December 2022, including its consistency with the related financial statements and compliance with the applicable laws and regulations.

We have performed, insofar as applicable to the audited entity, the procedures required under audit standard SA Italia 720B, in order to express an opinion on the consistency of the report on operations with the Association's financial statements as at and for the year ended 31 December 2022 and its compliance with the applicable laws and regulations, and in order to assess whether it contains material misstatements.

In our opinion, the report on operations is consistent with the Association's financial statements as at and for the year ended 31 December 2022 and complies with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2(e) of Legislative Decree 39/2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Opinion on the basis of presentation for the financial statements

The document substantially follows the criteria adopted by the Association since it was established. The Association may consider a restatement of the accounts in the future to make them more effective and efficient.

Report on oversight activities pursuant to article 2429, paragraph 2 of the Italian Civil Code

During the financial year ended 31 December 2022, we carried out our activities in accordance with the related statutory requirements and the rules of conduct for boards of auditors issued by the Governing Body of the Italian Accounting Profession.

B1) Oversight activities pursuant to article 2403 et seq. of the Italian Civil Code

We monitored compliance with the law and the Articles of Association and with best administrative practices.

We attended the meetings of the Board of Directors and, on the basis of the information available, we did not identify any breaches of the law or the Articles of Association in relation to these meetings, or any transactions that were manifestly imprudent, risky, in potential conflict of interest or such as to compromise the integrity of the Association's assets.

During meetings of the Board of Auditors and the Board of Directors, we acquired information on the overall operating performance and the related outlook, also in relation to the repercussions of the "long tail" of the health emergency, as well as on transactions entered into by the Association and considered material in terms of size or nature.

On the basis of the information obtained, we have no particular observations to report.

We have acquired information from the Supervisory Board and no critical issues have emerged with respect to the proper implementation of the organisational model requiring disclosure in this report.

We have gained knowledge of and supervised, within the scope of our responsibilities, the functioning of the Association's organisational structure, also by collecting information from management and the Board of Directors. In this regard, we have no particular observations to make.

We have gained knowledge of and supervised, within the scope of our responsibilities, the functioning of the administrative and accounting system, as well as the reliability of such system in correctly recording transactions, by obtaining information from management and examining company documents. In this regard, we have no particular observations to make.

Throughout the year, the Board of Auditors provided the Board of Directors with an opinion on the assignment to perform the Internal Audit and Quality Review service in relation to the Organisation and Management Model, as required by Legislative Decree 231/2001.

In 2022, the Accounting Regulations were drawn up in order to comply with Article 19 of the Articles of Association: the Board assisted through appropriate suggestions for the fine-tuning of the document.

During the performance of our oversight activities, as described above, no other significant aspects emerged requiring mention in this report.

No complaints were received from members pursuant to article 2408 of the Italian Civil Code.

The Board of Auditors has verified that, also in 2022, the Association complied with the provisions of the Sacconi Decree of 2009, complying with the restrictions on the use of the assets of health benefits funds in order to retain the tax benefits on healthcare contributions paid. The minimum ratio between compliant services and total member contributions, net of operating costs, is set by the regulation at 20%: The Association reached a higher level, equal to 35.57%, as shown in the "Report on operations" (section 57).

B2) Opinion on the financial statements

To the best of our knowledge, the Directors, in preparing the financial statements, have not departed from the provisions of article 2423, paragraph 4 of the Italian Civil Code.

The results of our audit of the financial statements are contained in Section A) of this report.

The table below provides financial highlights:

	2022	2021
Assets	59,985,274.02	57,862,177.88
Reserve funds	(45,760,622.36)	(45,694,701.27)
Member contributions	72,018,018.55	72,825,365.97
Benefit expenses	(72,477,453.70)	(73,008,780.08)
Surplus for the year	65,921.09	121,393.61

Events in 2022 are described in full in the "Report on operations", confirming the positive assessment of the Association's operating activities.

In 2022, the Association resumed its identity and tax checks on family members included in the cover provided by the plans, though spot checks with a particular focus on identities and comparing individual positions with previous years. Over time, these checks have proven to be a useful tool for monitoring the accuracy of the identity details recorded, which has a subsequent impact on the loss ratio.

In 2022, the Supervisory Board (SB) carried out their supervisory activity without detecting any operational anomalies or reports of irregularities. At the start of the year, the Supervisory Board carried out in-depth studies as part of its prerogatives for initiating and monitoring the functioning of the Organisation and Management Model. The results of these studies enabled the Cassa to take action to further structure certain activities, such as refining the Conflict of Interest Management Policy Document and formalising the Accounting Regulations, a document that outlines the scope of the Association's accounting. In the second half of 2022, a Quality Review of the 231/01 Organisational Model was carried out by a specialist consultant. The results of the review were presented to the Board of Directors at the end of the year and were positive. The consultant's suggested improvements to the Model will be subject to evaluation by the Supervisory Board, as part of the Model's regular updating process. The Board of Auditors remained in constant contact and dialogue with the Supervisory Board during 2022, as in previous years.

B3) Opinion and proposals regarding approval of the financial statements

Based on the above and in keeping with the scope of its duties and considering that it has acquired sufficient and appropriate evidence on which to base its opinion, the Board of Auditors hereby expresses a favourable opinion on approval of the financial statements as at and for the year ended 31 December 2022, as submitted to us by the Board of Directors, and on the related proposal for the allocation of the result for the year.

The Board of Auditors

Fiorenza Sibille - Chairwoman of the Board of Auditors

Cristina Costigliolo - Standing Auditor

David Davite - Standing Auditor

Vincenzo Ferraro - Standing Auditor

Milan, 27 April 2023