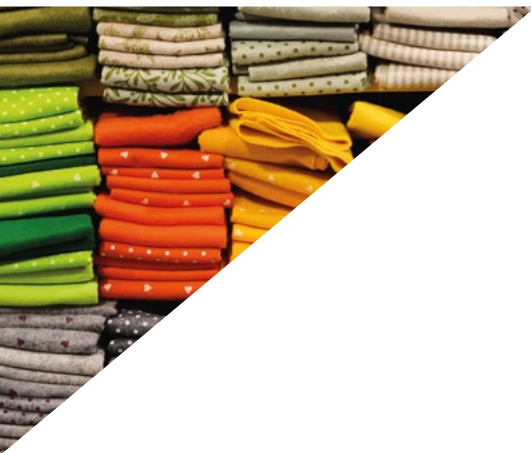


Annual Report 2019

Close to companies in Italy and around the world



sace simest 
gruppo cdp

Close to companies
in Italy and around
the world

sace simest 
gruppo cdp

Contents

A world to grow in, with the right tools World and business	08
2019: a year supporting businesses Results	24
Managing risks in order to look forward Risk management	32
People and values: the key to our success People and values	42
Transparent management to support businesses Corporate governance	50
Glossary	66

Close to companies in Italy and around the world

In 2019, export reaffirmed its role as a fundamental pillar of the Italian economic system. The results show the commitment of our companies to achieving new goals on international markets, showcasing Made in Italy in the world.

We, SACE and SIMEST, the export and internationalization Hub, are at their side. A team of professionals from global markets who, through their work, enhance the excellence of companies, especially SMEs, making them more competitive and strong abroad. Today more than ever, our mission becomes crucial for the Country System. We operate knowing that we can make a difference to the success of our businesses on a global level.

We are ready to face new challenges, giving fresh impetus to the international projection and the economic activities of our companies, to relaunch the growth of the country and its business community. This Annual Report summarizes the year that has just ended and presents the Hub's results, plus some successful stories of Italian companies. By combining their tenacity - operating on foreign markets - and our support, they found out how to create relevant value, while promoting Made in Italy worldwide.

2019 highlights

The figures of the SACE SIMEST Hub

21.2

billion



resources mobilized
in 2019 to support
export and
internationalization
of Italian businesses

134

billion



transactions
in portfolio

23

thousand



customers
in portfolio,
of which 95% are SMEs
and Mid-corps

984

people



people of the Hub
who work every day
to enhance Made in Italy
in the world

Consolidated financial highlights

103 Net
profit
million

5,597 Equity
million

690 Gross
premiums
million

3,590 Technical
reserves
million

251 Claims
paid
million

The new challenges of 2020: between unprecedented crises and extraordinary instruments

2020 is an extraordinarily complex year:
the whole world - families, businesses, nations - has stopped.

We are facing an unprecedented crisis, whose impacts
are still difficult to estimate, knowing that they will affect
negatively the global system and individual states as well.

The response to this disruptive shock will determine
the success and the overcoming of this difficult moment.

This is the reason why Italy ought to show national cohesion,
in order to start over, gathering all the players of the Country
with an unanimous commitment.

Against this background, SACE and SIMEST have also been called to new challenges.

The *Decreto Liquidità* entrusted SACE with an important mission as part of the emergency measures defined by the Italian Government. With great enthusiasm, SACE has set up, in a very short time and making the most of all the experience gained in 40 years of activity serving businesses, the “Garanzia Italia” scheme, through which it guarantees, with a counter-guarantee from the State, the financing provided by banks to businesses affected by the Covid-19 emergency. This extraordinary instrument was conceived in order to sustain business and prevent lack of liquidity, as a consequence of the pandemic. However, in order to start over, we must establish new pillars. This is the reason why export - that represents the core of SACE’s mission - is going to play a fundamental role for the Italian country.

Indeed, the *Decreto Liquidità* also contains other measures that provide for SACE’s intervention, with a more forward-looking vision. On the one hand, the strengthening of export support through a co-insurance system between SACE and the Ministry of Economy and Finance, which will enable SACE to expand its capacity to support Italian exports. On the other hand, a stronger commitment to relaunching the national economy, which will allow SACE to guarantee financing for investments by Italian companies.

In order to encourage exports and internationalization as the driving force behind the economic recovery, SIMEST’s support to Italian businesses, starting with SMEs, has also been strengthened to an unprecedented extent.

Fund 394, managed by SIMEST on behalf of MAECI to provide soft loans to companies for internationalization initiatives, was replenished with 600 million, in addition to 300 million for non-repayable loans. In addition to the exemption, up to year end, from the provision of

guarantees to obtain financing, the Relaunch Decree has introduced further opportunities for the companies, such as: the possibility to apply for significant portions of non-repayable loans; the increase - in some cases the doubling - of the amounts that can be disbursed; the extension of soft loans to projects in EU countries, which have so far been excluded from the scope of intervention; the possibility of covering the costs to participate in international trade fairs taking place in Italy, where internationalization begins. Inevitably, after ten years of almost uninterrupted growth, Italian exports are also suffering from this adverse phase. For a generalized recovery we will have to wait until 2021. However, 2020 will be crucial to redefine companies’ strategies on the global market.

The post-Covid world, where companies will operate, is going to be more indebted, less global and strongly digitalized. To defend our strategies and to enhance Made in Italy - both locally and worldwide - will be priority matter, in order to safeguard economic activities, aware of the challenges that still await us.

Potential geographies to restart and different strategies to approach international markets will be two key elements in regenerating Italy’s economic fabric and ensuring that all Italian businesses can continue to operate in the immediate future and develop their potential in the medium and long term.

SACE and SIMEST will be on the side of companies, supporting them in their export and internationalization activities, with a wide range of insurance-financial solutions, also available online in addition to training and information services to help an increasing number of companies to enter foreign markets and look for new growth margins in global demand. Thanks to the counter-guarantee on export activities from the State, SACE and SIMEST have been able to reinforce their support to business, so that export and Made in Italy continue to be the core of the Country System.

Plastic recycling in Mongolia with Sorema

The Como-based Sorema (a division of the Previerio Group), specialized in plastic-recycling systems, supported by SACE in installing a plastic bottle recycling plant worth €4.9 million in Mongolia. Specifically, SACE guaranteed a letter of credit that enabled the Asian counterpart to obtain an extended payment period.

Thanks to the partnership with SACE, Previerio successfully seized the opportunities offered by Mongolia's infrastructure development. SACE supported Sorema's exports in South-East Asia also beyond the Mongolian borders, protecting the supply of plants worth €15.1 million in China from the political risk, while guaranteeing the credit risk linked to the contract.



A world to grow in,
with the right tools
World and business

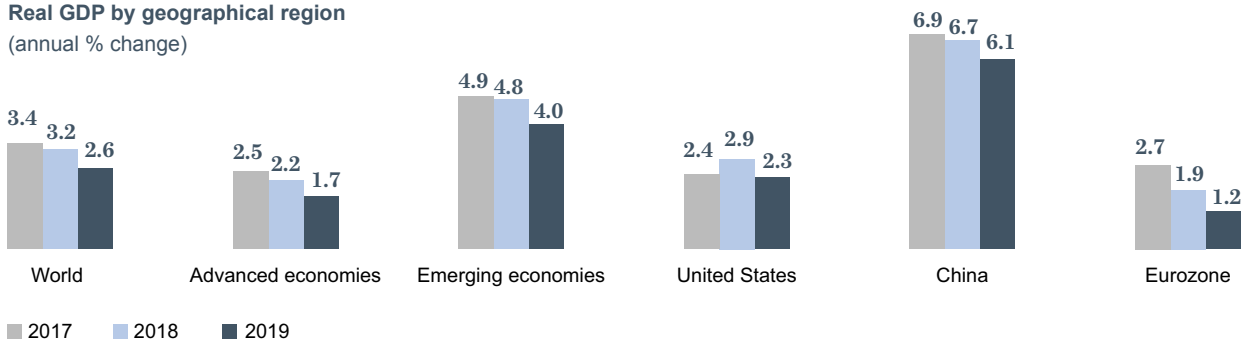
A world in which to grow, with the right tools

The world is growing, thanks to emerging economies, but increasingly slower...

The expansion of global economic activity continued in 2019, though at the lowest rate in the last decade. Last year, global GDP accelerated at a rate of 2.6%, down 0.6 percentage points from 2018. The slowdown was mainly due to the weakening of economic activity in advanced economies (+1.7%) caused by lower growth in the United States and the continuing weakness of the Euro Area, where the German “locomotive” slowed down considerably. Also for emerging economies, estimates indicate a slowdown in GDP expansion in 2019 (up 4.0%), reflecting a more “moderate” trend in China and India (compared to what is usually observed), a more modest trend in Brazil and Russia, and difficulties for major players included in the aggregate such as, inter alia, Saudi Arabia, Argentina, Iran, Mexico, Turkey and Venezuela.

In response to the deterioration of the macroeconomic environment, the main monetary authorities acted in an accommodating manner to counter recession risks. First of all, the US Federal Reserve, which has reversed the course with three consecutive cuts in the reference interest rate since last July, followed by the European Central Bank, which announced new expansionary measures in addition to those already in force. This accommodative stance also applies to the large emerging economies that have cut policy interest rates (e.g., Saudi Arabia, Brazil, Chile, India, Mexico, Russia, Thailand, Turkey), favoring an improvement in global financial conditions in the latter part of 2019. The International Monetary Fund estimates that, in the absence of these actions, global growth would have been 0.5 percentage points lower.

Real GDP by geographical region
(annual % change)



Source: Oxford Economics

...between trade and geopolitical uncertainties

In 2019, the picture continued to be characterized by various events of a political and economic nature, some of which had already emerged in the previous year, leading to an increase in uncertainty and influencing the decisions of operators at a global level. These various events included the tightening of the US trade policy towards China and the European Union, doubts as to when and how Brexit would take place, market tensions in some Latin American countries and Hong Kong, and persistent difficulties in various regions of the Middle East.

Export is fundamental in Italy

In this context, Italy's GDP grew by 0.3%.¹ Household consumption and business investment supported this modest trend of the overall economic activity. The slowdown in international trade had a limited impact on Italian exports of goods and services.

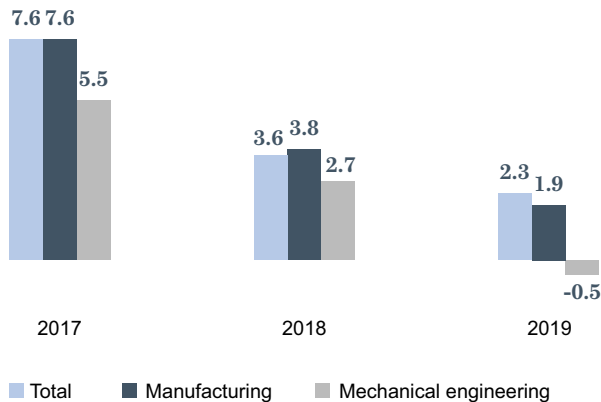
The international trade of goods by volume slowed significantly, falling to a modest +0.3% in 2019 (compared to +4.7% the previous year).² Capital and intermediate goods were the most affected sectors, highly integrated into global value chains, reflecting the slowdown in investments caused by the decline in business confidence. In particular, the trade tensions between the United States and China dominated global economic uncertainty with a negative impact on transactions, both directly (with the introduction of new tariff and non-tariff measures) and indirectly (with the announcement of possible new tariffs).

In this context, Italian exports of goods grew by 2.3% in value in 2019, slower than in the previous year (+3.6%). Despite the reduced dynamism, this performance leaves room for an increase in the Italian market share on foreign markets. In the same period, the trade surplus reached almost €53 billion, up by about 35% compared to the previous year, aided by a decline in imports. Growth in Italian exports of goods was mainly driven by demand from non-European markets (up 3.8%), while the trend was more contained in EU countries (up 1.1%). From a sector point of view, export growth was driven by the traditional sectors of specialization of Made in Italy products (food and beverages, clothing and leather), pharmaceuticals and, to a lesser extent, metals. Conversely, exports of motor vehicles declined (in line with the sector's continuing difficulties at a global level), as well as electrical appliances, refined oil products and chemicals. The mechanical sector declined slightly.

¹ Istat (Italy's National Statistical Institute), Annual Report, July 2020.

² Oxford Economics, May 2020.

Italy's exports of goods by value, broken down by selected sectors
(annual % change)



Source: ISTAT, February 2020

The new year and the Covid-19 shock

The picture for 2020 changed profoundly in the first few months of the year. The Covid-19 virus aggravated the context outlined at the beginning of the year, which was not risk free: from the slowdown of the major economies to a strong global recession, from the truce signed by the Phase-one trade deal between the United States and China to the collapse of trade, from the uncertainty associated with Brexit to the difficulty of reaching agreements between EU countries, from stock exchange and debt records to financial turbulence and the surge in public spending.

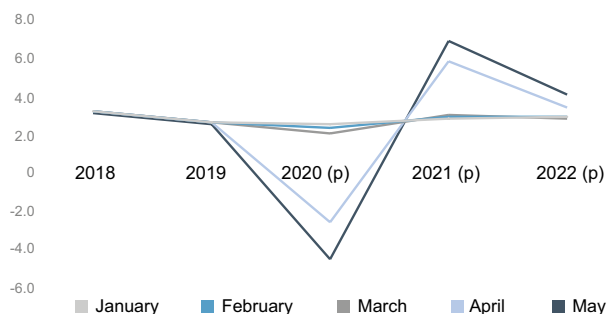
The measures taken by many countries to combat the public health emergency have plunged the world into the so-called “great lockdown”, with strong repercussions on world economic activity. The Covid-19 shock can be assimilated, in some respects, to a natural disaster, i.e., an unpredictable event external to the economic

system. However, unlike an earthquake or hurricane (which are instant events by definition), the duration of the pandemic shock is variable and, at the moment, in the absence of a vaccine and therapies, still unknown. Empirical evidence shows that the effects of a shock caused by a natural disaster tend to be temporary and quickly reabsorbed. On the contrary, the effects of an economic-financial shock propagate over a longer time horizon, even with permanent repercussions. In the case of the Coronavirus, the measures to contain contagion based on social distancing and the closure of non-core production activities resulted in a simultaneous shock of demand (collapse in consumption and investment) and supply (interruption of production and global supply chains). In other words, in addition to the pandemic shock, we also see an economic-financial shock.

Therefore, the medium-term effects depend on a number of factors, whose evolution is - at this moment - still very uncertain: (i) duration of lockdown and restrictive measures; (ii) size and effectiveness of economic policy interventions, both tax and monetary; (iii) effectiveness of measures to ensure the stability of financial markets; (iv) private sector response and possible «hysteresis» of consumers and businesses.

A similar shock - developed at international level, affecting both supply and demand, and whose duration is uncertain - is the cause of the drastic downward revision of the global economy's growth prospects for 2020, which took place month by month, as countries became involved, restrictive measures were adopted and the effects became apparent. Consensus estimates are, in fact, aligned on a deep recession and point to a much greater contraction than that recorded in 2009 during the Global Financial Crisis: according to the forecasting institute Oxford Economics, the world GDP is expected to fall by about 5%. Assuming that the pandemic will be contained and the economic policy measures will be successful, the contraction in global activity was particularly significant in the second quarter but should gradually catch up in the second half of the year.

World GDP, comparison of base scenarios (annual % change; volume)



Note: the base scenario is that with the highest probability of occurrence.
Source: Oxford Economics May 2020

In this context, the international trade of goods is severely affected, with an estimated drop of over 9% in volume this year. The sectors most affected are those characterized by a greater involvement of Global Value Chains (specifically, the automotive sector - already in difficulty for two years - and electronics) and those related to services. The latter are severely impacted by the restrictions imposed on transport, travel and hospitality. As a result, the crisis in the services sector - which had shown resilience during the trade war - will worsen the contraction in the trade of the related goods.

This extremely negative situation translated into an expected sharp decline in Italian exports of goods, after a decade of expansion in which foreign sales have been the main driver of our GDP growth. The pharmaceutical and food and beverage sectors will be less affected. Other sectors, such as the mechanical, automotive and other means of transport sectors, will have to wait for the economic and trade recovery expected next year. Consumer goods will also need more time, although the high-end quality bands should show a better degree of resilience to the shock.

Starting again from export and the key markets for the Made in Italy

In geographical terms, the key markets that could drive the Made in Italy already from the end of 2020 are the Asian markets, China first and foremost, followed by Vietnam and the Philippines. These three markets are clearly of different importance for our exports, but especially in relation to Hanoi, our recent sales performance has been very positive. Among the advanced countries, Germany and the United States (from 2021) will play an important role, as the first and third markets, respectively.

The recovery of the Italian economy will pass through exports, however investment, marketing strategy and proximity to customers will be necessary. The risk picture also remains complex and uncertain, with strong downward pressure.

Exploring the digital offer

Sacesimest.it is the digital website, launched in 2019, an exclusive entry point for the entire online offer of the Hub: a digital ecosystem, built-to-measure for SMEs, which aims to improve the international projection of businesses through content solutions and services. With a few clicks, companies can access the digital offer that includes six simplified product lines: subsidized loans, credit insurance, evaluation of the reliability of Italian and foreign customers, factoring, debt collection and sureties.

Supporting the growth and restart of businesses

Financial and insurance solutions for every need

In a global framework characterized by strong uncertainty and with foreign trade paradigms to be rewritten, businesses must be able to rely on adequate tools to better manage critical issues, strengthen competitiveness and safely seize the opportunities offered by exports and internationalization.

For over forty years, SACE SIMEST has been assisting Italian companies around the world, supporting and showcasing the Made in Italy, including in remote and less known regions, with one of the largest offers among Export Credit Agencies: a range of products and services - many of which are also available online - which meet businesses' needs throughout the entire export and internationalization cycle.

Furthermore, under Law Decree 23/2020, SACE also supports the companies affected by the Covid-19 health emergency, facilitating access to funding through the "Garanzia Italia" scheme, the new extraordinary tool to support financing by banks, with SACE guarantee and counter-guarantee by the Italian State. Since 1991 SIMEST has been promoting the growth and competitiveness of Italian businesses operating also abroad, through three lines of activity: soft loans, equity investments and support for export credit. SACE SIMEST, together, form the export and internationalization hub of the CDP Group. The reference point for businesses operating in the global market.

In addition to financial and insurance solutions, the offer includes information and training tools (online and offline) which assist businesses in consciously facing the challenges posed by foreign markets.



Towards a more structured and increasingly aware approach to exports

The many initiatives launched by the Hub in this respect include, for example, the large network of collaborations developed by the Hub over the years with local trade associations, training providers and universities, with which it has developed training and information initiatives dedicated mainly to SMEs, allowing participants to acquire a set of strategic and operational skills to successfully launch an internationalization process or strengthen their presence in foreign markets.

Focusing on training and a more widespread and articulated export culture is one of the Hub's goals. The Education to Export program was developed to this end. Launched at the end of 2018, it seeks to improve the approach of businessmen to foreign markets, in order to increase the number of exporting SMEs and enable those already active in foreign markets to strengthen their operations. In 2019, more than 11,000 users were reached, including around 2,200 who benefited from the online and offline services offered by the program. The two new subsidized finance tools launched during the year by SIMEST to increase businesses' degree of internationalization are also linked to the strengthening of the export culture. These are: Temporary Export Manager, which provides for the temporary involvement of an expert in foreign markets, also enabling businesses that cannot afford to hire an *ad hoc* specialist to be more competitive (by integrating new managerial skills to support business decisions and responding effectively to the spurs of the market) and E-Commerce, through which businesses can exploit e-commerce and increase sales (by directly building their own IT platform or using a third-party one). A structured and conscious approach to export must also necessarily include customer knowledge. Thanks to the Hub's Valutazione Azienda service, companies can benefit from our professionalism and experience in assessing the reliability of the businesses they work with in Italy and abroad. This digital service was launched in 2019, providing opinions over 300 companies.

In addition to this, SACE's Office's analyses and reports, which, through products such as the Risk and Opportunities Map and the Export Report, have now become a reference point for guidance in the global market.

Education to Export

Education to Export is the free training program made available by the Hub to guide and support companies in their international growth. Through digital courses structured in export kits, users can take advantage of dynamic tools, snapshot articles, data, in-depth analyses, sector analyses and interactive questionnaires, also based on their level of preparation on export and internationalization issues. In addition to the online platform, the program includes local meetings, in collaboration with the institutional, association and business world.



A more pro-active approach to support the Made in Italy

Italy's successful exports also rely on the creation of opportunities and strong business links. SACE's Push Strategy applies a pro-active approach to boost the competitiveness of Italian businesses across the world. This program, which leads the way for Italian exporters in high-potential emerging markets and activates economic diplomacy mechanisms, offers major foreign buyers medium/long-term credit lines at competitive rates to facilitate purchases of Italian goods and services or strengthen existing business relations. In 2019, approximately €620 million worth of resources was mobilized under the Push Strategy in favor of counterparties in India, Brazil, Mexico and Turkey.

Since it was launched in 2017, SACE has completed transactions worth more than €2.3 billion, which enabled Italian companies to join the supply chains of major foreign buyers, signing various contracts. The Push Strategy approach goes beyond the financial side of the transaction. Indeed, business matching events between Italian firms, top management and the foreign buyers' procurement team benefiting from the loans guaranteed by SACE are an integral part of the Push Strategy. This year, over 600 Italian businesses participated in meetings, getting to know the major players benefiting from the credit lines.

Financing international growth

The international expansion of a business is premised on its ability to secure financing and credit to support its growth strategies. This requires knowing the tools offered by the main programs that help businesses become more competitive, and the Hub is a key ally in this regard.

SIMEST manages the 394/81 Fund on behalf of the Italian Ministry of Economic Development³, extending subsidized loans to businesses to support different types of initiatives: from feasibility studies to the start-up of business structures in foreign countries, the development of technical support programs for employee training purposes, the participation in exhibitions, trade fairs and missions coordinated with other national entities, the capitalization of small and medium exporters, the temporary involvement of an export and internationalization specialist in businesses or the participation in e-commerce platforms to

increase foreign sales. A whole range of financial products supporting the development and growth of Italian businesses on international markets. In 2019, SIMEST approved €290 million worth of subsidized loans to promote internationalization (up 17% on 2018). Overall, we reached 52 countries, including, in particular, the United States, Albania and the United Arab Emirates.

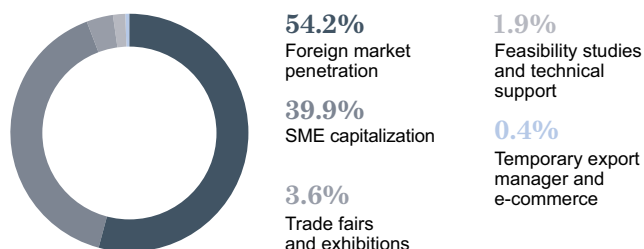
SACE's guarantees are another tool that businesses can use to facilitate access to funding. Italian businesses can use this product to finance their working capital and the investments associated with internationalization efforts. In 2019, SACE guaranteed €679 million in this area, mainly companies operating in the service, automotive and infrastructure and construction sectors. Dedicated to small and medium businesses, the guarantee for the internationalization of SMEs is the tool that, through partnerships with banks (especially

³ From 1 January 2020 on behalf of the Ministry of Foreign Affairs and International Cooperation.

local ones), helps companies access funding for multiple purposes: working capital support, direct investments abroad, investments in research and development in Italy, expenses for the purchase or renewal of machinery and equipment, communication and marketing, and participating in trade fairs. In 2019, SACE guaranteed €224 million worth of loans (+53% on 2018), supporting over 360 SMEs, operating in a wide range of segments.

SACE also guarantees debt securities, through the export basket bond tool in partnership with CDP and through the “Sviluppo Export” Fund. In this respect, in 2019, SACE mobilized resources worth €134 million.

Resources mobilized by SIMEST through subsidized loans to support internationalization efforts by type of activity (2019)



“Sviluppo Export” Fund

The “Sviluppo Export” Fund ended on 23 January 2020. It was launched in 2015 by SACE, to facilitate companies’ access to the capital market, offering an innovative and strategic channel to obtain resources, in addition to banks. The Fund is managed by Amundi, drawing on the resources made available by SACE and EIB (European Investment Bank) with a guarantee provided by SACE, which resulted in Italian companies issuing bonds, to finance a wide range of initiatives: from direct investments abroad – such as acquisitions, mergers, or joint ventures – to investments in research and development in Italy, expenses for the purchase or renewal of machinery and equipment, communication and marketing.



More competitiveness for exporting SMEs

SIMEST's "Contributo Export sul Credito" scheme for supplier credit has recently been revised to make Italian exporting companies - especially SMEs - more competitive, enabling them to grant medium to long-term payment extensions to foreign customers.

In order to make it easier for companies, the documentation to be produced has also been reduced and a simulator has been made available. Thanks to this tool, companies will be able to immediately estimate the grant and the indication of the minimum payment term to obtain the maximum grant.

Making exports more competitive

Offering payments terms or loans at favorable rates to your foreign customers is key to successful negotiations - especially in international markets. SACE SIMEST assists Italian enterprises and supports their exports with insurance/financial solutions that enable exporters to sell their products and services safely and at competitive conditions. Besides receiving support throughout all the steps of the operation (from the assessment of the foreign customer to the subsequent and possible debt collection), the businesses that choose SACE are able to offer their foreign customers financial packages with longer payments terms, to the benefit of competitiveness.

Thanks to its wide range of products, SACE is capable of meeting the needs of businesses, regardless of their size, for both small amounts - through online standardized products, such as the Export Up policy -, and for more complex transactions, which include arranging medium/long-term credit lines by involving banks.

SIMEST can support Italian companies that sell investment goods and services abroad with interest subsidies on the Buyer and Supplier Credit, enabling Italian exporters to offer their foreign customers medium-long term payment conditions at a facilitated minimum interest rate. The Supplier credit tool has also been recently remodeled according to the size of the company, favoring SMEs and now boasts an online simulator that provides an immediate estimate of the maximum amount obtainable.

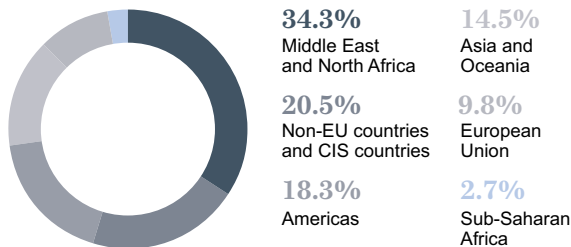
In 2019, SACE mobilized a total of €8.7 billion to support Italian export businesses, of which €4.5 billion in synergy with SIMEST, which disbursed interest subsidies. In addition, SIMEST has in place grants for suppliers' credits related to the 295/73 Fund of €298 million.

Based on the resources mobilized, the Middle East and North Africa account for 34.3% of the new export credit operations. This trend was driven by the various operations completed by Italian businesses in the oil & gas sector, followed by Emerging Europe and CIS countries (20.5% of resources mobilized), up on the previous year. The American continent accounted for 18.3% of SACE-guaranteed exports, particularly with respect to the United States, but also to emerging markets such as Brazil, Mexico and Peru. Asia (14.5%), the European Union (9.8%) and Sub-Saharan Africa (2.7%) follow.



SACE BT's multi-product approach

Resources mobilized by SACE to support exports by geographical region (2019)



Top Made in Italy supply chains are among the sectors that benefited the most from SACE's support for their exports, notably: oil & gas (45.8%), cruise ships (20.4%), chemicals and petrochemicals (14.5%). These sectors include both large, world-leading companies, but also a supply chain system made up of many smaller businesses. On the other hand, looking at the number of supported transactions, the mechanical engineering industry is the sector that benefited the most (24%). This is a sector of excellence in Italian exports that mainly involves SMEs.

The growing risks and volatility across all markets require exporters to get credit insurance, not only for large transactions with large payment extensions. Indeed, at this time, insuring short-term receivables has become a strategy, as part of the entire turnover. This option allows to improve and regularize the management of cash flows, especially when combined with solutions such as receivable discounting or factoring, which enable businesses to discount their receivable in advance.

With SACE, businesses can insure their short-term receivables (through the operating entity SACE BT), both individual transactions and the total sales generated in Italy or abroad. In 2019, SACE mobilized €3 billion in this area, in addition to €391 million in synergy with SACE Fct. The businesses that relied on SACE BT's products mainly operated in the mining (22.1%), agricultural (9.6%) and the chemical and pharmaceutical (9.1%) sectors.

SACE BT's offer to Italian businesses specifically SMEs, boasts a multi-product approach, which guarantees protection for trade receivables supporting domestic and foreign businesses, sureties, risks hedges relating to building sites and non-life businesses.

Thanks to this wide range of solutions offered by the Hub, businesses can achieve numerous synergies, combining these instruments with other insurance companies solutions, benefiting from tailor-made packages.



Introducing Digital Factoring

SACE Fct's offer is also available online, thanks to the specific platform dedicated to Italian SMEs that need to obtain liquidity from trade receivables quickly, through digital signature and in full autonomy.

Digital Factoring transforms trade receivables in liquidity in a completely dematerialized and intuitive way, quickly or by accessing online auctions on a dedicated marketplace.

Investing abroad

In a scenario where Global Value Chains deeply affect global investment and trade flows, for exporters having a local presence can be a winning strategy. Setting up joint ventures or other kind of establishments in your reference markets is a strong driver for competitiveness and an effective tool to support business strategies - either to penetrate new destinations or increase your share of markets already acquired.

SIMEST supports Italian businesses by acquiring temporary and non-controlling investments in foreign or Italian companies. Investments may be made in the set-up phase (greenfield initiatives), in capital increases or in the case of third-party acquisition (M&A transactions). In case of investments in non-EU countries, SIMEST's direct involvement may be assisted by the additional participation of the public Venture Capital Fund, managed by SIMEST. Furthermore, again for projects outside EU markets, businesses can also benefit from a bank financing facility to acquire their investment.

In 2019, SIMEST finalized €131 million worth of direct investments in companies, in addition to €13.9 million in equity investments of the public Venture Capital Fund managed on behalf of the Ministry of Foreign Affairs and International Cooperation and €125.7 million worth of equity loan subsidies.

Furthermore, given the considerable geopolitical uncertainty in multiple areas around the world where several Italian companies operate, SACE's Investments Policy represents a reliable ally: it protects both equity abroad and loans to foreign subsidiaries, and allows to limit the losses or offset the failure to repatriate amounts related to investments (for example, dividends, profits, repayments of shareholder's loans) as a result of war or civil unrest, exchange controls, direct or indirect expropriation, and the revocation of contracts with local public counterparties. It protects also against the risk of business interruption, i.e., the damage caused by the temporary interruption of production activities. In 2019, several companies chose the Investments Policy to support their business abroad. SACE mobilized approximately €1 billion in this area, mainly with regard to transactions conducted in Africa, Emerging Europe and the CSI countries.

Turning receivables into liquidity

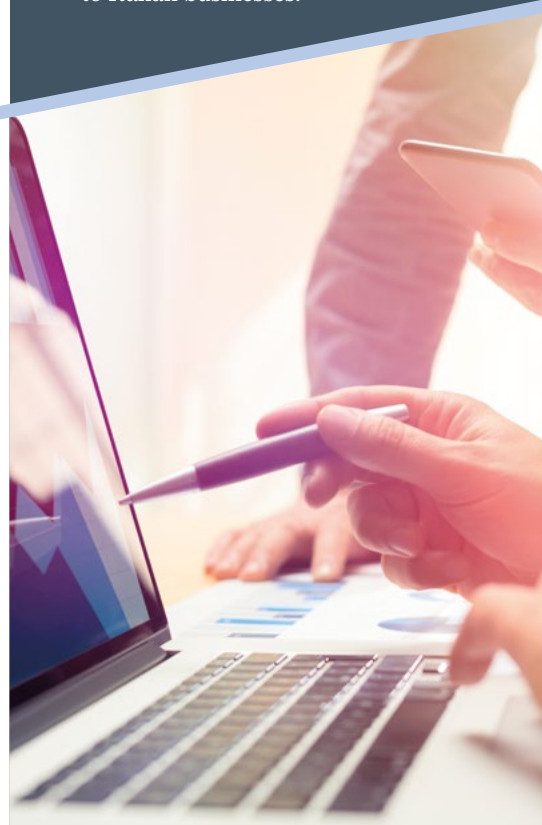
The factoring solutions offered by SACE through the operating entity SACE Fct allow companies to generate liquidity through the recourse or non-recourse factoring of receivables due from private or public-sector counterparties in Italy or abroad. Besides conventional factoring, SACE provides businesses with Reverse Factoring services dedicated to Italy's large industrial companies and their suppliers, supporting the production chain by optimizing cash flows. SACE Fct mobilized €3.5 billion in 2019 (-5%), in addition to €567 million related to export credit transactions backed by SACE.

Managing online collections

The recovery of foreign receivables is fully available on sacesimest.it website, which allows users to manage all phases of the online process: from the start of the collection mandate up to the invoicing process.

SACE SRV's expertise and specialization ensure successful results in less than 30 days thanks to a targeted out-of-court approach and major investments in the digital infrastructure that supports the business.

During the year, the collaboration between SACE SRV, MAECI and ICE was strengthened. These play a strategic role in offering an increasingly efficient service to Italian businesses.





Collecting receivables

Debt collection is a key ally of “last resort”, and SACE (through the operating entity SACE SRV) offers nearly unrivalled expertise in this highly specialized service in Italy, especially as far as transactions in emerging markets are concerned. In 2019, SACE SRV managed over 28,000 mandates, for an exposure of more than €1.4 billion and over €50 million worth of receivables in and out of court (including bankruptcy proceedings) in order to collect the outstanding receivables of the companies served by the SACE SIMEST Hub and of uninsured third-party customers. This service is available on line (sacesimest.it).

Obtaining guarantees for tenders and contracts

Introducing yourself to principals with the right guarantees is key to participating in tenders or winning contracts. SACE, together with the operating entity SACE BT – offering products that protect from the risks associated with the construction of facilities and civil works – stands alongside companies by issuing contractual guarantees and sureties required by law either directly or in partnership with banks and insurance companies.

In 2019, they mobilized €2.7 billion worth of guarantees in this area. The segments that benefited the most from SACE's support included the construction sector, non-financial services and the mechanical industry.



msc
GLOU 700004
4561
M.G.W
TARE
NET
CU.CAP
CAUTION
HIGH
TRAILER

tex
TGHU 700087
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

msc
TCNU 700595
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

msc
MSCU 002034
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

msc
MEDU 842987
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

msc
MEDU 824134
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

msc
MSCU 792363
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

tex
TENU 704030
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

msc
MEDU 884200
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

msc
INLU 887474
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

BFSU
949252
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

tex
TGHU 944748
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

INLU
675089
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

tex
TGHU 986506
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

msc
MSCU 115877
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

INLU
248728
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

TCNU
944334
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

msc
MSCU 919141
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

GLOU
731775
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

TRLU
823940
4561
MAX. NET
TARE WT
PAVLOAD
CU. CAP
CAUTION
HIGH
TRAILER

PAC carries renewable energy to Uganda with SACE and SIMEST

SACE and SIMEST have supported the Bolzano-based PAC, a company active in infrastructure projects with high engineering content, in the construction of the Kikagati hydroelectric plant in Uganda.

The support was complex.

Specifically, SACE guaranteed a €3 million loan to meet the working capital requirement to qualify for the contract worth a total of 40 million. SIMEST, in turn, participated in the share capital of the Uganda-based Sipa, controlled by PAC, while SACE has protected the investment from political risks.

Thanks to this transaction, the company extended the construction of plants for the production of renewable energy also in Sub-Saharan Africa.



2019: a year supporting
businesses
Results

2019: a year supporting businesses

Mobilized resources

In 2019, the Export and Internationalization Hub mobilized a total of €21.2 billion to support companies operating abroad, down by 26% on the previous year (€28.6 billion).

The resources mobilized by SACE and SIMEST to support Italian exports totaled €8.9 billion, accounting for 70% of the total. €3.8 billion went to support internationalization, while other insurance and financial services mobilized €8.5 billion.

Net mobilized resources by company

(€ million)	2019	2018	% change
SACE	11,890	19,423	-39%
SIMEST	732	746	-2%
SACE FCT	3,474	3,660	-5%
SACE BT	5,069	4,756	7%
Total	21,165	28,586	-26%

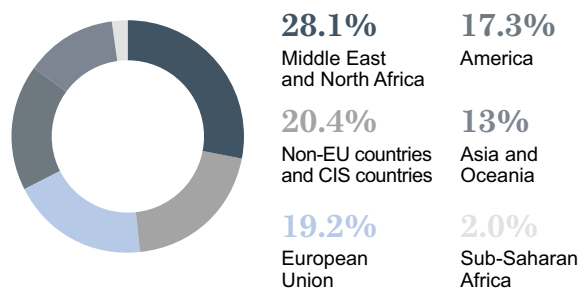
SACE's new outstanding guarantees amount to €11.9 billion, down from €19.4 billion in 2018 (-39%), of which 73% went to support exports and 27% internationalization efforts.

New commitments largely refer to transactions in the Middle East and North Africa (28.1%), Emerging Europe and CIS countries (20.4%) and the European Union (19.2%). The main industrial sectors were the oil & gas, cruise and the chemical and petrochemical sectors.

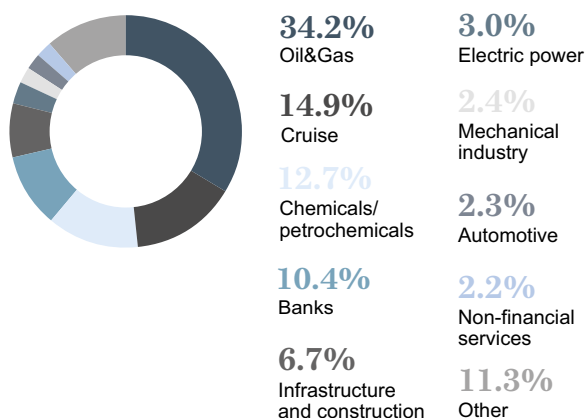
Overall, SIMEST mobilized €732 million (in line with the previous year), of which 77% consisted in subsidized loans and equity investments and 23% went to support exports.

The resources mobilized and managed as part of the internationalization effort (subsidized loans and equity investments) amount to €560 million and are up by 16% on 2018. In particular, subsidized loans performed well, reaching a new all-time high of €290 million, up 17% on 2018. There were 868 transactions as part of which SMEs received 95% of the approved amounts.

Resources mobilized by SACE by geographical region (2019)



Resources mobilized by SACE by segment (2019)



With respect to equity, despite the high market competition generated by the reduction in rates, SIMEST's direct investment in equity investments remained in line with the previous year (€131 million). Overall, the equity investments held directly and through the Venture Capital Fund total €145 million.

SACE BT mobilized a total of €5.1 billion, up by 7% on 2018. Of these, €3 billion arose from credit insurance operations (+3% on 2018), while insurance transactions in the Suretyship business amount to €2.1 billion (+12%). Almost all of the resources mobilized related to transactions in Italy (99%).

The resources mobilized by SACE Fct amount to €3.5 billion, down on 2018 (-5%), in addition to €0.6 billion related to export credit transactions guaranteed by SACE. These transactions were carried out only in synergy with SACE S.p.A. Those carried out with SACE BT are included in the €5.1 billion balance. Non-recourse factoring accounts for 91% of the total. The largest industries in terms of factored receivables are the energy, the services and the minerals and metals sectors. As for the breakdown of turnover by debtors, 56% refers to transactions with Italian companies, 26% to foreign debtors and 18% to receivables from the Public Administration.

Revenue

Considering the entire scope of operation of SACE and its subsidiaries, overall revenue amounts to €690.4 million, with 92% arising from insurance activities and the remaining 8% from financing activities. Gross consolidated premiums amount to €653.3 million, down on the previous year (-20%). €643.6 million comes from direct business and €9.7 million from indirect business (inward reinsurance).

SACE's support to exports and internationalization, largely consisting in medium/long-term transactions in regions with a medium/high risk profile, generated €565.4 million in gross premiums, down by 22% on the previous year, with credit insurance transactions accounting for a dominant 82% of the total.

SACE BT generated €94.1 million in gross premiums, up by 3.5% on 2019. Specifically, the Suretyship business made the greatest contribution to premiums, raising €33.2 million (slightly down on the previous year), while the Credit business generated €31.4 million (+6%) and Other Damage to Property and other damage businesses €29.5 million (+9% mainly attributable to non-life business products).

During the year, SIMEST confirmed its role in supporting the investments made by Italian companies on foreign markets. Revenue from investments in equity investments amount to €29.2 million, slightly up on

2018. Total income amounts to €16.4 million, down by 58% on 2018 due to the deterioration of limited positions in portfolio.

SACE Fct's factoring transactions generated total income of €20.7 million. This amount comprises net interest income (85.5%) and net fee and commission income (14.5%) and is down 38% on the previous year. This reduction is due to the decrease in net interest income, which recorded a drop in interest income mainly as a result of strong competition on rates applied to customers and the increase in interest expense due to the higher average exposure in foreign currencies, as well as the decrease in net fee and commission income.

Claims and recoveries

Claims paid in 2019, net of reinsurance, amount to €250.6 million, up by 1% on 2018. SACE paid €238.9 million in claims (in line with the previous year). Of this amount, 63% relates to transactions with Italian counterparties (mainly operating in the construction sector) and the residual 37% to transactions with foreign counterparties, without specific concentrations by country. SACE BT paid claims worth €37.7 million, down by 14.5%.

SACE recovered €102.2 million (-28.8%) in receivables from sovereign counterparties. They mainly relate to Argentina, Iraq, Serbia, Cuba and Egypt. It recovered €62.6 million in trade receivables, slightly down on 2018.

653.3 eur
million

Consolidated
gross premiums

SACE BT recovered €3 million largely related to the Credit business.

Equity and technical reserves

At 31 December 2019, consolidated equity amounts to €5.6 billion, essentially in line with the previous year. The fully paid up share capital amounts to €3.7 billion, while technical reserves are equal to €3.6 billion (+10.6%).

Financial performance for the year

Consolidated profit, calculated in accordance with IFRS, totals €103.2 million, down by 20% from €128.8 million in 2018. The decrease is essentially due to the reduction in the non-technical operating performance and the increase in the tax charge. The financial performance for the year is affected by the following aspects: the decrease in premiums, substantially stable claims, an increase in operating expenses, a rise in the tax charge and the fall in the financial performance of some subsidiaries.

Specifically, in 2019, SACE BT recorded a profit of €4.3 million, up considerably on €1.3 million in 2018. This figure reflects SACE SRV's positive contribution, which posted a profit for the year of €1.1 million, up 15.4% on 2018.

103.2 eur million
Consolidated profit

250.6 eur million
Consolidated claims paid

5,597 eur million
Equity

3,590 eur million
Technical reserves

Consolidated financial performance for 2019

INCOME STATEMENT		
(€ thousands)	2019	2018
Gross premiums	653,299	815,536
Change in technical reserves	(230,863)	(459,932)
Outward reinsurance premiums for the year	(70,407)	(46,892)
NET PREMIUM EARNED	352,030	308,713
Commission income	24,466	29,184
Income or expense from financial instruments at fair value through profit or loss	23,478	-2,689
Income from other financial instruments and real estate investments	159,875	173,908
Other revenue	51,270	52,024
TOTAL REVENUE AND INCOME	611,120	561,140
Amounts paid and changes in technical reserves	229,574	215,476
Shares of claims borne by reinsurers	49,188	32,201
NET CLAIMS-RELATED EXPENSES	180,386	183,275
Commission expense	1,653	3,218
Expense from other financial instruments and real estate investments	64,823	51,770
Operating expenses	114,264	99,136
Other costs	87,443	67,346
TOTAL COST AND EXPENSES	448,567	404,745
PROFIT BEFORE TAX	162,552	156,395
Tax expense	59,363	27,591
PROFIT FOR THE YEAR NET OF TAXES	103,189	128,804
of which attributable to the Group	109,698	128,515
of which attributable to minority interests	6,509	289

BALANCE SHEET – ASSETS

(€ thousands)	Total 31-12-2019	Total 31-12-18
Intangible assets	12,693	11,422
Property, plant and equipment	76,612	52,544
Technical reserves to be borne by reinsurers	1,404,350	1,135,780
Investments	6,334,457	7,154,753
Sundry receivables	781,342	759,371
Other assets	241,769	225,203
Cash and cash equivalents	5,302,651	3,133,456
TOTAL ASSETS	14,153,873	12,472,530

BALANCE SHEET – LIABILITIES

(€ thousands)	Total 31-12-2019	Total 31-12-18
Equity	5,597,231	5,586,994
Provisions	95,656	79,208
Technical reserves	3,589,684	3,244,452
Financial liabilities	4,370,286	3,109,474
Accounts payable	193,306	168,621
Other liabilities	307,711	283,781
TOTAL EQUITY AND LIABILITIES	14,153,873	12,472,530

With Alerion's wind energy Spain is getting greener

Thanks to SIMEST, Alerion Clean Power, an electric industrial group listed on the Italian Stock Exchange and specialized in the production of electricity from renewable sources, particularly in the wind power sector, invested €10 million into the acquisition of a Spanish company that owns a 36 MW wind power plant.

The Italian company that is part of the Fri-El Group, which has been operating since 1994 in the renewable energy sector with over 900 MW in operation in Italy, has an ambitious goal: making energy increasingly "greener" in Spain with the construction of plants for a total of 100MW by 2021.



Managing risks
in order to look forward
Risk management

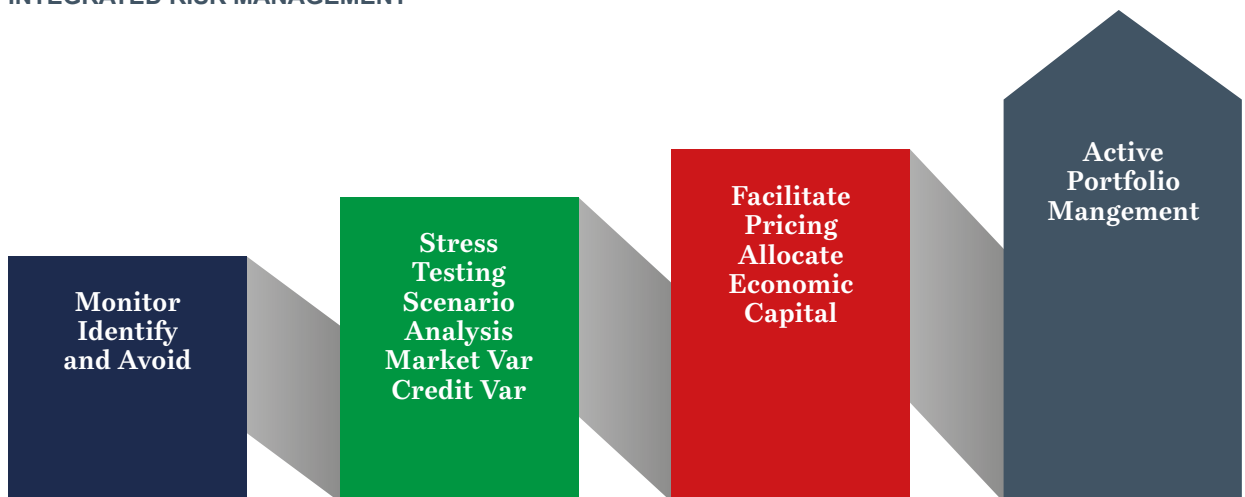
Managing the risk to look to the future

The role of Risk management

Taking risks is a crucial part of SACE SIMEST's business operations, and the ability to manage them is key for the organization. Therefore, the Hub has developed a Risk management approach focused on managing the risk portfolio to ensure sustainable growth in the medium/long-term and in line with the core principles of the relevant regulations.

Also the advanced economies recorded different trends, though to a lesser extent. On the one hand, the United States drove the growth of these markets, also thanks to the positive effects of the fiscal stimulus measures introduced by the Trump administration, and, on the other, the Eurozone grew at a slower pace due to the uncertainties caused by Brexit. Japan performed ever more modestly, with GDP up slightly under 1%.

INTEGRATED RISK MANAGEMENT



Risk management and monitoring operations are the responsibility of a single structure. Through an integrated process, this structure contributes to strategic decisions as well as the operational and financial stability of SACE and its operating companies. On an annual basis, the structure defines the risk appetite framework, i.e. the set of metrics, processes, and systems supporting the proper management of the level and type of risk the Company is willing to take in accordance with its strategic objectives. In addition, the Risk management function determines the current and future internal capital requirements for material risks, ensuring the measurement and integrated control of risks based on the overall exposure, preparing appropriate detection, assessment, monitoring, and reporting procedures, and performing scenario analyses and stress tests. Finally, it supervises technical reserves together with the other relevant functions and monitors operations aimed at optimizing the capital structure as well as reserve and liquidity management (asset liability management).

Reinsurance

Reinsurance is a key part of the integrated risk control and management system. Through reinsurance, the Company makes its portfolio more balanced by sharing risks with reliable insurance counterparties and boosts its underwriting capacity, thus stabilizing its financial performance and bolstering its financial position.

To protect their portfolio and achieve their strategic goals, SACE and SACE BT use reinsurance in line with market standards as well as export credit best practices. Through a dedicated structure, SACE manages reinsurance-related operations and monitors the relevant risks, ensuring consistency between the cession plan and the reinsurance strategy approved by the Board of Directors.

In 2019, the reinsured share of the portfolio rose once again, as the total amount ceded was equal €28 billion. Of this amount, 82% was transferred to Italy's Ministry of Economy and Finance ("MEF") under the Agreement between SACE and the MEF of 2014, 16% to the private reinsurance market, which comprise the main counterparties operating globally, and 3% to reinsurers with other ECA in accordance with the ruling bilateral agreements.

The Hub's counterparties portfolio

At 31 December 2019, the overall portfolio of the SACE SIMEST Hub includes 113,814 counterparties, including 1,578 related to SACE, 109,638 to SACE BT, 1,068 to SACE Fct, 56 to SIMEST and 1,474 shared among the various entities. Such integrated operations testify to the Hub's ability to meet the many different needs of the companies competing in international markets. Specifically, all the companies included within the scope share six counterparties, half of which operate in the metallurgy sector, while SACE, SACE BT and SACE Fct share 40 counterparties which operate mainly in the construction, metallurgy and agri-food industries.

SACE's private portfolio includes more than 2,432 counterparties at risk, including 752 shared with SACE BT which manages 111,084 counterparties in the Credit and Suretyship businesses. 86% of the shared counterparties are Italian companies, concentrated mainly in the mechanical and metallurgical sectors as well as the agri-food industry. In terms of exposure, the sectors most at risk are infrastructure and construction, agri-food and the mechanical industry as far as Italian counterparties are concerned, while foreign counterparties operate mainly in the cruise, oil & gas and aeronautic industries.

SACE Fct is exposed to over 1,708 counterparties, including 586 shared with SACE BT and 4 with SACE. 79% of the counterparties shared by SACE Fct and SACE BT are Italian and 99% of these are mainly involved in wholesale and retail sectors and the metallurgy industry, while 1% is comprised of Municipalities.

SIMEST's portfolio, which consists of the equity investments held alongside Italian partners, includes 148 counterparties. SIMEST shares 23 counterparties with SACE – concentrated mainly in the electric power and metallurgy industries in terms of exposure – and 30 with SACE BT – concentrated in the metallurgy and information and communication services. SACE and SACE BT share 29 counterparties, operating mainly in the chemical and petrochemical, infrastructure and construction sectors and the metallurgy industry, while SACE BT and SACE Fct share 3 counterparties.

SACE's risk portfolio

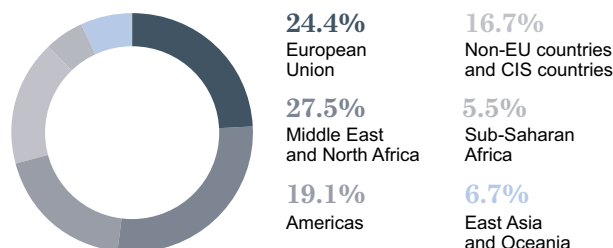
SACE's total exposure, calculated as the sum of receivables and outstanding guarantees (principal and interest), amounts to €65.1 billion, up by 6.6% on 2018. The upward trend seen in 2018 and 2017 continued largely because of the increase in the portfolio of guarantees, which totaled €64.5 billion or 99% of SACE's overall exposure. The receivables portfolio amounts to €577 million, down on 2018 (-3.5%). The decrease is mainly due to the 15.4% reduction in sovereign receivables, accounting for 57.8% of the receivables portfolio, while trade receivables (which account for 42.2% of the total portfolio) rose by 19.6%.

SACE's total exposure

(in € million)	2019	2018	Change (%)
Portfolio			
Outstanding guarantees	64,537	60,480	6.7%
- Principal	57,140	53,579	6.6%
- Interest	7,397	6,901	7.2%
Receivables	577	598	-3.5%
Total	65,115	61,078	6.6%

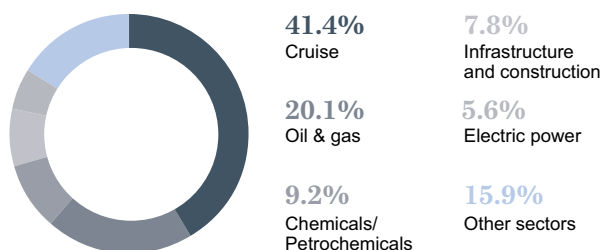
Based on the breakdown of the overall portfolio by geo-economic region, the Middle East and North Africa rank first in terms of exposure, 27.5% compared to 26.5% in 2018. Europe follows, down from 26.9% to 24.4% and the Americas which went from 18.3% to 19.1%. The other regions account for 28.9% of the portfolio: Emerging Europe and CIS countries increased as a proportion of the overall portfolio from 16.1% in 2018 to 16.7% in 2019, Sub-Saharan Africa decreased from 6.8% to 5.5%, and, finally, Asia rose from 5.3% to 6,7%.

SACE's total exposure by geo-economic region (31/12/2019)



The level of sector concentration remains high, with the top five sectors accounting for 84% of the overall private portfolio. The cruise industry once again ranks first by exposure, rising to 41.4%, followed by the oil & gas (20.1%), chemical/petrochemical (9.2%) and infrastructure and construction (7.8%) industries.

SACE's guarantees portfolio by business segment (31/12/2019)

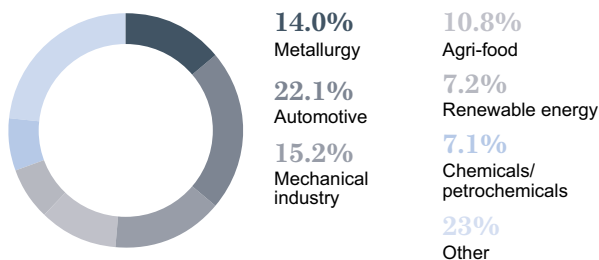


SIMEST's risk portfolio

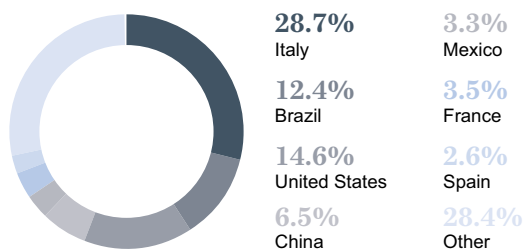
SIMEST's total exposure

(in € million)	2019	2018	Change (%)
Portfolio			
Direct commitments of Italian partners	472	461	2.4%
Commitments guaranteed by financial and insurance institutions	31	42	-26.2%
Commitments secured by collateral	44	42	4.8%
Total	547	545	0.4%

SIMEST's outstanding exposure by business segment (31/12/2019)



SIMEST's outstanding exposure by geographical region (31/12/2019)



At 31 December 2019, SIMEST's exposure totals approximately €547 million (essentially in line with the previous year). The direct commitments of Italian partners for the forward purchase of equity investments amount to approximately €472 million (+2.4%), those backed by bank and/or insurance guarantees total nearly €31 million (-26.2%) and those secured by collateral amount to €44 million (+4.8%).

The automotive, mechanical and metallurgy industries are the portfolio's three largest sectors, accounting for 22.1%, 15.2% and 14%, respectively.

The breakdown of the portfolio by geographical region shows that the top 10 countries in which SIMEST is present through the target companies account for nearly 78% of the total, while the remaining 22% refers to other 29 countries. The largest exposures relate to Italy – accounting for 28.7% of the portfolio – the United States (14.6%) and Brazil (12.5%). Overall, the top 3 countries by exposure account for nearly 56% of the portfolio.

SACE BT's risk portfolio

SACE BT's overall exposure amounts to €67.2 billion at 31 December 2019, up by 29.3% on 2018.

The Credit business has 118,892 outstanding lines of credits (+3.3%), totaling €10.5 billion. The outstanding ceilings are mainly concentrated in the European Union (84.4%), with Italy accounting for 64.8%.

The wholesale, agri-food and retail industries are the portfolio's three largest industrial sectors, accounting for 24.6%, 12% and 8.3%, respectively.

The exposure of the Suretyship business – i.e. the amount of insured capital – is equal to €6.1 billion (-2.3%). The guarantees related to tenders account for 68.9% of outstanding risks, followed by those on payments and tax refunds (20.9%).

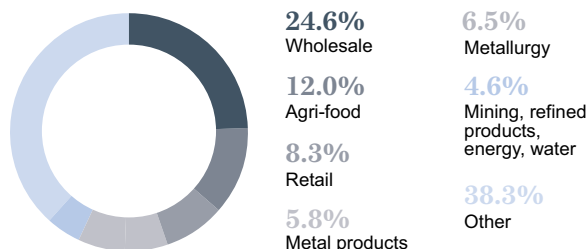
The portfolio consists of over 37 thousand contracts and is concentrated in Northern Italy (66.5%).

The nominal exposure, ceilings and capital insured of the Construction/Other Damage to Property portfolio total €50.5 billion, up by 40.5% on 2018. There are 8,554 policies outstanding (+7.1%). CAR and EAR policies account for 24.7% of the nominal exposure, Decennial Liability policies for 18.4% and the policies of the Non-Life businesses for the residual 56.9%.

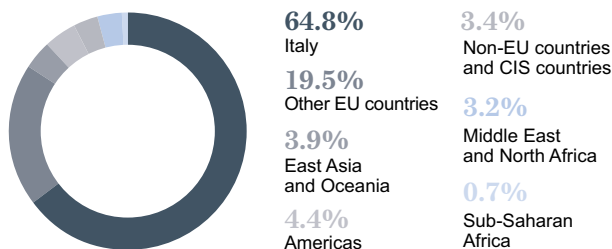
SACE BT's total exposure

(in € million)	2019	2018	Change (%)
Portfolio			
Short-term credit	10,520	9,703	8.4%
Surety Italy	6,157	6,299	-2.3%
Other damage to property	50,476	35,935	40.5%
Total	67,153.30	51,936.60	29.3%

SACE BT's exposure in the Credit business by business segment (31/12/2019)



SACE BT's exposure in the Credit business by geographical region (31/12/2019)



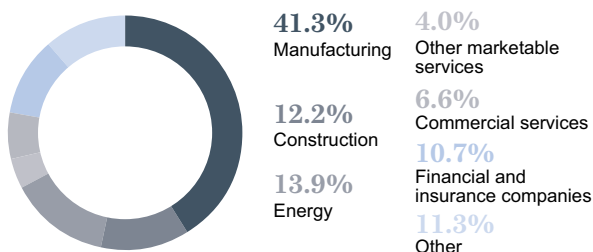
SACE Fct's risk portfolio

At 31 December 2019, SACE Fct's total receivables amount to €1.7 billion, up by 10.5% on the previous year. These largely refer to non-recourse transactions, which account for 89.4% of the total.

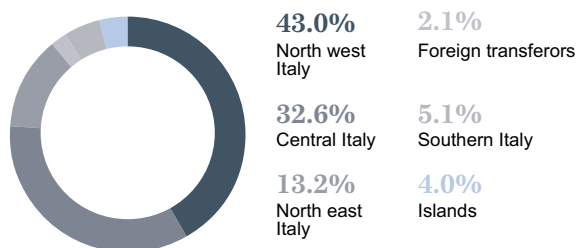
The breakdown of total receivables by the transferor's business segment shows a concentration in the manufacturing industry (41.3%), followed by energy products (13.9%) and the construction and public works sector (12.2%).

The breakdown by the transferor's geographical region shows a concentration in the North West of the country, down from 59.5% to 43%, and an increase in Central Italy, up to 32.6% from 17.8% in 2018.

SACE Fct's total receivables by transferor's business segment (31/12/2019)



SACE Fct's total receivables by transferor's geographical region (31/12/2019)



SACE Fct's total exposure

(in € million)	2019	2018	Change (%)
Portfolio			
Without recourse	1,502.50	1449.9	3.6%
With recourse	177.5	70.8	150.7%
Total	1,680.00	1,520.70	10.5%

The financial portfolio

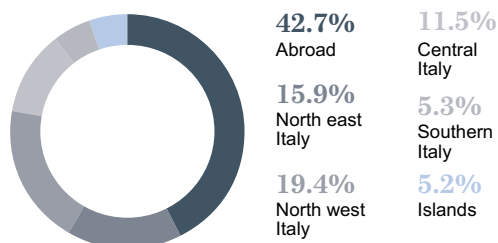
The breakdown of total receivables by the transferor's business segment shows a concentration in private counterparties (81.2%) compared to the public sector (18.8%).

The breakdown by the transferor's geographical region shows a higher percentage in foreign debtors, up from 39.7% to 42.7%, followed by debtors in north west Italy (19.4%), north east Italy (15.9%), central Italy (11.5%), southern Italy (5.3%) and the islands (5.2%).

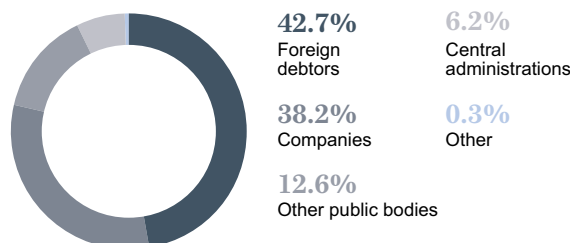
The financing activities are aimed at protecting the value of the company's assets, balancing the risks taken as part of insurance operations, and helping achieve the company's goals.

At the end of 2019, consolidated financial investments total approximately €7.5 billion, compared to €7.4 billion in the prior year. The portfolio consists of bonds (53.9%), money-market instruments (44%), units of UCITs (Undertakings for Collective Investment in Transferable Securities) (2%) – which invest mainly in bonds – and shares (0.1%).

SACE Fct's total receivables by debtor's geographical region (31/12/2019)



SACE Fct's total receivables by debtors' business segment (31/12/2019)




Financial investments

(in € million)	2019	2018	Change (%)
Type of Investment			
Money-market instruments	3,317	2,388	38.9%
Bonds	4,067	4,774	-14.8%
UCITs	157	193	-18.7%
Shares	6	12	-50.0%
Total	7,547	7,367	2.4%

Sereco treats water well around the world

SACE has guaranteed two loans totaling €517 thousand in favor of Sereco, a family-run company that has been manufacturing machinery, plant and equipment for water purification for over 40 years.

The loans respond to the need to support the procurement process from suppliers and the international expansion of the company. Thanks to SACE, Sereco strengthens its presence in Europe, the Middle East, Latin America and Asia and helps to promote the sustainable management of water resources.



People and values:
the key to our success
People and values

People and values as the key to our success

For over 40 years, SACE and SIMEST Hub has been committed to supporting the Italian businesses that want to stand out and be competitive in international markets. We have been pursuing this mission with passion and professionalism, willing to work alongside our customers in an increasingly efficient and effective manner. Winning this challenge requires skills and commitment of the people that work at the Hub, an extremely valuable “human capital”. Therefore, for the Hub, promoting the growth of its employees and their different professional skills is crucial. People stand at the center of our work environment. We offer each individual significant opportunities to grow professionally and personally, and we strive to ensure everyone can achieve a work-life balance, a prerequisite for people’s well-being and efficiency. The Hub promotes a corporate culture based on the values of merit and equal opportunity. It is committed to fighting all forms of discrimination based on sexual orientation, ethnicity, nationality, culture, religion, political beliefs, age, or disabilities. It guarantees a work environment that recognizes and values diversity as a source of wealth.

The hub in figures

The Italian Export and Internationalization Hub has 984 employees. About 59% are at SACE, and the rest at the other companies: 155 in SACE BT, 138 in SIMEST, 74 in SACE Fct and 39 in SACE SRV. 77% of our employees work in Rome, 21% at other Italian offices and 2% abroad. 4.7% are foreign, and there are 27 different nationalities within the company - a melting pot that guarantees cultural diversity and a fruitful exchange between people. 44.4% of our employees are 40 years old or younger and 80% are university graduates. In absolute terms, 481 are men and 503 women - a significant proportion compared to the national average and a testament to the Hub’s focus on promoting female talent and leadership within the company. This commitment is underlined by the participation in Valore D, the association set up to strengthen women’s role in business, launching several initiatives for the Hub’s women. The salary gap between men and women appears to be immaterial, pointing to substantial equality in pay between the two genders. In 2019, the Hub hired 93 employees, including 69 of less than 36 years old; 48 of them were women. It also offered 93 internships, providing young graduates with an opportunity to grow professionally in the work area they are most interested in. Approximately 35% of those who completed their internship during 2019 were hired on different types of contracts.

People working in SACE and SIMEST are our most important resources

Breakdown by company



59%
SACE

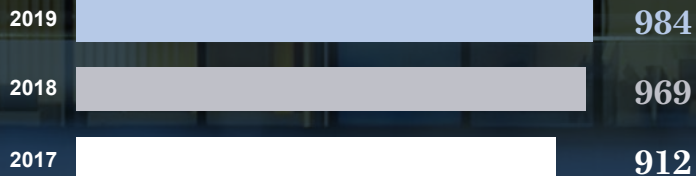
16%
SACE BT

14%
SIMEST

7%
SACE Fct

4%
SACE SRV

Breakdown by year



2019

984

2018

969

2017

912

Recruiting and development

Competence and strong motivation are key for professional growth. Every year, the Hub recruits industry professionals and young talents participating in higher education. It attends Italy's largest job fairs and collaborates with top universities, graduate schools and postgraduate master's programs. This ensures a fruitful exchange of skills and helps us recruit the best candidates. Since 2012, the Hub has been participating in the Bocconi Merit Awards program, sponsoring one of the seventy scholarships granted to the most deserving first-year students of master's degree courses.

Training and continuous learning are the key to working effectively at all times. The opportunity of staying abreast of industry best practices and sharing innovative approaches significantly helps keeping your personal curiosity and flexibility of thought alive. The Hub has designed training courses for its employees to accompany them in their professional growth. Specifically, new hires participate in a dedicated training program (Induction Plan) to facilitate their integration into the company.

During 2019, considering all the channels made available to employees in the classroom and online, the Hub guaranteed an average of 22 hours of training per person, for a total of 21,875 hours, covering the dissemination of business knowledge, the development of soft skills and the continuous updating of the managerial skills necessary to manage complexity and change.

The Hub supports the professional growth of its employees, taking into account each one's skills and potential. Through job rotation, a system the Hub introduced with a strong conviction, employees have the opportunity to perform duties other than their own. Job rotation can be seen as a direct form of training: it helps spread skills throughout the organization and allows everyone to quickly gain hands-on experience within different functions or segments, expanding

their career opportunities. Finally, the Hub offers employees the possibility to take on other roles at its foreign offices, an experience that further enriches professional growth opportunities. The Hub focuses on the growth and development of its People. For this reason, it has introduced the Early Career Program: a 3-year induction program for new recruits which, through a training and development plan, aims to enhance the value of young people. In order to enhance and develop internal skills, the YOPA (Your Opinion Produces Action) program was launched in 2018 and continued in 2019, with initiatives aimed at corporate cohesion and culture, engagement and transparency and meritocracy: managerial training, team building interventions, breakfasts with top management, on-the-job training in divisions other than the company's own, company tournaments, are just some of the initiatives implemented.

Competence,
motivation,
training and
learning are
the keys to
our success

The Hub also focuses on the coexistence of different generations within the company's population and the opportunity to put in place appropriate action plans involving all age groups. Similar to the best practices in the sector, a tailor-made program has been designed to build a more inclusive environment that integrates and enhances the best of the different generations. In addition to cultural diversity, the Hub also focuses on enhancing differences, whatever they may be (nationality, gender, social origin, age, disability, ethnic origin). Indeed, it believes that enhancing differences results in a competitive advantage for companies. To this end, in 2019, it joined PARKS- Liberi e Uguali, a non-profit association that helps companies to build a culture of global inclusion, which also considers the most critical issues for the Italian context, namely the inclusion of LGBT people.

Work and life: the right balance

The satisfaction of employees is one of the keys to a company's success. The Hub seeks to allow everyone to strike the right work-life balance. This vision translates into a program consisting of several initiatives to ensure a balanced use of time and energy, also reflecting our focus on social sustainability. The project "telework from home", which started a few years ago, enables anyone to work from home a few days of the week and for certain periods of time if they need to, using a workstation provided by the Company. Remote working is a widespread working mode, which allows more than 65% of the Hub's employees to work in times and spaces other than those connected to the company headquarters up to eight working days a month. The Hub believes that extending remote working will be an important leverage for the company's digitization

process that has already been launched and contributes to strengthening the culture of performance, individual responsibility and mutual trust. Remote working days per month can also be extended to pregnant women, respecting individual needs in order to better face such a delicate moment in life. To address mobility-related issues and develop solutions to optimize commuting costs and time, SACE has appointed a mobility manager responsible for all aspects that contribute to optimizing traffic flows, while reducing the impact on the environment. In addition, the Hub provides subsidies for public transport passes, services offering real-time information on traffic and public transport waiting times, and a bike point, a fleet of bicycles employees can use for short trips. At the Rome and Milan offices, where some employees have chosen the bike as their means of transport, the Hub created a reserved parking area. The Hub also has many initiatives dedicated to the families of employees in order to bring them closer to work life. Above all, the "Take your kids to work" day, when the Company opens its door to children, allowing them to experience their parents' work environment for a day while playing and having fun.

The MAAM (maternity as a master) project is dedicated to future or new mothers and fathers to analyze the relational, organizational and innovation skills that are experienced during motherhood. Under a very flexible scheme which considers the needs of the new parents, future or new mothers/fathers can follow training modules that explain how to enhance and transform the expertise acquired through motherhood and fatherhood into work skills. The Hub offers many welfare initiatives to its employees, including health insurance and cancer screening tests every two years for those aged 45 or older and subsidies on mortgages for first homes. In addition, during the year, it offered its employees a flexible benefit plan which enables them to access customized services and increase their purchasing power. Employees can convert (in whole or in part) their performance bonus into benefits

to increase their wellbeing and that of their family, covering areas with greater added value for employees, such as health, education, supplementary pensions, care for elderly and dependent relatives, mobility and transport, wellbeing and personal entertainment.

In addition, to promote a healthy and active lifestyle, the Rome offices feature a gym with state-of-the-art equipment that all employees can access. Health protection is further supplemented by the organization of first aid and fire prevention teams and the deployment of medical devices at the company's offices.

Value for the environment and society

Development is real when it improves the quality of life in the long term. The Hub accepted this major challenge by promoting a corporate sustainability culture aimed at protecting the well-being of future generations. Many initiatives, - from the company's state-of-the-art waste sorting and recycling system, to improving energy efficiency and raising the awareness about reducing consumption, - keep employees focused on environmental protection, contributing to spreading good practices. In the belief that even small gestures of solidarity can make a difference, every year the Hub hosts blood days. In 2019, its employees donated approximately 150 blood bags to the Bambino Gesù Pediatric Hospital in Rome and to Avis in Milan.

Balancing time
and energy
to balance
professional
and private life

Protecting
health and
the environment
to safeguard
the future

Our commitment to the UN Agenda 2030 for Sustainable Development

During the year, SACE - increasing its focus on the 17 Sustainable Development Goals (SDGs) set out in the United Nations' 2030 Agenda for Sustainable Development - launched a process aimed at integrating these sustainability criteria into its operations as an export credit agency.

With regard to Export Credit activities, SACE complies with the OECD guidelines on environmental, social and debt sustainability. In particular, with respect to the terms and conditions of the supported transactions, SACE applies provisions which include, on the one hand, restrictions for coal-fired power plants and, on the other, more favorable conditions for renewable energy projects or have a positive impact on climate change and projects for the supply and treatment of water resources.

SACE applies provisions aimed at the sustainable business development of its customers

In addition to the characteristics of the financial package, the OECD provides for some policies to assess the social and environmental impact of projects and its financial sustainability, in line with the International Monetary Fund and World Bank Debt Sustainability Framework. SACE has also decided to carry out an environmental impact analysis for all operations, including those below the minimum threshold set by the OECD guidelines.

As part of its International Cooperation activities, SACE collaborates with Cassa Depositi e Prestiti through its Foreign Network offices with the aim of identifying projects in high potential sectors (in terms of economic and social growth) in the main developing countries. These include the first transaction completed in 2019 which involved a €50 million credit line in favor of the African multilateral TDB (Trade and Development Bank), aimed at financing SMEs' growth and development initiatives in various regions of the continent.

In last few months of 2019, SACE joined the Sustainability Working Group of the ICC Banking Commission's Export Finance Committee, a group of banks and ECAs that joined forces with the aim of raising awareness of the importance of sustainability issues in all its meanings and sharing good practices in the field of Export Finance.

Again at the end of 2019, SACE joined the Risk Assessment and Mitigation Platform (RAMP) developed by IRENA, the intergovernmental organization supporting countries embarking on a transition to sustainable energy. The platform will bring together investors, renewable energy project developers and insurers, ECAs, intermediaries, guarantors and banks.

SACE supporting CMD for 4.0 engines and sustainable business

SACE has supported the internationalization of CMD, a company which has been active for over 30 years in the design and manufacture of engines and complex solutions for the automotive, nautical and aeronautical industries. In particular, SACE has guaranteed financing totaling €7 million for the development of aeroengines and to increase sales in international markets, with particular reference to China. CMD has been committed for years to pursuing its growth objectives by including ecological, economic and social aspects in its development concept and focusing on innovation and the 4.0 technology.



Transparent management
to support businesses
Corporate governance

Transparent management to support businesses

Corporate structure

SACE is a joint-stock company wholly owned by Cassa Depositi e Prestiti and owns 76% of SIMEST, a joint-stock company (in which banks and the business system hold an investment and supervised by MAECI) which has been supporting and promoting the international growth of Italian enterprises since 1991. Furthermore, since 1999, it has managed public financial tools geared to support internationalization activities. SACE wholly owns SACE Fct, a joint-stock company operating in the factoring sector, and SACE BT, a joint-stock company operating in the Credit, Suretyship, and Other Damage to Property businesses. In turn, SACE BT wholly owns SACE SRV, a limited liability company specialized in debt collection and information asset management. SACE's direct and indirect subsidiaries are managed and coordinated by the Parent pursuant to article 2497 and subsequent articles of the Italian Civil Code. SACE ensures their operations comply with the corporate governance strategy and the system of internal controls, in accordance with the principle of proportionality and considering the independent decision-making roles of the corporate bodies of each company, specifically supervised entities and the specific sector regulations applicable to the latter.

SACE complies
with the principles
of proportionality
and the decision-
making independence
of subsidiaries

Regulatory framework

SACE provides guarantees and insurance for political, catastrophe, economic, commercial, and currency risks Italian entities are exposed to when doing business abroad, in accordance with Italian Legislative Decree 143/1998 and the relevant CIPE Resolutions. In addition, SACE is authorized to provide guarantees and insurance for transactions that are strategically important for Italy's economy in terms of internationalization, economic security, and the activation of production processes pursuant to Italian Law 296/2006, as well as risks of non-collection of receivables due from Public Administrations pursuant to Italian Legislative Decree 185/2008. The obligations undertaken by SACE in the performance of its duties are guaranteed by the Italian Government (Italian Legislative Decree 269/2003, Article 6, Paragraph 9), including pursuant to Italian Legislative Decree 91/2014, Article 32. SACE's operations are governed by European Union regulations (including Directive 29/1998) and the OECD's Arrangement on Officially Supported Export Credits ("Consensus"). SACE subscribes to the principles established by the Berne Union, an international organization that brings together export credit companies and agencies to support investments.

Since 1991, SIMEST has been promoting investments by Italian businesses abroad through equity instruments, using its own funds (pursuant to Italian Law 100/1990) and, since 2004, by managing the public Venture Capital Fund. Moreover, SIMEST's investments allow Italian enterprises to access facilities

(interest subsidies) for financing equity investments in companies outside the European Union. In addition, SIMEST acquires non-controlling interests in Italian businesses or their subsidiaries in the European Union on arm's length terms to help them expand their international reach. Since 1999, SIMEST has been managing facilities to support the internationalization efforts of Italian businesses, in the form of financing for internationalization (pursuant to Italian Law 133/2008, Article 6, through the Revolving fund pursuant to Law no. 394/81) and financial support to exports through interest subsidies (pursuant to Italian Legislative Decree 143/1998, Section II, through the contribution scheme under Law no. 295/73). SIMEST is also one of Italy's financial institutions authorized by the EU to operate as a Lead Financial Institution as part of Trust Funds management.

SACE BT, established in 2004, is authorized to provide insurance and is subject to supervision by IVASS (Italian Insurance Supervisory Authority). SACE Fct, established in 2009, is enrolled in the Register of Financial Intermediaries pursuant to the Consolidated Law on Banking, Article 106, and is subject to supervision by the Bank of Italy.



Code of Ethics and Organizational, Management and Control Model

The corporate governance system defines a set of rules and practices that govern the management and control of the Company.

SACE's governance model is based on the principles of legality and transparency; the Company adopts a prevention and control system consisting of the Code of Ethics and the Organizational, Management and Control Model. The Code of Ethics expresses the values and principles that directors, statutory auditors, independent auditors, managers, employees, contractors and third parties who have relationships with SACE and its subsidiaries must subscribe to. The Code of Ethics is a separate document from the Model, even though it is related to the latter, as it is an integral part of the prevention system adopted. Approved by the Board of Directors of SACE pursuant to Italian Legislative Decree 231/2001, the Model is the result of an in-depth analysis carried out within the corporate structure and consists of:

- a general section governing the principles of the Decree, the governance model, the principles of the internal control system, the Supervisory Body, the disciplinary system, staff training and the dissemination of the model inside and outside the Company
- a special section that identifies the areas within SACE for which there is a potential risk of crimes being committed and specifies a series of instruments to prevent them.



The Model intends to:

- optimize the corporate governance system
- allow to exempt SACE from administrative liability in case of crimes
- set up a consistent prevention and control system, reducing the risk of crimes committed in relation to the company's business
- raise awareness among all individuals working in the name and on behalf of SACE about the risk of committing crimes punishable with penalties against not only themselves, but also the Company
- inform all those working in any capacity in the name, on behalf or in the interest of SACE that any violation of the provisions of the Model shall result in disciplinary action, potentially including termination of employment
- reaffirm that the Company does not tolerate unlawful behavior, as it is contrary to the ethical principles it subscribes to
- actively reprimand any behavior in violation of the Model, through disciplinary or contractual measures.

The Supervisory Board exercises control functions in relation to the Model and the Code of Ethics: supervises the adequacy, updating and implementation of the Model; and verifies, to the extent of its responsibility, any violations of the Code of Ethics.

SIMEST, which is managed and coordinated by SACE, has adopted an Organizational, Management and Control Model pursuant to Italian Legislative decree 231/01, which identifies the business areas and activities most exposed to the risk of committing the crime covered by said decree and the principles, rules and provisions of the control system adopted to monitor "significant" operations, which have been subsequently updated.

SIMEST's Supervisory Body supervises the operation of and compliance with the Model, updating its content and

assisting the Corporate bodies responsible for its correct and effective implementation; the Supervisory Body is assisted by Internal Audit for constant and independent supervision of the regular performance of company processes and the overall system of internal controls. SIMEST also adopts the Code of Conduct, which forms an integral part of the Model 231/01 and which governs the relations with SIMEST stakeholders, setting out that its principles, values and rules apply both in-house and outside and to all those who, for various reasons, are directly or indirectly involved with SIMEST. SIMEST also promotes the knowledge of and compliance with the Model 231/01 and of the Code of Conduct also through specific contractual clauses, which provide for specific remedies in case of violation of the values promoted and shared, and has a system of internal controls which detects, measures and checks the risks deriving from the non-implementation of such Code.

Internal control and risk management system

SACE's internal control and risk management system consists of rules, processes, procedures, functions, organizational structures, and resources that ensure the proper functioning and good performance of the business.

Its objectives are:

- verifying the implementation of corporate strategies and policies
- implementing an adequate control of current and future risks as well as mitigating risks within the limits set out in the company's risk appetite framework
- ensuring the effectiveness and efficiency of business processes
- ensuring the timeliness of the company's information reporting system
- ensuring the reliability and integrity of accounting and operational information as well as the security of information and IT procedures
- safeguarding assets and their value as well as protecting them against losses, including in the medium to long-term
- ensuring the company's operations comply with applicable laws, policy directives, regulations and internal procedures.

The Board of Directors is ultimately responsible for the system and ensures it remains comprehensive, functional and effective at all times, promoting ethical integrity and a culture of internal control so as to raise awareness among all employees about the importance of monitoring. Top Management oversees the proper functioning and overall adequacy of the internal control and risk management system. Furthermore, it ensures employees are aware of their roles and responsibilities as well as actively engaged in the performance of controls, as these are an integral part of their work.

To this end, Top Management defines the organizational structure, procedures, delegations of power, and responsibilities in detail. The internal control and risk management system is comprised of three levels of control. The first level of control is the responsibility of the operational structures and the relevant managers. It involves identifying, assessing, monitoring, and mitigating risks arising from day-to-day operations. The structures thus ensure operations are performed properly as well as in compliance with the operational limits assigned to them, in line with the risk objectives and procedures that comprise the risk management process. The second level of control is guaranteed by the Risk management and Compliance and Money Laundering Prevention functions. These two functions monitor the proper implementation of the risk management process, compliance with the operational limits assigned to the other functions, and the compliance of business operations with the law, management of the money laundering and reputational risks. The third level of control is the responsibility of the Internal audit function, which monitors and regularly assesses the effectiveness and efficiency of governance, risk management and control systems, in relation to the nature and level of risk involved.

Furthermore, SACE set up: i) a body with independent powers of initiative and control ("SB") to supervise the operation and updating of, and the compliance with, the Organizational, Management and Control Model to prevent crimes and ii) a manager in charge of financial reporting who, together with the CEO, checks the adequacy and application of the administrative and accounting procedures necessary to prepare separate and consolidated financial statements.

SACE defined and implemented the coordination approach between the above parties in order to maximize the efficiency of internal controls and the risk management system, while avoiding unnecessary duplication of activities.

Compliance and money laundering prevention

SACE's and its subsidiaries' Compliance and money laundering prevention function systematically and continuously monitors regulatory developments; assesses the relevant impact on internal processes and rules; indicates the actions to be taken to comply with regulations. It monitors the risk of non-compliance, i.e. the risk of incurring legal or administrative sanctions, financial losses, or reputational damage as a result of the violation of laws, regulations, or corporate governance rules. It assesses and monitors the reputational and money laundering risk associated with individual business transactions. It monitors the penalty risks related to transactions and operations involving counterparties or countries subject to the restrictive measures imposed by the United Nations, the European Union or the Treasury Office of Foreign Assets Control. In accordance with Regulation (EU) 2016/679 (GDPR), SACE appointed a **Data Protection Officer (DPO)** to monitor the risk of non-compliance with privacy regulations and who is responsible for:

- advising the controller about privacy issues
- monitoring compliance with the GDPR
- providing advice where requested as regards the data protection impact assessment
- cooperating with the supervisory authority
- maintaining a record of processing activities containing specific processing activities, such as information about the data subject, the purposes of the processing and the categories of personal data recipients.

Internal auditing

The Internal audit function carries out independent and objective internal advisory and assurance activities for SACE and its subsidiaries to improve organizational effectiveness and efficiency. It assists the Company in the pursuit of its goals with a systematic approach, generating value by assessing and improving governance, risk management and control processes as well as identifying sources of inefficiency in order to improve business performance. The Internal Audit's mandate, approved by the Board of Directors, formalizes the objectives, powers, responsibilities, and lines of reporting to top management regarding the results of the work carried out as well as the annual plan. The plan, approved by the Board of Directors, formalizes the high-priority audits identified in accordance with the company's strategic objectives and the assessment of current and future risks regarding business operations. The annual plan may be revised and adjusted in response to any significant change in the operations, programs, systems, activities, risks, or control of the organization, in addition to audits not covered by the plan where necessary. The Internal audit function monitors all levels of the internal control system and fosters a culture of control, promoted by the Board of Directors. It operates in accordance with the relevant external regulations, the International Standards for the Professional Practice of Internal Audit and the Code of Ethics of the Institute of Internal Auditors (IIA).

Corporate bodies

SACE has adopted a traditional administration and control model based on the presence of a management body, the Board of Directors, and a control body, the Board of Statutory Auditors. The Board of Directors is composed of nine members and has full powers concerning the administration of the Company and everything necessary to fulfil the company's purpose, in accordance with the provisions of the law and the Articles of Association. The Board of Directors assesses the adequacy of SACE's organizational, administrative and accounting structures, constantly monitoring its actual performance and examining the strategic, business, and financial plans. The Board of Directors is ultimately responsible for the internal control system and plays a key role in identifying, assessing, and controlling the most significant risks for the Company. The Board of Statutory Auditors supervises compliance with the law and the Articles of Association, adherence to the principles of sound management, and the adequacy and proper functioning of the organizational, administrative and accounting structures. The Chairman of the Board of Directors is the legal representative of the Company, while the Chief Executive Officer, who also holds the office of General Manager, has the power to legally represent the Company and signature authority in dealings with third parties, as well as to manage the Company in accordance with the powers delegated to him and the guidelines laid down by the Board of Directors. The company voluntarily set up two Board Committees:

- the Control and Risks Committee, which supports the Board of Directors as far as risks and the internal control system are concerned by providing advice and making proposals

- the Related Parties Committee, which issues reasoned opinions in advance on the company's interest in entering into material transactions with related parties as well as the convenience and the substantive and procedural fairness of the relevant terms and conditions.

SIMEST has adopted a traditional administration and control model based on the presence of a management body, the Board of Directors, and a control body, the Board of Statutory Auditors. The Board of Directors is composed of seven members, two of whom are appointed by non-controlling investors, and has full powers concerning the administration of the Company and everything necessary to fulfil the company's purpose, in accordance with the provisions of the law and the Articles of Association. The Board of Directors assesses the adequacy of SIMEST's organizational, administrative and accounting structures, constantly monitoring its actual performance and examining the strategic, business, and financial plans. The Board of Directors is ultimately responsible for the internal control system and plays a key role in identifying, assessing, and controlling the most significant risks for the Company. The Board of Statutory Auditors supervises compliance with the law and the Articles of Association, adherence to the principles of sound management, and the adequacy and proper functioning of the organizational, administrative and accounting structures. The Chairman of the Board of Directors is the legal representative of the Company, while the Chief Executive Officer, who also holds the office of General Manager, has the power to legally represent the Company and signature authority in dealings with third parties, as well as to manage the Company in accordance with the powers delegated to him and the guidelines laid down by the Board of Directors.

Company officers bodies

SACE

Board of Directors

(appointed by the Shareholders on 2 December 2019 and in office for three years)



Rodolfo Errore
Chairman

Ilaria Bertizzolo
Director (**)

Mario Giro
Director (****)

Roberto Cociancich
Director (**)(****)

Federico Merola
Director (*)

Elena Comparato
Director

Monica Scipione
Director (***)



Pierfrancesco Latini
Chief Executive Officer
and General Manager ⁽¹⁾

Filippo Giansante
Director (**)

(1) Appointed by the Shareholders with Board's resolution dated 4 December 2019 and General Manager with Board's resolution dated 25 February 2020

(*) Appointed Chairman of the Control and Risks Committee with Board's resolution dated 30 January 2020

(**) Appointed member of the Control and Risks Committee with resolution dated 30 January 2020

(***) Appointed Chairwoman of the Related Parties Committee with Board's resolution

(****) Appointed member of the Related Parties Committee with Board's resolution dated 30 January 2020

Board of Statutory Auditors

(appointed by the Shareholders on 2 December 2019 and in office for three years)

Silvio Salini
Presidente

Gino Gandolfi
Sindaco effettivo

Moira Paragone
Sindaco effettivo

Marco Brini
Sindaco supplente

Cinzia Marzoli
Sindaco supplente

Acting Representative of the Court of Auditors

Natale D'Amico
(in office since 1 January 2020)

Independent Auditors

PricewaterhouseCoopers S.p.A.
(appointed until the approval of the 2019 financial statements by the Shareholders on 23 April 2015)

Deloitte & Touche S.p.A.
(Appointed until the approval of 2028 financial statements by the Shareholders on 17 October 2019)

and control

SIMEST

Board of Directors

(appointed by the Shareholders on 2 December 2019 and in office for three years)



Pasquale Salzano
Chairman

Roberto Rio
Deputy Chairman

Mauro Alfonso
Chief Executive Officer
and General Manager ⁽¹⁾

Ilaria Bertizzolo
Director

Claudio D'Eletto
Director

Anna Mareschi Danieli
Director

Gelsomina Vigliotti
Director ^(*)

- (1) Appointed Chief Executive Officer on 23 December 2019 and General Manager on the same date as of 8 January 2020
- (*) In office until 23 April 2020
Chief Executive Officer and General Manager
- (**) In office from 11 January 2017

Board of Statutory Auditors

(appointed by the Shareholders on 23 December 2019 and in office for three years)

Iacopo Conti
Chairman

Grazia D'Auria
Standing auditor

Alessandro Redondi
Standing auditor

Lucia Cecere
Alternate auditor

Cristiano Zanella
Alternate auditor

Acting Representative of the Court of Auditors (Law 259/1958)

Pio Silvestri**

Independent Auditors

PricewaterhouseCoopers S.p.A.
(appointed until the approval of the 2019 financial statements by the Shareholders on 20 April 2018)

Deloitte & Touche S.p.A.
(appointed until the approval of the 2022 financial statements by the Shareholders on 23 December 2019)

Giovanni Abbadia • Vincenzo Abbate • Clelia Abbonizio • Cristina Abbruzzese • Tiziana Abbruzzese • Andrea Abrate • Simonetta Acri • Lorenzo Adinolfi • Roberta Airo' • Stefano Ala • Maria Maddalena Albarano • Marinella Alberichi • Valerio Alessandrini • Paolo Alfieri • Giampiero Aliberti • Roberto Allara • Fabrizio Allegretto • Alessandro Amendolito • Gianluca Amero • Saverio Amoroso • Gautam Amrsh Bhansali • Valentina Andreani • Francesca Andreani • Annalisa Angeletti • Federica Angelini • Sonia Angelini • Domenico Aniello • Fabrizio Annella • Daniela Anniballe • Nazario Antelmo • Patrizia Antognozzi • Luigi Antonelli • Giuseppe Arcaro • Maria Cristina Armenia • Sabrina Arnone • Laura Arpini • Fulvia Maria Arrigoni • Lidia Artiga • Giuseppe Ascierio • Anna Maria Asta • Prospero Astarita • Paolo Astolfi • Bernardo Attolico • Barbara Audano • Ambra Auriemma • Danilo Bacci • Ruggero Baffari • Cristian Baldi • Massimo Baldini • Roberta Balduini • Cristina Balestra • Cristian Balestrini • Fabio Ballerini • Emanuela Ballini • Gabriele Bambozzi • Enrico Barberi • Vittoria Barchietto • Dario Barigelli • Maria Barilaro • Alessandro Barile • Matteo Barnabè • Maria Del Carmen Barral Diz • Lorenzo Bartoli • Nazzaro Bartolini • Antonio Bartolo • Samuele Enea Bartolomei • Orlando Basile • Andrea Basili • Roberto Basilicata • Nicola Bassi • Luca Bassotti • Martina Bastia • Daisy Bastoni • Luciana Battaglini • Rodolfo Belcastro • Franco Bellamente • Roberta Bellavia • Stefano Bellucci • Pasquale Belmonte • Giovanna Chiara Beretta • Gianluca Bernardini • Rossella Bernardo • Michela Bertini • Anna Bertolotti • Milo Bertoni • Stefania Romana Bertuccio • Matteo Bertuccioli • Francesco Bevilacqua • Fabio Bevilacqua • Alberto Biagiotti • Luca Bianchi • Cristina Bianco • Martin Biffi • Monica Biffi • Raffaella Bigotti • Francesco Biondo • Luciano Biseaglia • Stefano Bisogni • Giammarco Boccia • Fulvio Boldreghini • Maria Pia Bonanni • Francesco Bonasia • Paolo Bonetti • Addolorata Bonetti • Francesca Bontempi • Danilo Boragine • Ezio Franco Borciani • Alessandro Borneto • Franca Bortolin • Angela Bortoluz • Stefano Braga • Barbara Branciamore • Gianluca Bravin • Marina Breccia • Luca Brecciaroli • Laura Brichetto • Eteldreda Brugnattelli • Mario Alejandro Bruni • Giorgia Bruno • Massimiliano Bruno • Alessia Bruno • Luca Bruschi • Chiara Brutti • Ignazio Bucalo • Luca Bugarini • Giuseppe Buongiorno • Benedetto Buono • Mario Buratti • Pasquale Busiello • Mauro Buttarelli • Gianluca Cabula • Catia Cacciotti • Michela Caddia Stramaccioni • Alessandro Cafolla • Alessandro Calamea • Lucia Calamita • Sonia Calcagni • Marina Caltabiano • Nicola Calvano • Mirco Calzolari • Marco Campitelli • Patrizia Campitelli • Evelyn Ana Campodonico • Alessandro Canini • Daniela Cannavò • Gabriele Cannistrà • Marco Cantalamessa • Alessandro Capogrossi • Irene Capriccioli • Roberta Capurso • Vincenzo Caputi • Alessandra Caputo • Annalisa Capuzzi • Fabio Caramellino • Daniela Maria Carbonati • Francesca Maria Cardarelli • Dario Cardillo • Maria Teresa Cardinale • Giulia Cardo • Valentina Cariani • Veronica Carlocchia • Milos Carloni • Fabiola Carosini • Fabio Carosini • Federica Carotti • Sabrina Carretta •

These results were commitment and

Donato Caruso • Francesca Caruso • Riccardo Casadei • Patrizia Casadei • Valentina Casalgrandi • Stefania Casalvieri • Stefano Casandri • Francesco Casanova • Simona Casaroli • Massimiliano Cascianelli • Nicoletta Cassano • Rosanna Cassese • Claudio Cassiani • Maria Catasta • Daniela Cataudella • Patrizia Cattaneo • Maddalena Cavadini • Fabiana Cavallin • Fabrizio Ceccarelli • Alberto Cecchini • Francesco Cecere • Ivan Ceci • Alessandro Ceci • Barbara Celari • Enrico Centi • Giuseppina Ceraso • Rossana Cerasoli • Andrea Cervini • Claudio Cesaroni • Alice Cetrone • David Madaliso Chalila • Floriana Checa • Jiahao Chen • Claudia Cherubini • Lorenza Chiampo • Cristina Chiappetta • Flavia Chiappini • Valentina Chiavarini • Roberto Chicca • Akwah Lum Chifen • Yulia Chuykova • Pierluigi Ciabattoni • Andrea Cialone • Gianluca Ciammetti • Francesca Anna Cibati • Matteo Ciccarelli • Patrizia Cifani • Marianna Cilenti • Alessandra Cimini • Elena Cimmino • Rosaria Maria Cinquegrani • Valeria Cipolla • Paola Cipriani • Marco Cipriani • Marco Cipriano • Domenico Ciranni • Luca Clementi • Patrizia Clinco • Valerio Coari • Nicola Cocco • Davide Cocco • Costantino Coco • Filippo Coderoni • Andrea Levi Codovini • Roberta Coen • Anna Maria Cofini • Antonio Colantuoni • Marina Colautti • Paolo Colella • Roberta Collacciani • Fabio Colombo • Benedetto Antonio Colombo • Vittoria Colonna • Clementina Colucci • Marco Comella • Rossella Concio • Alessandra Conta • Gabriele Conti • Eliana Conti • Gianluca Coppeto • Irma Coppola • Luca Cornelli • Giulia Corradini • Emanuele Corradino • Manolo Corretto • Mirko Corsetti • Giacomo Cosentino • Giuseppe Cosenza • Francesco Costa • Flavia Costabile • Francesco Paolo Cotugno • Fabrizia Covi • Emanuela Cretoni • Alessandra Croci • Margherita Crozza • Fabrizio Cruciani • Daniele Rosindo Cubellotti • Giulia Curcio • Pasquale Curto • Giuliana Cuscina • Eugenia Cutini • Alberto D'Accardo • Diletta D'Addario • Andrea D'Agguano • Emanuela D'Alessio • Paolo Dalmagioni • Fabio D'Amelia • Ida D'Amora • Maurizio D'Andria • Enrico D'Angeli • Raffaella D'Angelo • Michela D'Angelo • Gabriella Daresta • Daniele D'Arielli • Andrea D'Armini • Rocco Dartizio • Lorenzo D'Aveta • Anna Maria David • Michele Ferdinando De Capitani Da Vimercate • Francesca Maria De Caro • Francesco De Cillis • Rosanna De Falco • Pauline De Faria Sebok • Lorenzo De Francisci • Mauro De Franco • Vincenzo De Gioia • Riccardo De Intinis • Maria Teresa De Lio • Barbara D'Elpidio • Renata De Luca • Cristina De Martin Topranin • Giancarlo De Mattia • Andrea De Meo • Patrizia De Paolis • Fabiana De Romanis • Maria De Rossi • Federica De Santis • Carlo De Simone • Federica De Vita • Alessandro Maria Decio • Barbara Del Marro • Paola Del Sole • Enrica Delgrosso • Paolo Della Torre • Roberta Dell'Aquila • Tiziana Dell'Unto • Antonio Depau • Rossella Derme • Alessia Di Agostino • Claudia Di Bartolomei • Andrea Di Benedetto • Paolo Di Benedetto • Mariano Di Biagio • Daniele Di Capua • Giovanna Di Corato • Simone Di Costa • Patrizia Di Deodato • Elisabetta Di Dionisio • Martina Di Donna • Carola Di Francesco • Giovanni Di Gabriele • Roberta Di Gennaro • Eleonora Di Giampaolo • Federica Di Girolamo • Annarita Di Manno • Paolino Di Marco • Andrea Di Nicolantonio • Francesca Di Ottavio • Lucia Di Russo • Andrea Di Salvo • Marianna Di Saverio • Alfino Di Stasi • Melissa Di Terlizzi • Antonella Di Tullio • Dalila Diana • Letizia Diana • Antonia Dibenedetto • Francesco Dicania • Fausta Dilena • Giorgia Diotallevi • Laura Diprima • Patrizia Donna • Laura D'Orazio • Cristina Dottori • Thomas Andries Du Preez • Costantino Duca • Halit Ozgur Dural • Dea Duranti • Salvatore Pio D'Urso • Carlo Escoffier • Antonio Fabozzi • Francesca Fabrizio • Elisa Facchin • Maria Gloria Fagiolo • Pina Faiella • Claudia Falavolti • Claudio Falciano • Michela Fant • Francesco Fantasia • Marco Farano • Elisabetta Fatigati • Marco Fattorosi Barnaba • Florindo Favale • Vito Francesco Favata • Elena Fecci • Fabiola Felici • Francesca Felli • Oriana Feola • Marco Ferioli • Roberta Ferrante • Enrico Ferranti • Matteo Ferrari • Emiliano Ferrari • Fabrizio Ferrari • Francesco Ferro • Marco Figliuzzi • Paola Filippone • Luisa Finesi • Carmela Finizio • Alessandro Fiore • Roberto Fiorini • Pompea Fiorini • Massimo Flamini • Mauro Fofi • Adriana Fontanella • Andrea Foresi • Stefania Forti • Francesca Fortunato • Riccardo Franceschelli • Ilaria Franceschelli • Roberta Franci • Marco Francisì • David Frazzetto • Antonio Frezza • Luca Frigido • Giovanna Antonia Fronteddu • Luigi Furia • Cristiana Fusco • Carlo Gabriele • Paolo Riccardo Gabrieli • Michele Gagliardi • Andrea Galano • Michela Galati • Gabriele Galbani • Maria Assunta Galbani • Roberto Galiani • Ernesto Galimberti • Luca Galizia • Cecilia Galli • Pasqualina Gallo • Giovanni Gallone • Irene Gambelli • Catia Gambini • Giuseppina Gangi • Serafina Garofalo • Luca Gatto • Rosanna Gelsomino • Antonio Genna • Marco Genovesio • Antonella Gentili • Francesco Geppa • Clara Gerardi • Lorenzo Gerini • Marco Germinario • Emanuela Gezzi • Marco Gherardi • Jacopo Giacomelli • Benedetta Giambi • Marianna Gianfrancesco • Francesca Giannetti • Vincenza Giannini • Ludovica Giglio • Cecilia Giobbe • Ivano Gioia • Elena Gioni • Alessandra Giordano • Roberto Giorgi • Rosella Giorgi • Roberta Giorgio • Ilaria Giovannini • Roberto Girardi • Mariapaola Gironda • Gaetanina Gisini • Pietro Giuliani • Daniele Salvatore Giunta • Daniela Giuseppini • Tiziana Giustiniani • Luca Goldoni • Evgeniya Gorbacheva • Stefano Gorissen • Sabrina Gorruso • Chiara Granati • Alessio Grande • Eleonora Grassi • Manuela Grassini • Eleonora Maria Gravina • Roberta Greco • Gianpiero Greco • Giusy Grillo • Francesca Grillo • Ernesta Gualdaroni • Simonetta Guardavaccaro • Cinzia Guerrieri • Annalisa Guerrisi • Michele Guffanti • Fabio Guglieri • Alessandro Guida • Laura Guzzo • Daphne Irma Wilhelmina Els Honcoop • Angelico Iadanza • Gennaro Iaffaioli • Alessia Iannoni Sebastianini • Anna Imperadori • Catia Imperiali • Francesco Ioime • Insaïda Krosi • Anna La Licata • Luca Labanca • Sharon Labi • Lucia Marianna Labriola • Gian Marco Lai • Luigi Lammoglia • Carla Landi • Francesco Lanzo • Jenaro Laris Vazquez • Giacomo

Larocca • Francesco Laterza • Rachele Antonella Lauro • Roberto Leidi • Serena Lena • Lavinia Lenti • Angela Leo • Armando Leo • Vincenzo Leodori • Daniele Leone • Leonardo Leso • Mei-Zang Li • Edoardo Li Castri • Giulia Li Gotti • Alessandra Li Vigni • Patrizia Liberati • Angelo Libertini • Giovanni Licata • Marco Licciardello • Dario Liguti • Linda Maria Lippi • Giovanni Lo Faso • Elisa Lodi • Luigi Loico • Marco Lombardo • Carolina Lonetti • Silvia Longo • Domenico Lonigro • Alessia Lordi • Enrico Lucciola • Jacopo Luciani • Emanuele Luciani • Thomas Lucioi Frossard • Lorenzo Lupi • Marta Lupi • Federica Luzziatelli • Alberto Macaluso • Alessandro Pio Macari • Giuseppe Macca • Laura Maccari • Francesca Maccarrone • Silvia Macchiola • Lucia Macellari • Fulvia Maffi • Roberta Maggi • Alessia Maggio Tummiolo • Carlo Magistrelli • Marina Magni • Anna Serena Maida • Salvatore Maimone • Federico Maitino • Angelo Malandrini • Rosanna Malfagia • Matteo Mancini • Rodolfo Mancini • Elsa Manigrasso • Federica Mannocchi • Serena Mannu • Claudia Mannucci • Luca Manzi • Eva Maranzano • Walter Marazzini • Giorgia Marengi • Alessandra Marescalchi La Schiazza • Aldo Mari • Alessandra Mariani • Valerio Marinaro • Mauro Marolla • Marcello Marra • Raffaella Giovanna Marra • Mariavanna Martella • Eva Martin • Luana Martino • Luca Martuscelli • Chiara Maruccio • Concetta Franca Maruotti • Alessandra Marzani • Massimiliano Marzapeni • Luca Marziale • Franca Masia • Laura Maria Masini • Francesco Massari • Silvia Massaro • Chiara Mastrella • Paolo Mastrogiacomo • Diego Mastrotauro • Matteo Mastropietro • Claudia Elisa Mastrosimone • Cosimo Matarazzo • Francesca Mattarollo • Carlo Mattei • Alessio Maurici • Aurora Mazza • Piera Mazzaferro • Maria Grazia Mazzarano • Mario Mazzella • Federico Mazzola • Francesca Mazzolini • Renato Mazzoneschi • Andrea Mazzotti • Lorenzo Meciani • Stefania Meddi • Mario Melillo • Francesca Meloni • Maria Raffaella Menabene • Andrea Menabene • Antonio Menchella • Stefano Meneghel • Piergiorgio Mengarelli • Gianmario Mengozzi • Emiliano Menichetti • Denis Meraj • Cinzia Mercone • Marco Mercurio • Valeria Meuti • Laura Micciché • Maria Luisa Miccolis • Mariangela Micheletti • Claudia Micone • Francesco Migliorino • Livio Mignano • Fabrizio Mingarelli • Maria Laura Mingarelli • Marco Minoretti • Giovanni Miserotti • Daniela Monaco • Luca Moneta • Silvia Montanari • Massimo Monteleone • Sara Montesi • Massimiliano Monti • Nicolò Montis • Donato Roberto Morea • Cristina Morelli • Beatrice Morera • Valentina Moretti • Manuela Moretti • Randa Maria Morgan • Katia Moroli • Cristiana Mosetti • Chiara Maria Mozzati • Daniela Elena Munteanu • Francesca Mureddu • Luciana Musselli • Francesco Musto • Alessandro Musto • Alessandro Muzi • Chiara Nalli • Andrea Nannicini • Luisa Napolitano • Alessandro Napolitano • Lorenzo Nappo • Paolo Nardini • Paolo Johan Natali • Paolo Natalini • Simona Fortunata Nava • Andrea Nebbia • Maria Rosa Necchi • Carlo Neri • Irene Nesta • Antonio Nicodemo • Serena Nicoletti • Alex Nicolino • Giorgia Nigri • Tiziana Nocco • Chiara Maria Stefani Noè • Alessia Notargiacomo •

achieved thanks to the professionalism of

Roberta Nuccetelli • Carlo Nuccitelli • Donatella Occhionero • Antonio Oliva • Luigi Oliverio • Arianna Olivieri • Mario Orabona • Silvio Orlacchio • Pierpaolo Orlando • Cinzia Orsini • Silvia Orteni • Stefania Paciotti • Vincenzo Pagano • Stefania Paglia • Domenico Pagliuca • Mara Pagnotta • Giuseppe Pagnozzi • Cristina Paiella • Vincenzo Palatiello • Giuseppe Palladino • Giacinto Palmisano • Fausto Palumbo • Luca Pancucci • Elia Sabatino Panico • Maria Grazia Paolillo • Vincenzo Paradiso • Valentina Parente • Giancarlo Parente • Marco Parisi • Angela Fabienne Parisi • Marianna Parlapiano • Stefania Parrella • Mariarosaria Pasca • Lara Pasquali • Arianna Pasquali • Mauro Pasqualucci • Luca Passariello • Anna Maria Passarini • Francesca Pastore • Serena Paternes • Federica Paternò • Marina Paturi • Eugenio Pauciuolo • Annalisa Pecoraro • Emanuele Pede • Vincenzo Pedicini • Marco Pedrazzini • Federica Pellegrino • Lucia Pelosio • Nicoletta Peluso • Valerio Perinelli • Daria Perrella • Stefania Perrone • Priscilla Perrotti • Andrea Pertusio • Alessandro Peruch • Donatella Peruzzi • Silvia Peruzzi • Gabriele Pescarini • Sabrina Pesci • Alessio Petaccia • Simona Petitta • Chiara Petruccelli • Gabriele Petta • Stefania Pettinaro • Valerio Picchiassi • Luisella Picciaia • Alessio Picciano • Cecilia Piccinini • Serena Pierangeli • Luigi Piergallini • Noemi Pietrafesa • Mauro Pietrangeli • Perla Pietropoli • Maria Cristina Pilia • Cristina Pinzari • Isacco Piovani • Maria Concetta Pipitone • Guido Pierantonio Pippolo • Alessandra Pisa • Rosaria Pisaniello • Marco Pizzato • Laura Placidi • Nicola Polato • Ivana Poletti • Giancarlo Polidori • Marco Pollera • Gisella Pollice • Chiara Pollicina • Sara Pompei • Fabio Ponti • Cristiana Portale • Luca Pozio • Roberto Prageldi • Benedetta Premuda • Manuela Prior • Monica Proietti • Loredana Protti • Dmytri Prozorov • Giuseppe Puccio • Giuseppe Gabriele Puglisi • Maria Giulia Puliti • Carlo Andrea Puppo • Cinzia Quaranta • Laura Quercia • Fabrizio Quintiliani • Ilaria Quinto • Veronica Grazia Mari Quinto • Sabrina Raccamarich • Larissa Charlotte Raffa • Giovanni Raimondo • Matteo Ramazio • Walter Ramotti • Valerio Ranciaro • Italo Savino Ravelli • Stefano Recchilongo • Giammarco Regoli • Cristina Renzi • Fabio Giovanni Rescalli • Rosa Ressa • Stefano Retrosi • Marco Rettaroli • Chiara Riccardelli • Eugenia Riccelli • Annalisa Ricci • Alessandra Ricci • Francesca Ricciardelli • Stefano Ricciardi • Giulia Riccio • Felice Rienzi • Francesca Rimedio • Rosa Riolo • Cinzia Rosanna Rizza • Filippo Rizzuto • Claudia Rochira • Sabina Rodriguez Agri • Giuseppe Romano • Marcello Romei Bugliari • Caterina Romeo • Giuseppe Antonio Romeo • Michal Ron • Luca Pietro Ronchi • Paolo Rosa • Marco Rosati • Mariaelena Rossi • Francesca Rossi • Andrea Rossi • Gianluca Rossino • Michela Rota • Sophie Anne Marie Rouilleault • Luciano Franco Roveda • Enrica Rubatto • Donatella Rubino • Danilo Ruggero Ruggeri • Maria Paola Ruggieri • Laura Russi • Diego Russo • Fabio Rustichelli • Giancarlo Sabatini • Roberta Sabatino • Francesca Sabattini • Cristiana Sabene • Annalisa Saccotelli • Sara Saddik • Raissa Saggiomo • Giulia Sagliano • Alexander Sagramola • Gianmarco Salamida • Stefano Salera • Claudia Salesi • Giovanni Salinaro • Gianluca Salvagnoni • Gigliola Salvemini • Francesco Paolo Salzano • Alessandra Sandulli • Massimiliano Sanna • Paolo Sanò • Marco Sanseverino • Fabiano Santangelo • Giulia Santaniello • Anna Santaroni • Roberto Santi • Gabriele Santini • Danilo Santino • Emilio Saponara • Teresa Saponara • Roberto Saporito • Edoardo Sappino • Carmela Nunzia Sapuppo • Carlos Saravia • Gaetano Sarno • David Benedetto Sasson • Eleonora Savalli • Marco Savastano • Patrizia Savi Scarponi • Aldo Savino • Emanuele Sbardella • Alessandra Sbardella • Giovanni Sbrocca • Gianni Scaiola • Gabriele Scappaticci • Paola Scarabotti • Marianna Scarano • Christian Scarozza • Silvia Scatena • Gianmarco Schiavi • Massimo Schirò • Daniele Schroder • Gianluca Scialdone • Nazzareno Scoeca • Francesco Scorrano • Alessandra Scotti • Valeria Sebastianelli • Federico Semorile • Erimyan Galina Sergeevna • Silvia Seri • Samantha Serra • Davide Serrano • Salvatore Serranò • Marco Severi • Gabriella Severi • Danilo Sica • Mariangela Siciliano • Enrico Sinno • Cristina Sironi • Nenad Sofronic • Mariagrazia Soldani • Maria Rosaria Soldo • Antonio Soncin • Angela Sorge • Antonella Evelina Spadaro • Stefania Spalluti • Francesca Sparascio • Tiziano Spataro • Pierluca Spaventa • Manuela Maria Spinazzi • Adriano Spini • Cristina Spizzichini • Brunella Stampatore • Benedetta Standoli • Sara Stefanini • Maria Federica Stellacci • Simona Iolanda Stompanato • Federico Stoppello • Mariagrazia Suglia • Tiago Tajar De Carvalho • Elisabetta Taralli • Gian Piero Tarantino • Giulia Tardani • Paolo Alessio Tarquini • Flavia Taruggi • Roberto Tatasciore • Alessandro Terzulli • Alberto Tiepolo • Francesco Tilli • Eva Tompetrini • Alberto Torini • Massimo Tosti • Michele Toto • Giuseppe Tozza • Marco Traditi • Maria Vanessa Traggiai • Andrea Tramonte • Maria Francesca Tranchina • Giuseppe Travaglino • Laura Rosaria Tricarico • Marianna Trionfante • Daniele Trippetta • Manuela Trischitta • Emanuele Trivisonne • Lorella Troiani • Davide Trombetta • Fabrizio Trotta • Fabio Trotto • Alessandro Trotto • Carlo Tucci • Yeliz Tufekcioglu Kucukaltan • Alberto Turchetto • Ugolino Ugolani Saretta • Pierluigi Ulivi • Luca Alberto Ulivieri • Matteo Vaghi • Marco Vagnarelli • Valentina Valentini • Nadia Valentini • Silvia Valenziani • Stefania Valeri • Paola Valerio • Carla Valle • Simone Vallone • Giuseppe Venneri • Debora Ventrice • Clara Veronoli • Anna Verrascina • Anna Vespertino • Emanuela Vetere • Alessandra Vetrò • Riccardo Vianello Simoli • Maria Vienna • Francesco Viggiano • Carla Vignola • Alessandra Vilardi • Marta Giulia Villani • Marco Villiargio • Andrea Vimercati • Alessandra Vinciguerra • Cinzia Viotti • Anna Maria Virgulti • Emanuele Vismara Currò • Claudia Visone • Emma Vita • Loredana Vita • Giovanni Vitale • Lorenza Vitali • Giulio Vitali • Pierluigi Viti • Annamaria Vox • Simona Vultaggio • Beatrice Wyke • Aurora Zabotto • Gabriella Zagni • Claudia Zampa • Fabio Zamperini • Andrea Zippel • Maria Grazia Zuppante • Rossella Maria Zurlo

Close to businesses in Italy

SACE

Piazza Poli, 37/42
00187 Rome
+39 06 67361

SIMEST

Corso Vittorio Emanuele II, 323
00189 Rome
+39 06 686351

info@sacesimest.it

www.sacesimest.it

Toll free number
800.020.030



Ancona

+39 071 29048248/9
ancona@sace.it

Venice

+39 041 2905111
venezia@sace.it

Rome

+39 06 67361
roma@sace.it

Naples

+39 081 5836131
napoli@sace.it

Brescia

+39 030 2292259
brescia@sace.it

Bari

+39 080 849 2201
bari@sace.it

Verona

+39 045 597014
verona@sace.it

Turin

800.020.030
torino@sace.it

Milan

+39 02 4344991
milano@sace.it

Florence

+39 055 5365705
firenze@sace.it

Bologna

+39 051 0227440
bologna@sace.it

Palermo

+39 091 7666670
palermo@sace.it

Monza

+39 039 3638247
monza@sace.it

Lucca

+39 0583 444234
lucca@sace.it

and around the world



**Brazil,
Sao Paulo**
+55 11 31712138
saopaulo@sace.it

**Cina,
Hong Kong**
+852 35076190
hongkong@sace.it

**Cina,
Shanghai**
+8621 51175446
shanghai@sace.it

**United Arab Emirates,
Dubai**
+971 75543465
dubai@sace.it

Egypt, Cairo
+20 227356875
cairo@sace.it

**Ghana,
Accera**
800.020.030
info@sacesimest.it

**India,
Mumbai**
+91 22 43473471
mumbai@sace.it

**Kenya,
Nairobi**
+254 719014257
nairobi@sace.it

**Mexico,
Mexico City**
+52 55 24536377
messico@sace.it

**Russia,
Moscow**
+7 495 2582155
mosca@sace.it

**South Africa,
Johannesburg**
+27 114635131
johannesburg@sace.it

**Turkey,
Istanbul**
+90 2122458430/1
istanbul@sace.it

Glossary

CREDIT INSURANCE

Insurance activities protecting against the risk of insolvency and/or non-payment of short-term trade receivables to financial stakeholders, on the basis of goods or services contracts.

EXPORT CREDIT

Insurance and guarantee activities protecting against commercial and political risks related to payment obligations within an export operation.

INTEREST RATE SUBSIDY FOR EXPORT CREDIT (SIMEST)

Interest rate subsidy on medium/long-term loans granted by Italian or foreign banks in support of exports.

INTEREST RATE SUBSIDY FOR EQUITY INVESTMENTS (SIMEST)

Interest rate subsidy for financing equity investments in a foreign non-EU company by an Italian company.

TOTAL EXPOSURE (SACE)

Total outstanding commitments in principal and interest and performing loans.

EXPORT CREDIT AGENCY (ECA)

Export credit agency.

FACTORING

Contract by which a company (transferor) transfers its trade receivables to a financial company (factor), which becomes the holder of the receivables and can provide the transferor with credit management services, financing and guarantees against debtor defaults.

GUARANTOR

Third party in an insurance contract who assumes an obligation in favor of the insured to satisfy any claims in the case of debtor default.

APPROVED GUARANTEE

With regard to SACE, an insurance policy approved by the competent bodies.

OUTSTANDING GUARANTEE

With regard to SACE, an insurance policy approved by the competent bodies and issued, for which the first instalment of the premium has been collected.

OUTSTANDING COMMITMENT (SACE)

Total principal amount of guarantees outstanding at the reference date.

OUTSTANDING COMMITMENT (SACE BT)

For the Credit branch, the total amount of credit lines granted, net of the amount not covered under the policy; for the Suretyship branch, the sum of capital insured; for the Other Damage to Property branch, the total amount of capital insured and policy limits.

OUTSTANDING COMMITMENT (SACE Fct)

Total receivables, or the amount of loans outstanding at the reference date.

INDEMNITY

Amount due from the insurer as compensation for damage suffered by an insured following a claim.

LOSS RATIO

Ratio of the cost of claims to gross premiums earned.

GROSS PREMIUM

Total amount due to the insurer, resulting from the outstanding guarantee and referring to the entire coverage period.

NON-LIFE LINES

Guarantees covering damage to persons and/or property as a result of fire, theft or damage relating to third party liability.

INWARD REINSURANCE

A transaction by which an insurance company (reinsurer) takes on part of the risk insured by another insurer (reinsured).

OUTWARD REINSURANCE

A transaction by which an insurer (reinsured) transfers part of its risk exposure to an insurance policy onto another insurance company (reinsurer).

ANCILLARY RISKS

Risks which are additional to the credit risk such as production risk, unfair call of bonds, or destruction risk.

MARKETABLE RISKS (“MARKET”)

According to OECD regulations, political and commercial risks relating to credits with a tenor of less than 24 months and to debtors established in EU Member States or other first-category countries in the OECD area.

NON-MARKETABLE RISKS (“NON-MARKET”)

According to OECD regulations, political and commercial risks relating to credits with a tenor of more than 24 months or to debtors not established in EU Member States or other first-category countries in the OECD area.

BANK RISK

Risk associated with transactions guaranteed by banks.

PRIVATE RISK (“CORPORATE”)

Risk relating to transactions with banking/corporate counterparties.

SOVEREIGN RISK

Risk associated with transactions supported by sovereign guarantees, i.e. issued by the Ministry of the Economy and Finance or by other entities empowered to commit the State.

PREMIUM RESERVE

Technical reserve formed by the amount of gross premiums written but not attributable to the year of reference (“unearned premium reserve”) since referring to risks that continue in the subsequent year, and the additional provisions for any higher charges for unexpired risks (“reserve for unexpired risks”).

CLAIMS RESERVE

Technical reserve consisting of the total amount which, after a careful assessment performed on the basis of impartial factors, are considered necessary to cover the payment of claims occurring during the current year or in previous years and not yet paid, as well as settlement costs.

TECHNICAL RESERVE

Amounts that insurance providers must set aside and recognize in their financial statements to meet their obligations to the insured.

MOBILIZED RESOURCES (BY SACE)

Guarantees approved during the reference period.

MOBILIZED RESOURCES (BY SACE BT)

Volumes insured in the Credit and Suretyship line during the reference period relating to new contracts.

MOBILIZED RESOURCES (BY SACE FCT)

Total amount of receivables transferred to the factoring company (turnover) during the reference period.

MOBILIZED RESOURCES (BY SIMEST)

Volume of subsidized loans, equity investments and subsidies disbursed during the reference period.

VALUE AT RISK

Maximum potential loss in the reference time period with a certain confidence level (usually 95-99%).

Toll free number 800.020.030
info@sacesimest.it
www.sacesimest.it

Creative design, layout and editing
19novanta communication partners

Printed by
Stabilimento Tipografico Ugo Quintily S.p.A.

sace simest 
gruppo cdp

