

SINGLE SOLVENCY
AND FINANCIAL CONDITION REPORT
OF THE POSTE VITA GROUP
AT 31 DECEMBER **2022**



FROM OUR **PAST** INTO THE COUNTRY'S **FUTURE**

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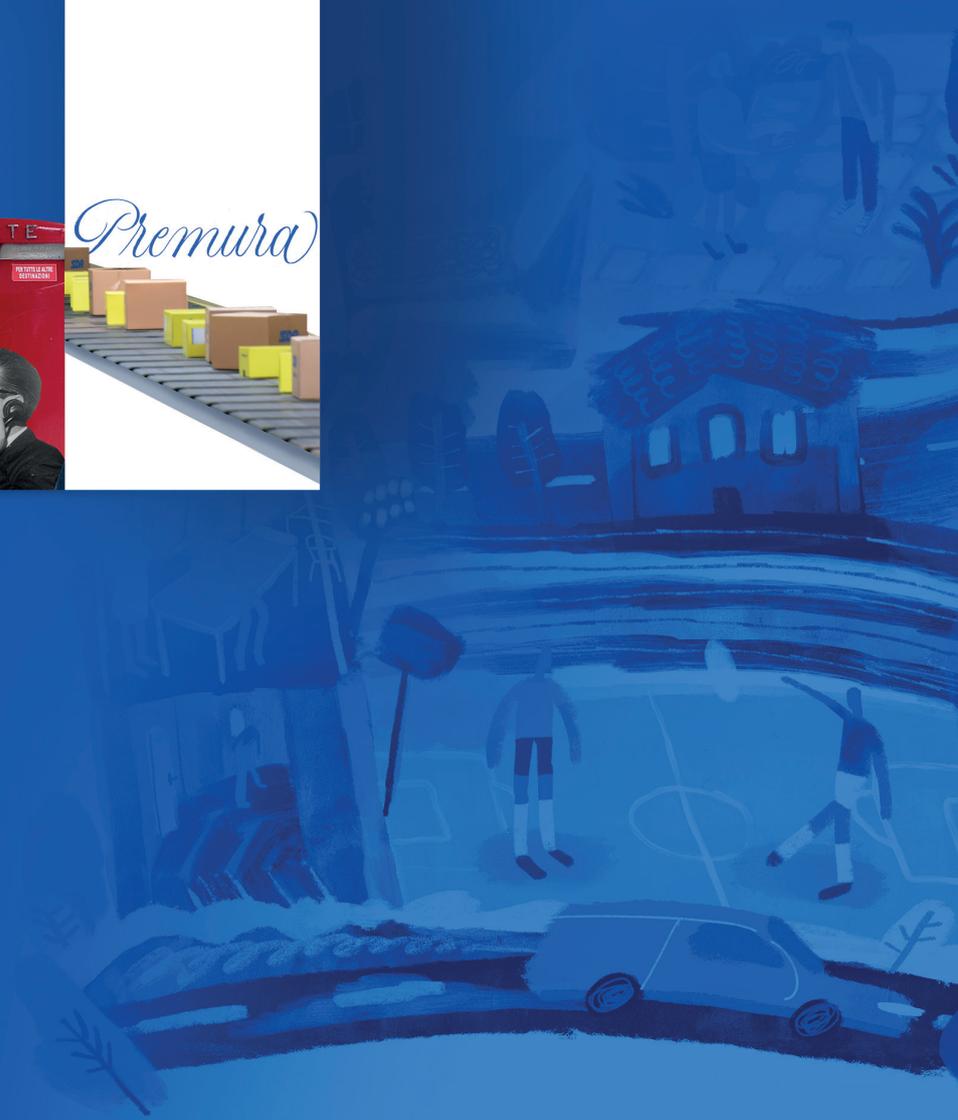
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CAPILLARITÀ



Premura



The background features a stylized, blue-toned illustration. The upper portion shows a town with various buildings, including a prominent domed structure and a tower. The lower portion depicts an interior scene with a television set, a chair, and a group of people sitting on the floor, suggesting a community or family gathering.

SINGLE SOLVENCY AND FINANCIAL CONDITION REPORT OF THE POSTE VITA GROUP

AT 31 DECEMBER **2022**

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AT 31 DECEMBER 2022

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Document summary and goals

This Solvency and Financial Condition Report constitutes the annual report to the market for the Poste Vita Group, Poste Vita SpA and Poste Assicura SpA for financial year 2022, prepared on the basis of the requirements contained in Chapter XII of Delegated Regulation (EU) 2015/35 and Implementing Regulation (EU) 2015/2452, integrating the provisions of Directive 2009/138/EC, Solvency II. The Report also contains the additional information, with regard to European legislation, envisaged by Regulation no. 33 of 2016.

The Group made use of the option envisaged by the combined provisions of Art. 216-novies, paragraph 2 of Italian Legislative Decree no. 209/2005 and art. 36, para. 1 of IVASS Regulation no. 33 of 6 December 2016. The Report was approved by the Board of Directors of the Parent Company, Poste Vita SpA, on 28 April 2023.

This report is also consistent with the provisions of Legislative Decree no. 209 of 7 September 2005 (Private Insurance Code or CAP), subsequently amended by Legislative Decree no. 74 of 12 May 2015.

Pursuant to IVASS Regulation 42/2018, containing provisions on the external auditing of public disclosures, the document is accompanied by the reports of the independent auditors relative to the following information contained in the Report, relative to the Poste Vita Group, the Parent Company Poste Vita SpA and the subsidiary Poste Assicura SpA:

- Balance Sheet at replacement cost, consisting of the templates “S.02.01.02 - Balance Sheet” and the related information in section “D Valuation for solvency purposes”;
- Own Funds, consisting of the templates “S.23.01.22 - Own Funds” (exclusive of the Solvency Capital Requirement and Minimum Consolidated Capital Requirement) at the Group level and “S.23.01.01 - Own Funds” at the individual level (excluding the Solvency Capital Requirement and Minimum Capital Requirement) and the relative information in section E.1 “Own Funds”.

Pursuant to articles 4, paragraph 1, letter c) and 5, paragraph 1, letter c) of IVASS Regulation 42/2018, the independent auditor reports also contain the checks carried out on the individual and Group Solvency Capital Requirements, with a limited audit, relative to the following sections of the document:

- Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR), included in the templates “S.25.01.21 - Solvency Capital Requirement for undertakings on Standard Formula” (individual SCR), “S.25.01.22 - Solvency capital requirement for groups on Standard Formula” (group SCR) and “S.28.02.01 - Minimum capital Requirement - Both life and non-life insurance activity” (MCR of Poste Vita SpA) “S.28.01.01 - Minimum capital requirement” (MCR of Poste Assicura SpA) and the disclosure contained in section “E.2. - Solvency Capital Requirement and Minimum Capital Requirement”.

For financial year 2022, the audit was performed by Deloitte & Touche SpA, the Group auditor selected following a single tender launched by Poste Italiane SpA in compliance with the provisions of Regulation (EU) no. 573 of 16 April 2014 and Italian Legislative Decree no. 39 of 17 January 2010, as amended by Legislative Decree no. 135/2016.

Finally, all the Quantitative Reporting Templates required under articles 4 and 5 of Implementing Regulation (EU) 2015/2452 are annexed to this report, respectively for the individual companies and the Poste Vita Group.

The report, intended to provide the market with clear and exhaustive information in the context of Solvency II, is structured as follows:

- Section A provides information on the Group's business, its structure and the results of underwriting and investment during the year for the Group and the individual Companies.
- Section B provides an overview of the governance system, including the requirements for the administration and control bodies, as well as a description of the Control Functions of the Group and the individual Companies.
- Section C analyses the risks to which the Poste Vita Group is exposed and the relative methods used to measure them, indicating the main techniques used to attenuate risk and the results of stress tests.
- Section D illustrates the methods used to measure assets and liabilities for Solvency II purposes (including BEL and Risk Margin), with respect to the Local GAAP.

- Section E is focussed on the Group's solvency position and provides information on the composition and classification of own funds and individual risk sub-modules of the Solvency Capital Requirement (SCR).

The disclosure reports figures expressing monetary amounts, unless otherwise stated, in €k, which is the functional currency in which the Poste Vita Group operates. Therefore, misalignments of the last digit in the sum of values are possible due to rounding.

This report was published on the Poste Vita Group website <https://postevita.poste.it>.

Executive Summary

In the period between 1 January 2022 and 31 December 2022 (hereinafter also the "Period"), the management of the Poste Vita insurance group, in line with the strategic objectives set out in the 2021-2024 business plan, was mainly aimed at:

- strengthening its leadership in the life market by increasing premiums towards traditional products and consolidating high volumes towards multi-class products;
- achieving growth in the protection and welfare segment;
- in the non-life segment, the continued development of the modular offering, the significant growth of the Employee Benefits business and continuing and expanding the marketing of the integrated offering with the Parent Company, Poste Vita, between life products and non-life guarantees.

The reclassified statement of profit or loss at 31 December 2022, distinguishing the results achieved in life and non-life management, compared with the same period of 2021, is shown below. The document reports figures expressing monetary amounts indicated primarily in millions of Euro, which is the functional currency in which the Poste Vita Group operates. Therefore, misalignments of the last digit in the sum of values expressed are possible due to rounding.

RECLASSIFIED STATEMENT OF PROFIT OR LOSS (€m)	31/12/2022			31/12/2021		
	Non-life business	Life business	Total	Non-life business	Life business	Total
Net premium revenue	350.4	17,169.7	17,520.1	267.2	17,564.6	17,831.8
<i>Gross premium revenue</i>	360.2	17,179.5	17,539.7	297.0	17,574.1	17,871.1
<i>Outward reinsurance premiums</i>	(9.8)	(9.7)	(19.6)	(29.7)	(9.5)	(39.3)
Fee income		118.0	118.0		81.1	81.1
Net finance income on securities related to traditional products	12.4	(295.7)	(283.3)	8.5	3,365.0	3,373.5
<i>Income</i>	12.9	3,828.4	3,841.2	8.5	2,984.6	2,993.0
<i>Realised gains/losses</i>	(0.0)	(179.5)	(179.6)	0.1	162.5	162.6
<i>Unrealised gains/losses</i>	(0.4)	(3,944.6)	(3,945.0)	(0.0)	217.9	217.9
Net financial income on unit-linked hedging securities		(1,362.6)	(1,362.6)		590.3	590.3
Net claims expenses	(224.5)	(13,590.4)	(13,814.9)	(166.0)	(19,813.2)	(19,979.3)
<i>Claims paid</i>	(173.6)	(9,574.8)	(9,748.4)	(134.6)	(9,498.7)	(9,633.4)
<i>Change in technical provisions</i>	(46.5)	(4,024.9)	(4,071.4)	(43.7)	(10,320.8)	(10,364.6)
<i>Share attributable to reinsurers</i>	(4.3)	9.2	4.9	12.3	6.4	18.7
Investment management expenses	(1.2)	(64.1)	(65.2)	(0.9)	(60.9)	(61.8)
Operating expenses	(84.0)	(638.0)	(722.0)	(66.6)	(601.1)	(667.7)
<i>Net commissions</i>	(54.1)	(528.4)	(582.5)	(43.4)	(483.6)	(527.0)
<i>Operating costs</i>	(29.9)	(109.6)	(139.5)	(23.2)	(117.6)	(140.8)
Other net revenue/costs	(3.3)	(62.7)	(65.9)	6.2	(55.0)	(48.8)
GROSS OPERATING PROFIT	49.9	1,274.3	1,324.2	48.4	1,070.8	1,119.2
Net finance income from investments in free capital		111.9	111.9		100.0	100.0
Interest expense on subordinated debt	(0.0)	(47.8)	(47.8)	(0.0)	(46.1)	(46.1)
PROFIT BEFORE TAX	49.8	1,338.3	1,388.2	48.3	1,124.7	1,173.1
Income tax expense	(16.7)	(394.4)	(411.1)	(10.8)	(336.2)	(346.9)
NET PROFIT	33.1	944.0	977.1	37.6	788.5	826.1

Premiums from the Life segment during the Period totalled € 17.2 billion, a slight decrease of 2.2% (-0.4 billion) compared to the corresponding period of the previous year. In particular, premiums from multi-class products declined by € 2.6 billion in the Period, but still accounted for a significant proportion of total inflows (44.1%), albeit down from 57.8% in the corresponding period of 2021. This was partially offset by the increase in inflows from traditional build-up products, which grew by € 2.1 billion during the period.

Outflows for **payments** totalled € 9.6 billion and were substantially in line (+0.8%) with the figure recorded at 31 December 2021, mainly due to the growth in surrenders (+€ 1.1 billion) recorded in the Period, offset by the reduction in maturities and claims, which decreased by € 0.9 billion and € 0.1 billion, respectively, compared with 2021. With regard to surrenders, the frequency with respect to average reserves was 3.5% at the end of the Period, compared to 3.1% for the same period in 2021; this figure remains well below the average market figure of 6.7¹ at 31 December 2022.

In relation to this, **net inflows** at 31 December 2022 were positive at € 7.6 billion, contributing to the growth in assets under management, albeit slightly down on the same figure for 2021 (€ 8.1 billion) given the aforementioned production trend.

In the **non-life segment**, inflows at the end of the period amounted to € 377.7 million, up € 66.5 million (+21.4%) compared to the figure for the same period of 2021 (€ 311.2 million) driven by all segments and specifically: (i) the “goods, personal and modular protection” line +19%; (ii) payment protection policies (CPI) +9%; and (iii) the “Welfare” segment, whose premiums increased from € 121.5 million recognised at the end of December 2021 to the current € 154.7 million, mainly supported by the new distribution agreements signed with corporate clients (Employee Benefits).

In addition, it should be noted that premiums totalling € 14.5 million (€ 7.6 million in 2021) were collected during the Period in respect of the integrated life and non-life offer, which, for the purposes of preparing the Consolidated Financial Statements, are netted with the corresponding costs incurred by the Parent Company Poste Vita.

During the same period, **claims expenses** were equal to € 220 million, growth of 23.4% compared to € 178.3 million in the same period in 2021, mainly due to the development of the corporate “Illness” business and the “Accident” class. Given these dynamics, the overall loss ratio stood at 61.1%, substantially in line with the 2021 figure (60.1% at the end of 2021).

Life business **technical provisions** at 31 December 2022, excluding the Deferred Policyholder Liability (DPL) provisions, commented on below, totalled € 153.6 billion, a slight increase (+5.5%) compared to 31 December 2021 (equal to € 145.6 billion), mainly due to positive net inflows. This item is mainly composed of: i) € 142.3 billion of mathematical reserves related to traditional products (€ 136.3 billion at the end of 2021); ii) € 9.8 billion (€ 7.8 billion at 31 December 2021) of reserves related exclusively to unit-linked products; and iii) € 1.5 billion to other reserves consisting mainly of the reserve for additional expenses and the interest rate shift reserve.

With reference to the Non-life business, technical provisions at the end of the Period amounted to € 359.4 million, up by +€ 64.1 million compared to € 295.3 million at the end of the previous period, given the growth in business.

As far as **financial management** is concerned, investment choices continue to be based, in line with the strategic guidelines defined by the Board of Directors, on prudent objectives with a portfolio that continues to be invested mainly in Italian government bonds (whose overall exposure, although down on the previous year, given the Company’s objective to reduce the concentration of risk in Italy in light of the current market conditions, represents 47.9% of the entire portfolio against 56.2% at the end of 2021). The remainder of the portfolio is mainly invested in UCITS style open-end harmonised multi-asset funds, disclosure of which is provided in the following pages, in addition to corporate bonds. The returns gained during the period by Separately Managed Accounts were positive (2.68% for the management of PostaPensione and 2.59% for PostaValorePiù), positively influenced, for an amount of € 1,088 million (of which € 1,065 million related to the pro-rata revaluation of the capital portion), by the increase in the Italian and European inflation rate with reference to “inflation-linked” securities for a nominal value of € 8.9 billion at 31 December 2022.

The dynamics of the financial markets recorded during the period, conditioned by the evolution of interest rates and spreads, gave rise to the recognition of unrealised capital losses of € 14.5 billion compared to unrealised capital gains of € 13.5 billion recognised at 31 December 2021; these capital losses refer almost exclusively to investments included in the Separately Managed Accounts, and are therefore reflected in the DPL reserve in accordance with the “Shadow Accounting” method as per IFRS 4² (thus, the balance of the DPL reserve went from € 13.2 billion at 31 December 2021 to -€ 14 billion at 31 December 2022).

1. Source: Ania Trends - Life flows and provisions - Publication no. 4, 24 February 2023.

2. Application of the “shadow accounting” methodology, as an option adopted by the Company upon the initial application of IFRS9 on financial instruments from 2018, makes it possible to reduce the accounting mismatch existing between the fair value measurement of financial instruments according to IFRS9 and the measurement at cost of insurance liabilities according to IFRS4 (which, in turn, refers to national accounting standards).

With regard to the management of **“free capital”**, the result continues to be positive (€ 111.9 million) and up (+€ 11.9 million) compared to the figure for the same period of 2021 (€ 100 million), mainly due to the recognition during the period of higher ordinary income (+€ 29.1 million) accrued on the portfolio mainly consisting of Italian bonds and attributable to inflation-related trends only partially offset by higher valuation losses (+€ 15.5 million) due to financial market dynamics.

Operating costs³ came to € 139.5 million at the end of 2022, compared to € 140.8 million recognised in the same period of 2021, mainly relative to personnel expenses, commercial costs, costs for IT services and professional services/consulting to support the business. The percentage of the costs compared to premiums issued and the reserves continued to be in line with market best practices, at 0.8% and 0.1% respectively.

By virtue of the trends mentioned, **gross profit for the period** was € 1,388.2 million, up by € 215.1 million compared to € 1,173.1 million reported at 31 December 2021. Taking into account the estimated related taxation determined with a tax rate of 29.6%, the **net result** was € 977 million, up € 150.9 million from € 826.1 million in the same period of 2021.

A summary of the principal KPIs is shown below:

PRINCIPAL FINANCIAL KPIs (€m)	31/12/2022	31/12/2021	Change	
Equity	6,793.6	5,935.8	857.7	14.4%
Solvency SII ratio	253.3%	285.4%	(32.2%)	
Technical provisions for insurance business	139,987.0	159,089.9	-19,102.9	(12.0%)
Financial Investments*	145,192.0	163,279.8	-18,087.9	(11.1%)
Financial Investments/Shareholders' Equity***	20.8	27.8	-7.0	
Workforce	460	490	(29.7)	

PRINCIPAL OPERATIONAL KPI	31/12/2022	31/12/2021	Change	
Gross premium revenue	17,539.7	17,871.1	(331.4)	(1.9%)
Gross Operating Profit	1,324.2	1,119.2	205.0	18.3%
Net Profit	977.0	826.1	150.9	18.3%
ROE**	15.2%	14.9%	0.3%	
Return PostaValorePiù	2.59%	2.35%	0.2%	
Return PostaPensione	2.68%	2.64%	0.0%	
Surrender ratio	3.5%	3.1%	0.4%	
Operating costs/Premiums	0.8%	0.8%	0.0	
Operating costs/Provisions	0.1%	0.1%	0.0	

* Including cash.

** Calculated as the ratio between the net result for the period and the half sum of equity for the current year and equity for the previous year net of the FVOCI reserve.

*** Shareholders' equity is expressed net of the FVOCI reserve.

3. Overheads allocated to acquisition costs and administrative expenses.

With regard to the main **Solvency II indicators**, the Insurance Group's solvency position at 31 December 2022 shows qualifying own funds of € 12,805 million, up by € 128 million with respect to the € 12,677 million at the end of 2021. On the other hand, 2022 saw an increase in total capital requirements of around € 615 million (from € 4,441 million at the end of 2021 to € 5,056 million at 31 December 2022). These dynamics led to a decrease in the Solvency Ratio with respect to 31.12.2021, going from 285% to 253% in December 2022.

PRINCIPAL KPI SOLVENCY II (€k)	31/12/2022	31/12/2021	Delta
SCR-eligible Own Funds	12,804,895	12,676,835	128,060
MCR-eligible Own Funds	11,054,895	10,926,835	128,060
Solvency Capital Requirement (SCR)	5,055,992	4,441,175	614,817
Minimum Capital Requirement (MCR)	2,290,855	2,029,162	261,693
<i>Solvency Ratio</i>	253.26%	285.44%	(32.18%)
Ratio between Eligible Own Funds and MCR	482.57%	538.49%	(55.92%)

The decrease in the Solvency Ratio, compared to 31 December 2021, is determined by an increase in own funds less than proportional to the increase in the capital requirement.

Specifically, the increase of approximately € 128 million in own funds at 31 December 2022, compared to 31 December 2021, is attributable to:

- -€ 248 million to the decrease in Solvency II equity (excess of assets over liabilities);
- +€ 429 million to the increase in the value of subordinated loans, also as a result of the new issue of restricted Tier 1 securities in August 2022; and
- -€ 53 million to the higher amount of foreseeable dividends to be deducted from own funds (compared to the amount foreseen at 31 December 2021), in line with the dividend policy set forth in the current business plan.

With reference to the capital requirement, there was an increase of about € 615 million compared to 31 December 2021, mainly due to:

- increase in underwriting risk (+€ 2,829 million) and, specifically, by the mass lapse risk, partly mitigated by the aforementioned insurance transaction;
- decrease in market risk, by approximately € 1,945 million, and counterparty risk, by approximately € 172 million, compared to 31 December 2021;
- increased diversification between risks by about € 156 million;
- increase in the relative Capital Add-On of Poste Assicura SpA by € 48 million.

Lastly, with reference to the application of the Transitional Measures on Technical Provisions (MTRT) of Poste Vita SpA, it should be noted that, as provided for by the IVASS clarification on the application of the provisions of Article 344-decies of Legislative Decree no. 209 of 7 September 2005, Poste Vita has carried out the four-yearly verification of the calculation of the measure itself, the amount of which, at 31 December 2022, was zero.

The Poste Vita Group's Solvency Ratio, at 31 December 2022, continues to remain well above the regulatory constraints and the risk appetite threshold approved by the Board of Directors.

With reference to the Parent Company **Poste Vita SpA**, the solvency position at 31 December 2022 showed eligible own funds for € 12,804 million, an increase of € 128 million compared to € 12,677 million at the end of 2021. On the other hand, 2021 saw an increase in total capital requirements of around € 558 million (from € 4,409 million at the end of 2021 to € 4,967 million at 31 December 2022). These dynamics led to a decrease in the Solvency Ratio with respect to 31 December 2021, going from 288% to 258% in December 2022.

PRINCIPAL KPI SOLVENCY II (€k)	31/12/2022	31/12/2021	Delta
SCR-eligible Own Funds	12,804,895	12,676,835	128,060
MCR-eligible Own Funds	11,054,895	10,926,835	128,060
Solvency Capital Requirement (SCR)	4,967,417	4,409,170	558,247
Minimum Capital Requirement (MCR)	2,235,338	1,984,126	251,211
<i>Solvency Ratio</i>	257.78%	287.51%	(29.73%)
Ratio between Eligible Own Funds and MCR	494.55%	550.71%	(56.16%)

With reference to the Subsidiary **Poste Assicura SpA**, the Company's solvency position at 31 December 2022, shows eligible own funds of € 298.8 million (€ 297.8 million at the end of 2021), a capital requirement of € 177.7 million (€ 123.0 million at the end of 2021) and a decreasing solvency ratio from 242% at the end of 2021 to 168% at the end of December 2022.

PRINCIPAL KPI SOLVENCY II (€k)	31/12/2022	31/12/2021	Delta
SCR-eligible Own Funds	298,820	297,791	1,029
MCR-eligible Own Funds	298,820	297,791	1,029
Solvency Capital Requirement (SCR)	177,747	122,988	54,759
Minimum Capital Requirement (MCR)	55,709	45,036	10,674
<i>Solvency Ratio</i>	168.12%	242.13%	(74.01%)
Ratio between Eligible Own Funds and MCR	536.39%	661.23%	(124.84%)

The Company's Solvency Ratio decreased by approximately 74 percentage points compared to 31 December 2021, due to an increase in the Capital Requirement that was more than proportional to the growth in own funds.

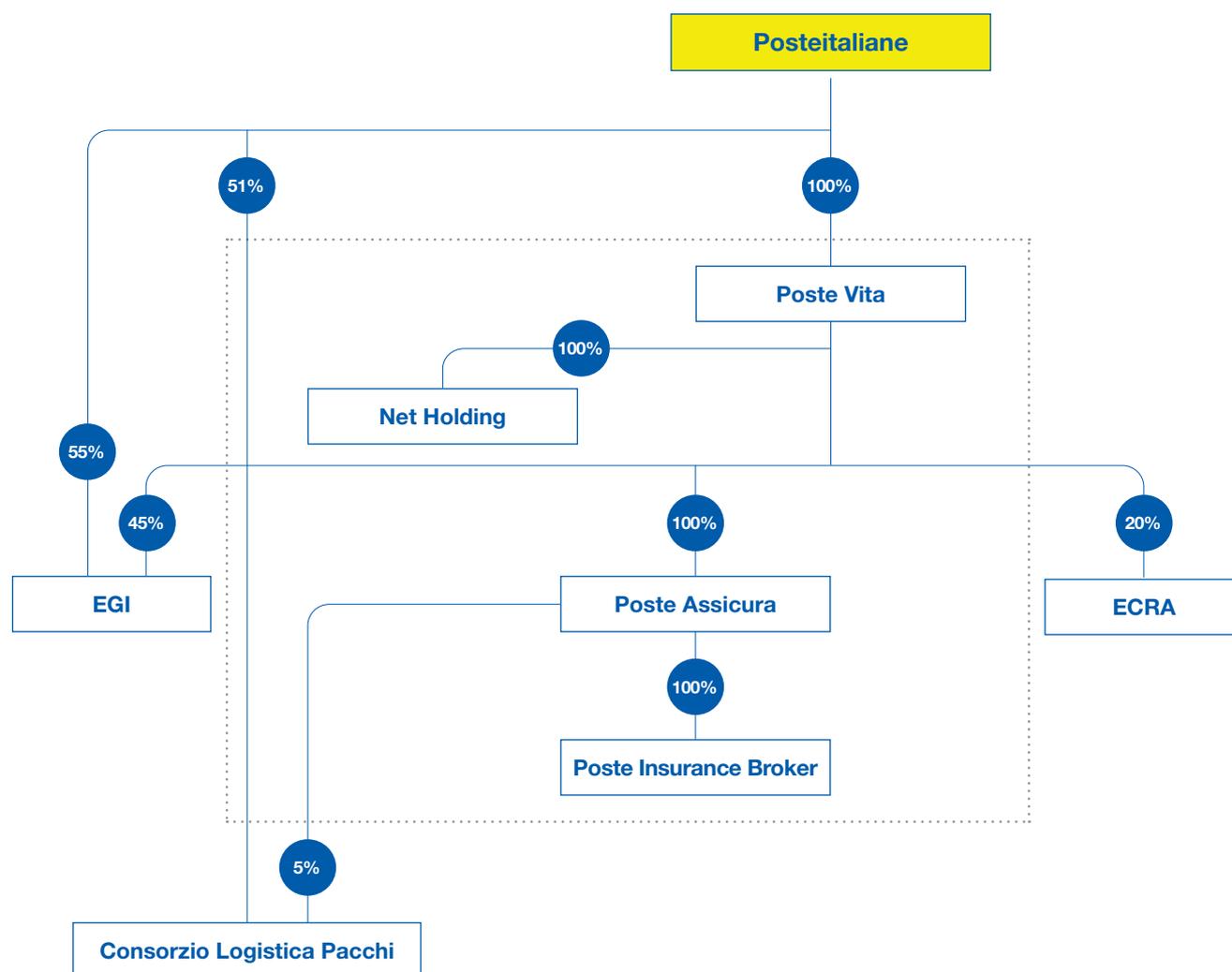
More specifically, the Company's own funds increased compared to the figure at 31 December 2021 (+€ 1 million). In fact, there was a decrease in the reconciliation reserve of about € 16.3 million offset by the statutory profit for the year of about € 17.3 million.

Lastly, it is specified that the valuation was carried out with the forecast of no dividend distribution for 2023.

At the same time, there was an increase in the overall capital requirement of about € 54.7 million, mainly due to the increase in Capital Add On (+€ 47.8 million) calculated with USPs calibrated to the 2015-2021 historical series and applied on FY2022 volumes, as well as an increase in the capital requirement for Health underwriting risk, due, in particular, to pricing and reserving risk (+€ 21.2 million), as a result of business growth. Finally, there was an increase in Adjustment DT (+€ 17.2 million, including the effect of Capital Add On), which reduced the Company's SCR.

A – Business and performance

The Poste Vita Insurance Group's current structure and its scope of consolidation are briefly described below:



The Poste Vita Insurance Group operates mainly in the life and non-life insurance sectors and has a leading position in the life sector and a growth strategy in the non-life sector.

The scope of consolidation includes:

1. Poste Assicura SpA, an insurance company founded in 2010 to provide non-life insurance, excluding motor insurance, wholly-owned by the Parent Company Poste Vita;
2. Poste Insurance Broker Srl, a wholly-owned subsidiary of Poste Assicura SpA, is active in the third-party motor liability and ancillary cover segment, through the placement of standardised insurance policies for Poste Italiane Group customers;
3. Net Holding SpA (wholly-owned by Poste Assicura SpA), incorporated on 12 October 2022. The share capital of € 100,000, divided into 100,000 no-par value shares, was fully subscribed and paid up on 12 October 2022. At the same meeting, the sole shareholder Poste Vita also resolved to set up a share premium reserve in the amount of € 100,000 fully paid up on the same date of 12 October 2022.

Poste Assicura SpA, Poste Insurance Broker Srl and Net Holding SpA have relations with the Parent Company, Poste Vita, which are governed by specific service contracts, written and regulated at market conditions.

Poste Vita SpA also holds a non-controlling interest, equal to 45% of the Capital, in the company Europa Gestioni Immobiliari SpA (EGI), which operates mainly in the real estate sector for the management and development of Poste Italiane's real estate assets that are no longer instrumental, and another non-controlling interest, equal to 20% of the Capital, in the company Eurizon Capital Real Asset SGR SpA, acquired on 31 January 2022. This is an asset management company to which Poste Vita has entrusted an alternative investment management mandate.

Poste Assicura SpA holds, as non-controlling investor, 5% of the share capital of Consorzio Logistica Pacchi Scpa; the latter primarily carries out the distribution, tracking and delivery of parcels for Poste Italiane SpA.

Performance of Poste Vita Group Subsidiaries and Associates

With regard to the subsidiary **Poste Assicura SpA**, total business amounted to € 392.1 million, up € 73.3 million (+23%) compared to the figure for the same period of 2021 (€ 246.7 million) driven by all segments: (i) the “goods, personal and modular protection” line +19%; (ii) payment protection policies (CPI) +9%; (iii) the “Welfare” segment whose premiums increased from € 121.5 million recognised at the end of December 2021 to the current € 154.7 million, mainly supported by the new distribution agreements signed with corporate clients (Employee Benefits); and (iv) +€ 6.8 million in premiums pertaining to the integrated life/non-life offer.

During the same period, **claims expenses** were equal to € 222 million, growth of 22.5% compared to € 181.2 million in the same period in 2021, mainly due to the development of the corporate “Illness” business and the “Accident” class. Against these dynamics, the overall loss ratio was 60.1%, compared to 60.3% at the end of 2021.

The balance of ceded work at the end of the period was negative by € 11.7 million, due to the high degree of claims retention and worsening compared to the corresponding period of 2021 (equal to -€ 10.6 million).

Operating costs at the end of the reporting period amounted to approximately € 33.6 million, up 10.2% compared to € 30.5 million for the same period in 2021, and consisted mainly of personnel expenses, commercial/advertising costs, IT services costs and professional consulting/services.

Financial management, given the market environment conditioned during the period by the evolution of interest rates and spreads, generated a negative net financial income of € 15.6 million in the current year (a positive € 6 million in the same period of 2021) attributable to the net value adjustments recognised in 2022.

By virtue of the trends mentioned, gross profit for the period was € 26 million, a decrease compared to the € 29.9 million reported at 31 December 2021. Taking into account the estimated related taxation, determined with an estimated tax rate of approximately 33.6%, the net result amounted to € 17.3 million, a decrease of € 3.8 million (-18.1%) when compared to the result achieved in 2021. The Company closed this period with a shareholders' equity of € 263.6 million.

With reference to Solvency II data, the Company's solvency position at 31 December 2022, shows eligible own funds of € 298.8 million (€ 297.8 million at the end of 2021), a capital requirement of € 177.7 million (€ 123.0 million at the end of 2021) and a decreasing solvency ratio from 242.13% at the end of 2021 to 168.12% at the end of December 2022.

PRINCIPAL KPI Solvency II (€k)	31/12/2022	31/12/2021	Delta
SCR-eligible Own Funds	298,820	297,791	1,029
MCR-eligible Own Funds	298,820	297,791	1,029
Solvency Capital Requirement (SCR)	177,747	122,988	54,759
Minimum Capital Requirement (MCR)	55,709	45,036	10,674
<i>Solvency Ratio</i>	168.12%	242.13%	(74.01%)
Ratio between Eligible Own Funds and MCR	536.39%	661.23%	(124.84%)

The Company's Solvency Ratio decreased by approximately 74 percentage points compared to 31 December 2021, due to an increase in the Capital Requirement that was more than proportional to the growth in own funds.

More specifically, the Company's own funds increased compared to the figure at 31 December 2021 (+€ 1 million). In fact, there was a decrease in the reconciliation reserve of about € 16.3 million offset by the statutory profit for the year of about € 17.3 million.

Finally, it should be noted that for Poste Assicura SpA, the valuation was carried out with the forecast of no dividend distribution for 2023.

At the same time, there was an increase in the overall capital requirement of about € 54.7 million, mainly due to the increase in Capital Add On (+€ 47.8 million) calculated with USPs calibrated to the 2015-2021 historical series and applied on FY2022 volumes, as well as an increase in the capital requirement for Health underwriting risk, due, in particular, to pricing and reserving risk (+€ 21.2 million), as a result of business growth. Finally, there was an increase in Adjustment DT (+€ 17.2 million, including the effect of Capital Add On), which reduced the Company's SCR.

With reference to **Net Holding SpA** (a wholly-owned subsidiary of Poste Vita SpA), incorporated on 12 October 2022, the share capital, equal to € 100,000 and divided into 100,000 shares with no par value, was fully subscribed and paid up on 12 October 2022. At the same meeting, the sole shareholder Poste Vita also resolved to set up a share premium reserve in the amount of € 100,000 fully paid up on the same date of 12 October 2022.

The purpose of the company is the acquisition, holding and management of corporate shareholdings and, in particular, the direct acquisition, holding and management of the shareholding in Net Insurance SpA, as well as the technical and financial coordination of this company, also through the provision of administrative, financial, commercial and technical services.

It is specified that the incorporation of Net Holding is part of the broader project aimed at the acquisition of control of Net Insurance SpA by the insurance group headed by Poste Vita.

The figures at 31 December 2022 show shareholders' equity of € 118.1 thousand and a net loss for the period of € 81.9 thousand.

With reference to events occurring after the end of the financial year, please refer to section A.5 - Other information.

With reference to **Eurizon Capital Real Asset SGR SpA**, a company in which the Company holds a 20% stake and 12.25% of the voting rights, the figures at 31 December 2022 show shareholders' equity of € 7 million and a net profit of € 1.2 million for the period, compared to a net loss of € 0.8 million in the corresponding period of 2021.

As regards **Europa Gestioni Immobiliari SpA (EGI)**, which is owned by Poste Vita SpA and Poste Italiane SpA with 45% and 55% interests, respectively, it operates primarily in the real estate sector for the management and development of non-instrumental real estate assets of the Parent Company. The figures at 31 December 2022 show shareholders' equity of € 243 million and a net profit for the year of € 4.3 million, up compared to the figure reported in the corresponding period of 2021 of € 3.1 million. In relation to this investee company, it should be noted that the Company's Shareholders' Meeting of 4 April resolved to pay a dividend to Poste Vita totalling € 1.4 million when allocating earnings.

With regard to the Company **Poste Insurance Broker Srl** (a wholly-owned subsidiary of Poste Assicura SpA), it was established on 12 April 2019 with the objective of exercising the activity of insurance brokerage. As of December 2019, the Company started its activities in the third-party motor liability and ancillary guarantees segment, through the placement of standardised insurance policies aimed at a restricted target of Poste Italiane Group customers, specifically identified for an initial pilot phase among Poste Italiane Group employees and pensioners as well as their family members.

This distribution was only extended to the market in early 2021. At the end of 2022, the Company recorded a loss of € 556.3 thousand, gross of tax effects, mainly due to structural costs against revenues that, although growing, are not yet up to full speed.

Net of the related deferred taxation, the Company closed the period with a net loss of € 422.8 thousand (€ 345.9 thousand at year-end 2021). Shareholders' equity at 31 December 2022, amounting to about € 596.1 thousand, included € 900 thousand of the payment made by the sole shareholder Poste Assicura during the period as a capital reinforcement.

Finally, on 30 June 2020, Poste Assicura SpA acquired 5% of the share capital of the company "**Consorzio Logistica Pacchi Scpa**" from "SDA Express Courier SpA", at the agreed price of € 36.9 thousand. The Consortium mainly provides sorting, tracking and delivery services for the Packages service which the Ultimate Parent Poste Italiane SpA has undertaken to provide. Additionally, the Consortium is responsible for air transport services for postal items and newspapers (night star network) between national airports with a transfer hub at Rome Fiumicino and for air transport services for postal items for services carried out on Saturdays and on days before holidays. The Company ended the present period with Shareholders' equity of € 787.9 thousand.

Qualitative and quantitative information on significant infragroup operations

The Parent Company, Poste Vita SpA, is wholly owned by Poste Italiane SpA, which directs and coordinates the Group.

Transactions with the Ultimate Parent Poste Italiane SpA, which owns all the shares outstanding, are governed by written agreements and conducted on an arm's length basis. They primarily regard:

- subscription of the Tier 2 subordinated liability (€ 263,250 thousand) by Poste Italiane SpA;
- subscription of a first Tier 1 subordinated liability (€ 250,980 thousand) by Poste Italiane SpA in 2021;
- subscription of a second Tier 1 subordinated liability (€ 476,650 thousand) by Poste Italiane SpA in 2022;
- bank deposits of approximately € 368,050 thousand;
- distribution of dividends related to FY 2021 results for roughly € 397,339 thousand;
- acquisition commissions of € 526,971 thousand and related payables of € 280,326 thousand;
- sale of the shares held in Poste Welfare Servizi S.r.l, for € 70 million, on 24 February 2022.

With reference to the Subsidiary, Poste Assicura SpA, the main relationships with Poste Italiane are mainly related to:

- bank deposits of approximately € 16,251 thousand;
- acquisition commissions for € 49,754 thousand;
- outsourcing of IT services for € 14,843 thousand.

Transactions between Poste Vita SpA and Poste Assicura SpA, all concluded at market conditions, are governed by service contracts and generated infragroup transactions mainly related to:

- operational organisation and use of the equipment necessary to carry out the activities, operational marketing and communication and administrative-accounting activities;
- centralisation of core functions (Risk Management was reinternalised during the year), legal and corporate affairs, purchasing and general services, investments and treasury, tax compliance, training and network support, and programme management of strategic projects;
- Premiums for CPI policies, to be paid by the Company to the Parent Company.

For a more detailed discussion, refer to Chapter C.6.

A.1 Business

The Parent Company Poste Vita SpA, a joint stock company with a sole shareholder, is an Italian insurance company with its registered offices in Viale Europa no. 190 - 00144 Rome, Italy, tax ID, VAT, and Rome Companies Register registration no. 07066630638, REA (Economic and Administrative Index) no. 934547.

Poste Vita SpA has been authorised to carry out insurance and reinsurance business under ISVAP measures no. 1144 of 12/03/1999, no. 1735 of 20/11/2000, no. 2462 of 14/09/2006 and no. 2987 of 27/06/2012 and is registered in section I of the Register of insurance companies with no. 1.00133. The Company is the Parent Company of the “Poste Vita Insurance Group”, registered in the Register of Insurance Groups with no. 043.

Poste Vita SpA, the Parent Company of the “Poste Vita Insurance Group”, belongs to the Poste Italiane Group and is subject to management and coordination by Poste Italiane SpA, a company issuing securities listed on the Electronic Stock Exchange (MTA) organised and managed by Borsa Italiana SpA, with registered office at Viale Europa 190, 00144 - Rome, tax ID and Rome Companies Register registration no. 97103880585, REA (Economic and Administrative Index) registration number 842633 and VAT 01114601006.

Poste Vita SpA is subject to the supervision of IVASS, the Insurance Regulator.

The Subsidiary Poste Assicura SpA, a joint stock company with a sole shareholder, is an Italian insurance company with its registered offices in Viale Europa no. 190 - 00144 Rome, Italy, tax ID, VAT, and Rome Companies Register registration no. 07140521001, REA (Economic and Administrative Index) no. 1013058.

Poste Assicura SpA was authorised to carry out insurance business by ISVAP measure no. 2788 of 25/03/2010 and is registered in section I of the Register of insurance companies with no. 1.00174. Additionally, with provision file no. 251398/20 of 24 December 2020, IVASS authorised Poste Assicura, pursuant to article 15 of Legislative Decree 209/2005, to expand its insurance business to Class 14 “Credit”, limited to financial loss risk deriving from insolvency. The Companies Register maintained by the authorities was updated on the same date.

The Company belongs to the “Poste Vita Insurance Group”, registered in the Register of Insurance Groups with no. 043 and is also subject to the supervision of IVASS, the Insurance Regulator.

The Parent Company, Poste Vita SpA, and the subsidiary Poste Assicura SpA have appointed Deloitte & Touche SpA to perform the audit for the nine-year period 2020-2028. The latter has its registered office at Via Tortona 25, Milan, share capital of € 10,328,220.00 fully paid-up, VAT no. IT03049560166, tax ID and Milan Monza Brianza Lodi Companies Register no. 03049560166 - R.E.A. (Economic and Administrative Index) Milan 1720239, registered in the Register of Statutory Auditors with no. 132587 with Ministerial Decree of 15/03/2013 OJ no. 26 of 02/04/2013.

Poste Vita SpA is an insurance company specialising in life products and is authorised to carry out the following insurance businesses:

Life business:

- Class I - Life insurance;
- Class III - Life insurance linked to investment funds;
- Class IV - Illness and disability;
- Class V - Capitalisation operations;
- Class VI - Management of group pension funds.

Non-life business:

- Class 1 - Accidents;
- Class 2 - Illness.

The Parent Company, Poste Vita SpA, mainly distributes its products via Poste Italiane SpA - BancoPosta Ring-Fenced Capital - RFC, an insurance broker registered in section D of the RUI which, in addition to placement activities, provides training to sales staff with the support of the Company, carrying out its activities in Italy.

The Subsidiary, Poste Assicura SpA, is an insurance company specialising in non-life products and has been authorised (since March 2010) for the following insurance businesses:

- Class 1 - Accidents;
- Class 2 - Illness;
- Class 8 - Fire and natural disaster;
- Class 9 - Other damage to property;
- Class 13 - General liability;
- Class 14 - Credit, limited to the risk of asset losses from default;
- Class 16 - Financial losses of various kinds;
- Class 17 - Legal protection;
- Class 18 - Assistance.

Poste Assicura SpA operates in Italy and mainly distributes its insurance products through Poste Italiane SpA - BancoPosta Ring-Fenced Capital - RFC, which, in addition to placement activities, provides training to sales staff with the support of the Company.

In 2021, a partnership was launched in the alternative investment funds sector between the Poste Italiane Group and the Intesa Sanpaolo Group for the realisation of which, on 31 January 2022, a corporate transaction was finalised, as resolved by the Board of Directors of Poste Vita on 28 April 2021, concerning the entry of Poste Vita and Banco Posta Fondi SGR into the capital of Eurizon Capital Real Asset SGR SpA (hereinafter, ECRA) through the subscription of a dedicated paid capital increase.

In order to initiate the operation in question, ECRA's extraordinary shareholders' meeting on 31 January 2022 approved the paid conditional capital increase, reserved for the subscription by Poste Vita and BancoPosta Fondi SGR.

Following the subscription of the capital increase, Poste Vita now holds, alongside Banco Posta Fondi SGR, a total equity investment (to be split equally between the two) equal to 40% of the share capital of ECRA and 24.5% of the voting rights.

At the same time as the subscription of the capital increase, a portfolio management mandate was concluded between the parties regarding the transfer to ECRA of the management of a number of alternative funds.

In addition, the Board of Directors of Poste Vita on 26 January 2022 resolved on the proposed sale by Poste Vita to Poste Italiane of 100% of the shares held in Poste Welfare Servizi Srl for an agreed consideration of € 70 million.

The operation in question - qualifying as infragroup and between related parties - was finalised on 24 February 2022 with the stipulation of the deed of sale of the shares.

On 3 August 2022, Poste Vita completed the issuance of a Restricted Tier 1 subordinated bond in euro, perpetual, non-convertible and with a fixed rate, resolved by the Company's Board of Directors meeting in extraordinary session on 27 July 2022 and by the Shareholders' Meeting on 28 July 2022, for a nominal amount of € 500 million, fully subscribed by the Ultimate Parent Poste Italiane SpA.

The instrument can be recalled after the tenth year and after each interest payment date. The fixed-rate bond is issued at par with an annual coupon of 8.4%, payment in arrears every six months (3 August and 3 February). Thereafter, in the event of no recall, the coupon will be fixed every five years (at the 5-year mid-swap rate plus margin).

On 12 October 2022, the company Net Holding SpA was established (a wholly-owned subsidiary of Poste Vita). The purpose of the company is the acquisition, holding and management of corporate shareholdings and, in particular, the direct acquisition, holding and management of the shareholding in Net Insurance SpA, as well as the technical and financial coordination of this company, also through the provision of administrative, financial, commercial and technical services.

In this regard, it should be noted that, on 28 September 2022, the Board of Directors of Poste Vita, having acknowledged the favourable opinion expressed by the Board of Directors of the Ultimate Parent Poste Italiane SpA, approved the promotion of a voluntary takeover bid for the entirety of the shares of Net Insurance SpA, a company that provides insurance coverage in the credit sector. The transaction confirms the growth targets in the protection and non-life segment. Completion of the transaction, subject to obtaining regulatory and antitrust approvals, is expected by the first half of 2023.

On 5 July, the Board of Directors of the Parent Company Poste Vita resolved on the acceptance of the voluntary takeover bid for

the purchase and exchange of all the ordinary shares of COIMA RES SpA SIIQ (“COIMA RES”) promoted by Evergreen SpA and, consequently, to approve the sale of the entirety of the shares held by Poste Vita in COIMA RES, equal to 2.78% of the latter’s share capital, for a consideration of € 10 million.

The transaction is in line with the objectives related to investments in alternative assets as well as with the Company’s investment strategy outlined in the strategic asset allocation. The strategy is to gradually increase the weight of alternative assets (including real estate) over the years through subscriptions to new investment funds and not through listed equity exposure.

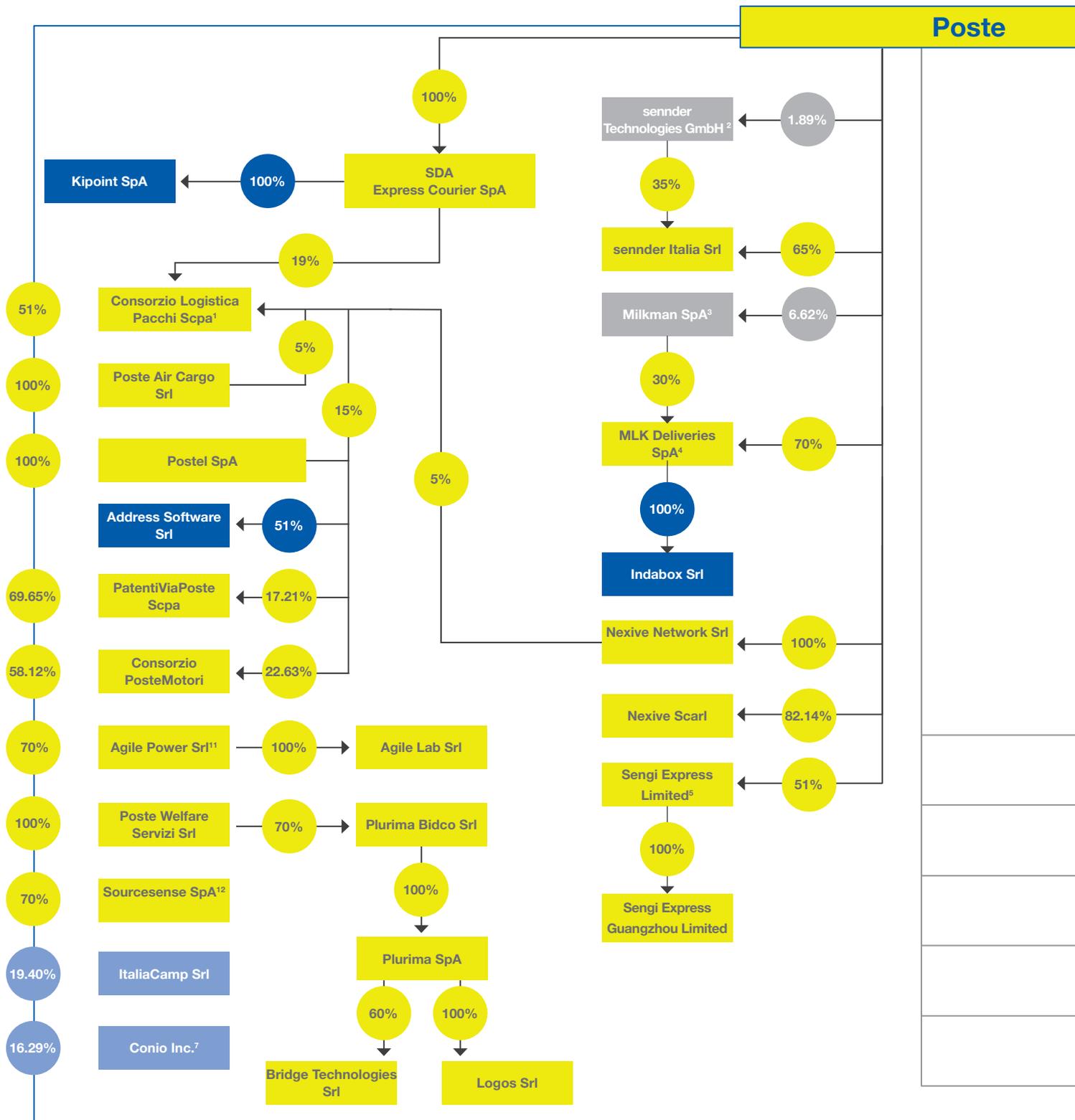
At 31 December 2022, Poste Vita SpA is wholly-owned by Poste Italiane SpA and

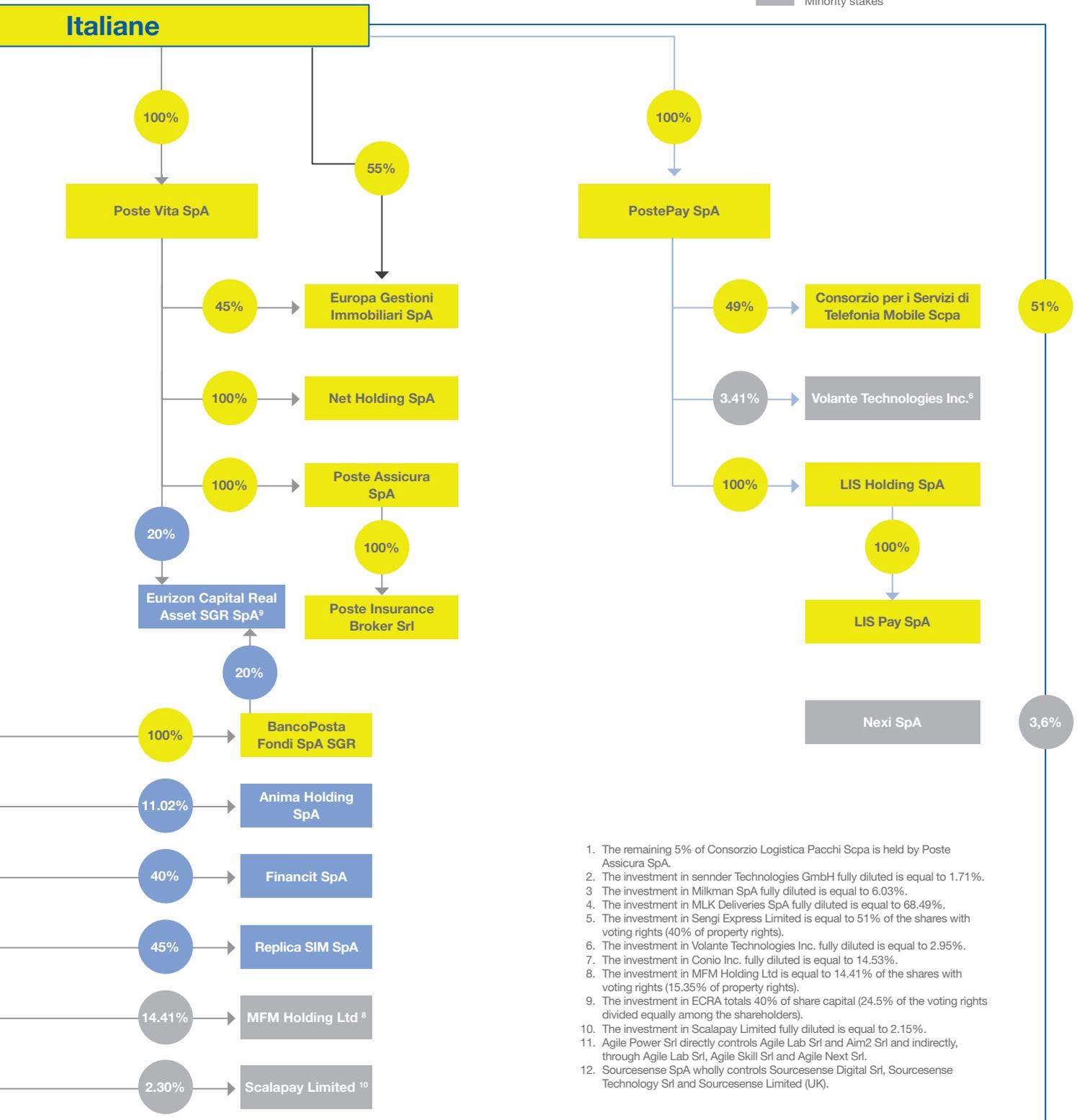
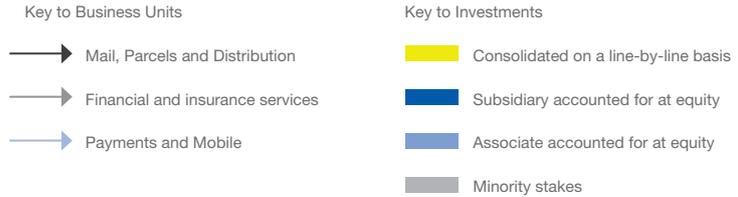
- as the Parent Company of the Poste Vita Insurance Group, it wholly controls the insurance company Poste Assicura SpA with registered office in Italy;
- holds 45% of the capital of the company Europa Gestioni Immobiliari SpA - the remaining 55% of which is held by Poste Italiane - which has its registered office in Italy and manages and develops non-instrumental real estate transferred to it by Poste Italiane in 2001;
- holds 100% of the share capital of Net Holding SpA, a company with its registered office in Rome, whose corporate purpose is the purchase, holding and management of company shareholdings and, in particular, the purchase, holding and direct management of the shareholding in Net Insurance SpA, as well as the technical and financial coordination of said company, also through the provision of administrative, financial, commercial and technical services;
- until 24 February 2022 it held a controlling interest in Poste Welfare Servizi Srl, which was transferred to the Ultimate Parent Poste Italiane SpA

Moreover, for the sake of complete information, it should be noted that, effective 31 July 2022, Poste Vita transferred to Magenta 71 Srl an unqualified and non-controlling interest of 9.9% in the share capital of FSI Società di Gestione del Risparmio SpA or, in abbreviated form, FSI S.G.R. SpA, having its registered office in Italy and carrying out activities for the promotion and management of investment funds pursuant to Legislative Decree no. 58 of 24 February 1998, as amended (Consolidated Law on Finance) and related implementing provisions.

The Subsidiary Poste Assicura SpA is wholly-owned by Poste Vita SpA and, as of the date this document was prepared, in turn holds, (i) a fully controlling interest in Poste Insurance Broker Srl, with registered office in Italy, providing insurance distribution and brokering and (ii) an interest equal to 5% of the share capital of Consorzio Logistica Pacchi Scpa which mainly provides sorting, tracking and delivery services relative to the Packages service, which the Ultimate Parent Poste Italiane SpA has undertaken to carry out, as well as air transport services for postal items and newspapers (night star network) between national airports with a transfer hub at Rome Fiumicino and for air transport services for postal items for services carried out on Saturdays and on days before holidays.

Below is the organisational structure deemed significant for the Poste Italiane Group as at 31 December 2022:





1. The remaining 5% of Consorzio Logistica Pacchi SpA is held by Poste Assicura SpA.
2. The investment in sender Technologies GmbH fully diluted is equal to 1.71%.
3. The investment in Milkman SpA fully diluted is equal to 6.03%.
4. The investment in MLK Deliveries SpA fully diluted is equal to 68.49%.
5. The investment in Sengi Express Limited is equal to 51% of the shares with voting rights (40% of property rights).
6. The investment in Volante Technologies Inc. fully diluted is equal to 2.95%.
7. The investment in Conio Inc. fully diluted is equal to 14.53%.
8. The investment in MFM Holding Ltd is equal to 14.41% of the shares with voting rights (15.35% of property rights).
9. The investment in ECRA totals 40% of share capital (24.5% of the voting rights divided equally among the shareholders).
10. The investment in Scalapay Limited fully diluted is equal to 2.15%.
11. Agile Power Srl directly controls Agile Lab Srl and Aim2 Srl and indirectly, through Agile Lab Srl, Agile Skill Srl and Agile Next Srl.
12. Sourcesense SpA wholly controls Sourcesense Digital Srl, Sourcesense Technology Srl and Sourcesense Limited (UK).

Without prejudice to the above, with regard to the classification of infragroup transactions, it is noted that, according to the “Guidelines for infragroup Transactions” of Poste Vita (Document prepared pursuant to IVASS Regulation no. 30 of 26 October 2016):

- a. in line with the guidance provided by the Supervisory Authorities, the Ministry of Economy and Finance and its subsidiaries and investees which in turn are not controlled or invested in by Poste Vita do not fall within the scope of infragroup counterparties;
- b. for the purposes of the above Guidelines, Cassa Depositi e Prestiti SpA and the companies subject to its management and coordination are included within the perimeter of “infragroup counterparties” of Poste Vita, on a voluntary basis due to the Cassa Depositi e Prestiti SpA stake of 35% of the capital of Poste Italiane;
- c. in line with the provisions of the Single Perimeter of Related and Connected Parties of Poste Italiane at 31 December 2021, Anima Holding and its subsidiaries are currently, for the purposes of the said Guidelines, “infragroup counterparties”.

A.2 Underwriting Performance

The results presented below are contained in QRT S.05.01.02, which provides detailed information on premiums, claims and expenses in terms of Line of Business (LoB) defined by Delegated Regulation (EU) 2015/35, adopting the national standards for the preparation of Local GAAP financial statements.

Underwriting Performance - Poste Vita SpA

As part of the strategic guidelines outlined in the “2021 - 2024” Plan, which envisage improving the product mix in the life business with a special focus on multi-class products, the following were launched during 2022:

- **Poste Progetto Dinamico Bonus**, restyling of the Multiramo Poste Progetto Dinamico policy, dedicated to customers who bring in new liquidity and which provides for the possibility of repayment in the form of a bonus, starting from the 18th month from the effective date of the contract, of the cost charged on the initial single premium;
- **Poste Progetto Capitale policy**, launched in February 2022, is a multi-class life contract with a 10-year recurring premium, combining the stability of the Posta ValorePiù Separately Managed Account (class I) and the potential of the two available Internal Insurance Funds (one of which is ESG). There is also the possibility of repayment of the cost charged on the initial premium in the form of two bonuses: (i) one from the fifth year; (ii) the other at the end of the ten-year product life;
- **Poste Progetto Valore 360**, a contract on the multi-class life offer, with the option for subscribers to extend the protection component with the Temporanea Caso Morte (TCM) “**Poste Protezione Affetti 360**”. The multi-class product includes three investment lines, all with a 30% Separately Managed Account component and a 70% component tied to one of three Internal Insurance Funds that promote ESG and diversified characteristics according to the customer’s risk/return profile.

In addition, in order to reduce the country’s under-insurance by raising customers’ awareness of the importance of protection needs, as envisaged in the strategic plan, the marketing of the **integrated Life/Non-life** offer continued in the period under review, whereby subscribers to specific Life policies are offered a free Non-Life policy, which during the period recorded total volumes of € 14.5 million (€ 7.6 million in 2021).

During the period, the Company’s management, in line with the strategic objectives outlined in the aforementioned business plan, was mainly aimed at consolidating its leadership in the life market by increasing inflows to traditional products and consolidating the high volumes of multi-class products which, while prioritising the needs and characteristics of customers, are of higher added value, also in terms of lower capital absorption, and at the same time characterised by a risk/return profile that is in any case moderate but potentially with more attractive returns on investments for customers.

Therefore, based on the trends described above, the earned premiums came to € 17.2 billion in 2022, marking a 2.2% decrease compared to the total figures of 2021. Results by LoB are shown below.

Line of Business (€k)	31/12/2022	31/12/2021	Delta
Insurance with profit participation	16,309,852	16,624,873	(1.9%)
Index-linked and unit-linked insurance	755,576	863,026	(12.5%)
Other life insurance	104,626	76,874	36.1%
Health insurance (direct business)	9,426	9,340	0.9%
Total	17,179,479	17,574,113	(2.2%)

In 2022, there was an increase in pure risk products (+36.1% compared to 2021) and a decrease in unit-linked products (-12.5% compared to 2021). At the same time, both illness products (+0.9% compared to 2021) and savings products (-1.9% compared to 2021) were in line with the 2021 figure.

Claims expenses for insurance benefits prior to outward reinsurance totalled € 9.6 billion in 2022, in line with the figure (roughly € 9.5 billion) recorded in the same period of 2021, and are detailed in the following table:

Line of Business (€k)	31/12/2022	31/12/2021	Delta
Insurance with profit participation	9,143,212	9,180,955	(0.4%)
Index-linked and unit-linked insurance	371,519	267,441	38.9%
Other life insurance	50,308	40,984	22.8%
Health insurance (direct business)	3,277	2,659	23.2%
Total	9,568,315	9,492,040	0.8%

The trend of these charges in 2022 is substantially up (+22.8% compared to 2021) with regard to pure risk products, in line with the inflows trend, and for unit-linked products (+38.9%).

On the other hand, there was an increase in claims expenses for illness products (+23.2% from 2021) and a partial decrease in claims expenses for savings products (-0.4% from 2021).

The total expenses incurred by LoB in 2022, also with reference to the data contained in QRT S.05.01, net of reinsurance, are reported below and remain in line with the figure at the end of 2021.

Line of Business (€k)	31/12/2022	31/12/2021	Delta
Insurance with profit participation	469,112	459,947	2.0%
Index-linked and unit-linked insurance	27,272	20,562	32.6%
Other life insurance	29,202	23,229	25.7%
Health insurance (direct business)	1,040	845	22.9%
Total	526,626	504,583	4.4%

In particular, details by type of expenses are reported in the table below:

Line of Business (€k)	31/12/2022	31/12/2021	Delta
Administrative expenses	78,186	68,707	13.8%
Investment management expenses	63,739	60,299	5.7%
Claims management expenses	6,249	6,272	(0.4%)
Acquisition expenses	339,634	357,475	(5.0%)
Overhead expenses	38,817	11,830	n.s
Total	526,626	504,583	4.4%

The Ultimate Parent Poste Italiane SpA received a total of € 287 million in commissions for distribution and collection, recognised on an accruals basis for € 292.8 million (€ 297.9 million at 31 December 2021), reflecting the amortisation of prepaid commissions on the sale of pension policies. The Company uses brokers for the placement of collective policies, who were paid commissions of € 2 million during the period (€ 1.2 million in 2021) for placement activities and € 0.2 million for portfolio maintenance activities.

Consistent with its strategic plan, the Company will continue to offer innovative and effective insurance solutions to customers in 2023, integrating savings and protection products into simple and highly professional solutions. The objective is the consolidation of the market leadership position, also supported by a commercial offer focused on higher value-added products compatible with the characteristics of the Group's customers.

Details on substantial techniques used to attenuate risk

With an eye to prudential management of the company and risk, as in previous years, the Company has decided to make use of a reinsurance policy with regards to life insurance again in 2023. In particular, it has opted to make use of Treaty Reinsurance.

This type of reinsurance includes "proportional" and "non-proportional" treaties. The use of one or other technique is applied having regard to the characteristics of the portfolio in terms of its size and the homogeneity of the insured capital.

A sufficiently wide and homogeneous risk portfolio again in 2023 allowed Poste Vita, as in 2022, to not sign proportional "quota share" treaties in the Retail market.

On the other hand, the specificity of the Corporate portfolio requires flexibility in terms of possible reinsurance choices based on the risk insured. The substantial homogeneity of amounts insured in individual collective contracts has frequently allowed the Company to move autonomously in sectors, such as group term life and disability, where the availability of the Company's own technical bases lets it control risk within well-known sectors, measured with confidence intervals also used to construct the technical bases themselves. Nevertheless, to mitigate the risk associated with the group term life and disability guarantees and specifically to reduce any random fluctuations caused by claims with very high capital in relation to the expected margins on the portfolio of collective policies, following stress test analyses, the Company confirmed its decision to maintain a proportional treaty, introducing already in 2021 a transfer of a portion of the insured capital, maintaining a surplus, intended to transfer the insured capital that, on the individual covered parties of the collective policies, exceeded € 300 thousand. This decision was confirmed in 2023.

With regard to the group Critical Illness and LTC products (limited availability of technical bases and underwriting know-how), given the decrease in the volume of premiums written, it was not deemed appropriate, at least for the time being, to renew previously underwritten treaties. The Company will continue to monitor new portfolio acquisitions and associated risk, carrying out new reinsurance needs analysis, to ensure new treaties are signed when necessary.

Treaty Reinsurance:

At present, the following treaties are in effect for Poste Vita:

- **Catastrophe Term Life Treaty:** for Temporanea Caso Morte Affetti Protetti and Protezione Affetti 360 - Term Life products - (Retail market) and Group products (which include, for some policies, Permanent Disability coverage), the Company has signed a Catastrophe treaty for simultaneous coverage of multiple deaths linked to a single catastrophic event, effective as of 1 January 2023 and with a one-year term. The treaty was signed with Swiss Re Europe S.A.;
- **Quota plus Surplus Treaty:** for the Group's Temporanea Caso Morte products (where Permanent Disability coverage is included), a reinsurance treaty was signed for part quota (10%) and part surplus where 10% of the capital below € 300,000 (the layer) and 100% of the amounts of insured capital greater than the layer are transferred to a risk premium, with a profit sharing clause in favour of the ceding company for 50% of the profit. The treaty takes effect on 1 January 2022 and has no established expiration. Either party can withdraw from the contract by 30 September of each year. The treaty was signed with Swiss Re Europe S.A.

Finally, on 14 March 2023, the Company signed a reinsurance treaty with some primary reinsurers, effective from 31 December 2022, aimed at partially insuring the risk of early mass extinction of life policies (mass lapse risk), relevant for the calculation of the Solvency II requirement.

The duration of the treaty is 3 years, with the option for Poste Vita to withdraw without conditions or penalty at the end of the second year.

The impact of the transaction on the Company's Solvency ratio at 31 December 2022 is 32 percentage points.

The cost of insurance for the Period amounted to € 21.5 million.

Elective reinsurance

Generally speaking, this type of reinsurance makes it possible to reinsure special risks not provided for in other treaties, reinsure sums and values that are in excess of the limits provided for in existing treaties, reduce exposure in particular areas of accumulation where the insurer is already over-exposed.

The guidelines for elective contracts are similar to the general guidelines used for treaty reinsurance. More specifically, the elective reinsurance policy is equally intended to find balance for the corporate portfolio through prudential segmenting of risks, with the ultimate goal of stabilising medium-term profit.

A necessary condition for collaborating in the various areas of reinsurance with Poste Vita is the assignment by one of the rating agencies identified (Standard & Poor's – Moody's – Fitch – A.M. Best) of a rating no lower than:

- Standard & Poor's: [A-]
- Moody's: [A3]
- Fitch: [A-]
- A.M. Best: [A-]

Reinsurance is a fundamental tool for managing and mitigating risk and for optimising capital requirements.

The initial result is obtained by transferring risk to the reinsurer, generating a reduction in required risk capital for the assignor Company.

Capital requirements are optimised thanks to "result stabilisation". This is achieved because using reinsurance minimises discrepancies due to higher claim frequency or catastrophes, limiting exposure to individual risks and reducing the claims to which a portfolio is subject during the underwriting period.

These results can be achieved through a careful analysis of premiums collected and transferred. The impact of reinsurance must be evaluated for each line of business.

Analysis carried out on the two lines of business currently reinsured showed a decrease in Poste Vita's margin after reinsurance for "Health Insurance" (64% to 60%). This is due to the lag in the payment of claims paid directly with respect to that recovered from the insurer through the expired treaty on collective LTC policies. In fact, while the Company will continue to pay monthly

amounts on LTC claims until the policyholder is alive, with the treaty that ended in April 2019 the reinsurer, estimating the future rates of return and profit sharing to be returned to the Company, settled the same, ending the commitments it had taken on with regards to Poste Vita.

In relation to the “Other Life Insurance” segment, the higher margin after reinsurance (52% to 57%) confirms the quality of the decision to make use of reinsurance for pure risk products (taking into account the fact that this evaluation also includes the retail portfolio, which involves run-off treaties since December 2017).

To verify the efficacy of reinsurance techniques the Company periodically performs analysis to evaluate profitability and necessity.

The analyses carried out are based on both statistical and probabilistic methods depending on the business to which they refer.

For example, relative to reinsurance for collective class I policies statistical simulations are carried out to obtain projections of premiums collected and benefits paid, to assess profitability both before and after reinsurance. While for individual policies, for which the treaties are currently in run-off, the observation of the development of quarterly statements and the related technical balance is carried out.

Analysis performed in 2017 on the retail treaties still in effect led the Company to decide not to renew the expiring treaties (Postapersona SemprePresente LTC and the death benefit for the Postafuturo Da Grande product) and to withdraw from those involving tacit annual renewal (Postaprotezione loans and mortgages CPI).

In fact, as indicated by the simulations, for CPI the Company was ceding profits and premiums in an amount greater than required to mitigate the risks.

For 2023, it was deemed appropriate to continue not to sell any new portfolio as the portfolio has not increased in recent years.

Finally, analysis of reinsurance requirements was done which through suitable assumptions confirmed the need to make use of proportional reinsurance.

Underwriting Performance - Poste Assicura SpA

At 31 December 2022, the company's gross premium revenue amounted to around € 392.1 million (+23.0% compared to the same period in the previous year) and at sector level, was structured according to the following table:

Gross premium revenue (€k)	31/12/2022	Distr. %	31/12/2021	Distr. %	Delta	Delta %
Goods & Person & Modular line	179,117	46%	150,203	47%	28,915	19.3%
Payment protection line	43,161	11%	39,448	12%	3,713	9.4%
Corporate policies*	169,858	43%	129,138	41%	40,720	31.5%
Total	392,136	100%	318,788	100%	73,348	23.0%

* Includes the collection made with reference to branch 14.

It should be noted that premium volume for the Goods & Personal & Modular line increased by 19.3% year-on-year, mainly due to growth in the modular offering. This offer allows customers to freely choose between individual models and policies that make up various protection lines. They can also adjust insurance coverage based on changes in their requirements over time. Also note significant growth in Employee Benefits business, relative to the sale of collective policies to cover death and permanent disability from Accident/Illness and Reimbursement of medical expenses.

The following table shows the distribution of premiums by Line of Business, which shows the prevalence of the Line of Business Medical expenses (41.1%) and Income Protection (39.5%) with respect to the total premiums; this phenomenon is attributable, as mentioned, also to the development of the Employee Benefits business. It is noted that the increase in premiums is generalised across all Lines of Business, with particular reference to Income protection, Medical expenses and Fire and other damage.

Line of Business (€k)	31/12/2022	Dist. %	31/12/2021	Dist. %	Delta	Delta %
1. Medical expense insurance	161,035	41.1%	130,067	40.8%	30,968	23.8%
2. Income protection	154,515	39.4%	118,913	37.3%	35,602	29.9%
3. Workers' compensation						
7. Fire and other damage	28,263	7.2%	24,882	7.8%	3,381	13.6%
8. General liability	23,051	5.9%	21,838	6.9%	1,213	5.6%
9. Credit and suretyship insurance	690	0.2%			690	n.s
10. Legal expenses	3,468	0.9%	3,073	1.0%	395	12.8%
11. Assistance	136	0.0%	194	0.1%	(58)	(30.1%)
12. Miscellaneous	20,979	5.3%	19,821	6.2%	1,159	5.8%
Total	392,136	100.0%	318,788	100.0%	73,348	23.0%

Commissions totalling roughly € 56.6 million were paid for distribution and collection activities, which, together with other acquisition expenses of about € 11.6 million, resulted in an increase of 9.7% in the item "Acquisition expenses" (€ 68.2 million) compared to the figure for the same period in 2021.

Line of Business (€k)	31/12/2022	31/12/2021	Delta	Delta %
1. Medical expense insurance	14,669	14,134	535	3.8%
2. Income protection	33,625	28,758	4,867	16.9%
3. Workers' compensation				
7. Fire and other damage	5,886	5,267	619	11.8%
8. General liability	5,058	4,915	143	2.9%
9. Credit and suretyship insurance	20		20	n.s
10. Legal expenses	756	681	75	11.0%
11. Assistance	16	23	(8)	(32.7%)
12. Miscellaneous	8,176	8,390	(213)	(2.5%)
Total	68,206	62,168	6,038	9.7%

During the period, the Company continued to monitor the evolution of the market environment and customer needs, with a constant focus on customer satisfaction. In particular, Poste Assicura continued to evolve its modular offer, in order to make it more responsive to the needs of its customers, while also incentivising inflows through discount campaigns.

In particular, the increasing number of cyber attacks and the consequent greater need for protection, has prompted the company to supplement its modular *Poste VivereProtetti* offer from July 2022 with the new optional digital protection module to be combined with the third-party damage module, in order to offer its customers a tool to protect themselves from the risks and threats to which they are exposed when browsing the web.

Considering also that the incidence of healthcare expenditure that individuals and families incur privately is constantly growing, and that specialist visits and diagnostics in particular are one of the areas of need most felt by Italians, the Company has taken advantage of the flexibility of the modular offer to revise the proposal for the coverage of specialist visits and in-depth diagnostics. In connection with this, Poste Assicura has in fact introduced, as of the first half of 2022, the possibility of purchasing the aforementioned cover on a stand-alone basis.

In addition, during the same period Poste Assicura identified the new needs emerging in the area of micro-mobility and, when restyling the offer of the non-life protection line, expanded liability cover to protect the segment of customers who are regular users of shared travel.

With reference to the life and non-life integration project, which was launched in 2021, the company expanded the scope of its existing products in 2022. In relation to this, inflows with reference to the aforementioned offer amounted to € 14.5 million at the end of 2022, up (+€ 6.8 million) from € 7.6 million in the same period of 2021.

Finally, as of the end of 2021, in line with the Parent Company's growth strategies, Poste Assicura took over the insurance offer combined with the Cessione del Quinto dello Stipendio (salary-backed loans) disbursed by Financit SpA to Poste Italiane Group employees. The offer involves a joint non-life and life proposal, in order to cover the customer who requests a salary-backed loan, in the event of loss of employment or death. With reference to the latter cover offered by Poste Assicura, the volumes collected at the end of the reporting period amounted to € 0.7 million.

Claim Trends

In relation to claim trends, claim expenses, including costs for settling claims, amounted to around € 222.0 million, compared to € 181.3 million in 2021. This growth (+€ 40.7 million), accompanied by a greater increase in earned premiums compared to December 2021 (+€ 73.3 million), resulted in a claims-to-premiums ratio for the year of 60.1%, slightly lower than the similar value recorded in December 2021 by about 0.3 percentage points (60.4%). Below is the detail by Line of Business:

Line of Business (€k)	31/12/2022		31/12/2021	
	Claim expense	Claim (CY+PY)/ Premium accrued ratio	Claim expense	Claim (CY+PY)/ Premium accrued ratio
1. Medical expenses	145,808	92.9%	120,370	95.8%
2. Income protection	65,799	45.5%	54,921	49.0%
3. Workers' compensation	0	0.0%	0	0.0%
7. Fire and other damage	5,300	24.0%	2,765	14.1%
8. General Liab	5,399	23.8%	3,163	15.0%
9. Credit and suretyship	38	73.9%	0	0.0%
10. Legal expenses	321	9.7%	431	14.6%
11. Assistance	19	12.5%	15	7.6%
12. Miscellaneous	-682	-3.5%	-376	-2.0%
Total	222,003	60.1%	181,290	60.4%

It should be noted that the slight decrease in the claims-to-premiums ratio of 0.3 percentage points was affected by the reduction in claims incurred in the Employee Benefits business.

Details on substantial techniques used to attenuate risk

The 2022 reinsurance policy is mainly characterised by non-proportional, per-risk and per-event structures (base structures) covering all of Poste Assicura's retained risks (Retail and Corporate) related to Income protection insurance, Medical expense insurance, Fire and other damage to property insurance and General liability insurance:

- for all risks retained in the portfolio, related to Income protection insurance and Medical expense insurance, the reinsurance policy provides for Excess of loss cover, per risk and per event, aimed at protecting the Company in the event of peak claims, with a risk/event priority of € 500,000 at 100% and a capacity of up to € 70 million. For the main Income protection insurance risks underwritten prior to 2013 and credit protection risks prior to 2018, the quota share treaties with risk attaching basis and 50% assignment rate remain valid in run-off. For these cases, the Excess of loss treaty covers the retained portion, with priority € 250,000 on the retained;
- for all retained risks related to Fire and other damage to property insurance and General liability insurance, the reinsurance policy uses an Excess of loss cover per risk and per event to protect the Company from any peak claims, with a priority of € 500,000 at 100% (except for the catastrophe component: priority per event € 1 million) and a capacity of up to € 150 million for Fire and other damage to property insurance in relation to earthquake/disaster catastrophe guarantees.

The risks related to the cyber personal line component of the modular product are covered by a quota share reinsurance structure, with fixed reinsurance commission and profit sharing on a Loss Occurring basis.

Risks relative to the Legal Expenses line of business were handled for 2022 with a quota share treaty on a Loss Occurring basis, with fixed reinsurance commissions to Poste Assicura and profit sharing at the end of the year.

For all risks that do not meet the qualitative and quantitative criteria provided for in existing reinsurance treaties, but which however fall within Poste Assicura underwriting philosophy, elective reinsurance is used.

The reinsurance structure described above is effective in terms of attenuating risk and the results obtained are consistent with expectations.

A.3 Investment Performance

Investment Performance - Poste Vita SpA Insurance Group

The composition of the Poste Vita Group's medium/long-term investment policy derives from a strategic investment policy aimed at optimising the risk/return profile, with the goal of strengthening and stabilising future performance while maintaining a risk profile in line with that established in the Risk Appetite Framework (RAF). Poste Vita SpA intends to continuously maintain an adequate level of quality in the portfolio, attributable in particular to the level of asset diversification alongside the use of adequate investment selection criteria, ensuring levels of security, liquidity, profitability and the continuous availability of sufficient assets to cover the liabilities.

At 31 December 2022, the Poste Vita Group's financial assets totalled € 141,704,381 thousand, down € (16,632,962) thousand from 2021, due to the positive net inflows recorded during the period, despite the financial dynamics of the markets being less favourable than in December 2021.

Financial assets were measured at fair value making use of prices listed on active markets when available and, when not, determining fair value in line with that established in the Group's Fair Value Policy, which will be discussed further in paragraph D.4 - Alternative Valuation Methods.

Below is a schedule showing the composition of financial assets at 31 December 2022 with a comparison with the figures at the end of 2021:

(€k)	31/12/2022	31/12/2021	Delta
Equities	103,666	7,777	95,889
Government Bonds	79,576,592	92,248,174	(12,671,582)
Corporate Bonds	20,248,782	23,075,784	(2,827,002)
Structured notes	545,310	572,519	(27,210)
Collective Investments Undertakings	31,621,867	34,832,715	(3,210,848)
Assets held for index-linked and unit-linked contracts	9,608,163	7,600,372	2,007,791
Total	141,704,381	158,337,342	(16,632,962)

Investments during the period by the Poste Vita Group, due to the trends on the financial markets being less favourable compared to the previous financial year, generated a decrease in the market value for a total of € 28,838,601 thousand, and ordinary income for a total of € 2,668,383 thousand.

(€k)	31/12/2022		
	Net gains and losses	Interest /Dividends	Net Unrealised Gains
Equities	(938)	8,444	(24,127)
Government Bonds	(258,398)	1,928,543	(20,788,247)
Corporate Bonds	(95,061)	469,849	(3,427,358)
Structured notes		17,062	(27,440)
Collective Investments Undertakings	(177,955)	244,485	(4,571,430)
Total	(532,352)	2,668,383	(28,838,601)

Investment Performance - Poste Vita SpA

The Parent Company portfolio continues to mainly invest in government bonds and corporate bonds, which represent 75.5% of total portfolio exposure.

With reference to Solvency II values, it is specified that financial investments were measured at fair value using prices listed on active markets where available and, where not available, fair value was determined in accordance with the Fair Value Policy adopted by the Parent Company Poste Vita SpA, which will be outlined in more detail in paragraph D.4 - Alternative Valuation Methods.

With reference, on the other hand, to the valuation in accordance with Local GAAP principles (Statutory column of the Market Value Balance Sheet), due to the volatility of the financial markets mainly as a result of the trend in the spread between Italian and German government bonds and interest rates, Poste Vita SpA has availed itself of the optional regime introduced by Decree Law no. 73 of 21 June 2022, in accordance with the application procedures governed, for insurance companies, by IVASS Regulation no. 52 of 30 August 2022, as amended by IVASS Order no. 127 of 14 February 2023. The recourse to the aforementioned decree allowed the Company to value a portion of the assets recorded in the non-durable segment at the value resulting from the 2021 financial statements, allowing it to sterilise € 5,184.2 million in value adjustments, with a positive effect on the net result for the period of € 3,586.4 million taking into account the tax rates currently in force. As permitted by IVASS Order no. 127/2023, which implemented the provisions contained, for insurance companies only, in Decree Law no. Aiuti Quater, Poste Vita SpA deducted from the amount of the unavailable reserve the portion, attributable to the policyholders, of the non-impairment of securities, referring to the year of the financial statements and up to the five subsequent years (Shadow accounting). This change allowed the Company to tie up a smaller part of the Company's assets, enabling a higher distribution of profits by allocating an amount of € 380.1 million (€ 262.9 million net of tax effects) to the unavailable reserve.

As a result, the value of Solvency II financial assets was lower than the value of financial instruments under Local GAAP, and, net of equity investments, amounted to € 141,160,375 thousand at 31 December 2022; a decrease of € (16,663,612) thousand compared to 2021 due to the financial market dynamics during 2022, despite the positive net inflows recorded during the period.

Below is a schedule showing the composition of financial assets at 31 December 2022, equity investments excluded, with a comparison with the figures indicated in the Local GAAP financial statements and the amounts at the end of 2021:

(€k)	31/12/2022			31/12/2021		
	Solvency II value	Statutory accounts value	Delta	Solvency II value	Statutory accounts value	Delta
Equities	103,666	102,267	1,399	7,777	7,777	
Government Bonds	79,110,257	88,534,227	(9,423,971)	91,802,630	80,282,808	11,519,822
Corporate Bonds	20,171,112	22,310,895	(2,139,783)	23,007,974	22,359,962	648,012
Structured notes	545,310	547,654	(2,344)	572,519	547,424	25,096
Collective Investments Undertakings	31,621,867	33,270,252	(1,648,385)	34,832,715	32,975,472	1,857,243
Assets held for index-linked and unit-linked contracts	9,608,163	9,608,163		7,600,372	7,600,372	
Total	141,160,375	154,373,458	(13,213,084)	157,823,987	143,773,815	14,050,172

There was an increase in the value of shares, amounting to € 103,666 thousand at 31 December 2022, compared to the December 2021 figure (€ 7,777 thousand), due to the investments made in this asset class during the reporting period.

Government bonds, amounting to € 79,110,257 thousand (€ 91,802,630 thousand at 31 December 2021), mainly refer to listed fixed income bonds issued by European countries of which approximately 85% are government bonds issued by the Italian government.

Corporate bonds amounting to € 20,171,112 thousand (€ 23,007,974 thousand at the end of 2021), mainly refer to listed fixed income bonds issued by leading European companies.

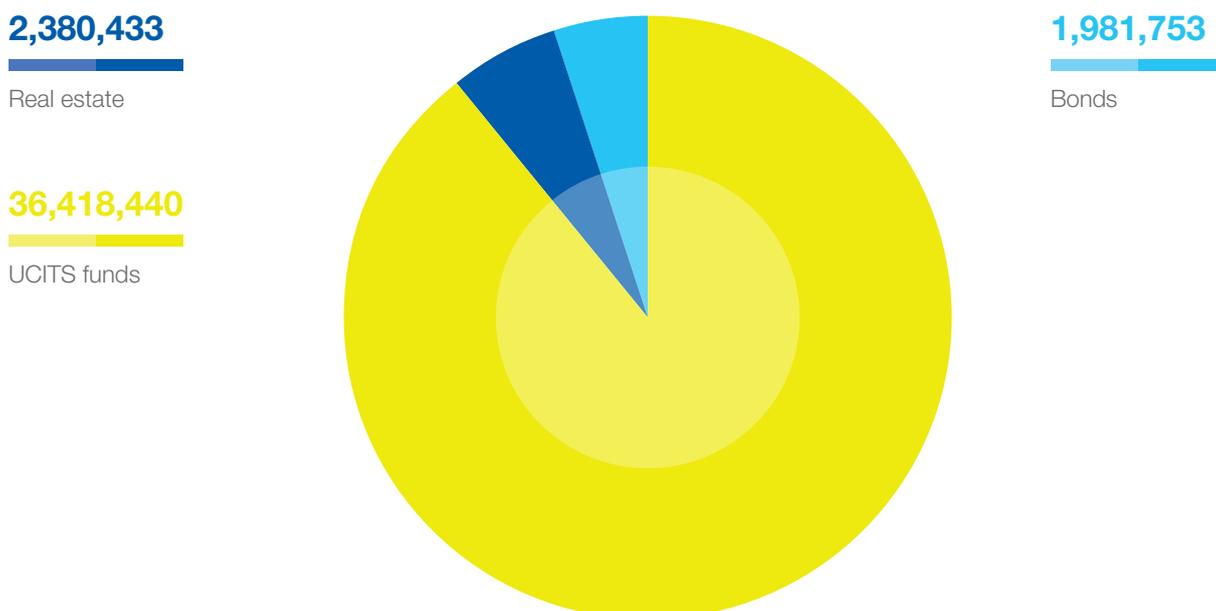
Structured bonds, equal to € 545,310 thousand at the end of the period, refer to bonds issued by Cassa Depositi e Prestiti as private placements, acquired under market conditions.

With regard to class C mutual investment funds, amounting to € 31,621,867 thousand at the end of the period (€ 34,832,715 thousand at 31 December 2021), the incidence on the Company's entire class C portfolio rose from 23.1% to the current 24.0%.

More specifically, the total for mutual investment funds held by the Parent Company at 31.12.2022, including the class D component, amounted to € 40,780,626 thousand.

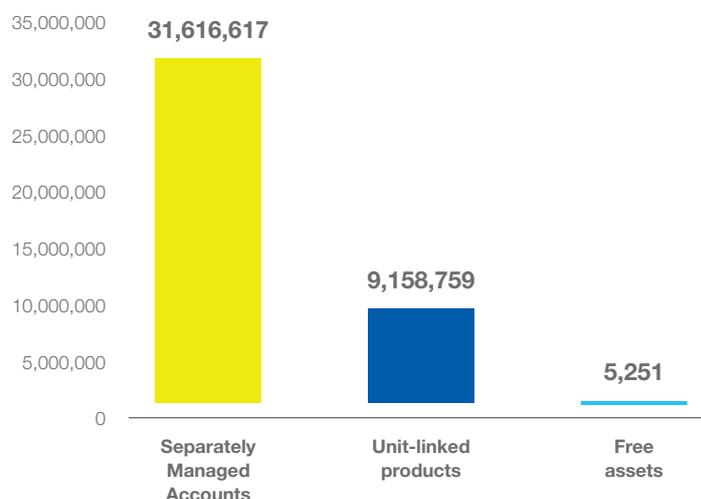
At the end of the period, the investments in UCITS fund units (including multi-asset funds) totalled € 36,418,440 thousand, units in mutual real estate investment funds totalled € 2,380,433 thousand and mutual funds that primarily invest in bonds totalled € 1,981,753 thousand.

Composition of mutual investment funds



Mutual investment funds refer to the separately managed accounts for around € 31,616,617 thousand, while € 9,158,759 thousand related to unit-linked products and the remainder (equal to € 5,251 thousand) is included in the company's free capital.

Mutual investment funds



The financial instruments acquired to cover Unit-Linked policies are measured at the value on the last trading day of the year and at the end of the year in question amounted € 9,608,163 thousand (€ 7,600,372 thousand at 31 December 2021). This growth is mainly due to positive net inflows recorded during the year. During the year, rigorous monitoring of the evolution of the risk profile continued, aimed at ensuring maximum awareness of the performance of the products placed and the risks borne by customers.

The Parent Company does not hold any derivative instruments at 31 December 2022.

Poste Vita SpA's investments generated a decrease in market value during the period, determined in accordance with Solvency II criteria, totalling € (28,761,351) thousand, and ordinary income totalling € 2,660,182 thousand, mainly due to less favourable financial market trends compared to the previous year.

(€k)	31/12/2022		
	Net gains and losses	Interest /Dividends	Net Unrealised Gains
Equities	(938)	8,444	(23,671)
Government Bonds	(257,598)	1,921,022	(20,719,497)
Corporate Bonds	(94,847)	469,169	(3,419,313)
Structured notes		17,062	(27,440)
Collective Investments Undertakings	(177,955)	244,485	(4,571,430)
Total	(531,337)	2,660,182	(28,761,351)

Equity investments held at 31 December 2022 amounted to € 409,516 thousand and refer, as indicated previously:

- for € 298,820 thousand to Poste Assicura SpA, wholly-owned, which operates in the non-life segment, excluding vehicle insurance;
- for € 109,357 thousand to Europa Gestioni Immobiliare SpA held by Poste Vita and Poste Italiane SpA with 45% and 55% interests, respectively, a company which operates primarily in the real estate sector for the management and development of real estate assets no longer instrumental of Poste Italiane SpA;
- for € 1,221 thousand to Eurizon Capital Real Asset SGR SpA, a company in which Poste Vita SpA holds a 20% interest in share capital and 12.25% of voting rights, acquired for € 1.7 million on 31 January 2022;
- for € 118 thousand to Net Holding SpA, incorporated on 12 October 2022, whose share capital of € 100,000, divided into 100,000 shares with no par value, was fully subscribed and paid-up on 12 October 2022. At the same meeting, the sole shareholder Poste Vita also resolved to set up a share premium reserve in the amount of € 100,000 fully paid up on the same date of 12 October 2022.

Lastly, the sale to Poste Italiane, which took place on 24 February 2022, of the interest held in Poste Welfare Servizi Srl for a consideration of € 70 million should be noted.

Investment Performance - Poste Assicura SpA

With reference to investment policies, in compliance with the framework resolution on investments approved by the Board of Directors, an asset management policy was maintained that features a prudent approach intended to preserve the solidity of the company's equity.

On an annual basis, the Company defines a strategic asset allocation (SAA) aimed at optimising the risk-return profile, with the aim of consolidating and stabilising future performance while maintaining a risk profile appropriate to that established in the RAF and in line with ORSA projections.

The financial portfolio, measured at fair value, excluding equity investments, was € 544,006 thousand at the end of 2022, an increase of € 30,651 thousand with respect to year-end 2021 (€ 513,355 thousand), mainly due to inflows (net of claims and expenses) and a decrease of € 23,409 thousand with respect to the statutory balance due to changes in interest rates and spreads during the reporting period.

(€k)	31/12/2022			31/12/2021		
	Solvency II value	Statutory accounts value	Delta	Solvency II value	Statutory accounts value	Delta
Government Bonds	466,336	489,762	(23,426)	445,545	419,538	26,006
Corporate Bonds	77,670	77,653	17	67,811	66,929	882
Total	544,006	567,415	(23,409)	513,355	486,467	26,889

With reference to equity investments, at 31 December 2022, the Company held the entire share capital of Poste Insurance Broker S.r.l., which recorded a net loss of € 422.8 thousand (€ 345.9 thousand at the end of 2021). Shareholders' equity at 31 December 2022, amounting to about € 596.1 thousand, included € 900 thousand of the payment made by the sole shareholder Poste Assicura during the period as a capital reinforcement.

Furthermore, the company holds 5% of the capital in Consorzio Logistica Pacchi Scpa, acquired on 30 June 2020, the shareholders' equity of which amounted to € 787.9 thousand at 31 December 2022. The Solvency II value of the units held by the Company at 31 December 2022 was € 39 thousand.

The aforementioned investments generated a decrease of approximately € 76,314 thousand in the Solvency II value of securities, while ordinary income accrued increased by € 8,201 thousand in the period, as shown in the following table:

(€k)	31/12/2022		
	Net gains and losses	Interest/Dividends	Unrealised gains and losses
Government Bonds	(800)	7,521	(68,750)
Corporate Bonds	(215)	680	(8,045)
Equities			480
Total	(1,015)	8,201	(76,314)

It should be noted that the Equities category only includes equity investments held by Poste Assicura SpA.

Additionally, pursuant to Article 124-sexies of the Consolidated Law on Finance, as referenced in **Article 5 of IVASS Regulation 46 of 2020**, note that it is held appropriate to differentiate the description of the share investment strategy and agreements with asset managers, on the basis of the type of portfolio - either Separately Managed Accounts or Internal Insurance Fund.

Share investment strategy and agreements with asset managers for Separately Managed Accounts portfolios

The Poste Vita Group's investment strategy, aimed at stabilising performance combined with a low risk profile, is defined in the context of an integrated asset and liability management process (Asset Liability Management - "ALM"), aimed at determining the medium/long-term composition of the investment portfolio. The medium/long-term composition derives from a strategic asset allocation process (Strategic Asset Allocation - "SAA") which identifies the target weights assigned to various asset classes. The Poste Vita Group's ALM and SAA processes are centred around the "*prudent person principle*", ensuring the continuous maintenance of an adequate level of quality and diversification within the portfolio, together with appropriate levels of liquidity, security and profitability.

In terms of the portfolios associated with Poste Vita SpA's Separately Managed Accounts, note that the current investment strategy calls for the acquisition of mainly bonds. The portion allocated to the equity segment represents a marginal portion of the asset allocation and is consistent with the long-term liabilities of separately managed life products.

The investment guidelines assigned to the Poste Vita Group's asset managers are constructed to be aligned with the profile and duration of the liabilities - mostly long-term liabilities - of the insurance company.

There is no incentive for asset managers to make investment decisions based on assessments of the medium- to long-term financial and non-financial performance of investee companies and to engage with those companies in order to improve their medium- to long-term performance.

There is no variable remuneration based on management results; instead, parameters are set for evaluating and monitoring the work of asset managers to verify compliance with the investment guidelines in the management agreement.

Although no pre-set portfolio rotation value is established, the investment guidelines provide for additional limits that asset managers must take into account in the execution of their management activities.

Finally, note that the agreement with the manager has a predefined duration and provides for tacit renewal. The Company can withdraw from the contact at any time following methods in line with sector regulations.

Share investment strategy and agreements with asset managers for Internal Insurance Fund portfolios

With regards to Internal Insurance Funds (“Internal Funds”), the strategic investment policy is determined at the time they are established, as indicated in the regulations for each Internal Fund.

Management of Internal Funds is outsourced to delegated managers, on the basis of a specific mandate which requires the manager to follow the regulation for each Internal Fund.

The equity investment strategy is carried out through investments in UCITS, for the majority of Internal Funds.

At the time of drafting of this disclosure, only one of the Company’s Internal Funds also invests directly in shares; more specifically, reference is made to the Internal Fund named Poste Vita Soluzione Italia to which the unit-linked product named Postevita Soluzione Italia (the “Product”) is linked. Note that this Internal Fund calls for, among other things, direct investments in companies with shares listed on a regulated Italian market or a regulated market in another European Union member state. In fact, the Product is intended to serve as a long-term savings plan (PIR).

The scope of the Internal Fund is, in particular, that of creating capital growth, mainly investing in the Italian business system, with a medium/long-term view.

With respect to that required in IVASS Regulation 46 in relation to information regarding management agreements, note first of all that the management mandate between the Company and the delegated manager calls for the investment strategy to be aligned with the characteristics of the liabilities, in that it requires compliance with the Internal Fund regulation mentioned above, also included with the Product documentation, which represents the Company’s commitment with respect to investors/policyholders.

However, there is no incentive for the asset manager to make investment decisions based on valuations related to the long and medium-term financial and non-financial results of the subsidiaries nor to work with such companies to improve their medium and long-term results. For the equity investment, the regulatory requirements needed to classify the product as “PIR compliant” must be met.

Additionally, no variable remuneration on the basis of management results is called for. Instead, measurement and monitoring parameters relative to the asset manager’s actions are indicated, to verify compliance with the investment guidelines contained in the management agreement.

Finally, there is no pre-set portfolio rotation value, in that this was not held to be a useful parameter for the investment strategy of the Internal Fund in question.

Finally, note that the agreement with the manager has a predefined duration and provides for tacit renewal. The Company can withdraw from the contact at any time following methods in line with sector regulations.

A.4 Performance of other activities

With reference to organisational aspects, the operating costs of the Parent Company **Poste Vita SpA** at 31 December 2022 totalled about € 120.6 million, up € 7.3 million compared to the figure recorded in 2021 (€ 113.3 million) due to higher intragroup costs.

Pursuant to article 9, paragraph 1 of the Delegated Regulation (EU) 2015/35, with specific regard to the application of IFRS 16 - Leases, in force since 1 January 2019, note should be taken of the following economic effects in 2022:

- the straight line amortisation of assets which are the subject of leasing contracts, equal to € 2,123 thousand at the end of the period;
- the recognition, upon payment of the periodic fee, of finance costs calculated on the basis of the internal rate of the contracts, falling within the scope of application of the above standard, with a corresponding reduction of the financial liability for a value equal to € 45 thousand at the end of the period.

With reference to **Poste Assicura SpA**, operating costs at the end of the reporting period amounted to approximately € 33.7 million, up 10.2% compared to € 30.5 million in the same period of 2021, and mainly related to personnel expenses, commercial/advertising costs, IT service costs and professional consulting/services. The increase in the period under review is mainly due to higher intercompany costs related to IT fees, call centre and DTO back office and administrative service.

The Company's Cost ratio (the ratio of operating costs to earned premiums) was 9.1% at the end of 2022, slightly down from 10.2% due to the fact that the increase in costs was less than proportional to the growth in the top line.

With regard to the application of the accounting standard "IFRS 16 -Leases", effective as of 1 January 2019, the following economic effects are highlighted:

- i. the straight line amortisation of assets which are the subject of leasing contracts, equal to € 314 thousand at the end of the period;
- ii. the recognition, upon payment of the periodic fee, of finance costs calculated on the basis of the internal rate of the contracts, falling within the scope of application of the above standard, with a corresponding reduction of the financial liability for a value equal to € 14 thousand at the end of the period.

A.5 Other information

Related party transactions

Related parties, in addition to the Poste Italiane Group companies whose transactions are described in the previous paragraph, include, in accordance with IAS 24, the MEF, Cassa Depositi e Prestiti SpA, the entities under the control of the MEF and the Company's Key Management Personnel. The Government and public bodies other than the MEF and its subsidiaries are not considered related parties; moreover, transactions with related parties do not include those generated by financial assets and liabilities represented by financial instruments, with the exception of those issued by companies belonging to the Cassa Depositi e Prestiti Group.

In particular, at 31 December 2022, the Poste Vita Group held bonds issued by Cassa Depositi e Prestiti as private placements for a nominal value of € 522 million and a total market value of € 523 million, acquired under market conditions.

Research and Development Activities

The Poste Vita Insurance Group did not incur any research and development costs during the period, with the exception of costs relating to the definition of new products and those relating to the capitalisation of direct costs incurred for the development of internally produced software.

Legal disputes

Pending civil lawsuits against the Parent Company, Poste Vita, primarily relate to issues directly or indirectly underlying insurance contracts.

The main problems encountered in litigation include, but are not limited to, those relating to i) “dormant policies” specifically related to issues of prescription of the right to insurance benefits, (ii) matters relating to breach of contract, (iii) settlement issues (i.e. conflicts between beneficiaries in the context of inheritance, identification of persons entitled to insurance benefits, calculation of entitlement quotas, lack of documentation, etc.) and (iv) disputes on “privacy” for failure to disclose data relating to third party beneficiaries of the policy.

In addition, bankruptcy proceedings (involving companies/employers of employees who have subscribed to the “Postaprevidenza Valore” Individual Pension Plan and for which the recognition of claims for possible omissions in contributions for severance pay) and enforcement proceedings (i.e. third-party seizures notified to the Company in the quality of the seized third party) are also reported.

With reference to the criminal positions, it is confirmed that the most relevant offences relate to circumstances occurring in the context of the placement of insurance policies or in the settlement phase thereof through the falsification of insurance documentation/abusive access to computer systems (i.e. Insurance Reserved Area) also by third parties.

The Parent Company Poste Vita, where the prerequisites were satisfied, took action by implementing the appropriate initiatives in criminal matters.

The disputes initiated against the Subsidiary Poste Assicura to date mainly relate to disputes concerning the payment of insurance benefits. The subject matter of litigation in the cases initiated mainly concerns reasons for the ineffectiveness of the insurance guarantee, civil liability practices (both private and professional) where no liability on the part of the insured is highlighted, as well as disputes related to the need to counter attempts of speculation to the detriment of the Company. The latter may relate either to financial claims that are significantly higher than the estimated and actual value of the damage, or to claims where investigations have revealed dubious authenticity.

The probable outcomes of disputes were taken into account when determining the claims provision.

With regard to criminal positions, in 2022 there was an increase in the case of apocryphal underwriting of non-life insurance policies in the name of unsuspecting clients who then refuted their authenticity.

The unlawful conduct was attributed both to persons outside the organisation and to Post Office employees; in the latter case, it was possible to learn that the conduct was, for the most part, aimed at achieving commercial objectives. There was also an increase in the number of reports of suspected wrongdoing with regard to claims not deemed genuine. The Subsidiary Poste Assicura, where the prerequisites were met, took action by implementing the appropriate initiatives in criminal matters.

With regard to non-claims-related litigation, to date, disputes are pending concerning the non-repayment of premiums paid and not enjoyed, as well as a case brought by a supplier concerning financial claims against the Subsidiary Poste Assicura. This last position concerns the injunction notified to the Company on 14 October by an intermediary with economic claims for a total of € 636 thousand as commissions allegedly referring to activities performed for business referred to third-party customers of the Company. The injunction was opposed by the Subsidiary Poste Assicura, which considers the other party's claims to be unfounded, and the case is still pending. With reference to the latter, in accordance with the provisions of OIC 31 and Reg. ISVAP 22/2008, this liability being “possible” but not probable, the Poste Vita Group did not deem it appropriate to make a provision for risks in these financial statements, but limited itself, as required by the aforementioned standard, to providing adequate information.

Management of Fondazione Enasarco Policy Claims

With reference to the policy underwritten by Fondazione Enasarco, as a result of delays encountered in the management of claims, the Subsidiary Poste Assicura has made/shall make payment of the penalties, pursuant to Article 32 of the aforementioned policy, for the period 1 November 2019 - 31 October 2022.

With respect to the period (1 November 2019 - 31 October 2021), the Poste Vita Group, based on the calculation criteria already shared with the contractor, had recognised a cost of € 0.5 million in the 2021 financial statements for the above-mentioned event, the materialisation of which in 2022 gave rise in these financial statements to the recognition of a contingent asset of € 0.1 million.

While with reference to the period (1 November 2021 - 31 October 2022), the Poste Vita Group, given the delays that have already occurred, even if they cannot be precisely quantified, has deemed it appropriate, also based on past events, to prudentially set aside at the end of 2022, as a provision for risks, as penalties, an additional € 0.3 million in addition to the € 0.5 million already set aside at the end of the previous year.

Purchase of the same covers for the same insured entity (Overinsurance) - modular offer

With regard to the case in question, it should be noted that with the introduction of the modular offer on the market, the Subsidiary Poste Assicura, in analysing its portfolio, noted the presence of some cases in which the same cover was issued for the benefit of the same insured entity (i.e. policyholder, property, etc.). As a result, the Poste Vita Group has set aside a provision of € 1 million at the end of 2022, which will be gradually released over the course of 2023 based on the progress of the portfolio remediation activities under way, which will result in the repayment of the amounts due to policyholders in respect of the positions concerned.

Extraordinary transactions

a) Subscription to ECRA capital increase and management mandate of alternative investments

On 31 January 2022, the subscription to ECRA capital increase by Poste Vita in the amount of € 1.7 million was finalised, with the simultaneous assignment of the alternative investment management mandate.

As a result of the subscription to the Capital Increase, the Company now holds, together with Banco Posta Fondi SGR, a total equity investment (to be split equally between the two) equal to 40% of the share capital of ECRA and 24.5% of the voting rights.

b) Proposal for the sale of the equity investment in Poste Welfare Servizi Srl

With regard to the proposed sale by Poste Vita to Poste Italiane of 100% of the shares held in Poste Welfare Servizi Srl, approved by the Company's Board of Directors on 26 January 2022, it should be noted that the transaction was finalised on 24 February 2022 with the filing of the deed of sale with the Companies Register. The sale took place for a consideration of approximately € 70 million.

c) Sale of shareholding in FSI Sgr SpA

On 5 July, the Board of Directors of Poste Vita resolved on the proposed sale by Poste Vita to Magenta 71 Srl of 100% of the shares held in FSI SGR (hereinafter, "FSI").

The transaction, which is intended to strengthen FSI SGR's position in the market as an independent manager of alternative funds, is in line with the objectives relating to investments in alternative assets, as well as with the Company's investment strat-

egy outlined in the strategic asset allocation most recently approved by the Board of Directors on 24 February 2022, which envisages gradually increasing the weight of alternative assets (including private equity) over the years through the subscription of new investment funds and not through the acquisition of equity investments in asset management companies. To determine the economic value of FSI, and thus the suitability of the agreed fee, a mandate was granted to an independent assessor (EY Advisory SpA), which issued an appraisal of FSI's economic value on 4 July. Therefore, the consideration agreed between the parties was set at roughly € 1.6 million, a value deemed consistent within the range of FSI's economic values - between € 1.4 and € 1.7 million - identified by the aforementioned assessor.

d) Acceptance of COIMA takeover bid

On 5 July, the Board of Directors of Poste Vita resolved on the acceptance of the voluntary takeover bid for the purchase and exchange of all the ordinary shares of COIMA RES SpA SIIQ ("COIMA RES") promoted by Evergreen SpA and, consequently, to approve the sale of the entirety of the shares held by Poste Vita in COIMA RES, equal to 2.78% of the latter's share capital, for a consideration of € 10 million.

The transaction is in line with the objectives related to investments in alternative assets as well as with the Company's investment strategy outlined in the strategic asset allocation. The strategy is to gradually increase the weight of alternative assets (including real estate) over the years through subscriptions to new investment funds and not through listed equity exposure.

To determine the economic value of FSI, and thus the suitability of the agreed fee, a mandate was granted to an independent assessor (Lazard SpA), who deemed a consideration of € 10 per share to be congruous, a total of € 10 million for Poste Vita incorporating an average premium in line with market practice for comparable transactions.

e) Net Insurance takeover bid

On 28 September 2022, the Board of Directors of Poste Vita, having acknowledged the favourable opinion expressed by the Board of Directors of the Ultimate Parent Poste Italiane, approved the promotion of a voluntary takeover bid for the entirety of the shares of Net Insurance, a company that provides insurance coverage in the credit sector. The transaction confirms the growth objectives of the Poste Italiane Group's insurance company in the protection and non-life segment. Completion of the transaction, subject to obtaining regulatory and antitrust approvals, is expected by the first half of 2023. In order to carry out the above-mentioned operation on 12 October, Poste Vita set up the company Net Holding SpA, as better specified in the "overview" section.

f) Issuance of Restricted Tier 1 Subordinated Bond

On 3 August 2022, Poste Vita completed the issuance of a Restricted Tier 1 subordinated bond in euro, perpetual, non-convertible and with a fixed rate, resolved by the Company's Board of Directors meeting in extraordinary session on 27 July 2022 and by the Shareholders' Meeting on 28 July 2022, for a nominal amount of € 500 million, fully subscribed by the Ultimate Parent Poste Italiane SpA.

The instrument can be recalled after the tenth year and after each interest payment date. The fixed-rate bond is issued at par with an annual coupon of 8.4%, payment in arrears every six months (3 August and 3 February). Thereafter, in the event of no recall, the coupon will be fixed every five years (at the 5-year mid-swap rate plus margin).

Principal proceedings pending and relations with the Authorities

a) IVASS - Istituto per la Vigilanza sulle Assicurazioni (the insurance regulator)

With regard to the sanctioning proceedings arising from objections by the Supervisory Authority for the alleged breach of Article 183, paragraph 1, letter “a”, of the Private Insurance Code and mainly relating to the lateness of the settlement of insurance benefits beyond the contractually established deadline - there are currently no pending proceedings.

b) Bank of Italy

With regard to the investigations conducted between 2015 and 2016 by the Bank of Italy’s Financial Intelligence Unit (FIU) against Poste Vita on the subject of anti-money laundering pursuant to Articles 47 and 53(4) of Legislative Decree no. 231 of 2007, on 8 July 2016, the FIU notified the Parent Company Poste Vita of a “Formal notice of investigation and dispute” for breach of the obligation to promptly report suspicious transactions in relation to transactions relating to an individual policy pursuant to Article 41 of Legislative Decree no. 231/2007. On 29 May 2019, the Ministry of Economy and Finance served an injunction order on the Company for the payment of an administrative penalty of € 0.101 million. The Parent Company, Poste Vita, carried out its assessment of the case and filed opposition to said decree within the terms of the law. The proceedings are pending.

Inspections

With regard to inspections, the following provides updates on the Period, namely:

COVIP

With reference to the COVIP inspection on the “Postaprevidenza Valore” Individual Pension Plan (“PIP”), whose results were notified to the Parent Company Poste Vita with a communication dated 27 May 2022, the Board of Directors of Poste Vita approved, at its meeting held on 26 July 2022, a detailed action plan aimed at strengthening the processes, in addition to what was already indicated in the action plan approved by the Board of Directors on 8 June 2022. At 31 December 2022, all the actions envisaged in the plan had been completed and the planned timetable respected.

IVASS - Istituto per la Vigilanza sulle Assicurazioni (the insurance regulator): Governance, management and control of investments and financial risks

With regard to the IVASS inspection - concerning profiles of governance, management and control of investments and financial risks concluded on 7 May 2021 - it should be noted that the related action plan, approved by the Board of Directors of the Parent Company Poste Vita on 22 October 2021, was fully completed in accordance with the time-frame envisaged in the plan.

IVASS - Istituto per la Vigilanza sulle Assicurazioni (the insurance regulator): Anti-Money Laundering

With regard to the inspection completed on 18 June 2021 and the results of which were notified to the Parent Company Poste Vita at the Board of Directors’ meeting of 30 September 2021, it is reported that at 31 December 2022, all the actions identified had been completed in accordance with the time-frame envisaged in the plan.

Significant subsequent events

Creation of the New Separately Managed Account “Poste Valore Solidità”

On 31 January 2023, the Board of Directors resolved to set up a new segregated fund named “Poste Vita Valore Solidità” and approved its rules, providing for the establishment of a profit fund to be applied to all contracts that will be included in the management, to which all net realised capital gains will be allocated. At the same time, the decision was taken to terminate the separately managed account “Poste Vita Gestione Attiva”, which was set up in 2016 and to which no insurance contract is linked. In line with the provisions of Article 5, paragraph 3 of ISVAP Regulation no. 38/2011, on 13 February 2023, the Company forwarded to IVASS the minutes of the resolution of the Administrative Body and the Regulations of the new management, as well as all the master data of the separately managed account.

Mass lapse risk insurance

On 14 March 2023, the Company signed a reinsurance treaty with some primary reinsurers, effective from 31 December 2022, aimed at partially insuring the risk of early mass extinction of life policies (mass lapse risk), relevant for the calculation of the Solvency II requirement.

The duration of the treaty is 3 years, with the option for Poste Vita to withdraw without conditions or penalty at the end of the second year.

The impact of the transaction on the Group's Solvency ratio at 31 December 2022 is 30 percentage points.

Net Insurance SpA takeover bid

With reference to the voluntary takeover bid for the entirety of the shares of Net Insurance SpA, it should be noted that:

- on 8 February 2023, the Bank of Italy issued an authorisation for the acquisition of an equity investment in Net Holding SpA by Istituto Bancario del Lavoro SpA;
- on 15 February 2023, IVASS issued the authorisation for the acquisition, as a result of the takeover bids to be promoted, of a direct controlling interest in Net Insurance SpA and, consequently, of an indirect controlling interest in Net Insurance Life SpA;
- on 15 February 2023, Net Holding's Shareholders' Meeting resolved to increase the share capital by € 1 and to increase the share premium reserve by € 189,577,211, in order to provide the company with the necessary resources to achieve its corporate purpose and, in particular, to meet the financial charges necessary to pay the consideration related to the voluntary takeover bids that will be launched on Net Insurance SpA's shares and warrants as announced to the market on 28 September 2022;
- on 15 February 2023, Consob approved the offer document relating to the voluntary total takeover bids for shares and warrants of Net Insurance SpA.

After obtaining the authorisations from the competent authorities, Net Holding launched the public offers. The offer acceptance period, agreed with Borsa Italiana, started on 27 February 2023 and ended on 6 April 2023. On 14 April 2023, the payment of the consideration for the public offers was made and Net Holding came to hold a controlling interest in the capital of Net Insurance.

On 7 March 2023, the Parent Company Poste Vita was notified by the Supervisory Authority of the start of an inspection to verify the management process of dormant policies.

With regard to the IVASS inspection - concerning profiles of governance, management and control of investment and financial risks concluded on 7 May 2021, discussions are continuing with IVASS in view of the start of the “decision-making phase”, which must be completed by 26 July 2023 in accordance with the terms set forth in Article 28, paragraph 4, of IVASS Regulation no. 39 of 2 August 2018.

B – Governance system

B.1 General Information about the Governance System

The governance model adopted by Poste Vita Insurance Group, is “traditional”, i.e. characterised by the traditional dichotomy between the Board of Directors and the Board of Statutory Auditors.

The **Board of Directors of Poste Vita SpA**, as the Italian Ultimate Holding Company (UHC)⁴ of a group subject to the supervision of IVASS, and the **Board of Directors of Poste Assicura SpA** (hereinafter also “the Boards of Directors”) hold the widest powers for the ordinary and extraordinary management of the above companies, without limitation, with the power to carry out all the actions that it considers necessary and useful for the achievement of the corporate purpose, with the exception of those that by law are reserved expressly for the Shareholders’ Meeting.

These Bodies meet periodically (generally at least once per month) to review and adopt resolutions on strategy, operations, results, and proposals regarding the operational structure, strategic transactions and any other obligations under current industry regulations. They therefore represent the central element for defining the Group’s strategic objectives and for guidance on the policies necessary to achieve them.

With reference to the internal control and risk management system, the Boards of Directors of each Company are the entities ultimately responsible for the system, and they must ensure it is always complete, functional and effective.

To that end, each Board, among other things, carries out the following tasks falling under the areas of responsibility (consistent with reference regulations and the Articles of Association):

- approves the organisational macro-structure and the assignment of tasks and responsibilities to operating units, monitoring their adequacy over time so as to promptly adjust them to changes in strategic objectives, operations and the context in which the company operates, informing the Supervisory Authorities of any significant changes made to the organisational structure, as well as the internal or external causes that made the changes necessary. In this context, each Board is responsible, among other things, for:
 - establishing the Key Functions and defining their responsibilities, tasks, operating methods and the nature and frequency of their reporting to the Corporate Bodies and other relevant functions, consistent with the Group and Individual Company’s “Guidelines on the Internal Control and Risk Management System”;
 - appointing and dismissing the Heads of the Key Functions, consistent with the requirements established under internal and external regulations (including, among other things, assessment of whether the fit and proper requirements for office are met);
 - ensuring: i) the adoption and formalisation of adequate decision-making processes, ii) appropriate separation of functions is implemented and iii) that tasks and responsibilities are adequately assigned, distinct and coordinated in line with company policies and reflected in the descriptions of tasks and responsibilities. In this context, they ensure that all relevant positions are assigned and that unnecessary overlapping is avoided;
 - approving the “Guidelines on the Internal Control and Risk Management System,” to be disseminated to all relevant structures;
 - approving, consistent with regulatory requirements and monitoring adequacy over time, the system used to delegate powers and responsibilities, establishing tools to verify the use of delegated powers (with the consequent possibility to establish adequate measures, when the decision is made to give themselves delegated powers);
 - ensuring appropriate and continuous dialogue between all Board Committees, Senior Management and the Key Functions, also through proactive steps to guarantee efficacy;
 - representing to the Authority, with the context of the reporting required under the law and regulations in effect, the reasons that make the Company’s organisational structure able to guarantee the completeness, functioning and efficacy of the corporate governance system;

4. The Board of Directors of Poste Vita, as the Ultimate Holding Company (UHC) of a group subject to supervision by IVASS, carries out the tasks and functions assigned to it with regard to corporate governance at both individual and Group level; it also adopts, with regard to the companies referred to in art. 210-ter, paragraph 2, of the Private Insurance Code, the measures for the implementation of the instructions given by IVASS in the interests of the stable and efficient management of the Group.

- with specific reference to the Corporate Governance System, they are also responsible for:
 - defining directives, reviewing them at least once per year and monitoring adaptation to changes in company operations and external conditions; in this context, they approve the company policies identified under the regulations, ensuring consistency between these and the Company's strategy, as well as with Group policies;
 - promoting a culture of integrity within internal control, such as to raise overall staff awareness of the importance and utility of internal control to protect against risks;
 - approving the "Policy to identify and measure the fit and proper requirements for office", in terms of integrity, fairness, professionalism and independence, in line with the provisions of the reference regulations, and assessing, at least once per year, the existence of said requirements for the persons identified by the policy as well as for the Administrative Body as a whole;
 - ensuring, through appropriate measures, continuous professional training for employees and members of the Administrative Bodies of the Companies, preparing specific training/informational plans;
 - carrying out, at least once per year, a self-assessment regarding the size, composition and effective functioning of the Administrative Body of each Company, as a whole, in line with current regulations;
 - ensuring an internal review, at least once per year, of the Corporate Governance Systems of the Companies, in line with current regulations, verifying the alignment of these systems with strategic objectives, risk appetite and risk ceilings established, and receiving the results of this review, highlighting any corrective measures taken;
- with specific reference to the Risk Management System (hereafter, also "RMS"), each Board of Directors is responsible for:
 - determining the system of risk objectives ("Risk Appetite Framework" or "RAF"); in said area: i) it defines, based on relevant assessments (including ORSA), the risk appetite of the undertaking in line with its overall solvency requirement, ii) it identifies the types of risk considered appropriate to take and iii) it sets in a coherent manner the risk tolerance limits, which it reviews at least once per year to ensure their efficacy over time;
 - approving strategies (including medium/long term), the risk management guidelines and, in line with the above, the guidelines on underwriting, reservation, reinsurance and management of operational risk, while also approving the risk tolerance levels and principles underlying the related processes;
 - approving, for the major sources of risk identified, the "Contingency Plan" to ensure the regular nature and ability to continue as a going concern, to be reviewed annually and made accessible to personnel as per regulation;
 - defining ORSA directives, including the relative Policy and the criteria and methods used to assess risk, especially the most significant risks;
 - approving the results of periodic ORSA evaluations, sending them to Senior Management together with the relevant conclusions;
 - carrying out all tasks required under the regulations if an internal model or specific parameters are used to determine the Solvency Capital Requirement;
- defining, when appropriate, the directives and criteria for the circulation and collection of data and information needed for Group supervision, as well as internal control directives to ensure the completeness and timeliness of the relative information flows;
- ensuring the tasks required relative to the Group's Reporting Policy are carried out (regarding reporting to be provided to IVASS and the public);
- defining and periodically revising the Remuneration Policy, to be approved by the Shareholders' Meeting, with the responsibility for ensuring it is applied in line with the requirements under the law;
- approving the policy on outsourcing and selection of suppliers, defining the strategy and relative strategies for the duration of the same;
- approving the Capital Management Policy and the Medium-Term Capital Management Plan, in line with regulatory requirements;
- approving the strategic plan on information and communications technology ("ICT"), including corporate cyber security, in line with regulations;
- receiving specific flows of information to verify that Senior Management implements the internal control and risk management system in accordance with directives and that it evaluates the functionality and adequacy of the same;
- requesting that any significant problems identified are promptly reported (by Senior Management, the Key Functions or personnel in general), with the aim of issuing directives for the adoption of corrective measures, to be subsequently assessed for effectiveness, and identifying and special events or circumstances that require immediate action by Senior Management;
- approving the Code of Ethics and the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001, in order to promote the dissemination of an adequate culture of internal controls;
- assigning the supervisory functions pursuant to art. 6, paragraph 1, letter b) of Italian Legislative Decree no. 231/2001 to a body established for that purpose (the Supervisory Board), the members of which are appointed by the same Board of Directors as defined by the Organisation, Management and Control Model adopted by the Company;
- promoting dialogue with the Company's relevant stakeholders, in line with the guidelines and strategies defined and with the initiatives carried out, for the Group, by the Ultimate Parent Poste Italiane.

In terms of the way work is done, note that each Board of Directors is informed and involved in all significant decisions in terms of risk assumption and management. This occurs not only with reference to financial risk (investments), but also with regards to stress test results, the (financial and technical) risks deriving from the features of insurance products and, in any case, relative to all the most significant operations in which each Company is involved, taking into account their volumes and operating characteristics, including strategic and reputational risk.

Additionally, the Boards of Directors receive specific flows of information from the Key Functions and Line Functions/Staff to verify that Senior Management properly implements the Internal Control and Risk Management System in accordance with directives and that it evaluates the functionality and adequacy of the same.

This said, on the basis of the results of the process for self-assessment of complexity/risk levels as required by the applicable regulations (Letter to the Market dated 5 July 2018), Poste Vita SpA identified the applicability of a “strengthened” corporate governance system, which it adopted at company level and as UHC of the Poste Vita Group and which is still consistent for Poste Vita in light of its size, and proportionate to the nature, scale and complexity of the activities carried out and therefore to its risk profile, while Poste Assicura SpA deemed an “ordinary” governance model to be adequate, also deciding to apply on a voluntary basis certain corporate governance mechanisms typical of the “strengthened” system.

In line with the findings of this process and as part of the activities to comply with IVASS Regulation no. 38/2018, the **Board of Directors of Poste Vita SpA** has established specific internal committees, composed of non-executive directors, with investigative, advisory and proposal making tasks, in order to increase the efficiency and effectiveness of its work and to facilitate decision-making in areas of operations where there is a high risk of conflict of interest.

Specifically, the Board of Directors of Poste Vita SpA is supported by the following Committees:

- **Internal Control and Risks and Related Party Transactions Committee** which, as will be detailed below, as a Group Committee also carries out its responsibilities relative to internal control and risk management for the Subsidiary Poste Assicura;
- **Remuneration Committee.**

The aforementioned Committees, in line with the indications of the letter to the market of IVASS dated 5 July 2018 and in application of the principle of proportionality therein, carry out the tasks and functions assigned to them both at Company level as an insurance company on an individual basis and at Company level as the Ultimate Holding Company (UHC) and, therefore, at Group level.

The composition, the tasks entrusted to them, the powers and the functioning of each Committee are governed by a specific Regulation, approved by the Board of Directors.

That being said, the **Remuneration Committee** is responsible for providing consultation and proposals in the context of defining the Remuneration Policies adopted by the Company and giving proposals on fees for each of the Directors with special roles. It also verifies the congruence of the overall remuneration structure and the proportionality of remuneration for executive directors with respect to significant employees of the Company, taking into account the risk profile of the same. Additionally, the Committee (i) periodically submits the remuneration policies for examination, to guarantee their adequacy also in the case of changes in company operations or the market context in which it works, (ii) identifies potential conflicts of interest and the measures adopted to manage them, (iii) ascertains whether the conditions for incentive payments to significant employees have been met and (iv) provides information to the Board of Directors regarding the effective functioning of the remuneration policies. The Remuneration Committee was also assigned the task of expressing an opinion to the Board of Directors on Related Party Transactions involving remuneration and economic benefits, in whatever form, of those who carry out functions of administration, management and control, Senior Management, heads of Key Functions, and key managers of the company or subsidiaries in accordance with the Guidelines for Operations with Related and Connected Parties.

The **Internal Control and Risks and Related Party Transactions Committee** is responsible for assisting the Administrative Body in determining guidelines for the internal control system and identifying and managing the main company risks, with the periodic assessment of its adequacy and functioning and in identifying and managing the main company risks, in preparing and defining the policies connected with investment management, taking into account their consistency with the risk policies adopted by the Company. Relative to its area of competence and interest, the Committee also provides proposals to the Board of Directors to suggest and promote possible changes and additions to the Internal Control and Risk Management System deemed necessary or expedient. Finally, without prejudice to the aspects assigned to the Remuneration Committee, the Committee has specific responsibilities with regards to related party transactions (as defined in accounting standard IAS 24).

In this regard, since 17 June 2020, in relation to internal control and risk management, the subsidiary Poste Assicura SpA has made use of the Group’s Internal Control and Risks and Related Party Transactions Committee, established by the Parent Company Poste Vita with the consequent adjustment of the Regulation of said Committee in terms of the scope of its activities.

Relative to Poste Assicura SpA, the Company's Board of Directors has established, in line with the results of the process and in line with the rights granted under the IVASS Letter of 5 July 2018 to companies adopting an "ordinary" governance mode:

- i. **that remuneration tasks are exercised by the Board of Directors as a plenum.** With this view and consistent with the described organisational choice, the Board of Directors consequently:
 - provides consultation and proposals in the context of defining the Remuneration Policies and gives proposals on fees for each of the directors with special roles;
 - periodically reviews the Remuneration Policies to guarantee adequacy also in the case of changes to company operations or in the market context in which it works, as well as to ensure effective functioning;
 - verifies the congruence of the overall remuneration structure and the proportionality of remuneration for executive directors with respect to significant employees of the Company, taking into account the risk profile of the same;
 - identifies potential conflicts of interest and measures adopted to manage them;
 - ascertains whether the conditions for incentive payments to significant employees have been met.
- ii. **in relation to internal control and risk management, makes use of the Group's Internal Control and Risks and Related Party Transactions Committee established by the Italian Ultimate Holding Company (Poste Vita).** In line with the indications expressed by the Board of Directors of the Parent Company Poste Vita, the Committee is suitable to adequately monitor the specific risk profile of the subsidiary.

More specifically, the Committee in question is responsible for assisting the Administrative Body in determining guidelines for the internal control system and identifying and managing the main company risks, with the periodic assessment of its adequacy and functioning and in identifying and managing the main company risks.

Relative to its area of competence and interest, the Committee also provides proposals to the Board of Directors to suggest and promote possible changes and additions to the Internal Control and Risk Management System deemed necessary or expedient.

Finally, the Committee is assigned specific tasks relative to related party transactions (as defined in accounting standard IAS 24, better identified in the Single Scope of Related Parties and Associated Entities of the Ultimate Parent Poste Italiane SpA).

The **Board of Statutory Auditors of each of the Poste Vita insurance group Companies**, under the terms of art. 2403 of the Italian Civil Code, supervises observance of the law and the Articles of Association, observance of the principles of correct administration and, in particular, the adequacy of the organisational, administrative and accounting structure adopted by the Company and its concrete operation.

To this end, it carries out for each Company, among other things, the following tasks:

- at the beginning of its term, acquires information about the company's organisational structure and examines the work of the Independent Auditors to evaluate the internal control system and administrative/accounting system;
- verifies the appropriateness of delegations, as well as adequacy of the organisational structure, with special attention paid to separation of responsibilities in tasks and functions;
- assesses the efficiency and efficacy of the Corporate Governance System, especially with regards to the work of the Internal Audit function, for which it also verifies the existence of the necessary autonomy, independence and functioning;
- maintains appropriate connections with the Internal Audit function;
- monitors prompt exchanging of significant data and information with the Independent Auditors to carry out their tasks, also examining the periodic reports of the Company;
- informs the Board of Directors of each Company of any anomalies or weaknesses in the organisational structure and Corporate Governance System, indicating and promoting appropriate corrective measures;
- plans and carries out, also in coordination with the Independent Auditors, periodic audits aimed at ascertaining whether issues/anomalies identified have been resolved and if, with respect to that determined at the beginning of the term, any changes have occurred in the Company's operations such as to require an adjustment in the organisational structure and/or Corporate Governance System;
- keeps adequate evidence of the observations and proposals made and of subsequent verification activities regarding implementation of any corrective measures;
- validates the report on the completion of the procedure to select the Independent Auditors, presenting it to the Board of Directors with the relevant recommendation;
- expresses its opinion on the appointment and revocation of the Financial Reporting Manager (with reference to Poste Vita only)

and the Head of the Internal Audit Function (of Poste Vita and Poste Assicura) as well as on the appointment of a director by co-optation pursuant to Article 2386, paragraph 1, of the Italian Civil Code.

The Board of Statutory Auditors of Poste Vita SpA and the Board of Statutory Auditors of Poste Assicura SpA also report any problems identified in the system to Senior Management of the relative Companies, subsequently verifying whether the initiatives adopted have eliminated the problems in question.

Key Functions:

- **Risk Management:** responsible for ensuring the development of risk management methodologies and the identification, assessment, measurement and control of all relevant risks, monitoring their consistency with the defined risk appetite and collaborating in the definition and implementation of mitigation actions; controlling the level of adequacy of assets with respect to the risks; ensuring the necessary information flows to Senior Management and Corporate Bodies.
- **Actuarial Function:** responsible for carrying out second-level controls of technical provisions, underwriting policies and reinsurance envisaged by industry regulations, contributing to the application of the risk management system, with particular reference to risk modelling underlying the calculation of the capital requirements and the internal risk and solvency assessment; ensuring the necessary information flows towards Senior Management and the corporate bodies.
- **Compliance:** responsible for ensuring second-level control activities in the area of compliance, identifying the applicable rules and related requirements, assessing the adequacy and effectiveness of the prevention measures adopted and proposing the appropriate organisational and procedural changes, for the purposes of adequately controlling the risk of non-compliance; ensuring compliance checks regarding governance and product control and distribution governance; collaborating with the structures concerned to identify the relevant mitigation actions, providing support and advice and ensuring the necessary information flows to company Senior Management and the Corporate Bodies; ensuring specialist support for the 231 Supervisory Board in the assessment of the compliance aspects set out by Italian Legislative Decree 231/01, ensuring the supervision and monitoring activities of the Integrated Quality And Anti-Corruption Management System and, lastly, ensuring the controls over the distribution network in line with industry regulations.
- **Internal Audit:** responsible for monitoring and evaluating the efficacy, efficiency and adequacy of the Internal Control System as well as additional components of the Corporate Governance System, through independent and objective assurance activities, using a systematic and risk-based professional approach. The function periodically reports to the Board of Directors, the Control Bodies and Senior Management on the activities carried out, the evaluations performed and outcomes that have emerged, also reporting, as a matter of urgency, any particularly serious situations that may have come to light. Finally, the function monitors the adequacy of the Insurance Group's anti-fraud measures.

Information about remuneration policies and practices

At the meetings in April 2022, the shareholders' meetings of the individual companies approved the remuneration and incentive policies for 2022.

Within the framework of these policies, for certain persons (executive and non-executive directors, members of the Board of Statutory Auditors and ("Material Risk Takers"⁵), a set of remuneration schemes are established functional to sound and prudent risk management. More specifically, the policy in question establishes that the remuneration of the above individuals may consist of 3 components:

- Fixed remuneration: reflects the role expressed and is commensurate with the responsibilities assigned, also taking account of technical, professional and managerial expertise;
- Short-term variable remuneration: intended to award the performance effectively achieved in relation to assigned objectives and results achieved during the year in question, based on indicators correlated with risk and the achievement of effective and lasting results;
- Medium/long-term variable remuneration: intended to focus the attention of resources on medium/long-term strategic success factors by linking the provision of incentives to the performance effectively achieved in the multi-year period of reference, in line with the objectives of the Group's strategic plan.

That being established, these remuneration policies, with the aim of promoting health and effective risk management, discouraging the taking on of risk which exceeds the limits tolerated, call for:

- balance between fixed and variable components (so-called "bonus") of the total remuneration;
- threshold parameters for the distribution of bonuses commensurate with performance and the level of risk to which the Company, and the Group more generally, is exposed;
- objectives, assigned to the above individuals, which include measurements of performance which adequately incorporate risk, including prospective, associated with the results achieved by the Company and the Group and the correlated charges, taking into due account the different roles and responsibilities of the individuals in question within the Company;
- role indemnities for Heads of Key Functions and, where envisaged for Poste Vita, other Heads of Control Functions, as a fixed component of remuneration, linked exclusively to tenure in the specific role and based on pre-established, non-discretionary criteria, which do not provide incentives for risk-taking and do not depend on business results;
- mechanisms to defer the distribution of bonuses accrued;
- for the sums paid in the event of early termination of employment, determination of maximum limits, the relevant payment methods and the cases that exclude the payment of the aforesaid sums in line with the principle of sound and prudent risk management;
- application of incentive correction mechanisms both for the component accrued but not yet paid ("malus" systems and other adjustment provisions) and the entire component already paid ("claw-back" systems) for the purpose of taking account of the performance over time of the risks assumed by the Company and the Group and the results effectively achieved.

The component of "medium/long-term variable remuneration" is realised through the assignment to the beneficiaries of rights to receive units representing the value of the Poste Vita SpA share (so-called Phantom Shares) at the end of a vesting period. The number of phantom shares attributed to the beneficiaries at the end of the performance period is connected to the results achieved over a three-year period.

Relative to supplemental pension or pre-pension schemes, note that for the members of the Administrative and Control bodies, no specific programmes or benefits are established while, with reference to the heads of the Key Functions, as Company directors, these positions benefit from the supplementary pension schemes called for in the reference national labour contracts (CCNL).

5. Material Risk Takers include: general managers, key managers, heads and senior personnel of Key Functions and other categories of personnel whose activities could have a significant impact on the risk profile of the undertaking, identified by the undertaking based on justified and adequately formalised decisions.

Significant transactions during the reference period with shareholders, individuals with significant influence over the company and with members of the Administrative, Directive or Supervisory bodies

With the exception of that represented in paragraph A. with reference to transactions with the Ultimate Parent Poste Italiane SpA, no other substantial transactions were carried out during the reference period.

Methods used to guarantee Key Functions the necessary powers, resources and functional independence from operating areas and units

In accordance with the “Guidelines on the Internal Control and Risk Management System” and the individual Guidelines for Key Functions (attributable to the internal control functions), each function in question is established as a specific organisational unit, different and independent from the other Key Functions and operational units, with no authority and/or responsibility over the activities in question, ensuring that the requirements meet the applicable standards. These Functions operate in accordance with the organisational principles provided by legislation in addition to compliance with the Companies’ policies, procedures and principles, collaborating with the Board of Statutory Auditors, the Independent Auditors, the Supervisory Board (envisaged by Italian Legislative Decree no. 231/01) and with each other.

Each Key Function must be able to depend, including through the use of external specialists, on resources who are quantitatively and qualitatively able to carry out the tasks assigned to the function, with an appropriate and adequate level of professionalism, while also guaranteeing continuous professional development.

Personnel involved in the work of the Key Function for whatever reason, must:

- base their professional work on the criteria of independence, authority and separation, to as to be able to classify their choices as “*super partes*”;
- abstain from undertaking any actions that could generate conflicts of interest or prejudice the ability of carrying out their task in an impartial manner.

To carry out their tasks, each Key Function must be guarantee free and independent access to the company structures and databases of the Companies, to obtain pertinent information/data such as management data or information of any other kind.

Methods used to achieve coordination of the Administrative and Control Bodies, and the Risk Management, Compliance, Internal Audit and Actuarial Functions

Definition of methods to achieve coordination and cooperation between the control bodies supports the overall functioning of the Internal Control and Risk Management System (hereafter, also ICRMS), as well as a clear and consistent representation of the risks to which the Companies are exposed to Senior Management and corporate bodies.

To that end, through ICRMS Guidelines, the Parent Company has established the following main opportunities for coordination and cooperation between the control bodies (implemented, among other ways, through the exchange of specific informational flows):

- cooperation and, when possible and expedient, coordination when identifying and updating individual annual activity plans, to guarantee adequate monitoring of the main risks to which the Companies are exposed and to allow, when possible, synergistic work as well as the identification and effective management of overlapping areas, avoiding redundancies and diseconomies;

- periodic updates on risk assessment/measurement and on the adequacy of controls, through exchanges of information on the results of individual activity and assessments of weaknesses in the internal control and risk management system. In this context, the sharing of possible corrective actions makes it possible to avoid redundancies and inefficiencies, creating synergies by responding to the needs identified by the various Key Functions and/or other functions and individuals responsible for corporate control, better calibrating control efforts.

In addition to the above, if one of the above Functions identifies, in the context of their own work, significant information relative to the responsibilities of another Key Function, it is established that the former should promptly inform the latter.

Methods by which the Key Functions inform and support the Administration and Control Bodies

To ensure the Administrative Body is always kept up to date, the ICRMS Guidelines call for specific information flows between the Bodies/Key Functions and the Board of Directors, mainly with regards to the proposed annual plans, the results of activities and prompt reporting on any situations of particular gravity identified.

Governance System Self-Assessment Process pursuant to IVASS Letter to the Market of 5 July 2018

In consideration of the requirement for supervised companies to provide themselves with a corporate governance system that is “proportional to the nature, size and complexity of the business” and, therefore, to its risk profile, the Letter to the Market of 5 July 2018 (hereafter also the “Letter”), establishes that the Italian Ultimate Parent Companies must adopt, as a minimum, an “ordinary” governance system and, in any case, not one of a lesser level than the Italian subsidiaries.

In the most recent self-assessment conducted by the Poste Vita Group Companies according to the process and criteria set out in the Letter itself, it emerged that:

- Poste Vita, on the basis of the analysis of the qualitative-quantitative “presumptive” parameters, assessed an “strengthened” governance model as appropriate;
- although the analysis of the qualitative-quantitative parameters of a “presumptive” type led Poste Assicura to assess a “simplified” governance model as adequate, in perspective and taking into account the dimensional growth expected in the next few years, it assessed an “ordinary” governance model as consistent, because it is proportionate to the nature, scope and complexity of the activities carried out and therefore to its own risk profile. Additionally, considering the governance structures present in Poste Assicura and those within the Insurance Group, in addition to adopting the aspects associated with the “ordinary” regime, the Company also decided to keep, on a voluntary basis, certain more detailed and stringent organisational aspects typical of the “strengthened” model, also making use of the governance structures implemented by Poste Vita as the UHC (e.g. the establishment within Poste Vita of Key Functions established as specific and separate organisational units).

Consequently, the UHC Poste Vita adopted a “strengthened” governance model.

That said, it should be noted that a new self-assessment will be carried out following the next renewal of the Companies’ corporate bodies scheduled for March 2023.

Methods through which the internal control and risk management system and reporting procedures are consistently implemented in all Group companies

In order to ensure that the risk management and internal control system and the reporting procedures are implemented consistently at all companies under Group supervision, and in line with the principles established by the regulations of reference, Poste Vita, in the exercise of the powers and responsibilities assigned by legislation⁶ to the Italian Ultimate Holding Company (hereinafter also “UHC”) of a group subject to the supervision of IVASS and the Poste Vita Group (hereinafter also “the Group”), has defined the “Guidelines for the Internal Control and Risk Management System” of the Poste Vita Group. These Guidelines apply to the Poste Vita Group as a whole and to the individual companies of which it consists, including Poste Assicura.

The ICRMS Guidelines define the tools, organisational structures, norms and rules intended to allow for healthy and proper business management, consistent with company objectives. In this context, the Parent Company Poste Vita has established a structured Group level governance model implemented operationally in the subsidiaries, including Poste Assicura, based on the role of the entities involved in internal control and risk management.

This organisational model aims to ensure, at the Group level, effective and efficient business processes, control over current and future risks, constant reporting between “control levels”, and reliable and complete information, while protecting assets over the medium and long term.

The internal control and risk management systems of the Group and the Companies are implemented through a series of documents prepared at the level of the Group or of the individual Company.

Relative to Group level documents, we note the main ones listed here below, approved by the Board of Directors of the Parent Company and the Subsidiary:

- Guidelines on the Internal Control and Risk Management System;
- Internal Audit Function Guidelines;
- Risk Management Function Guidelines;
- Compliance Function Guidelines;
- Actuarial Function Guidelines;
- Guidelines for Outsourcing and Supplier Choice;
- Guidelines for assessing the possession of the requirements and criteria for suitability for office;
- Risk Management System Guidelines and related specialist Guidelines;
- Risk Appetite Framework (RAF);
- Investment policies pursuant to IVASS Regulation no. 24 of 6 June 2016 (Investment Framework Resolution);
- Reporting Guidelines;
- Guidelines for the Own Risk and Solvency Assessment (ORSA);
- Capital Management Guidelines;
- Guidelines for Handling Privileged Information;
- Internal Dealing Guidelines;
- Emergency Plan;
- Business Continuity Plan (COP);
- Remuneration and incentive policies;
- Whistleblowing System Guidelines;
- Guidelines on Product Governance and Control (POG) and Distribution Activity;

6. In particular, reference is made to the “policy-making powers” over the group companies and to the responsibility for implementing the provisions on group corporate governance systems set out by Title XV of Italian Legislative Decree no. 209 of 7 September 2005, (Private Insurance Code) and IVASS Reg. no. 22/2016 on Group Supervision.

- Guidelines for Data Quality Governance;
- System of Delegation of Powers and Responsibilities;
- Risk Concentration Management Guidelines;
- Guidelines on the governance of outsourced activities at the Parent Company Poste Vita;
- Guidelines on Intragroup Operations;
- IFRS 9 Guidelines;
- Guidelines on Measuring Assets and Liabilities other than Technical Provisions.

Additionally, consistent with that defined by the Parent Company Poste Vita, the individual Companies prepare specific documents, taking into account their own size and nature, for example:

- Guidelines of the Internal Control and Risk Management System;
- Internal Audit Function Guidelines;
- Risk Management Function Guidelines;
- Compliance Function Guidelines;
- Actuarial Function Guidelines;
- Risk Management System Guidelines and related specialist Guidelines in particular:
 - Risk Management Guidelines;
 - Reinsurance Guidelines and additional risk mitigation techniques;
 - Reservation Guidelines;
 - Underwriting Guidelines;
 - Operational Risk Guidelines;
- Investment policies pursuant to IVASS Regulation no. 24 of 6 June 2016 (Investment Framework Resolution);
- Guidelines for assessing the possession of the requirements and criteria for suitability for office;
- Complaint Management Guidelines;
- Conflict of Interest Management Guidelines;
- Organisational Model pursuant to Legislative Decree 231/2001;

as well as other corporate documents that make up the procedural corpus for the Companies and which pertain to the system of controls that help guarantee implementation of corporate directives and verify their compliance (e.g. investment limit control procedures, procedures on outsourcing and supplier selection, procedures intended to regulate administrative accounting flows and, more generally, reporting procedures).

In particular, in the context of documents prepared at the “individual Company” level, consistent with those defined by the Parent Company Poste Vita, specific processes and procedures have been established in compliance with the requirements of the Solvency II Directive, which include the following main ones:

- Product Development and Launch process;
- Reinsurance Management process;
- Investment Management process;
- Capital Management process;
- Governance and Control Systems Management process (e.g. Risk Management);
- Sales process (quotation of Tailor Made policies for tenders and private negotiations);
- Administration, Provisions Management and Budget process.

The Parent Company has also ensured the adequate exchange of information with the Subsidiary in order to optimise the activities carried out, adopting a uniform methodological approach within the Insurance Group.

B.2 Fit and Proper Requirements

As early as 2015, the Parent Company Poste Vita SpA adopted a policy intended to ensure that the fit and proper requirements are met in terms of integrity, professionalism and independence, by those who carry out functions of administration, management and control and, including in the event of outsourcing or sub-outsourcing, by the heads and personnel of key functions and, in general, any other personnel able to significantly impact the risk profile of the Company and the Group (hereinafter the “Guidelines”), updating them periodically in line with current industry regulations.

In 2021, as the Insurance Company which is the UHC in a group subject to IVASS supervision, in line with IVASS Regulation 38 of 3 July 2018, Poste Vita updated its policy, creating a document which defines this policy for both itself and the Poste Vita Group.

Among other things, the Guidelines create a list of people who carry out key activities or functions within the Company, taking into account the risk profile and organisation of Poste Vita, also in its role as the UHC.

In particular, the Recipients of the Guidelines are:

- members of the Board of Directors, the Chair, CEO and General Manager;
- members of the Board of Statutory Auditors;
- Heads of Key Functions and the Anti-Money Laundering Function and, in the event of outsourcing of these functions within and outside the Group, the supplier’s Managers of key functions and the supplier’s Anti-Money Laundering Function;
- Parties who carry out Key Functions, including senior personnel and staff of the Key Functions and the Anti-Money Laundering Function and, in the event of outsourcing, the Heads of Key Functions and the Manager of the Anti-Money Laundering Function as well as the managers and staff employed in the activities outsourced to the supplier.

Specifically, the following are considered Key Functions: the Internal Audit function, the Compliance function, the Risk Management function and the Actuarial function.

Additional recipients of the Guidelines are:

- the Person responsible for reports of suspect transactions;
- Parties who report directly to the Chief Executive Officer and General Manager who carry out key or important activities or functions, whether they are related to core or non-core areas within the Company other than the key functions and the staff employed to carry out the key or important functions;
- in the event of outsourcing of key or important activities or functions within or outside of the Group, whether these are related to core or non-core areas, the Parties in charge of controls over the outsourced functions or activities, the parties responsible for the outsourced function or activity at the supplier and the staff employed in the activities outsourced to the supplier;
- the Head of the Risk Office; the Financial Reporting Manager; the Corporate Distribution Manager; members of the Supervisory Board.

The Guidelines also apply to other relevant personnel identified by the Company pursuant to article 2, paragraph 1, letter m) of IVASS Regulation 38/2018, consisting of key management personnel and other categories of personnel whose activities may have a significant impact on the Company’s risk profile, as formalised in the Guidelines on the Internal Control and Risk Management System.

As mentioned above, the Company has adopted a policy to ensure that those who carry out functions of administration, management and control, and in the case of outsourcing or sub-outsourcing, the Heads and personnel of key functions and, in general, any other personnel able to significantly impact the risk profile of the Company and the Group meet the due requirements of expertise and integrity, in addition to independence, taking account of the risk profile and the organisation that Poste Vita, including in its role as Italian UHC, has been given.

In this light, the Guidelines adopted by the Company also establish the principles it follows in assessing possession of the aforementioned fit and proper requirements, as well as the procedures adopted to that end, in line with that established in the reference regulations.

In particular, the Guidelines describe:

- the fit and proper requirements for office in terms of professionalism and integrity identified for the Recipients of the Guidelines, as well as independence and compatibility with the office in accordance with Law Decree no. 201/2011 (Save Italy Decree), where applicable;
- the procedure used to assess the requirements of individual Recipients and for reporting to the Supervisory Authority;
- documents useful for assessing the aforementioned fit and proper requirements;
- the rules based on which the Guidelines are reviewed with the aim of continuously ensuring compliance after any changes in the regulatory context and the organisational structure of the Company.

Specifically, definition of criteria used to verify the possession of the requirements of professionalism and ethics is based, in general terms on the provisions of articles 3 and 4 of Ministerial Decree no. 220/2011. With reference to the Heads of Key Functions, as well as Parties who carry out Key Functions, as for the other Recipients the professional requirements have been outlined in the Guidelines, taking into account the specific categories of the Recipients and the years of experience these must have in their respective areas of competence, without prejudice to specific regulatory provisions applicable on the basis of the position held and/or level of responsibility.

In identifying the regulations with regards to ethical requirements, the Company decided to apply to all the Recipients of the Guidelines the requirements under article 5 of Ministerial Decree 220/2011, without prejudice to the Private Insurance Code with reference to the Corporate Distribution Manager. For the Heads of Key Functions, as well as for certain specific categories of Recipients identified in the Guidelines, in addition to the aforementioned requirements, article 16 of the Company Articles of Association applies, known as the "Ethics Clause".

Note that verification of the initial and continued existence of fit and proper requirements for positions to which the Guidelines apply is carried out by the Board of Directors, based on a (non-binding) opinion issued by the Internal Control and Risks and Related Party Transactions Committee, in the following cases:

- within 30 days from the appointment for the following recipients:
 - parties that carry out Functions of administration and management;
 - parties that carry out Functions of control;
 - members of the Supervisory Board;
- at the time of appointment for the following recipients:
 - Heads of Key Functions including in the case of outsourcing;
 - Head of the Anti-Money Laundering Function;
 - Person responsible for reports of suspect transactions;
 - Risk Office Manager;
 - Financial Reporting Manager;
 - Corporate Distribution Manager;
- when there is a reason to presume that one or more of the fit and proper requirements relative to Recipients no longer exist (also through notification made by the Recipients themselves or other informed individuals, for whom anonymity is guaranteed);
- with reference specifically to professional profiles where due to the expiration, resignation or revocation of the position of one or more members, it can be presumed that as a whole the Board of Directors does not possess adequate technical skills as established under current sector regulations;
- periodically, each year (unless governed otherwise by specific cases in the Guidelines)⁷.

The Board of Directors is responsible for resolving on the existence of fit and proper requirements relative to the Recipients and making all the most expedient relative decisions, calling, when necessary the Shareholders' Meeting for all determinations to that end, as well as verifying that the Administrative Body, based on that established under article 5, paragraph 2, letter l) of IVASS Regulation 38/2008, possesses adequate technical skills, in particular with regards to the matters indicated by the Supervisory Authority and which involve insurance and financial markets, governance systems, financial and actuarial analysis, the regulatory framework, commercial strategies and business models.

7. With sole reference to the verification that the fit and proper requirements exist and have been met by the Parties who carry out Key Functions and the Anti-Money Laundering Function and the staff employed for the key or important activity or function, be these "core" or "non-core", the check is carried out by the HR Business Partner Vigilante Function of Poste Italiane in line with the areas of activities outsourced to it, every two years.

To that end, the Board also makes use of the self-assessment carried out annually pursuant to Article 5, paragraph 2, letter z of IVASS Regulation 38/2018.

It is understood that the Recipients who have not demonstrated they hold the fit and proper requirements for their position established in the Guidelines after the verification may, in compliance with the provisions of the regulations in effect and the company Articles of Association, be subject to suspension and/or termination from their position. These sanctions may also apply, taking into account the seriousness of the violation and non-compliance in question, in cases of false declarations and/or production of incomplete or false documents, without prejudice to the appropriate reporting under the law, also in the case of false declarations.

Without prejudice to the hypotheses of forfeiture envisaged by the relevant regulations, with reference to those who carry out functions of administration and management, the Heads of Key Functions including in the event of outsourcing, the General Manager, the Financial Reporting Manager, the Head of the Anti-Money Laundering Function including in the event of outsourcing, the person responsible for reports of suspect transactions, the Heads of the Key Functions and the Anti-Money Laundering Function at the supplier, the managers who carry out key or important functions or activities relative to the “core” areas, the managers of controls for key or important functions or activities relative to outsourced “core” areas, the Risk Office Manager, the Financial Reporting Manager and the members of the Supervisory Board – if during the appointment one of the situations set out by art. 16 of the Articles of Association occurs, the Board of Directors verifies at the first available meeting the hypotheses envisaged herein in order to resolve on whether the interested party should remain in the role. Resolutions to approve the continuation of the individual in their position must be adequately motivated with regards to the pre-eminent interests of the Company relative to the same.

Based on the decision made by the Board of Directors after completion of the verifications, an appropriate communication is made within thirty days to the interested party(ies) and if necessary to the relevant authorities, if the requirements for such exist or it is necessary based on the regulatory provisions.

In the event that the outcome of this procedure to verify the fit and proper requirements of the aforesaid parties is negative, said parties are required:

- to participate in dedicated training plans, with reference to the requirements of professionalism;
- to undergo an assessment, with reference to the requirements of integrity and independence, by the competent body or Senior Management with support from the HR Business Partner Vigilante Function of Poste Italiane, on whether the interested party should remain in the role and on the adoption of the most appropriate measures pursuant to the applicable regulations.

B.3 Risk Management System, including the Own Risk and Solvency Assessment

The Solvency II Directive requires that insurance companies and groups provide themselves with effective governance systems that allow for health and prudent management of assets, proportional to the nature, extent and complexity of current and prospective risks, and establishes the main requirements for the same. This system involves the entire business process with the aim of allowing the Group and Group Companies to optimise their risk/return profiles, by generating profit and maintaining an adequate level of regular and regulatory capital, simultaneously guaranteeing shareholder and policyholder expectations.

The Poste Vita Group has prepared a Risk Management System in line with that defined in its own Policies and consistent with the provisions of IVASS Regulation 38/2020.

More specifically, in addition to promoting ethical values, promoting a risk culture that includes all employees, the Group guarantees integration of risk management throughout business through:

- the Risk Appetite Framework and the mechanisms which monitor the coherence of the Framework and the effective risk profile, by defining specific operating limits;
- the process for measuring current and prospective risk and solvency, aligned with and integrated by the main decision-making process, especially the strategic plan process;
- the coherence of business initiatives regarding development of new products and their impacts on the risk profile, through the use of risk adjusted measurement metrics.

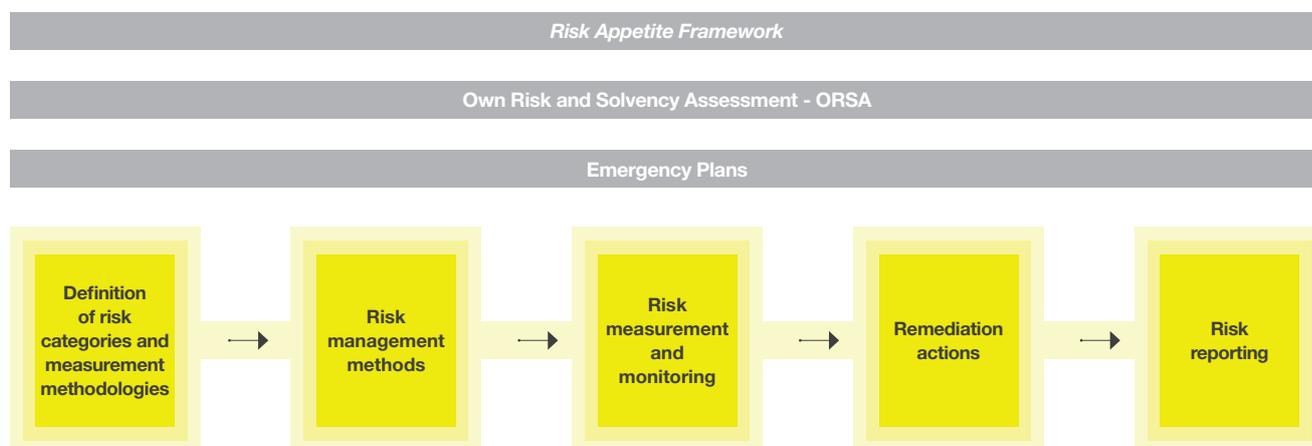
In the context of the investment policy pursuant to IVASS Regulation 24/2016, the Poste Vita Group takes on risk based on the following principles:

- consistent with strategic business objectives, the risk appetite and the need to identify, measure, monitor and manage risks linked to each activity, taking into account the “Prudent Person Principle”, pursuant to article 132 of the Solvency II Directive;
- concentration risks are also taken on in line with investment policies;
- investment in complex assets and derivatives is done based on investment guidelines, approved by the Board of Directors with a Framework Resolution pursuant to IVASS Regulation 24/2016 and the specific processes defined by the Poste Vita Group;
- the Poste Vita Group prefers counterparts with greater credit standing and optimises its investment decisions by taking risk/return trade-offs into account.

The Risk Management System (hereafter, RMS) is intended to guarantee risk-based decision making processes that comply with the national and European standards of reference.

This System consists of a combination of strategies, processes and procedures needed to identify, measure, assess, monitor, manage and report the risks to which the Group and the individual Companies are exposed, on a continuous basis.

RMS processes



In particular, this System calls for strategic processes functional to the definition and assessment of the reference framework in which operational processes fall.

In particular, strategic processes include:

- creation of the Risk Appetite Framework (RAF);
- execution of the Own Risks and Solvency Assessment (ORSA);
- creation of Emergency Plans.

Below are the phases of the process which represents the RMS:

Definition of risk categories and measurement methodologies

This phase serves to identify, recognise and record the risks to which the Group and Group Companies are exposed over the short and medium/long-term and to define measurement methods as a function of the nature, extent and complexity of the risks inherent to the activities carried out. The process of defining risk categories includes, in addition to risks already or potentially existing with regards to business, risk deriving from new business.

Risk management methods

This involves all the activities that lead to the acceptance, transfer, mitigation or elimination of risks with regards both to existing business and risk deriving from new business.

Risk measurement and monitoring

This phase serves to determine the economic and capital impact of quantifiable risks and to determine the relevance of non-quantifiable risks.

It aims to guide the relative decisions regarding the assumption, acceptance, elimination, transfer and mitigation of the risks.

Remediation actions

In line with that carried out in the previous phase, if operating limits are exceeded and/or the risk profile is not consistent with that outlined in the Risk Appetite Framework, this phase is intended to identify possible corrective actions which could be taken. To that end, in the case of the above circumstances, the following activities are carried out:

- identification of corrective actions;
- assessment of the efficacy of the corrective actions identified;
- activation of the authorisation procedure;
- implementation of the actions and monitoring.

Risk reporting

Finally, the Poste Vita Group and the Group Companies have adopted an integrated risk reporting system intended to provide information about the risk profile and the key points useful for guaranteeing strategic objectives are met. In particular, internal risk reporting for the Group and the Group Companies is aimed at communicating relevant information for strategic-decision making, at various corporate levels, and supporting operational risk management.

Activities relative to the preparation of external reports mainly involve reports going to the Supervisory Authority, Ratings Agencies and the market.

Each process within the Risk Management System maintains consistence between the type of risks taken on and the overall skills and resources available for managing them.

As established under Article 36-septies of the Italian Private Insurance Code, the Group applied volatility adjustments on the measurement date, preparing the analysis required for adoption of the same.

Consistent with Article 30-bis of the Italian Private Insurance Code, with an eye to integrated asset and liability management, the Group prepared analysis to evaluate:

- the sensitivity of technical provisions and eligible own funds to the hypotheses underlying volatility adjustment calculations;
- the effects felt by eligible own funds after a forced sale of assets;
- the impact of reducing the volatility adjustment to zero.

In the case that reducing the volatility adjustment to zero means the Solvency Capital Requirement is not complied with, the Group has prepared a list of measure to apply to restore the level of eligible own funds to cover the Solvency Capital Requirement or reduce the risk profile, so as to again comply with the Solvency Capital Requirement.

As established by the Supervisory Authority, the Group has also prepared, in the context of risk management, a liquidity plan with incoming and outgoing cash flow projections relative to assets and liabilities subject to the application of volatility adjustments. Asset Liability Management (ALM) assessments involve the simultaneous dismantling of the asset and liability portfolios to determine all the inflows and outflows generated by the policies portfolio (liabilities) and the financial instrument portfolio (assets) in a "Real World" scenario over a period of five years.

This analysis is done using closed, open and 50% production conditions with respect to that forecast by the Group. The purpose of the analysis is to verify the availability of liquidity sufficient to comply with obligations, even under stress, without selling illiquid assets.

In calculating the solvency requirement for spread and counterparty risk, based on the Solvency II Standard Formula, the Poste Vita Group and the Group Companies use a single rating value for assessing credit standing, which synthesises the credit ratings assigned for a single issue or issuers by the main ratings agencies (Moody's, Standard & Poor's and Fitch), using the second best criteria.

They are also based on the various investment limits described previously, defined by the Board of Directors and senior management and involving, for example, maximum percentages for sub-investment grade securities and maximum exposure to individual issuers.

Risk management system strategic processes

The Risk Appetite Framework (“RAF”) plays a central role in the strategy adopted by the Poste Vita Group for taking on and managing risks, in order to achieve business objectives.

The reference structure for defining the Poste Vita Group risk appetite involves the following levels and must guarantee coherence between strategic objectives and capital adequacy requirements.

The Risk Appetite Framework was developed in line with the objectives and strategies of the Group and the Group Companies as defined in the Strategic Plan.

The Risk Appetite Framework is also structured around the operating limits used to define the risk management system for the amounts which are managed by the operating functions, intended to guarantee that risk exposure is consistent with the defined risk appetite.

Risk appetite is defined along the following levels:

- **Risk Appetite**

this is the target risk level, established based on the development of the Company’s risk profile in the first year of the strategic plan;

- **Risk Tolerance**

this is the solvency threshold determined by analysing the results of stress tests and sensitivity analysis, among other things, and respectively refer to the alert level and maximum risk level accepted by the Group and the individual Companies;

- **Risk Capacity**

this represents the capacity of the Group and the individual Companies to take on risk in relation to available capital and the rules used to determine capital requirements.

Additionally, for certain specific measurement areas, target levels have been established which, in the context of monitoring, are compared with the effective Risk Profile of the Group and the individual Companies on the measurement date.

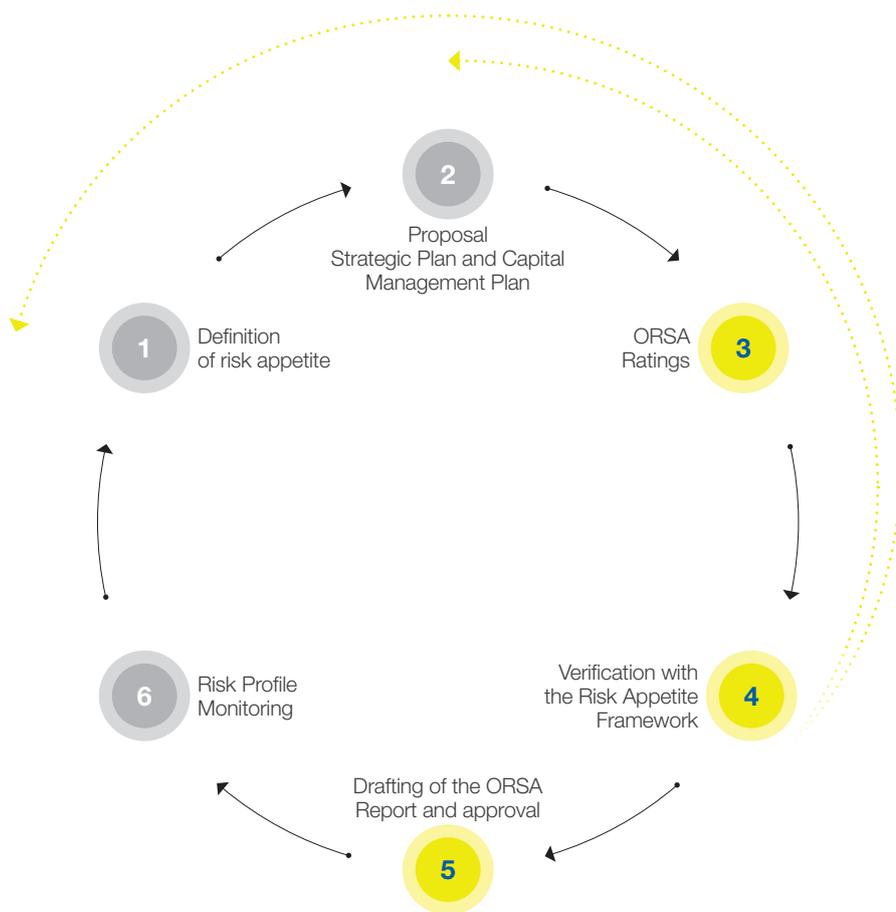
The RAF is approved by the Board of Directors at least annually and is monitored, at least quarterly. Reports are approved by the Board.

Emergency Plans are plans prepared by the Group during non-critical times with the aim of defining the methods the business could use to handle crisis situations. In particular, Poste Vita SpA has a:

- **Operating Contingency Plan:** intended to implement direct actions to ensure continuity in Group and individual Company processes in the case that one or more situations defined beforehand degenerate into crises or disasters;
- **Emergency Business Plan:** this serves to manage impacts deriving from negative events linked to scenarios to which the Group and individual Companies may be vulnerable, which could compromise their ability to continue providing services to customers and, at the same time, the capital and financial solidity of the company.

Additionally, as the UHC and consistent with the provisions contained in article 83 of IVASS Regulation 38/2018, Poste Vita has provided the Group with a Reinforced Emergency Plan that governs management of crisis situations and provides strategies to restore ordinary working conditions, identifying the operating methods, roles and responsibilities for the main Corporate Bodies and corporate functions involved in the crisis management process and actions to re-establish regular operating conditions.

Own Risks and Solvency Assessment (ORSA) is a process intended to assess the risk profile and solvency of the Group and the individual Companies both currently and prospectively, in line with the time horizon of the Strategic Plan. The ORSA and the Capital Management processes together constitute the “risk-based decision making process” used to determine the Group’s strategic decisions. The ORSA is a cyclical process that involves defining processes used to define risk appetite, to prepare the Strategic Plan and the Strategic Asset Allocation process linked to the same and Capital Management, as well as the Own Risks and Solvency Assessment itself.



Visual representation of the risk-based decision making process

Risk-based decision-making process	Business	Owner
1 Definition of risk appetite (RAF)	<ul style="list-style-type: none"> • Definition of risk appetite • Definition of risk preference • Definition of tolerance limits (and operating limits) 	<ul style="list-style-type: none"> • Board of Directors upon proposal of the Chief Executive Officer, with the support of the CRO and Risk Management Function
2 Proposal Strategic Plan and Capital Management Plan	<ul style="list-style-type: none"> • Drafting the Strategic Plan proposal • Drafting the Capital Management Plan proposal • Drafting the Strategic Asset Allocation proposal 	<ul style="list-style-type: none"> • Board of Directors upon proposal of CFO • Planning and Control • ALM Finance and Capital Management • Investment Management
3 ORSA Ratings	<ul style="list-style-type: none"> • Current and prospective assessment of the risk profile in the baseline scenario and under stress assumptions 	<ul style="list-style-type: none"> • Risk Management Function • Actuarial Function • With coordination of the CRO and support of operational functions
4 Verification with the Risk Appetite Framework	<ul style="list-style-type: none"> • Checking the consistency of ORSA results with the Risk Appetite Framework 	<ul style="list-style-type: none"> • Verification by the Risk Management Function • CRO validation
5 Drafting of the ORSA Report and approval	<ul style="list-style-type: none"> • Drafting of the Report documentation ORSA • Approval of the Report 	<ul style="list-style-type: none"> • CRO • Approval of the Board of Directors
6 Risk Profile Monitoring	<ul style="list-style-type: none"> • Monitoring of risk profile and liquidity needs (Level I and Level II) 	<ul style="list-style-type: none"> • Operating Functions by competence profile • CRO • Risk Management Function • Actuarial Function

1. Definition of risk appetite (RAF)

The Risk Appetite Framework (RAF) is the tool through which the Group and Group Companies define their risk appetite, in line with strategic objectives, capital adequacy constraints and economic performance.

Consistent with the business objectives outlined in the Strategic Plan and Risk Management Policy, the Risk Office, with the assistance of other relevant corporate functions, defines Risk Appetite, including the Soft Limit, Risk Tolerance and Risk Capacity (as described in the “Risk Appetite Framework” paragraph).

2. Proposed Strategic Plan, Capital Management Plan

The second phase of the process calls for creating the proposed Strategic Plan and Capital Management Plan, which is done by the corporate functions responsible for the Managing Planning and Control and Capital Management processes, consistent with the Risk Appetite Framework and the limits contained therein.

Relative to the Strategic Plan, the planning process includes defining strategic objectives, outlining these objectives in strategic initiatives and creating economic and financial projections linked to business objectives.

The Capital Management Plan includes forecasts for the classification and issuing of own funds, as well as for distribution of dividends.

Based on that established in the Group’s Capital Management Plan, the function responsible for Capital Management governs the issuing of own funds, ensuring that capital requirements are satisfied at the time of issuing.

To that end, the following assessments are envisaged:

- quantification of capital requirements with respect to that identified when the Capital Management Plan was finalised, simultaneously informing Senior Management of the amount identified;
- verification of the type of instrument identified with respect to market conditions;
- selection of the most appropriate instrument to cover the requirements, in cooperation with other relevant functions;
- definition of an implementation schedule relative to the selected instrument.

After the analysis referred to in the previous points, the function responsible for Capital Management prepares a technical report which establishes that the instrument identified, in addition to having clear and unequivocal terms and conditions, also satisfies the requirements of the applicable capital regime and can be classified based on the characteristics and levels identified in articles 69 and subsequent of Delegated Regulation (EU) 35/2015.

With reference to the authorisation process, Senior Management examines the above technical report and proposes the details and execution methods as identified for the operation to the Board of Directors.

Authorisation is then requested from the Supervisory Authority following the schedules established in the Regulations.

For the purposes of completing the issue, Senior Management makes use of the function responsible for Capital Management which acts in coordination with the relevant functions of the Ultimate Parent Poste Italiane.

In addition to the above, in the case of ancillary own funds, the following steps are taken:

- identification of elements for classification of Ancillary Own Funds Tier 2 or Tier 3;
- definition of schedules and methods used to present the request for approval of ancillary own funds to the Supervisory Authority;
- calculation of ancillary own funds in Tier 2 or Tier 3 based on the characteristics of the operation, after approval from the Supervisory Authority;
- verification of contracts, which must include, among other things, an absence of constraints on call requests and irrevocability, and a lack of elements which create obstacles to making calls;
- implementation of procedures to guarantee the call is made promptly when necessary;
- preparation of the request for IVASS authorisation based on the regulatory instructions found in IVASS Regulation 13/2015, with follow up relative to the authorisation procedure.

3. ORSA

The ORSA, for which the Board of Directors is ultimately responsible, is coordinated by the Risk Office with the support of the Actuarial Function and the Operating Functions and is prepared using a process appropriate for the organisation system and consistent with the risk management system of the Group and the Group Companies. The assessment process, detailed below, must be appropriate for the purposes described above, without prejudice in any case to the principle of proportionality.

3.a Frequency and schedule

The ORSA is carried out at least once per year (regular ORSA), using 31 December of the previous year as the reference date.

The regular ORSA and activities to prepare the relative documents are started after the end of the year in question and completed by the deadlines established by the Supervisory Authority.

The Group's Board of Directors, without prejudice to the regulatory authorisation steps required, may make use of the right to request a different reference date for analysis, provided that this analysis provides information that is more consistent with strategic planning.

The frequency of the measurements can be increased (so-called non-regular ORSA) if circumstances arise that could significantly change the risk profile of the Group and the Group Companies or considering the centrality of the ORSA process in strategic decision-making. This latter possibility may arise in relation to schedules for defining the Strategic Plan if there is a temporal mismatch between the schedule of assessments established by the Supervisory Authority relative to the Group's internal planning cycle. Significant changes to the risk profile may derive from internal factors (e.g. acquisitions, mergers and disposals, changes in investment, pricing or reservation policies, the introduction of new business) or external factors (e.g. financial crises, real estate crises, catastrophic events that exceed reinsurance protection, failure of public institutions, significant regulatory changes).

3.b Identification of risks to be considered in the ORSA

In ORSAs, the Risk Office takes into consideration all the risks represented in the taxonomy established in the Risk Management Policy. This taxonomy consists of current and any emerging risks, whether measurable or not. Special attention is also paid to risks deriving from the introduction of new business or new products. Additionally, the Group and the Group Companies take into account any risks deriving from outsourced key or important activities, as well as all indirect risks which any risk could generate.

Below are the risk categories identified in the taxonomy:

- life underwriting risks;
- non-life underwriting risks;
- life/health underwriting risks;
- non-life/health underwriting risks;
- market risks;
- counterparty default risks;
- strategic risk;
- reputational risk;
- regulatory non-compliance risk;
- money-laundering risk;
- lack of diversification and/or concentration risk;
- risks associated with Group membership;
- intangible assets risk;
- liquidity risk;
- environmental and social risk;
- operational risks.

Of these, the following are risks not entirely included when calculating the solvency capital requirement:

- strategic risk;
- reputational risk;
- regulatory non-compliance risk;
- lack of diversification and/or concentration risk;
- risks associated with Group membership;
- intangible assets risk;
- liquidity risk;
- environmental and social risk.

3.c Risk assessment methods

The process of measuring/assessing risks is intended to determine the economic impact of the same or, for risks which cannot be measured, to determine their significance, as well as to guide relative decisions regarding taking on, accepting, eliminating, transferring and mitigating risk.

Prospective risk measurement is done using the Standard Formula.

The Companies of the Poste Vita Group assess, at least once per year and any time there are circumstances which could significantly change the risk profile, the risks to which they are exposed both currently and prospectively, basing the measurements on the Own Risk and Solvency Assessment (ORSA) principles.

Analysis of the adequacy of the Standard Formulas is done considering all the hypotheses established under the reference Regulations and determining their alignment with the Company's specific situation.

Quantitative assessments may be complemented by qualitative assessments that describe organisational safeguards and processes used to manage and mitigate particular types of risk. When necessary, risks are also analysed using special unfavourable scenarios defined in respect of the criteria established in the Stress and Scenario Testing Framework approved by the Board of Directors. The methods established are applied for the entire period considered in strategic planning and are sent, together with the results of the evaluations, to the Board of Directors which, after appropriate dialogue, gives its approval.

3.d Methods used to carry out ORSA analysis

ORSA analysis is done in respect of the following principles:

- methods identified, assumptions and parameters adopted are shared, adequately documented and subject to review at least once per year;
- any simplifications made use of must be adequately justified and documented;
- the results of the models used for decision-making purposes must be assessed taking into account the assumptions, parameters and simplifications used;
- the results of the models must include adequate controls and be subject to verification by expert company personnel, possibly assisted by external individuals;
- the results of the qualitative and quantitative analysis are appropriately documented and shared with the Board of Directors.

3.e Data collection

Input data used for current and prospective risk and solvency assessment satisfy the requirements governed in the Group's Data Quality Management Guidelines, in order to guarantee complete and up to date information.

3.f Identification of significant risks

Identification of significant risks requires the collection of information needed to identify, recognise and register the risks to which the Group and the Group Companies are exposed over the short and medium/long-term, for which consequences could compromise the ability to achieve strategic objectives and/or impact solvency. In particular, this process calls for a qualitative and quantitative evaluation of gross exposure to risk and an assessment of tools used to mitigate risk. The combined assessment of both these aspects makes it possible to identify significant risks. The results are formalised in a Risk-Map.

The Risk Office carries out stress tests on significant risks.

3.g Stress Test Analysis

For the most significant risks, the Risk Office carries out a sufficiently broad series of stress tests or scenario analysis to evaluate and quantify losses relative to Own Funds and the ability to comply with solvency requirements, after the occurrence of hypothetical adverse situations.

The stress hypotheses or scenarios are applied using measurement methods in line with that established in the Stress and Scenario Testing Framework and are approved by the Board of Directors.

3.h Current and prospective assessment of the Solvency II Balance Sheet and Own Funds

Based on the indications of the Strategic Plan, the Risk Office projects the Solvency II Balance Sheet and determines the Own Funds with the related "Tier" classification. The Actuarial Function provides assistance in ascertaining respect with requirements relative to calculating technical provisions and in identifying potential risks deriving from uncertainties connected to this calculation.

Based on the results of the assessments, including those involving stress conditions, the Risk Office assesses the capital adequacy of each individual Company based on the Solvency Ratio, as well as its ability to comply with the capital requirements for the entire planning period, hence ascertaining the sustainability of the underlying Strategic Plan and Capital Management. If the results of these tests are negative, the decision-making process is repeated using a risk-based lens.

4. Verification with the Risk Appetite Framework

In this context, the Risk Office verifies the consistency of the ORSA results with respect to the risk appetite and limits established in the RAF. If the results of these tests are negative, the decision-making process is repeated using a risk-based lens. More specifically, a revision of the Risk Appetite and/or the hypotheses underlying the Strategic and Capital Management Plan is evaluated.

5. Drafting of the ORSA Report and approval

The Risk Office reports on the results of the own risk and solvency assessment in internal documents, to be used by the Board of Directors, and in the periodic report submitted to the Supervisory Authority (Regular Supervisory Report - RSR), in line with that established in the reference Regulations and the standards dictated by the company Reporting Policy.

After approval by the Board of Directors, the results of the assessments are communicated to Senior Management and the relevant structures, together with the relative conclusions.

Evidence that makes it possible to reconstruct the ORSA process is kept, ensuring that the evaluations and information on which the process is based can be traced, in line with that established in the reference Regulation.

Further documentation may be called for by the operating functions involved in the process.

6 Monitoring of the risk profile

Monitoring of the capital adequacy of the Companies, after approval of the Strategic Plan, Capital Management Plan and ORSA by the Board of Directors, is intended to ensure that the risk profile, approved risk tolerance levels and overall solvency requirements are constantly balanced, while also maintaining the ability to comply with solvency requirements.

In particular, the following are monitored:

- discrepancies relative to objectives established in the Risk Appetite Framework and the relative risk tolerance limits;
- the composition of capital in terms of classification in Tiers and coverage, in line with that established in the Risk Appetite Framework;
- potential significant changes in the risk profile with respect to expectations, with possible consequent effects on calculating future solvency capital requirements (SCR) and minimum capital requirements (MCR);
- uncertainties and potential risks associated with requirements relative to calculation of technical provisions.

The monitoring in question is carried out by the Operating Functions and the Key Functions on the basis of the roles and responsibilities defined in the Risk Management Policy.

B.4 Internal control system

Poste Vita, as the Italian Ultimate Holding Company of the Poste Vita Group, in exercising management and coordination falling to it as the Parent Company of the Poste Vita Insurance Group, has identified a Group level governance model that is operationally detailed by the subsidiaries, including Poste Assicura, based on the role taken on by the entities involved in internal control and risk management.

This organisational model aims to ensure, at Group level, the presence of effective and efficient company and Group processes, the control of current and future risks, the constant reporting between the “control levels”, the reliable and complete information and protection of capital in the medium and long term, the compliance with laws and regulations, the Articles of Association and internal regulatory instruments, as well as the pursuit of the Company’s sustainable success.

The precise structure of this model (and the cited “control levels”), with reference, in particular, to:

- the tasks and responsibilities of the corporate bodies, the board committees and the risk management, compliance, actuarial and internal audit functions and the individual corporate functions for information security as well as
- the connections between functions and bodies assigned control tasks, pursuant to that established in the reference regulations, is the subject of the “Guidelines on the Internal Control and Risk Management System” for Poste Vita, the Group and Poste Assicura, issued by their respective Boards of Directors.

The Solvency II directive requires that insurance undertakings and groups subject to IVASS supervision adopt a corporate governance system in line with the applicable legislative provisions and in this context, the insurance companies and Italian Ultimate Holding Companies (hereinafter “UHC”) establish their respective key functions, including the Compliance Function (hereinafter “Compliance Function”), proportional to the nature, extent and complexity of the risks inherent to the company and/or group’s business.

On the basis of this regulatory framework:

- the Board of Directors of Poste Vita, an insurance company which also assumes the role of Ultimate Holding Company (UHC) of a Group subject to supervision by IVASS (hereinafter also the “Group”), established the Compliance Function for the Company and the Group, establishing that the latter is exercised by the organisational structure which provides the activities envisaged for the same Function within Poste Vita, with the same Head;
- the Board of Directors of Poste Assicura established the Company’s Compliance Function as a specific organisational unit and has appointed the relative Head.

In both cases, the Compliance Function is established as an independent function essentially intended to determine whether the organisation and its internal procedures are adequate to prevent non-compliance risks and which participates, in the context of its own activities and specifically with reference to the risk it monitors, in the overall risk management system of the Companies and the Group as a second level control function, cooperating with the Board of Statutory Auditors, the Independent Auditors, the Supervisory Board (required by Legislative Decree no. 231/01) and the other Key Functions.

As is well-known, Solvency II legislation requires insurance companies and groups subject to IVASS supervision to have a corporate governance system consistent with the applicable rules and regulations and in this context, the insurance companies and Italian Ultimate Holding Companies (hereinafter “UHC”) establish their respective key functions, including the Compliance Function (hereinafter “Compliance Function”), proportional to the nature, extent and complexity of the risks inherent to the company and/or group’s business.

On the basis of this regulatory framework:

- the Board of Directors of Poste Vita SpA (hereinafter “Poste Vita” or “UHC”), an insurance company which also assumes the role of UHC of a Group subject to supervision by IVASS (hereinafter also the “Group”), established the Compliance Function for the Company and the Group, establishing that the latter is exercised by the organisational structure which provides the activities envisaged for the same Function within Poste Vita, with the same Head;
- the Board of Directors of Poste Assicura SpA (hereinafter “Poste Assicura”) established the Company’s Compliance Function as a specific organisational unit and has appointed the relative Head.

In both cases, the Compliance Function is established as an independent function essentially intended to determine whether the organisation and its internal procedures are adequate to prevent non-compliance risks and which participates, in the context of its own activities and specifically with reference to the risk it monitors, in the overall risk management system of the Companies and the Group as a second level control function, cooperating with the Board of Statutory Auditors, the Independent Auditors, the Supervisory Board (required by Legislative Decree no. 231/01) and the other key functions.

The Heads of Functions appointed by the respective Administrative Bodies (of Poste Vita and the Group on one hand and Poste Assicura on the other) satisfy the fit and proper requirements for their position in terms of ethics and professionalism as established in the relevant company policies.

Additionally, each Function operates in respect of the organisational principles in the regulations and in respect of the company and Group policies, procedures and principles. In this context, the Compliance Function Policy is of particular importance, approved by the Board of Directors for the two Companies and by the UHC at least annually, as part of the review of corporate governance system directives, with the aim of describing and governing:

- the activities of the Compliance Function relative to the internal control and risk management system of Poste Vita, the Group and Poste Assicura, in relation to managing non-compliance risks;
- defining the responsibilities, tasks and operating methods for the Compliance Function as well as the characteristics of reports sent to Company Bodies and other relevant functions consistent, among other things, with that established in the Guidelines on the Internal Control and Risk Management System for the Company.

Also note that in compliance with the current regulatory situation, the Administrative Body of Poste Assicura has decided to outsource the Compliance Function to the Parent Company Poste Vita.

This being established, the activities carried out by the Compliance Function can essentially be classified among the following macro-areas:

Analysis of the new legislation and assessment of the impacts on company processes: The Compliance Function, in the context of studying and interpreting the legislation applicable to the undertaking, collaborates with the other corporate functions in relation to the identification of the organisational impacts and impacts on company processes. To that end, the Compliance Function monitors international, EU and national regulations (including secondary regulations) which govern insurance business as well as developments in the same over time. Individual provisions are then analysed in the light of the concrete operations of the Companies and/or the Group, to identify the processes, procedures and functions affected, as well as any deadlines for any specific adjustments required. Consultation with the Administrative Bodies of the Companies and the UHC is also called for, in compliance with legislative, regulatory and administrative provisions adopted.

Verification of compliance with the rules on the governance and control of insurance products ("POG"), transparency and proper behaviour relative to policyholders: the purpose of these activities is to assess the adequacy of organisational measures adopted by the Companies in this context, as well as to verify documentation for insurance products and initiatives aimed at customers prior to release on the market. The main areas of intervention are POG obligations at the time of the development and launch of new products and their monitoring, pre-contractual and contractual transparency, communications under contract, sales network training activities and advertising initiatives.

Verification of organisational measures: the main objective of this work is to investigate the status of organisational measures adopted by the Companies and the Group (especially policies and procedures) to protect against non-compliance risk. Any issues identified and corrective actions held to be useful are then shared with the relevant corporate functions. An action plan is then agreed upon and implementation of the same is monitored over time.

Second level controls: in this context, the Function carries out after the fact verifications to determine the status of company safeguards relative to specific non-compliance risks, as well as to verify whether the business functions involved in a given area take compliance aspects into due consideration, understanding and implementing operating and control protocols intended to limit these risks.

Continuous controls: The Compliance Function also performs continuous monitoring of particular issues or areas where there is another control or where expressly required by internal or external legislation.

With reference to the above, the Compliance Function works on the basis of Activity Plans which identify the projects it intends to carry out relative to regulatory non-compliance each year (also taking into account issues identified by previous checks and new risk that may derive from the development of products or innovative projects), consistent with the principles established under the regulations on corporate governance systems for insurance companies and the provisions of the Compliance Policy. The Activity Plan, which is submitted to the Administrative Body of each Company and of the UHC, also defines the frequency with which controls are carried out and takes the deadlines dictated by national and European regulations into due account.

B.5 Internal Audit Function

The company Poste Vita, as the Ultimate Holding Company (hereinafter also “UHC”) of the Poste Vita Group (hereinafter “the Group”) subject to supervision by IVASS, is obligated (ref. art. 215-bis of the Private Insurance Code and art. 70 of IVASS Regulation no. 38/2018) to equip the group with a corporate governance system that is adequate for the structure, business model and nature, scale and complexity of the risks of the group and individual associated and subsidiary companies, which allows for sound and prudent management of the group and takes account of the interests of its constituent companies and how these interests contribute to the common long-term goal of the group, including in terms of capital protection. In this context, the administrative body of Poste Vita is also the administrative body of the UHC, the guarantor and the entity which is ultimately responsible for the Group’s Corporate Governance System and for definition of its directives.

That being established, as the insurance company which is also the UHC, Poste Vita has established the Group’s internal audit function (see article 91 of IVASS Regulation 38/2018), assigning roles and responsibilities to the organisational structure that provides the same activities within Poste Vita. The head of the Group’s internal audit function and the head of Poste Vita’s internal audit function is the same person.

The Group’s Internal Audit Function provides third level controls, in the context of the Group’s Corporate Governance System, on the Internal Control System and other components of the corporate governance system, the directives of which are defined by the Administrative Body of the UHC.

Also note that the Poste Vita Internal Audit function, due to outsourcing of Poste Assicura Key Functions to the Parent Company Poste Vita, also provides audits for Poste Assicura. To that end, pursuant to the reference regulations, the reference person for audit activities outsourced to Poste Vita by Poste Assicura has been identified, who reports directly to the Head of the Internal Audit function.

The Function helps the Companies and the Group to pursue their objectives, through independent and objective assurance activity, intended to assess and monitor the efficacy, efficiency and adequacy of the internal control system and additional components of the corporate governance system, as well as any needed changes, including through support and consulting provided to the corporate functions of the Companies and the Group. It carries out its activities in such a way as to preserve its independence and impartiality, in order to verify for the Companies and the Group the correctness of processes and the effectiveness and efficiency of organisational procedures, the regularity and functionality of information flows, the adequacy and reliability of information systems, the compliance of administrative-accounting processes with criteria of correctness and regular accounting, the effectiveness of controls on outsourced activities.

The activities of the function, in terms of individual companies, are carried out on the basis of annual and multi-year plans. These vary based on the assurance objectives of the internal control system and those of additional corporate governance components. The Audit Plans for the companies are prepared using a risk-based methodological approach, also taking into account issues previously identified and new risks, expected business development and innovation and the non-binding methodologies established by Poste Italiane. With reference to the Poste Vita Group, the Group’s audit plan is determined, taking into account the specific relevance of the individual entities which it is comprised of in terms of their impact on the Group’s risk profile and considering the risk analysis and audit activities carried out by the subsidiaries, balancing Group level audit objectives with those of the individual subsidiaries. Planning also calls for analysing information flows received from the key functions of the Poste Vita Group and from other functions and entities responsible for Group control, as well as from other investee companies. In line with the Poste Italiane Internal Audit guidelines, it also takes into account any requests for additions made by the Poste Italiane Internal Audit function, for the purposes of establishing the Poste Italiane Group Audit Plan.

The Function carries out its activities with a systematic and risk-based professional approach, taking into account the nature, extent and complexity of current and prospective risks and the specific relevance of the Group companies in terms of their impact on the Group’s risk profile and whether or not there is a control relation. The function also carries out verification activities, with an integrated methodological approach, pursuant to Legislative Decree no. 231/01 for the Supervisory Boards of Poste Vita and Poste Assicura.

The function promotes initiatives designed to achieve ongoing improvements to control, risk management and corporate governance systems, including through the provision of support, and contributes to the dissemination of ethical values and principles throughout the Group, without assuming management responsibilities.

It establishes organic connections with all the other key functions of the Companies and the Group, as well as with other functions and entities responsible for corporate control.

The Function is independent and autonomous, has no decision-making authority and/or responsibility relative to the areas audited and/or personnel involved in the same, and has not operating tasks.

The Function reports to the Administrative Body, which defines its powers and tasks.

The Head is not in charge of operating functions and does not hierarchically answer to individuals responsible for the same; their position is appointed and revoked by the Board of Directors of Poste Vita (based on an opinion from the Internal Control and Risks and Related Party Transactions Committee) and satisfies the fit and proper requirements for the position relative to ethics, professionalism and independence established in the Guidelines for assessing the possession of the fit and proper requirements for office.

The Head and the employees of the Function (hereafter, also “auditors”) carry out their work autonomously and independently, basing their evaluations and professional and behavioural style on principles of objectivity. Additionally, beyond that established in the Conflict of Interest Management Guidelines, the Head and the auditors abstain from undertaking any activity that could generate conflicts of interest or prejudice the possibility of carrying out their work impartially and with the requirement to provide notification of potential conflicts. In this light, the employees of the function do not have any operational responsibilities and those coming from internal operating functions do not carry out any auditing of activities or functions in which they previously had authority or responsibilities, if a reasonable period of time has not passed (at least a year). In case of a potential conflict of interest for the Head, they must promptly inform the Chairman or Administrative Body, while in the case of a potential conflict of interest for an auditor, they must promptly inform the Head of the Function.

The Head promotes continuous improvement in the quality of the Function's work, which must be adequate, in terms of human, technological and financial resources, to the nature, extent and complexity of the risks inherent to the business of the Company and the Group.

The Head and the auditors must possess appropriate abilities, knowledge and specialised skills, guaranteeing constant professional development.

B.6 Actuarial Function

The Actuarial Function is a specific organisational unit which reports to the Risk Office, without prejudice to the independence and autonomy of the Function in its reporting to the Company Bodies in its relevant area, in line with sector regulations.

Reference regulations assign the Actuarial Function tasks of a strictly insurance nature, hence, the scope of activities for the Group Function is limited to the insurance companies Poste Vita (the Parent Company) and the subsidiary Poste Assicura.

In this context, by carrying out specific tasks relative to technical provisions, underwriting policies and reinsurance agreements in compliance with regulatory requirements, the Actuarial Function contributes to the application of the Risk Management System within the Companies and the Group.

Through the tasks assigned to it, the Actuarial Function carries out second level controls autonomously and objectively, in respect of the primary and secondary regulations for the sector and internal Group regulations.

The Function has human and technological resources able to guarantee continuous execution of verifications, analysis and other necessary actions relative to its area of responsibility. Members of the Actuarial Function and the Head in particular have the knowledge and experience to comply with regulatory requirements.

To allow for execution of the tasks for which they are responsible, Actuarial Function employees have free access to pertinent company data and information.

The Function carries out its work for the companies as individuals and the Group as a whole when appropriate, in line with that established in the reference regulations and the operating methods described in the Actuarial Function Policy of the Group and Company.

The work of the Function can be classified into the following macro-areas:

- Technical provisions - in this area, the main tasks involve:
 - sufficiency of Local GAAP technical provisions for the Poste Vita separate financial statements;
 - coordination, data quality, backtesting and assessments relative to the adequacy of the methods, hypotheses and models underlying calculation of Solvency II technical provisions;
 - verifying coherence between the amounts of technical provisions calculated based on local standards and using Solvency II criteria;
- Underwriting - Opinion on the overall underwriting policy;
- Reinsurance - Opinion on the adequacy of reinsurance agreements;
- Risk management system - contribution to risk modelling underlying calculation of capital requirements and ORSA evaluations.

The Actuarial Function drafts a written report at least once a year, addressed to the Board of Directors, of the Group and the company, which summarises – in line with the plan of activities approved by each administrative body – the tasks carried out and related results, the areas for improvement and any recommendations, in addition to the status and time frames of implementation of the existing improvement measures. The foregoing is without prejudice to the obligation to report urgently situations of particular severity in the manner provided for.

Additionally, the Actuarial Function, as a Key Function, is part of the annual review process for the Group and Company's Corporate Governance System for the areas of relevance.

B.7 Outsourcing

It is specified that, in order to strengthen the company's oversight of outsourcing, Outsourcing Governance functions have been set up in both the Parent Company Poste Vita and Poste Assicura.

The newly created functions have the task of guaranteeing the overall supervision of the outsourcing process, collaborating with the functions involved for the purpose of defining and implementing the guidelines and methods of governance and supervision of outsourced activities, in line with the applicable regulations. The functions must also ensure the monitoring of the outsourced activities and compliance with the defined service levels and contractual obligations, cooperating with the persons in charge of controlling specific specialised areas, and contributing to the identification of possible areas of improvement.

The Guidelines for Outsourcing and Supplier Choice for the Poste Vita Insurance Group define a series of criteria intended to guide Companies in selecting the most appropriate supplier to entrust with an outsourced activity. These criteria are listed below:

- a. selection of a supplier must, when possible in terms of market availability, occur through the comparison of three or more suppliers; additionally, in the event Key Functions are outsourced, suppliers must have their registered office within the European Economic Area⁸ (EEA);
- b. selection of a supplier must take into consideration the following indicators, to be evaluated using solely objective, documentable and transparent criteria:
 - ownership and organisational structure;
 - professionalism and specific skills for provision of the required service;
 - economic and financial capacity and size;
 - the adoption by the supplier of a code of ethics and organisational model pursuant to Legislative Decree no. 231/01;
 - other indicators useful to testify to the ethics of the supplier (possibly identified by the Companies and specific to the supplier's business);
 - independence of the supplier;
 - with reference in particular to outsourcing of key or important functions or activities, the presence of adequate plans to deal with emergency situations or interruptions to operations and, when deemed necessary by the Company, procedures to verify back-up devices;
- c. selection of a supplier must call for the acquisition of specified documents from the supplier, to be gathered during the selection phase:
 - Chamber of Commerce certificate demonstrating the company has registered with the Companies Register and REA, with anti-Mafia phrasing and margin note testifying that the company in question is not subject to any bankruptcy proceedings, or equivalent documentation in the case of a foreign supplier;
 - the most recently approved financial statements;
 - any provisions authorising them to carry out their business issued by the relevant supervisory authorities;
 - information regarding the methods adopted by the supplier to guarantee there are no explicit or potential conflicts of interest that could risk satisfaction of the Company's needs;
 - documentation concerning the supplier's possession of any authorisations to perform the activity that may be required by law;
 - other documentation useful for assessing and selecting the supplier in relation to the specific activity/function to be outsourced.

8. In cases in which the potential supplier falls within the category of infragroup entities or is a Related Party, the above comparison may not occur on the condition that internal documentation notes, at the least, the reason awarding the contract to the potential supplier is to be considered advantageous for the Company (e.g. potential operating and business synergy, rapidity of the operating management set up process, special economic conditions, etc.) and that the quality of the service can be considered satisfactory.

With reference to suppliers outside of the Poste Italiane Group⁹, at least the following additional documents are also required:

- company organisational chart and, more generally, information about the organisational structure;
- group structure when applicable or a self-declaration that the company is not a member of any group.

In addition, when outsourcing ICT services, Companies must carry out thorough prior due diligence in terms of risk assessment, with particular reference to aspects of IT security, user privacy, business continuity and incident management, etc. In the case of services provided through cloud computing, the risk assessment must comply with all the provisions of the “Guidelines on outsourcing to cloud service providers”, adopted by EIOPA.

In order to assess the expediency of outsourcing functions or activities, the Companies take the following factors into consideration:

- the strategic importance of the activities to be outsourced;
- company know-how regarding the activities to be outsourced;
- the cost/benefit ratio of outsourcing;
- risk deriving from outsourcing.

Furthermore, to assess whether an outsourced activity is “key or important”, including in order to activate the appropriate authorisation process for the outsourcing itself, the companies consider “key” or “important” the functions or activities that, if they were not to function or were to function improperly, would seriously compromise: (a) the undertaking’s ability to continue to meet the conditions required to maintain the authorisation to operate as an insurance firm or (b) the financial results, the stability of the undertaking or the continuity and quality of the services provided to policyholders.

That being established, all the assets or functions linked to the following cases are, by definition, considered “key or important”:

- insurance product design, with relative setting of tariffs;
- investment management;
- claims management;
- complaints management;
- company data filing;
- regular and constant accounting support;
- Information and Telecommunication Technology (ICT) services.

Activities considered key and important also include those attributable to the Key Functions (Internal Audit, Risk Management, Compliance and Actuarial Function), the Anti-Money Laundering Function (in relation to the tasks envisaged by current legislation) and the Information Security Function.

Additionally, for the purposes of the above assessment, the following factors are also taken into consideration:

- respect for the commitments taken on relative to policyholders: evaluation of whether non or improper execution of the function or activity is potentially able to seriously prejudice the Company’s ability to comply with contractual commitments to policyholders;
- reputational risk: evaluation of whether non or improper execution of the function or activity is potentially able to damage the company’s image and increase conflict with customers, consequently generating non-renewals (due to loss of customers), capital losses (due, for example, to increased disputes) and an increase in costs (due, for example, to advertising campaigns to improve the company’s image).

Finally, to continuously monitor the quality offered by the supplier providing the outsourced activities, Companies adopt specific organisational and contractual safeguards to constantly monitor the outsourced activities and take prompt action in the case suppliers do not comply with the commitments made.

9. For suppliers within the Poste Italiane Group no additional documentation beyond the standard set is required in that this additional information is already known to the Company.

Below is a summary of key or important activities outsourced by Poste Vita and Poste Assicura at 31.12.2022, with an indication of the jurisdiction in which the suppliers are located and whether or not they are a member of the Group.

Poste Vita SpA - List of key or important activities at 31.12.2022

Outsourced activity	Jurisdiction	Intra-group
Management of the "Poste Vita Soluzione Italia" Internal Insurance Fund	Italy	No
Management of the "Poste Vita Soluzione Equilibrio" Internal Insurance Fund	Italy	No
Management of the "Poste Vita Soluzione Flessibile" Internal Insurance Fund	Italy	No
Separately Managed Accounts Posta Valore Più	Italy	No
Management of the "Poste Vita Gestione Bilanciata" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Soluzione Multipla" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Previdenza Flessibile" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Soluzione Sostenibile" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Obiettivo Sostenibilità" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Progetto Dinamico" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Valore Sostenibilità Equilibrato" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Valore Sostenibilità Dinamico" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Valore Sostenibilità Sviluppo" Internal Insurance Fund	Italy	Yes
Separately Managed Accounts Posta Pensione	Italy	Yes
Management of Free Capital	Italy	Yes
Separately Managed Accounts Posta Valore Più	Italy	Yes
Separately Managed Accounts Posta Valore Più	France	No
Separately Managed Accounts Posta Valore Più	Italy	No
Management of part of the alternative investment funds present in the portfolio ("Delegated Alternative Funds")	Italy	No
Management of the "Poste Vita Moderato" Internal Insurance Fund	Luxembourg	No
Management of the "Poste Vita Equilibrato" Internal Insurance Fund	Luxembourg	No
Management of the "Poste Vita Dinamico" Internal Insurance Fund	Luxembourg	No
Separately Managed Accounts Posta Valore Più	Germany	No
Management of the "Poste Vita Strategia Diversificata" Internal Insurance Fund	United Kingdom	No
Mail room service and document management service	Italy	Yes
Call Centre Services Management	Italy	Yes
Management of Goods and Services Procurement	Italy	Yes
IT Systems Management including Disaster Recovery	Italy	Yes
Services for handling written information requests	Italy	Yes
Partial outsourcing of administrative-accounting activities	Italy	Yes
Portfolio management	Italy	Yes
Settlement management	Italy	Yes
Management of human resources and organisation	Italy	Yes
Partial outsourcing of the management of information security services	Italy	Yes
Partial outsourcing of the Anti-Money Laundering Function	Italy	Yes

Poste Assicura SpA - List of key or important activities at 31.12.2022

Outsourced activity	Jurisdiction	Intra-group
Services for claim settlement management - collective insurance products	Italy	No
Services for claim settlement management - retail and collective insurance products	Italy	No
Management of restricted assets	Italy	Yes
Services for claim settlement management - collective insurance products	Italy	No
Services for claim settlement management - collective insurance products	Italy	No
Services for claim settlement management - collective insurance products	Italy	No
Services for claim settlement management - retail and collective insurance products	Italy	Yes
Services for claim settlement management - retail insurance products	Italy	No
Mail room service and document management service	Italy	Yes
Management of Goods and Services Procurement	Italy	Yes
Call Centre Services Management	Italy	Yes
Services for handling written information requests	Italy	Yes
IT Systems Management including Disaster Recovery	Italy	Yes
Partial outsourcing of administrative - accounting activities	Italy	Yes
Management of human resources and organisation	Italy	Yes
Partial outsourcing of the management of information security services	Italy	Yes
Awarding of the capital management, investment management, operational marketing, training and support activities for the Network, treasury management, administrative/accounting and fiscal requirement management, regulatory reporting management, legal affairs, corporate management and activities assigned to the function responsible for distribution control	Italy	Yes
Outsourcing of Key Functions	Italy	Yes

B.8 Other information

The Companies of the Poste Vita Insurance Group carry out an annual review of the corporate governance system, both as individual companies and as the Italian Ultimate Holding Company (UHC).

This process, carried out on the basis of a Group methodological document, calls for a research stage in which standard analytical questionnaires are filled out by the company Bodies and the relevant corporate functions relative to the various areas investigated. This is accompanied by document analysis.

All the areas of the Poste Vita corporate governance system are reviewed, both in its role as an individual Company and in its position as the UHC relative to the subsidiary Poste Assicura.

The review also considers follow-up relative to corrective actions approved the previous year and the self-assessment carried out by the Administrative Bodies of the Companies, pursuant to article 5, paragraph 2, letter z) of IVASS Regulation 38/2018.

The overall evaluation carried out on the basis of the analytical results of the aforementioned questionnaires is brought to the attention of the Boards of Directors of the Companies, accompanied, if areas for improvement are identified, by a specific remediation plan.

With reference to financial year 2022, the Insurance Group Companies believe that the general level of adequacy of the corporate governance system is satisfactory and that the organisational structure of the undertaking ensures its completeness, functionality and efficacy, using as a reference the effective operation highlighted by the analyses: (i) of the corporate bodies (Board of Directors, Board of Statutory Auditors) and Senior Management; (ii) of the organisational structure, in terms of structure, human resources, information flows, outsourcing and management control processes; (iii) of the processes related to remuneration and incentive systems; (iv) the strategy planning and implementation process; (v) the governance and structure of the controls over Key Functions and the Anti-Money Laundering Function and the Information Security Function; (vi) of the company IT system; (vii) of the follow up to the remediation measures approved in the previous financial year under review; (viii) of the profile of Poste Vita as UHC.

The review process showed that the Companies Poste Vita and Poste Assicura had successfully completed all the activities of the Remediation Plan defined as a result of last year's review. With a view to continuous improvement, the following emerged:

- with specific reference to Poste Vita, actions emerged to further strengthen the internal control and risk management system, including within the framework of the adoption of the Internal Model;
- for both Companies, actions emerged to further strengthen outsourcing governance/monitoring to complete the activities initiated last year.

At 31 December 2022 there was not additional relevant information with regards to the Governance System.

C – Risk profile

Current risk profile

In the context of its Risk Management System, the Poste Vita Group has identified the following categories of risk:

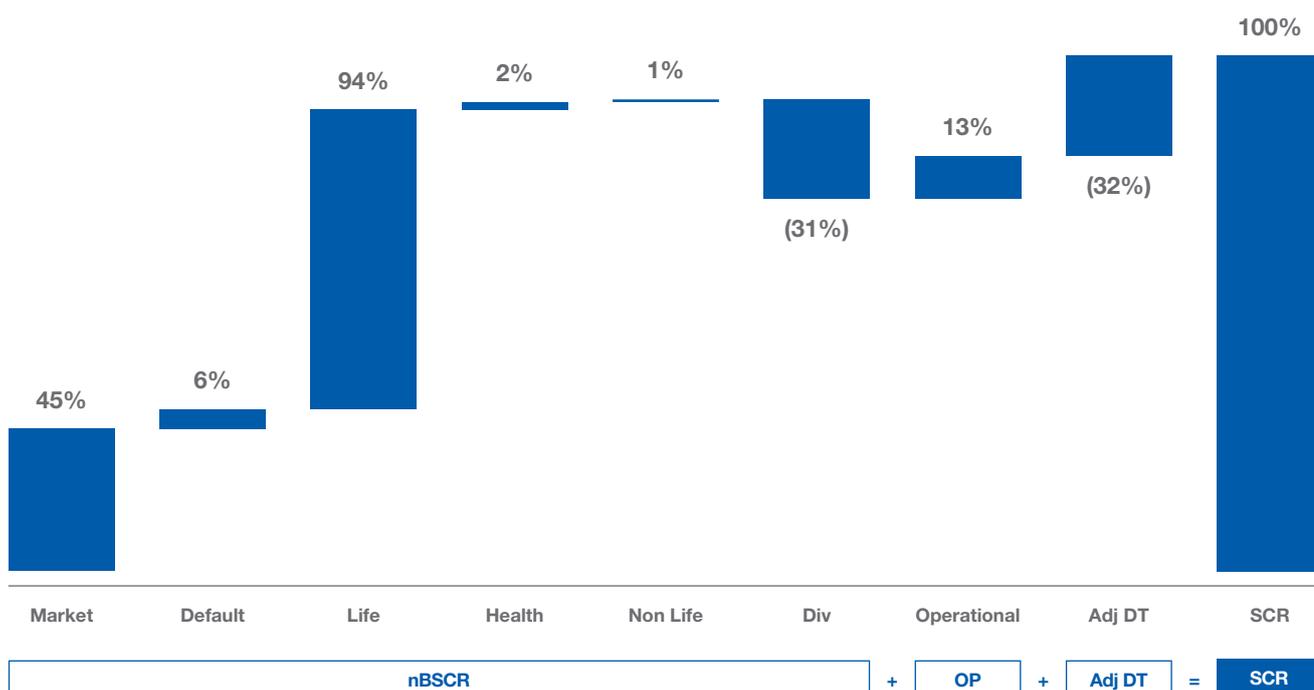
- life, non-life and health underwriting risk;
- market risk;
- credit risk;
- liquidity risk;
- operational risk;
- liquidity risk;
- other substantial risks.

Within the “other substantial risks” category, the Poste Vita Group has identified: strategic risk, reputational risk, regulatory non-compliance risk, money-laundering risk, lack of diversification and/or concentration risk, government spread risk, risks associated with Group membership, ESG risk and intangible assets risk.

The Group and the Group Companies measure underwriting, market, credit and operational risk using Standard Formula metrics, considered appropriate in the light of the adequacy analysis carried out.

Below is the Poste Vita Group’s risk profile at 31 December 2022, determined using the Standard Formula, in which the percentage weights of the individual risk areas are determined with respect to the total capital requirement, not considering the effect of diversification (Div) and the deferred tax absorption capacity (Adj DT), but taking technical provision absorption capacity into account.

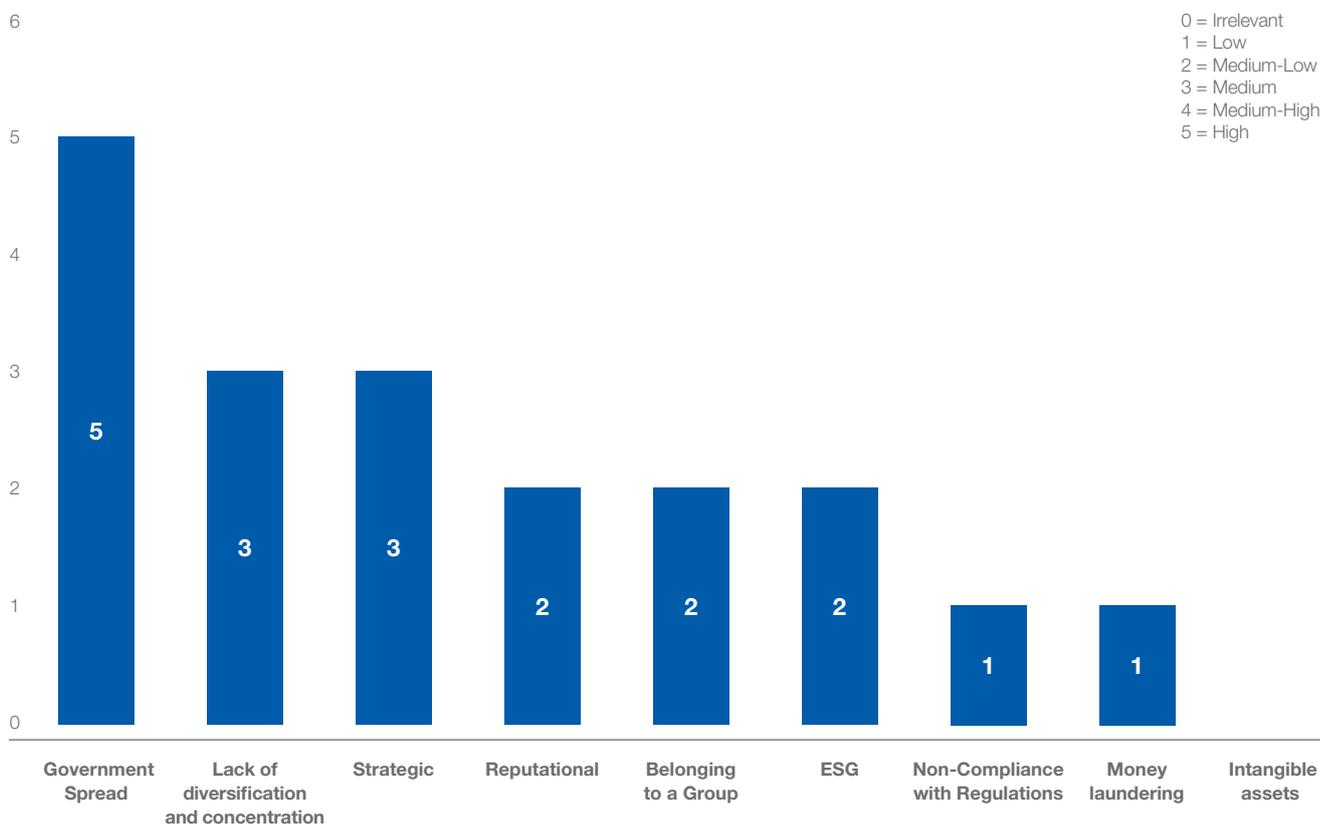
Risk profile of the Poste Vita Group



The major risks for the Group are life underwriting risk, market risk, operational risk and credit risk, while the weight of health underwriting risk and non-life underwriting risk is still marginal.

Below is a quantitative evaluation of the other substantial risks.

Poste Vita Group Other Substantial Risks



Prospective risk profile

During the planning period no substantial changes are expected in the risk profile of the Group and the individual Companies.

In particular, life underwriting risks and market risks will continue to prevail, while credit and health and non-life underwriting risks will remain stable over all, with a slight upward trend for the latter two.

Nonetheless, in order to reduce its capital requirements, the Parent Company will work to increase the placement of multi-class products and both Companies will work to further diversify their securities portfolios.

Relative to the Subsidiary Poste Assicura SpA, given the nature of the business and the expected growth, it is held that the risk profile will grow in relation to the increase in turnover, but will remain substantially stable in terms of composition in future years, therefore confirming the prevalence of underwriting risk with respect to the remaining risks.

C.1 Underwriting Risk

In order to support strategic and business goals such as profitability and the quality of risks taken on, the Group and the Group Companies have defined an underwriting policy which calls for the following during the risk assumption phase:

- Developing products consistent with the requirements and characteristics of various customer segments;
- Taking on risks to manage for which adequate skills and resources are available;
- Taking on risks consistent with the Risk Strategy and Risk Appetite;
- Eliminating or not renewing, when possible, "accepted" risks which are not consistent with the Risk Appetite Framework and/or require exceeding the limits established in specific Group company guidelines;
- Underwriting risks that guarantee adequate mitigation techniques, in particular equilibrium between reinsurance treaties signed, product characteristics (guarantees covered, contract duration) and the portfolio mix;
- Adequate procedures and control systems to guarantee the completeness, relevance and accuracy of accounting and statistical data, used for pricing and risk analysis;
- The evaluation, when designing a new product or sales initiative, of the following aspects:
 - adequate reinsurance structures;
 - risk assumption limits;
 - contractual clauses (possibility to split the premium, possibility of tacit renewal, withdrawal in the case of claims, etc.);
 - costs (for acquisition, management and administration of contracts, including costs for settling claims, etc.);
 - changes in the portfolio mix (in terms of risk and concentration) which issuing the new product may involve;
 - assessment of the impact of non-payment of premiums (e.g. impossibility of recovering expenses and commissions) and the relative impacts on Group solvency.

The Group and the Group Companies when taking on risk must, therefore, undertake to guarantee the sufficiency of the premiums collected with respect to the future commitments made relative to policyholders and contract management and acquisition expenses, developing the skills and professionalism of those who define the products, take on risks and, more generally, of all those involved in the underwriting process.

Additionally, the Group and the Group Companies must guarantee ever increasing standards of quality in underwriting management to avoid reputational losses and anti-selection and/or moral hazard.

The underwriting policy is intended to strengthen the Group's market position, increasing its share in the various insurance segments in which it operates, developing a profitable risk portfolio.

Underwriting risk - the risk of suffering losses due to inappropriate pricing of insurance products sold - can occur due to:

- inappropriately chosen technical bases (demographic or financial);
- improper evaluation of the implicit options of the product;
- improper evaluation of the parameters used to calculate amounts added for expenses.

The Group and the Group Companies assess underwriting risk based on the principles dictated in the current regulations, making reference to the Delegated Regulation (EU) 2015/35 of 10 October 2014 (Delegated Acts), which integrated Directive 2009/138/EC of the European Parliament and Council on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II), based on the standard formula.

This standard formula requires separate evaluation of life, health and non-life underwriting risks. Of these, life underwriting risk is the main component of the capital requirement.

Finally, to mitigate unfavourable technical trends, increase underwriting capacity and manage portfolio risk, each Group Company uses the risk transfer techniques identified in the reinsurance guidelines.

Assessing whether risk transfer is effective is done through the formalisation of specific company procedures which take the risk profile into account, especially Risk Appetite in its various aspects. Formalisation of these aspects is done through the Outward Reinsurance Plan.

At 31 December 2022, the greatest underwriting risk was for life, while non-life and health underwriting risk was still modest.

For retail life products, the Group is able to avoid signing proportional treaties as it has a sufficiently expansive and homogeneous risk profile. However, it has still chosen to make use of non-proportional reinsurance to protect itself against catastrophic events.

The most significant of the life underwriting risks is the risk of falling surrender rates. The Standard Formula scenario which determines the capital requirement for the risk of early redemption (lapse risk) is the mass lapse scenario that assumes a mass outflow of 40% of the portfolio of policies.

Mortality risk is limited for the Group, considering the features of the products offered. The only area in which this risk has a degree of relevance is that of Term Life. With reference to these products, a comparison is periodically made between effective deaths and those forecast using the demographic bases adopted for pricing: the first category has always been significantly lower than the second. Additionally, mortality risk is mitigated by making use of reinsurance coverage, both proportional and non. Additionally, when risks are taken on, there are well-defined limits both for the amount insured and the age of the insured. The portfolio is well diversified with respect to the parameters of age, gender, smoker/non-smoker, socio-economic class, amount insured, type of insurance, level of underwriting applied and geographic location. The Group has an underwriting system which limits the risk of anti-selection.

In recent years, longevity risk has become more significant with the underwriting of individual pension plans. However, these still represent a marginal portion of insurance liabilities. For these products, the Group reserves the right, upon the verification of specific conditions, to modify the demographic bases and gender composition used to calculate the return conversion coefficients.

The Group's non-life and NSLT illness underwriting risks derive from the business of the non-life Company Poste Assicura SpA

The features of the Poste Assicura distribution channel and of the products it sells leads to a portfolio with a greater Health segment concentration, with products offering guarantees linked to injury and illness and to Credit Protection.

Relative to Non-Life Business, the most significant volumes are associated with the Fire, General Liability and Miscellaneous business lines, mainly linked to products offering coverage of assets, capital and income.

The risk of early death represents the sole significant risk measured using the standard formula relative to the underwriting risk module.

Also note that at present the Group and the Companies do not transfer risks to vehicle companies, nor they expect to in the future.

C.2 Market Risk

Market risks represent the second most significant risk of the Group's total capital requirement and for Poste Vita SpA at 31 December 2022 while it is of little relevance for Poste Assicura SpA

The financial instruments held by the Group mainly refer to investments made to cover contractual requirements taken on relative to policyholders, for traditional revalued life policies, pension products and multi-class products.

In recent years, the Group and the Companies belonging to the Group have worked to diversify their investments in recent years, reducing the amount of government bonds in the light of a persistent economic/financial situation with a slow economic recovery at the global level. However, a moderate risk appetite has been maintained.

In particular, in line with the Strategic Asset Allocation (SAA), the Parent Company Poste Vita has favoured liquid multi-asset, real estate fund and private market strategies, with the latter mainly referring to private debt and infrastructure equity.

In terms of market risks, note the following sub-categories:

- Spread risk;
- Equity risk;
- Currency risk;
- Property risk;
- Interest rate risk;
- Concentration risk.

The risk which determines the largest capital requirement within the market risk module is spread risk relative to corporate bonds. Nonetheless, Poste Vita SpA has exposure to government bonds and other instruments similar to government bonds. The Parent Company has begun a gradual diversification policy with a slow reduction in investments in government bonds, also to reduce the volatility associated with concentration in this asset class.

The Group has performed sensitivity analysis on government spread risk, assessing the impact on the solvency index during the time horizon of the 2023-2024 plan of an instantaneous increase in the Italian and European government spreads, for each year of the projection. The instantaneous increase in Italian government spreads did not highlight any particular critical issues over the plan horizon, showing a Solvency Ratio level always in line with the Risk Appetite Framework defined by the Company.

Equity risk includes equities, collective investments undertakings and investments in subsidiaries (Poste Assicura SpA and Poste Welfare Servizi Srl) and in the associate (Europa Gestioni Immobiliari SpA).

Property risk is associated with a series of real estate funds held by the Company.

At 31 December 2022, the risk is low.

Currency risk is linked to two private market funds in a foreign currency held by the Company and to positions in foreign currencies within multi-asset funds.

With regard to interest rate risk, it is mainly related to separately managed accounts as at 31.12.2022. Evaluation of interest rate risk is done through asset liability management projections and, in particular, through the shock scenarios called for in the Standard Formula. The Group also conducted sensitivity analysis on this risk, assessing the impact on the solvency index over the plan horizon to an increase of +100 basis points in the Euroswap rates for each year of the projection.

Again, the solvency level is in line with the Risk Appetite Framework defined by the Group.

Finally, at 31 December 2022 the capital requirement relative to concentration risk was zero.

Risk concentration and mitigation

The Group has a risk management system which includes strategies, processes and procedures necessary to identify, measure, assess, monitor, report and manage the risks to which it is exposed, on a continuous basis. This approach makes it possible to react promptly, accurately and in a targeted manner to changes in the economic and financial systems in which it operates.

To control and mitigate market risks, various risk management techniques have been adopted.

This include:

- Asset Liability Management (ALM), establishing strategic asset allocation in relation to the liability structure, to reduce risk to the desired level and maximise the contribution of investments to value creation;
- a three-level investment limit system: the first level of limits is approved at least annually by the Board of Directors in investment management policies, the second level of limits is issued by Senior Management and may involve more restrictive limits than those set by the Board of Directors, as well as limits of a more operational nature and finally the third level, issued at the management level with the objective of guiding the activities of the various managers;
- a regulated investment process, which requires formal in-depth analysis of all complex investments by the function working in the area of investments, a Risk Opinion from Risk Management and a Compliance Opinion from the Compliance Function;
- coverage of currency risk for positions in foreign currencies contained within the Multi-Asset funds;
- constant monitoring of financial risk relative to the Company's economic and solvency position.

Relative to concentration risk, within the market risk module, the Parent Company has identified the following exposures at 31 December 2022:

- Government Bonds, mainly Italian;
- Bonds relative to Cassa Depositi e Prestiti SpA

C.3 Credit Risk

Similarly to that established for all market risks, in order to guarantee that credit risk levels are appropriate to Group business, investments are carried out in respect of the prudent person principle established under article 132 of Directive 2009/138/EC.

The Group and the individual Companies, as established in the Standard Formula, break down their credit exposures into two categories:

Type 1:

- Exposures deriving from reinsurance agreements, in particular considering recoveries from reinsurers for premiums and claims coinciding with the best estimate for premium and claim provisions;
- Other receivables due from reinsurers other than those above;
- Bank deposits in current accounts.

Type 2:

- Receivables due from intermediaries;
- Receivables due from policyholders.

Depositories have a high credit standing and good ratings. Capital requirements for this risk derive from type 1 exposures for the most part.

Finally, the Group and the individual Companies do not have any operations associated with loans, nor do they plan to.

C.4 Liquidity Risk

This represents the risk of not complying with obligations undertaken relative to policyholders and other creditors, or of being able to do so only through the use of unsatisfactory market and/or credit conditions or by liquidating investments at a value below the acquisition or carrying amount, with negative consequences on the economic, equity and financial situation. For the Group and the individual Group Companies, liquidity risk mainly derives from an inability to rapidly sell a financial asset at a value near to its fair value, or without realising significant capital losses.

For the purposes of analysing the liquidity risk profile, the Group Companies carry out analysis to ensure effective asset management relative to the commitments undertaken with policyholders, preparing prospective analysis on the effects that would derive from a shock to the financial markets (asset trends) and on the behaviour of policyholders (liability trends).

In managing liquidity, the Companies ensure that:

- assets covering the technical provisions are invested in a manner appropriate to the nature and duration of the liabilities;
- there is a sufficient high level of overall short and medium-term liquidity, carrying out treasury cash flow analysis and matching asset and liability features;
- monitoring of liquid assets occurs through analysis of the securities portfolio, monetary funds and liquidity held with banks.

Cash flow monitoring is done by analysing cash flows from the asset and liability portfolios, to allow for monthly comparison of inflows and outflows.

Relative to separately managed accounts, the Group carries out quarterly monitoring of the liquidity profile using the Liquidity Coverage Ratio (LCR). This has two versions, based on the relative time horizon:

- the Short-Term Liquidity Coverage Ratio (STLCR) is calculated over a one-year time horizon, as the ratio between total incoming cash flows from coupons, dividends, capital reimbursement and premiums and total outgoing cash flows deriving from maturities, surrenders, claims and coupons paid;
- the Medium-Term Liquidity Coverage Ratio (MTLCR) is calculated over a five-year horizon, the same as the Business Plan, as the ratio between total incoming cash flows from coupons, dividends, capital reimbursement and premiums and total outgoing cash flows deriving from maturities, surrenders, claims and coupons paid.

Both indicators are calculated using base and stress conditions and are applied to the Poste Vita SpA separately managed accounts, monitored using the thresholds indicated in the Risk Appetite Framework.

With reference to Class III products, the Group makes investments inspired by the close matching principles, meaning that the possibility of compromising its overall liquidity profile is remote, as in any case it could be restored by selling securities covering the provisions.

Finally, the level of liquid assets, identified through a specific liquidity reserve (consisting of on demand bank deposits, monetary funds and securities in the current segment with maturity of less than two years), is monitored on a monthly basis by the investment area and by Risk Management which periodically audits this activity. Analysis is supported by an additional stress scenario carried out to verify the applicability of the volatility adjustment.

The “expected profits included in future premiums” are determined by the difference in the best estimate in the basic scenario and in the scenario in which a renewal frequency of zero was hypothesised for contracts with a recurring single premium, thus cancelling all future premium contributions and, at the same time, the obligations arising from such payments. In the stress scenario, all additional future deposits are also brought to zero. In this scenario, securities in the portfolio are sold when necessary to handle the payments.

C.5 Operational Risk

Operational risk is the risk of losses deriving from the inadequacy or dysfunction of internal procedures, human resources or systems, or from external events.¹⁰

Operational risk, assessed using the Standard Formula, is the third biggest risk for the Group at 31 December 2022. The requirement is in line with the previous year.

Additionally, the Group also carries out a Risk Self-Assessment relative to potential operational risks, in which each Risk Owner provides a prospective self-assessment of possible operational risk events for the Group.

More specifically, the Risk Self-Assessment evaluates the following aspects:

- identification of potential extreme and hypothetical events, but still foreseeable, identified in part through the experience of the Risk Owner;
- the frequency with which these events may occur, in order to identify potential risks which have not occurred in the past;
- an estimate of the potential economic effect of the risk events;
- an estimate of the level of efficacy for the controls implemented to safeguard against the risk.

The self-assessment process makes it possible to determine the maximum potential loss associated with operational risk, identifying the areas most exposed to operational risk and creating a corrective action plan.

The analysis of the Risk Self-Assessment revealed some areas for improvement, but the safeguards are still at a healthy level.

Additionally, the Group has implemented a Loss Data Collection method, to collect and create a census of information regarding operational events during the period of the statement of profit or loss, to identify the main risk factors which effectively affected the Group, as well as any mitigation actions to implement. Therefore, the functions responsible for reporting operating events have been identified and a validation process has been created for events identified during individual quarters.

Controls regarding data coherence are guaranteed by the Loss Data Collection methodology implemented in the operating loss system and the Risk Management Function, in coordination with the Risk Office, ensures this is consistent with findings in relation to the model required.

Operating losses recorded in 2022 by the Group increased with respect to the previous year, but the Group has strengthened its safeguards relative to the processes.

Risk is well supervised, in that the Group has safeguards relative to operational risk including analysis done to identify, mitigate and monitor operational risk.

10. Based on that established under Article 101, paragraph 4 of Directive 2009/138/EC, it includes legal risk and excludes strategic and reputational risk.

C.6 Other Substantial Risks

In addition to the risks previously illustrated, the Group Companies have identified a series of other additional risks (reputational risk, strategic risk, regulatory compliance risk, lack of diversification and/or concentration risk, Italian government spread risk, risks associated with Group membership and intangible assets risk) measured through qualitative and quantitative techniques.

Reputational Risk

This is the current or prospective risk of a decrease in profits or capital deriving from a negative perception of the company's image relative to customers, counterparts, shareholders, employees, investors or supervisory authorities. This risk is measured with a qualitative approach.

The Group and the individual Companies, to protect and maintain a good reputation with customers and operating credentials, based on trust and transparency, work with Poste Italiane to identify reputational risks for the Group and monitor and control this risk for all insurance products. Additionally, when measuring operational risk, risk owners assess whether an event could also impact the reputation.

Given that reputational risk is of particular significance for the Group, monitoring is done monthly, focussed on complaint management and customer care (service levels, assistance and customer response time) with specific reports on these two areas sent to all corporate functions. The Complaints Function regularly monitors the corrective actions undertaken relative to major complaint causes and works to increase awareness in owners until the actions have been fully completed.

Finally, the Products Committee examines the reputation risk that could derive from the sales of new products. Additionally, all advertising and/or informational materials or communications intended for the public must always be shared with and approved by the Compliance Function.

Strategic Risk

Strategic risk is the current or prospective risk of a decrease in profits or capital deriving from:

- mistaken "strategic" decisions;
- inadequate attention paid to strategic decisions made;
- inadequate reactivity to changes in the competitive and market context.

In general, strategic risk refers to the risk of not achieving the risk/return objectives established by the Company in the strategic plan.

Strategic risk is monitored by Risk Management in line with the methodology defined by Poste Italiane to identify, measure, handle and monitor strategic risks which involve the activities of the Poste Vita Insurance Group. This is achieved through a coordinated collection of principles, rules, procedures, methodologies, instruments and organisational structures that introduce safeguards to company operations able to effectively and efficiently monitor strategic risks, while also producing a continuous flow of information to support decision-making processes. In particular, with the support of Group Risk Management, the Risk Office coordinates Risk Owners during the Risk Assessment stage, with the aim of identifying the main strategic and reputational risks for the group. These are then measured in terms of their degree of significance.

Additionally, in relation to tools to mitigate strategic risk, the Risk Management function is involved in the strategic planning and budgeting process with the aim of assessing the potential impact of the main strategic plan assumptions on capital adequacy beforehand.

The Group's Risk Appetite Framework calls for definition of Risk Appetite objectives, Risk Tolerance thresholds and Risk Capacity limits that are consistent with the strategic plan and allow company governance bodies to effectively and continuously monitor the actual risk profile with reference to the planned profile.

Regulatory Non-Compliance Risk

This is the current or prospective risk of a decrease in profits or capital deriving from legal or administrative fines, losses or damages as a consequence of not observing laws, regulations or Supervisory Authority provisions, or self-governance rules such as Articles of Association, Codes of Conduct or self-governance codes.

It includes risk deriving from unfavourable changes to the regulatory framework or in jurisprudence.

The level of regulatory non-compliance risk is considered to be adequately safeguarded against on the basis of the coordinated monitoring by the Compliance function, which identifies and measures/assesses regulatory non-compliance risk for the Companies, using Risk Assessment techniques.

The analysis identified certain areas for improvement, but no significant problems were found.

Money-Laundering Risk

This is the current or prospective risk of a decrease in profits or capital deriving from legal or administrative fines, operating losses or reputation damage as a consequence of a violation of legal, regulatory or self-governance provisions functional to preventing the use of the financial system for money laundering and/or to finance terrorism, as well as involvement in money laundering and/or financing of terrorism. At least once a year, the Group carries out a self-assessment of its exposure to this risk, in line with that called for under the relevant regulatory provisions. In particular, the risk exposure recorded in 2022 remained substantially unchanged compared to that recorded in the previous year, confirming a residual risk level that is contained and therefore substantially adequate with a good ability to identify and counter reference risks.

Lack of Diversification and/or Concentration Risk

This is the risk that the business is excessively concentrated on only certain types of risk, product, customer and/or geographic area and hence is not adequately diversified. The products currently placed present fairly standardised features and with relatively low minimum guarantees for the majority of the portfolio not consolidated year by year. The geographic distribution of these products is homogeneous throughout the country of Italy due to the extensive nature of the distribution network. Nonetheless, the Group's product portfolio is still quite concentrated in traditional revalued products, even if efforts are being made to place class III products.

Government Spread Risk

This is the risk of possible losses deriving from a deterioration in the credit standing of Italian government bonds.

Poste Vita SpA is exposed to government bonds and other similar instruments which, at 31 December 2022, accounted for 68% of the market value of all class C investments, with 89% of the government portfolio issued by Italy.

While in the Standard Formula these exposures are risk free, the Company has begun a policy to gradually diversify government bonds, to reduce the volatility associated with the concentration in this Asset Class.

Additionally, as part of the 2022 ORSA, Poste Vita carried out sensitivity analysis on government spread risk, assessing the impact on the solvency index in the period from 2023-2024 of an instantaneous increase in Italian government spreads in each year of the projection, with a consequent adjustment of the Volatility Adjustment value.

The solvency level was always in line with the Risk Appetite Framework prepared by the Company.

Risks associated with Group membership

Risks associated with Group membership include:

- the risk of “contagion”, that is the risk that due to relationships between the Company and other Group entities, difficulties faced by one Group entity may spread, with negative effects on Company’s solvency;
- the risk of conflicts of interest deriving from operations carried out with Group entities.

The assessment of risks associated with Group membership, done using a qualitative approach, gave rise to the following points:

- The Ultimate Parent Poste Italiane has demonstrated over time it has a high level of interest in protecting the interests of customers of all Group Companies through specific safeguards.
- The Companies have provided themselves with a specific infragroup operation policy, as required under IVASS Regulation 30 of 26 October 2016, to guarantee infragroup operations consistent with the principles of healthy and prudent management and avoid the implementation of operations which could produce negative effects.
- The Companies have also provided themselves with a specific policy for managing conflicts of interest, defined in respect of the main regulatory references on the subject, to identify and manage conflicts of interest in relation to the issuing/management of insurance and social security products, as well as relative to services and investment activities.
- It is established that the Ultimate Parent, Poste Italiane, may take action to support the Insurance Group, in the case in which its solvency position is below the Risk Tolerance limits as defined in the Risk Appetite Framework.

Intangible Assets Risk

This is the risk deriving from changes in the value of intangible assets relative to expectations. Intangible assets amount to zero. Therefore, this risk is considered insignificant.

Social and Environmental Risk

It is the risk arising from factors related to social issues, including human rights and environmental risks, related to climate change.

The Poste Vita Group pays attention to issues of social responsibility inherent to the financial management of its assets.

Social and environmental risks are monitored on a quarterly basis by the Risk Management Function, in the context of the Risk Appetite Framework, through an indicator which synthesises Environmental, Social and Governance (ESG) analyses relative to its own direct investment portfolio, to assess the level of social responsibility.

The analysis method used are inspired by universally recognised standards and conventions, issued by international bodies relative to human rights, worker rights and environmental protection, including the UN, OECD and ILO. Issuer companies are evaluated, for both stock and corporate bond investments, measuring their ability to manage stakeholder relations. The evaluation process ends with the assignment of a final ESG score (from 0 to 100) to each company, using the average of the score obtained in each of the areas of analysis.

ESG risk is well protected against in that the results of the analysis indicate that the Company has a score higher than the Ishares MSCI World ETF benchmark, which was used for comparison.

Risk Mitigation Techniques

The Group makes use of various techniques to attenuate risk, both reinsurance and financial. In terms of financial techniques to attenuate risk, when calculating its solvency requirements for the currency risk submodule, the Company takes into account forward derivatives it holds relative to currencies found in Multi-Asset funds.

In line with article 23 of the Delegated Acts, through the regulations for the Separately Managed Accounts of the Poste Vita Group and the investment policy pursuant to Regulation 24 approved by the Board of Directors of Poste Vita, the following management actions have been established:

- Investment strategy
- Crediting strategy

The main objectives of the investment strategy for each Separately Managed Account are:

- Definition of an appropriate asset mix, reviewing the mix at established intervals.
- Definition of a strategy to (re)invest cash flows from assets and liabilities between one mix review and the next.

The mix review occurs on the basis of asset classes, in relation to which all assets are classified based on their characteristics.

C.7 Other information

At 31 December 2022, there was no further information in addition to as already outlined in the previous paragraphs.

D – Valuation for solvency purposes

The valuation criteria adopted when preparing the Market Value Balance Sheet comply with Article 75 of Directive 2009/138/EC and the criteria established in Delegated Regulation EU 2015/35 of 10 October 2014 (hereafter, also “Delegated Acts”) and, in particular, that established under Article 9 of the same Delegated Regulation, which establishes the following:

- undertakings value assets and liabilities in line with the international accounting standards adopted by the European Commission as per Regulation (EC) no. 1606/2002, provided that these standards include valuation methods consistent with the valuation approach set out by article 75 of Directive 2009/138/EC. Should these standards permit the use of several valuation methods, undertakings only use the methods compliant with article 75 of Directive 2009/138/EC;
- where the valuation methods included in international accounting standards adopted by the Commission in accordance with Regulation (EC) no. 1606/2002 are not consistent either temporarily or permanently with the valuation approach set out in Article 75 of Directive 2009/138/EC, insurance and reinsurance undertakings shall use other valuation methods that are deemed to be consistent with Article 75 of Directive 2009/138/EC.

To that end, the valuation criteria adopted for solvency purposes, as defined in the Guidelines on Measuring Assets and Liabilities other than Technical Provisions approved by the Board of Directors, are provided below:

- *Goodwill*: valued at zero.
- *Intangible assets and deferred acquisition costs (DAC)*: these are measured at zero, unless the intangible asset can be measured separately and the companies can demonstrate the existence of a value for an identical or similar asset calculated in compliance with article 10, paragraph 2 of the Delegated Acts, in which case the asset is measured in compliance with article 10.
- *Financial assets and liabilities*: financial instruments and financial liabilities are valued based on their corresponding fair value, using as a reference the prices listed on active markets where available and inferable from recent or similar transactions, or from alternative valuation models.
- *Equity investments*: equity investments are valued pursuant to article 13 of the Delegated Acts (Regulation (EU) no. 2015/35 of 10 October 2014), in accordance with the following hierarchy of methods:
 - (a) using the default valuation method set out in article 10, paragraph 2 of the regulation mentioned (namely, undertakings value equity investments using listed market prices in active markets for the same equity investments);
 - (b) using the adjusted equity method referred to in paragraph 3 of article 13 where valuation in accordance with point a) is not possible. The aforesaid method requires the participant undertaking to value its equity investments in subsidiaries based on the portion of excess assets over liabilities of the subsidiary held by the parent company;
 - (c) using the valuation method set out by article 10, paragraph 3 of the said regulation (in this case undertakings value the equity investments used listed market prices in active markets for similar assets with adjustments to reflect differences) or alternative valuation methods set out by article 10, paragraph 5 of the said regulation.
- *Deferred tax assets and liabilities*: companies recognise and measure deferred taxes in relation to all assets and liabilities, including technical provisions, recognised for tax or solvency purposes in compliance with article 9. The companies of the Poste Vita Group measure deferred tax liabilities differently than deferred tax assets deriving from the carrying forward of unused tax credits and tax losses, based on the difference between the values ascribed to the assets and liabilities recognised and measured in compliance with Article 75 of Directive 2009/138/EC and, in the case of technical provisions, in compliance with Articles 76 to 85 of the same directive and the values ascribed to assets and liabilities recognised and measured for tax purposes. Companies ascribe a positive value to deferred tax assets only if it is probable that there will be future taxable profits which will allow the use of the deferred tax assets, taking into account legal or regulatory requirements regarding deadlines for carrying tax losses or unused tax credits forward.

- *Contingent Liabilities*: as established under article 11 of the Delegated Regulation, companies recognise contingent liabilities as liabilities when they are material, pursuant to article 9 of the cited regulation. These liabilities are material where information about the current or potential size or nature of those liabilities could influence the decision making or judgement of the intended user of that information, including the supervisory authorities. The value of these liabilities is equal to the expected future cash flows required to settle the contingent liability throughout the duration of the contingent liability, calculated using the basic risk-free interest rate term structure.
- Relative to *tangible assets*, derogating from paragraphs 1 and 2 of article 9 of the cited Delegated Regulation and in particular respecting the principle of proportionality pursuant to paragraphs 3 and 4 of article 29 of Directive 2009/138/EC, the Poste Vita Group has recognised tangible assets with the valuation method used to prepare its annual financial statements, as the conditions indicated under paragraph 4 of article 9 were respected.

The Consolidated Financial Statements include the Financial Statements of the Parent Company and those of the investees Poste Assicura SpA and Net Holding SpA, both wholly-owned by Poste Vita SpA, and include the financial statements of Poste Insurance Broker Srl, wholly-owned by Poste Assicura SpA. These equity investments are consolidated on a line-by-line basis.

In line-by-line consolidation, the carrying value of equity investments is eliminated against the corresponding part of shareholders' equity against the full inclusion of the assets and liabilities of the subsidiaries, including contingent liabilities.

In particular, the criteria used for line-by-line consolidation are as follows:

- assets and liabilities and costs and revenue of investees are recognised on a line-by-line basis;
- infragroup costs and revenue and payables and receivables are cancelled.

The Parent Company Poste Vita SpA also holds a non-controlling interest in Europa Gestioni Immobiliari SpA and Eurizon Capital Real Asset SGR SpA, while the subsidiary Poste Assicura SpA holds a non-controlling interest in Consorzio Logistica Pacchi. These equity investments are not consolidated on a line-by-line basis, but accounted for using the equity method.

The template of the Market Value Balance Sheet is shown below, with a comparison with the balances of the *IAS/IFRS consolidated financial statements*:

(€k)	2022		Delta
	Solvency II value	Consolidated IAS/IFRS	
Assets			
Goodwill			
Deferred acquisition costs		36,422	(36,422)
Intangible assets			
Deferred tax assets	4,530,569	487,414	4,043,156
Pension benefit surplus			
Property, plant & equipment held for own use	11,153	11,153	
Financial Investments	132,206,834	132,503,808	(296,974)
Property (other than for own use)			
Holdings in related undertakings, including participations	110,617	111,323	(706)
Equities	103,666	103,666	
Equities - listed	103,666	103,666	
Equities - unlisted			
Bonds	100,370,684	100,666,951	(296,267)
Government Bonds	79,576,592	79,871,978	(295,386)
Corporate Bonds	20,248,782	20,249,663	(881)
Structured notes	545,310	545,310	
Collateralised securities			
Collective Investments Undertakings	31,621,867	31,621,867	
Derivatives			
Deposits other than cash equivalents			
Other investments			
Assets held for index-linked and unit-linked contracts	9,608,163	9,608,163	
Loans and mortgages			
Loans on policies			
Loans and mortgages to individuals			
Other loans and mortgages			
Reinsurance recoverables from:	15,247	43,588	(28,340)
Non-life and health similar to non-life	9,182	12,819	(3,636)
Non-life excluding health	1,971		
Health similar to non-life	7,211		
Life and health similar to life, excluding health and index-linked and unit-linked	6,065	30,769	(24,704)
Health similar to life	(5,556)		
Life excluding health and index-linked and unit-linked	11,621		
Life index-linked and unit-linked			
Deposits to cedants			
Insurance and intermediaries receivables	136,746	136,746	
Reinsurance receivables	2,996	2,996	
Receivables (trade, not insurance)	41,861	41,861	
Own shares (held directly)			
Amounts due in respect of own fund items or initial fund called up but not yet paid in			
Cash and cash equivalents	2,924,160	2,924,160	
Any other assets, not elsewhere shown	2,677,907	2,678,412	(505)
Total assets	152,155,637	148,474,723	3,680,914

(€k)	2022		Delta
	Solvency II value	Consolidated IAS/IFRS	
Liabilities			
Technical provisions - non-life	295,415	359,397	(63,982)
Technical provisions - non-life (excluding health)	58,140		
TP calculated as a whole			
Best estimate	51,142		
Risk margin	6,998		
Technical provisions - health (similar to non-life)	237,275		
TP calculated as a whole			
Best estimate	217,197		
Risk margin	20,078		
TP - life (excluding index-linked and unit-linked)	123,764,601	129,788,502	(6,023,901)
Technical provisions - health (similar to life)	10,255		
TP calculated as a whole			
Best estimate	(321)		
Risk margin	10,577		
TP - life (excluding health and index-linked and unit-linked)	123,754,346		
TP calculated as a whole			
Best estimate	119,481,944		
Risk margin	4,272,402		
TP - index-linked and unit-linked	8,969,369	9,839,095	(869,726)
TP calculated as a whole			
Best estimate	8,600,743		
Risk margin	368,626		
Other technical provisions			
Contingent liabilities	20,603	20,603	
Provisions other than technical provisions			
Pension benefit obligations	893	893	
Deposits from reinsurers			
Deferred tax liabilities	6,489,064	332,038	6,157,026
Derivatives			
Debts owed to credit institutions			
Debts owed to credit institutions resident domestically			
Debts owed to credit institutions resident in the euro area other than domestic			
Debts owed to credit institutions resident in rest of the world			
Financial liabilities other than debts owed to credit institutions	10,911	10,911	
Insurance & intermediaries payables	354,291	354,291	
Reinsurance payables	2,726	2,726	
Payables (trade, not insurance)	178,478	158,367	20,111
Subordinated liabilities	993,493	1,052,613	(59,120)
Subordinated liabilities not in BOF	2,613	2,613	
Subordinated liabilities in BOF	990,880	1,050,000	(59,120)
Any other liabilities, not elsewhere shown	561,778	561,689	90
Total liabilities	141,641,623	142,481,125	(839,502)
'Excess of assets over liabilities	10,514,015	5,993,598	4,520,416

With reference to the two Companies in the Poste Vita Insurance Group, the value of the individual items in the individual Market Value Balance Sheets can be found in reports S.02.01.02 of Poste Vita SpA and Poste Assicura SpA within section **F - Annex**.

D.1 Assets

For the most significant asset items below is the amount at 31 December 2022 calculated using Solvency II criteria, compared with the amount recognised in the *IAS/IFRS Consolidated Financial Statements* with reference to the Poste Vita Group and compared with the amount recognised in the *Local GAAP Financial Statements* for the individual Companies.

Intangible assets and deferred acquisition costs

Intangible assets and deferred acquisition costs (DAC) - Poste Vita Group (€ 36,422 thousand)

The Group has no intangible assets.

The item deferred acquisition costs (DAC) includes the portion not yet amortised of charges related to the acquisition commissions in prepaid form of the Parent Company Poste Vita SpA and is equal, with reference to the Statutory MVBS column, to € 36,422 thousand at 31 December 2022.

For Solvency II purposes, as envisaged by article 12 of the Delegated Regulation, these components were valued at zero since no possibility for a separate sale was recognised for these assets, nor a reference to market value for similar assets.

Intangible assets and deferred acquisition costs - Poste Vita SpA (€ 36,422 thousand)

Intangible assets in the IAS/IFRS reporting package of the Parent Company Poste Vita at the end of 2022 are zero, while, as reported above, deferred acquisition costs (DAC) amount to € 36,422 thousand.

Relative to valuation methods, please see that reported above in the section dedicated to the Group.

Intangible assets and deferred acquisition costs (DAC) - Poste Assicura SpA (€ 0 thousand)

The intangible assets of the Subsidiary Poste Assicura in the IAS/IFRS reporting package at the end of 2022 are zero.

Relative to valuation methods, please see that reported above in the section dedicated to the Group.

Tangible assets

Tangible assets - Poste Vita Group (€ 11,153 thousand)

The Poste Vita Group recognised tangible assets totalling € 11,153 thousand at the end of 2022, these included: i) € 222 thousand for office furniture and machines, systems and equipment held at the end of the period net of the relative depreciation provisions and ii) € 10,931 thousand for rights of use relative to assets involved in contracts falling under the scope of IFRS 16, representing the current value of periodic rents contractually established granting use of the assets involved in the contracts.

Relative to *tangible assets*, derogating from paragraphs 1 and 2 of article 9 of the cited Delegated Regulation and in particular respecting the principle of proportionality pursuant to paragraphs 3 and 4 of article 29 of Directive 2009/138/EC, the Poste Vita Group has recognised tangible assets with the valuation method used to prepare the annual consolidated financial statements for the Group, as the conditions indicated under paragraph 4 of article 9 were respected. Therefore, furnishings, systems, equipment and office machines are recognised at cost plus accessory charges and subsequent measurements are carried out using the amortised cost method. With reference to leased assets, at initial recognition the value is equal to the current value of periodic payments/rent contractually established granting use of the asset and at subsequent reporting dates and for the entire duration of the contract the asset is amortised on a straight line basis.

Tangible assets - Poste Vita SpA (€ 8,623 thousand)

With reference to the Parent Company Poste Vita SpA, tangible assets of € 8,623 thousand mainly refer to:

- i. € 215 thousand for office furniture and machines, systems and equipment held at the end of the period net of the relative depreciation;
- ii. € 8,408 thousand for the right to use the assets covered by the contracts falling within the scope of IFRS 16, representing the present value of the periodic lease fees contractually provided for in order to use the assets covered by the contract.

At 31 December 2021, this item amounted to € 3,114 thousand. The increase, compared to the figure for the previous twelve months, is due to the new lease agreement with the Ultimate Parent Poste Italiane SpA, signed in 2021, effective as of May 2022.

Tangible assets - Poste Assicura SpA (€ 2,531 thousand)

Tangible assets amounted to € 2,531 thousand (€ 134 thousand in 2021) and referred exclusively for € 8 thousand (€ 14 thousand in December 2021) to electronic machines and furniture and fixtures held at the end of the period net of the related depreciation provision and for € 2,523 thousand (€ 120 thousand in 2021) to the right of use of the assets subject to the contracts falling within the scope of IFRS 16.

Relative to valuation methods, please see that reported at the Group level.

Equity investments

Equity investments - Poste Vita Group (€ 110,617 thousand)

The item referred to:

- the equity investment held by the Parent Company, Poste Vita SpA, in the associate Europa Gestioni Immobiliare SpA (EGI), company owned 45%, which operates primarily in the real estate sector for the management and development of real estate assets no longer instrumental for the Parent Company, with a value equal to € 109,357 thousand at 31 December 2022;
- the equity investment worth € 1,221 thousand, in Eurizon Capital Real Asset SGR SpA, a company in which the Company holds a 20% interest in the share capital and 12.25% of the voting rights, acquired for € 1.7 million on 31 January 2022;
- for the remaining portion (equal to € 39 thousand) to the 5% equity investment in the company “Consorzio Logistica Pacchi Scpa” acquired on 30 June 2020 by Poste Assicura SpA

In the Poste Vita Group's Consolidated Solvency II Financial Statements, these investments are measured using the IAS/IFRS equity method, held to be a good approximation of Solvency II principles for non-insurance equity investments.

Equity investments - Poste Vita SpA (€ 409,516 thousand)

The item refers exclusively to equity investments held by the Parent Company Poste Vita SpA in Group companies and in particular:

- Poste Assicura SpA and Net Holding SpA were valued using the Solvency II equity method, that is determining the portion of shareholders' equity by measuring assets and liabilities pursuant to article 75 of the Solvency II Directive. The amount of the equity investments resulting from this valuation is € 298,820 thousand and € 118 thousand respectively;
- EGI SpA and Eurizon Capital Real Asset SGR SpA were valued at IAS/IFRS equity adjusted to take account of the elements not eligible for Solvency II purposes, which is considered a good approximation of Solvency II principles for non-insurance equity investments totalling € 109,357 thousand and € 1,221 thousand respectively.

Note that for the purposes of preparing the Poste Vita Group's Consolidated Financial Statements, the carrying amount of the equity investments held by the Parent Company Poste Vita SpA in the subsidiaries Poste Assicura SpA and Net Holding SpA were eliminated against the corresponding portion of shareholders' equity against line-by-line inclusion of the assets and liabilities of the subsidiaries.

Equity investments - Poste Assicura SpA (€ 635 thousand)

This item refers exclusively to the 100% equity investment held in the subsidiary Poste Insurance Broker Srl for € 596 thousand (€ 119 thousand at December 2021) and the remainder, equal to € 39 thousand, to the 5% equity investment in the company “Consorzio Logistica Pacchi Scpa”.

As specified in the introductory paragraph, with regard to Poste Insurance Broker Srl, the Company closed the period with a net loss of € 422.8 thousand (€ 345.9 thousand at the end of 2021). Shareholders' equity, at 31 December 2022, included € 900 thousand of the payment made by the sole shareholder Poste Assicura during the period in the form of capital strengthening.

For the purposes of preparing the Poste Vita Group's consolidated financial statements, it is specified that the carrying amount of the equity investment held in Poste Insurance Broker was offset against the corresponding portion of shareholders' equity following the full assumption of the subsidiary's assets and liabilities.

Financial assets

Financial assets - Group (€ 141,704,381 thousand)

Financial assets were measured at fair value making use of prices listed on active markets when available on the closing date of the reporting period and, when not, determining fair value with alternative methods.

Below is a schedule showing the composition of financial assets at 31 December 2022:

(€k)	31/12/2022	31/12/21	
Financial Investments	Solvency II value	Solvency II value	Delta
Equities	103,666	7,777	95,889
Government Bonds	79,576,592	92,248,174	(12,671,582)
Corporate Bonds	20,248,782	23,075,784	(2,827,002)
Structured notes	545,310	572,519	(27,210)
Collective Investments Undertakings	31,621,867	34,832,715	(3,210,848)
Assets held for index-linked and unit-linked contracts	9,608,163	7,600,372	2,007,791
Total	141,704,381	158,337,342	(16,632,962)

Financial assets - Poste Vita SpA (€ 141,160,375 thousand)

Below is a schedule showing the composition of financial assets at 31 December 2022:

(€k)	31/12/2022		
Financial Investments	Solvency II value	Statutory Account Value	Delta
Equities	103,666	102,267	1,399
Government Bonds	79,110,257	88,534,227	(9,423,971)
Corporate Bonds	20,171,112	22,310,895	(2,139,783)
Structured notes	545,310	547,654	(2,344)
Collective Investments Undertakings	31,621,867	33,270,252	(1,648,385)
Assets held for index-linked contracts	9,608,163	9,608,163	
Total	141,160,375	154,373,458	(13,213,084)

There was an increase in the value of shares, amounting to € 103,666 thousand at 31 December 2022, compared to the December 2021 figure (€ 7,777 thousand), due to the investments made in this asset class during the reporting period.

Government bonds, equal to € 79,110,257 thousand, mainly refer to listed fixed income bonds issued by European countries, 97% of which were issued by the Italian government.

Corporate bonds amounting to € 20,171,112 thousand mainly refer to listed fixed income bonds issued by leading European companies.

Structured bonds amounted to € 545,310 thousand at the end of the period and refer to bonds issued by Cassa Depositi e Prestiti as private placements, purchased at market conditions.

With regard to class C mutual funds, which amounted to € 31,621,867 at the end of 2022, the percentage of the entire class C portfolio increased from 23.1% at the end of 2021 to 24.0% today).

The financial instruments acquired to hedge the unit-linked policies are measured at the value on the last trading day of the year and at the end of this year amounted to € 9,608,163 thousand, an increase of € 2,007,791 thousand compared to the values at the end of 2021, mainly supported by positive net inflows.

Financial assets - Poste Assicura SpA (€ 544,006 thousand)

Financial assets were measured at fair value using the prices listed on active markets and amount to a total of € 544,006 thousand and refer to: i) € 466,336 thousand for listed government bonds and ii) € 77,670 thousand for listed bonds.

(€k)	31/12/2022		
	Solvency II value	Statutory Account Value	Delta
Government Bonds	466,336	489,762	(23,426)
Corporate Bonds	77,670	77,653	17
Total	544,006	567,415	(23,409)

The dynamics of the financial markets during 2022 had an impact on the financial assets held by Group companies, resulting in a lower market value of the securities portfolio than the value under *Local GAAP*.

Relative to valuation methods, please see that reported at the Group level.

Due from policyholders and intermediaries

Insurance and intermediaries receivables – Poste Vita Group (€ 136,746 thousand)

This item mainly includes amounts due from policyholders for premiums to be collected, as well as amounts due from intermediaries and insurance companies. The receivables are recognised at fair value on the date of acquisition and subsequently at the realisable value¹¹. At the end of 2022, this item consisted of:

- amounts due from policyholders, not yet collected at the end of the period for € 127,902 thousand. Relative to the amount recognised at 31 December 2021, there was an increase in amounts due from policyholders totalling € 71,760 thousand, mainly due to collective policies related to Welfare business in line with the increase in premiums associated with this business;
- amounts due from intermediaries for € 9,692 thousand at 31 December 2022, which refer to premiums issued in the final days of the year which, although collected by the intermediary at 31 December 2022, were paid to the Poste Vita Insurance Group in January 2023;
- amounts due from for co-insurers, not yet collected at the end of the period for € 1,314 thousand, partially settled during the initial months of 2023;
- amounts due from the Subsidiary Poste Assicura for the life component of the CPI product for € 5,587 thousand at 31 December 2022; and from Eurizon for € 387 thousand.

This item is shown net of infragroup transactions totalling € 8,136 thousand, which refer exclusively to the receivable due to the Parent Company Poste Vita from the subsidiary Poste Assicura.

Insurance and intermediaries receivables - Poste Vita SpA (€ 46,557 thousand)

At the end of 2022, this item amounted to € 46,557 thousand and consisted of:

- amounts due from policyholders for € 36,744 thousand and related to premiums not yet collected at the end of the period that will be settled in the first months of 2023;
- amounts due from intermediaries for € 3,839 thousand at 31 December 2022, which refer to premiums issued in the final days of the year which, although collected by the intermediary at 31 December 2022, were paid to the Company in the first few days of January 2023;
- amounts due from the Subsidiary Poste Assicura for the life component of the CPI product for € 5,587 thousand at 31 December 2022; and from Eurizon for € 387 thousand.

Relative to valuation methods, please see that reported at the Group level.

Insurance and intermediaries receivables - Poste Assicura SpA (€ 97,920 thousand)

This item amounts to € 97,920 thousand at the end of 2022 and the breakdown is as follows:

- amounts due from policyholders for premiums for the year, not yet collected at the end of the period for € 91,158 thousand;
- amounts due from for co-insurers, not yet collected at the end of the period for € 1,314 thousand, partially settled during the initial months of 2023;
- amounts due from intermediaries for € 5,448 thousand at 31 December 2022, which refer to premiums issued in the final days of the year which, although collected by the intermediary at the end of 2022, were paid to the Company in the first few days of January 2023.

Relative to valuation methods, please see that reported at the Group level.

11. All receivables in question had maturities of less than 12 months.

Insurance and intermediaries receivables - Poste Insurance Broker Srl (€ 405 thousand)

This position for € 405 thousand refers for € 196 thousand to the receivable due to the Company from Genertel SpA for the intermediation fee and for € 209 thousand for receivables due from Poste Italiane SpA

Relative to valuation methods, please see that reported at the Group level.

Deferred tax assets

Deferred tax assets - Poste Vita Group (€ 4,530,569 thousand)

Deferred tax assets are equal to the sum of the amounts under the same item found in the Market Value Balance Sheets (Solvency II) of the Parent Company Poste Vita and the subsidiaries Poste Assicura, Net Holding SpA and Poste Insurance Broker.

These amounts were determined with reference to the valuation differences for the values of assets and liabilities for Solvency II purposes and the corresponding Local GAAP amounts, applying the rates in effect at 31.12.2022. As a result of the valuation rules provided for under Solvency II regulations, the item "Deferred Tax Assets" in the financial statements increased by € 4,043,156 thousand from an IAS/IFRS value of € 487,413 thousand to a total Solvency II value of € 4,530,569 thousand, at 31 December 2022.

Deferred tax assets - Poste Vita (€ 4,505,757 thousand)

For Solvency II purposes, deferred tax assets were determined, with reference to the valuation differences in the values of assets and liabilities for Solvency II purposes and the corresponding Local GAAP amounts, applying the rates in force at 31.12. 2022.

As a result of application of the Solvency II valuation rules, the "deferred tax assets" in the Italian GAAP financial statements, equal to € 474,661 thousand, increased by € 4,031,096 thousand, reaching a total value at the end of 2022 of € 4,505,757 thousand.

The main components were deferred tax assets arising from the elimination of deferred acquisition costs in the amount of € 11,225 thousand, taxes arising from valuation differences on financial instruments in the amount of € 4,003,464 thousand, and the decrease in reserves ceded to reinsurers in the amount of € 7,614 thousand.

Deferred tax assets - Poste Assicura SpA (€ 24,612 thousand)

Deferred tax assets amount to € 24,612 thousand. The tax effect is mainly determined by Local GAAP deferred tax assets, in the amount of € 16,860 thousand, and by the Solvency II change in value of financial instruments, compared to the statutory figure, in the amount of € 5,835 thousand, applying the rates in force at 31.12.2022.

Relative to valuation methods, please see that reported at the Group level.

Deferred tax assets - Poste Insurance Broker Srl (€ 200 thousand)

Deferred tax assets amount to € 200 thousand.

Relative to valuation methods, please see that reported at the Group level.

Cash and cash equivalents

Cash and cash equivalents - Poste Vita Group (€ 2,924,160 thousand)

This item includes short-term bank and postal deposits, as well as cash and revenue stamps, recorded at their nominal value. This item amounts to € 2,924,160 thousand at the end of 2022.

Cash and cash equivalents - Poste Vita SpA (€ 2,878,261 thousand)

With regard to the Parent Company Poste Vita, this item amounts to € 2,878,261 thousand at the end of 2022.

Cash and cash equivalents - Poste Assicura SpA (€ 42,737 thousand)

The value of the Subsidiary, Poste Assicura SpA, amounts to € 42,737 thousand at 31 December 2022. It refers to temporarily available amounts, relating mainly to the collection of premiums issued during the final days of the year, which will be used for investments and to pay suppliers and commission.

Cash and cash equivalents - Net Holding SpA (€ 200 thousand)

With regard to the Subsidiary, Net Holding SpA, this item totals € 200 thousand at the end of 2022 and relates to normal cash flows from operations.

Cash and cash equivalents - Poste Insurance Broker Srl (€ 2,961 thousand)

With regard to the Subsidiary Poste Insurance Broker Srl this item amounts to € 2,961 thousand at the end of 2022.

Difference between Solvency II and IAS/IFRS Consolidated Financial Statements valuation

Below is a table summarising the different valuation criteria adopted when measuring assets for Solvency II purposes and for the IAS/IFRS Consolidated Financial Statements:

Relevant asset categories	Valuation criterion Solvency II	Valuation criterion IAS/IFRS
Intangible Assets and deferred acquisition costs	Derecognised and not recognised.	<p>The following are classified in this item: Deferred acquisition costs associated with the acquisition of certain insurance contracts. In accordance with IFRS 4, these costs are accounted for in accordance with local GAAP standards.</p> <hr/> <p>Goodwill arising from the difference between the cost of the 100% participation in Poste Welfare Servizi acquired on 4 November 2015 and the fair value of the assets and liabilities recognised (at the acquisition date).</p> <hr/> <ul style="list-style-type: none"> • Software amortised over 3 years. • Start-up and expansion costs amortised over 5 years.
Property, plant & equipment held for own use	Furniture, plant and equipment, office machinery are recorded at cost plus accessory charges and subsequent valuations are carried out using the amortised cost method. Depreciation is charged on a straight-line basis over the asset's estimated useful life. With reference to leased assets, the value of the asset upon first recognition shall be equal to the present value of the periodic payments/fees provided for in the contract in order to use the asset and at the time of subsequent closures of the accounts, and for the entire duration of the contract, the asset is depreciated on a straight-line basis.	As required by IAS 16, furniture, plant and equipment, office machinery are recorded at cost plus accessory charges and subsequent valuations are carried out using the amortised cost method. Depreciation is charged on a straight-line basis over the asset's estimated useful life. With reference to leased assets falling within the scope of application of IFRS 16, the value of the asset upon first recognition must be equal to the present value of the periodic payments/fees provided for in the contract in order to use the asset and at the time of subsequent closures of the accounts, and for the entire duration of the contract, the asset is depreciated on a straight-line basis.
Partecipations	Valued at SII values from IAS/IFRS equity.	Equity method as required by IAS 28.
Financial Investments	Fair Value.	<p>Financial investments are valued and classified in accordance with IFRS 9, i.e.:</p> <ul style="list-style-type: none"> i) Amortised cost: financial investments held for the purpose of collecting the contractual cash flows represented exclusively by the payment of principal and interest; ii) Fair value recognised in Other comprehensive income (FVTOCI): financial investments held in order to collect both the contractual cash flows, represented exclusively by the payment of principal and interest, and the flows deriving from the sale of the assets; iii) Fair value recognised in profit or loss (FVTPL): residual category within which financial investments not included in the previous categories are classified.
Deferred tax assets	Deferred tax assets are equal to the sum of the values of the same item reported in the Market Value Balance Sheet (Solvency II) of the Parent Company, Poste Vita, and the Subsidiaries, Poste Assicura and Poste Welfare Servizi. These values were determined, with reference to the differences in the values of assets and liabilities calculated for SII purposes and the corresponding Local GAAP values, based on the applicable rates.	Deferred tax assets are recognised for deductible temporary differences between the carrying amounts of assets and liabilities and the corresponding values recognised for tax purposes.
Insurance and intermediaries receivables	Receivables are recorded at Fair Value at the acquisition date and subsequently measured at their estimated realisable value.	Receivables are recorded at Fair Value at the acquisition date and subsequently measured at their estimated realisable value.
Cash and cash equivalents	These items are recorded at nominal value.	These items are recorded at nominal value.

Application of Solvency II valuation criteria to the assets in the Market Value Balance Sheet led to the following valuation differences for the Poste Vita Group:

Relevant asset categories (€k)	31/12/2022		
	Solvency II value	IAS/IFRS	Delta
Goodwill			
Deferred acquisition costs		36,422	(36,422)
Intangible assets			
Property, plant & equipment held for own use	11,153	11,153	
Participations	110,617	111,323	(706)
Financial Investments	141,704,381	142,000,648	(296,267)
Deferred tax assets	4,530,569	487,414	4,043,156
Insurance and intermediaries receivables	136,746	136,746	
Cash and cash equivalents	2,924,160	2,924,160	

With reference to Group companies, application of Solvency II valuation criteria to Balance Sheet assets led to the following valuation differences with respect to the **Local GAAP standards**, reported below:

Relevant asset categories	Valuation criterion Solvency II	Valuation criterion Local GAAP
Intangible Assets	Derecognised and not recognised.	Recognition at cost and subsequent amortisation: <ul style="list-style-type: none"> • Acquisition commissions capitalised and amortised on an analytical basis over 10 years; • Software amortised over 3 years; • Start-up and expansion costs amortised over 5 years; • Leasehold improvements - amortised on the basis of the residual duration of the right of use.
Property, plant & equipment held for own use	As required by IAS 16, furniture, plant and equipment, office machinery are recorded at cost plus accessory charges and subsequent valuations are carried out using the amortised cost method. Depreciation is charged on a straight-line basis over the asset's estimated useful life. With reference to leased assets falling within the scope of application of IFRS 16, the value of the asset upon first recognition must be equal to the present value of the periodic payments/fees provided for in the contract in order to use the asset and at the time of subsequent closures of the accounts, and for the entire duration of the contract, the asset is depreciated on a straight-line basis.	Property, plant and equipment are recorded at purchase cost including related ancillary charges and depreciated on a straight-line basis according to their residual useful life. With reference to leased assets, statutory standards do not provide for recognition as assets.
Participations	Valued at SII values from IAS/IFRS equity.	Acquisition cost pursuant to art. 2426 of the Civil Code.
Financial Investments	Fair Value.	Current Assets: value equal to the lower of acquisition cost and market value; Assets: acquisition cost adjusted, if necessary, to take account of impairment losses.
Deferred tax assets	Deferred tax assets are determined on the basis of the differences between the values of assets and liabilities for Solvency II purposes and the corresponding Local GAAP values.	Deferred tax assets are recognised for deductible temporary differences between the carrying amounts of assets and liabilities and the corresponding values recognised for tax purposes, where it is considered probable that there will be a future profit.
Insurance and intermediaries receivables	Receivables are recorded at Fair Value at the acquisition date and subsequently measured at their estimated realisable value.	Receivables are recorded at their estimated realisable value in accordance with the provisions of art. 16, paragraph 9 of Legislative Decree no. 173/97 and expressed net of any adjustment provisions.
Cash and cash equivalents	These items are recorded at nominal value.	These items are recorded at nominal value.

Poste Vita SpA

Relevant asset categories (€k)	31/12/2022		
	Solvency II value	Statutory Account Value	Delta
Deferred acquisition costs		36,422	(36,422)
Intangible assets			
Property, plant & equipment held for own use	8,623	215	8,408
Participations	409,516	186,256	223,259
Financial Investments	141,160,375	154,373,458	(13,213,084)
Deferred tax assets	4,505,757	474,661	4,031,096
Insurance and intermediaries receivables	46,557	46,557	
Cash and cash equivalents	2,878,261	2,878,261	

Poste Assicura SpA

Assets (€k)	31/12/2022		
	Solvency II value	Statutory accounts value	Delta
Intangible assets			
Property, plant & equipment held for own use	2,531	8	2,523
Participations	635	1,537	(901)
Financial Investments	544,006	567,415	(23,409)
Deferred tax assets	24,612	16,860	7,752
Reinsurance receivables	2,544	2,544	
Insurance and intermediaries receivables & receivables (trade, not insurance)	99,449	99,449	
Cash and cash equivalents	42,737	42,737	

D.2 Technical Provisions

The following table summarises the technical provisions net of outward reinsurance of the Poste Vita Group at 31 December 2022:

Net Technical Provisions (€k)	31/12/2022		
	Life business	Non-life business	Total
Best Estimates Liabilities	128,082,365	268,339	128,350,704
Risk margin	4,651,605	27,076	4,678,681
Total - Gross Technical Provisions	132,733,970	295,415	133,029,385
Recoverables	6,065	9,182	15,247
Total - Net Technical Provisions	132,727,905	286,233	133,014,137

The Technical Provisions of the Poste Vita Group are equal to the sum of the technical provisions for the Life business deriving from the Parent Company Poste Vita and the technical provisions for the Non-Life business deriving from the subsidiary Poste Assicura.

The Technical Provisions relating to both the Life business and Non-Life business have been valued in accordance with the principles of article 77 of the Solvency II Directive, which states that the value of technical provisions is equal to the sum of the Best Estimates and the Risk Margin.

Relative to calculation of Group technical provisions, below is the impact of transitional measures on technical provisions, as well as the use of the Volatility Adjustment, both of which were applied by the Parent Company:

Impact of long term guarantees measures and transitionals (€k)	31/12/2022		
	Amount with Long Term Guarantee measures and transitionals	Without volatility adjustment and without other transitional measures	Impact of volatility adjustment set to zero
Technical provisions	133,029,385	133,595,316	565,931
Basic own funds	11,054,895	10,663,383	(391,511)
Excess of assets over liabilities	10,514,015	10,122,503	(391,511)
Restricted own funds due to ring-fencing and matching portfolio			
Eligible own funds to meet Solvency Capital Requirement	12,804,895	12,413,383	(391,511)
Tier I	10,791,645	10,400,133	(391,511)
Tier II	2,013,250	2,013,250	
Tier III			
Solvency Capital Requirement	5,055,992	5,191,937	135,944

Technical provisions of the Parent Company - Poste Vita SpA

The technical provisions were valued in accordance with the principles of article 77 of the Solvency II Directive.

The methodology adopted to calculate the various amounts impacted by Solvency II is that of the Standard Formula.

With regard to the adoption of the Transitional Measure on Technical Provisions (MTRT), at 31/12/2022 as defined in paragraph 2 - "Recalculation of the MTRT" of Annex 2 "Calculation of the Transitional Measure on Technical Provisions" of the *Clarification on the application of the provisions of Article 344-decies of Legislative Decree 209 of 7 September 2005*, concerning the Transitional Measure on Technical Provisions, Poste Vita has carried out the four-yearly verification of the calculation of the Transitional Measure on Technical Provisions.

The value of the transitional deduction, determined as the share of the difference between the Technical Provisions calculated according to the Solvency II regime, pertaining to the portfolio of contracts in force at 31/12/2015 and still in force at the valuation date ("old business"), and the Solvency I Technical Provisions pertaining to the same portfolio, is negative for each Line of Business, therefore, the value of the transitional measure at 31.12.2022 is 0.

At 31 December 2022, the technical provisions are broken down into the various components:

- Best Estimate of Liabilities (BEL),
- Risk Margin (risk margin against non-hedgeable risks),
- Reinsurance recoverables, the best estimate of the amounts recoverable through reinsurance net of adjustments taking into account the credit risk of the reinsurer (CDA - Counterparty Default Adjustment), were:

Technical provisions (€k)	31/12/2022
BEL - gross reinsurance	128,082,365
Risk margin	4,651,605
SII technical provisions - gross reinsurance	132,733,970
Reinsurance recoverables net Counterparty Default Risk	6,065
SII technical provisions - net reinsurance	132,727,905
TMTP amount at 31/12/2022	
SII technical provisions - net reinsurance with TMTP deduction	132,727,905

At 31 December 2022, the value of Technical Provisions by line of business (LoB) and by component, before reinsurance, was:

Line of Business (€k)	31/12/2022		
	BEL	Risk margin	Recoverables
Insurance with profit participation	119,360,885	4,198,557	91
Index-linked and unit-linked insurance	8,600,743	368,626	
Other life insurance	121,058	73,845	11,530
Health insurance (direct business)	(321)	10,577	(5,556)

Details are provided below of the value at 31 December 2022 of Technical Provisions by line of business (LoB) and by component, net of reinsurance:

TP, net of reinsurance

Line of Business (€k)	BEL	Risk Margin
Insurance with profit participation	119,360,794	4,198,557
Index-linked and unit-linked insurance	8,600,743	368,626
Other life insurance	109,529	73,845
Health insurance (direct business)	5,234	10,577

Technical Provisions are calculated for almost the entire portfolio using an Asset Liabilities Management (ALM) approach.

Best Estimates include the outstanding claims provisions at 31 December 2022.

The Best Estimate of liabilities is the average of future cash flows weighted with the relative probabilities, taking into account the time value of the money (current expected value of future cash flows), based on the relevant risk-free interest rate term structure at 31 December 2022, as observed on the market and officially communicated by EIOPA.

The Best Estimates may be calculated in a deterministic or stochastic manner, based on the characteristics of the relative liabilities portfolio.

Specifically:

- a deterministic approach is used for Solvency products of Lines of Business relative to which cash flows do not depend on market changes or move symmetrically relative to market changes;
- a stochastic approach is used for Solvency products or Lines of Business relative to which cash flows contain financial guarantees and contractual options which are asymmetrical relative to market changes.

To measure the Best Estimate component for Parent Company commitments, the model was configured by LoB, each using the relative amounts of assets and liabilities.

The projections are managed for individual funds. In particular, in the case of separately managed accounts, from an ALM perspective, the dynamic interactions between assets and liabilities are taken into account, such as management movements, the revaluation of insurance benefits is determined, management actions are taken into account and investment strategies are simulated.

With regard to the choice of Management Actions, the investment strategy used in the Parent Company's projection models to calculate the Best Estimate of products with performance that can be revalued, i.e. linked to the return of separately managed accounts, has a dual objective of:

- maintaining the Current Asset Allocation (CAA) over time;
- achieving and maintaining, when possible, a target return.

Parameterisation of financial hypotheses was determined in line with asset allocation and realisation of an objective return (crediting), defined and agreed upon with the "Asset Allocation and Traditional Investments" office.

In contrast to what occurs for real world valuations, it is necessary to take into account that for Solvency II valuations a closed production portfolio is hypothesised, with projections made in a risk neutral environment. Consequently, flows from assets are lowered, leading to a reduction in returns.

Realisation criteria for latent gains from assets covering separately managed accounts represent the driver with the largest impact on the value of technical provisions. In these measurements, portfolio management establishes that realisation of gains leads to crediting.

Relative to the liabilities portfolio, for proper valuation as defined under articles 17 and 18 of Delegated Regulation (EU) 2015/35, all obligations falling under the limits of contracts were recognised, while those expired, fulfilled and discharged were cancelled.

When measuring the Best Estimates, all existing portfolio obligations were considered, in particular those deriving from single premium, annual premium and recurring single premium tariff forms, as well as the payment of additional premiums and single-year coverage through maturity.

When configuring the model, variables were parameterised on the basis of hypotheses that best represent their future performance.

In the cash flows projection, as defined under article 28 of delegated regulation (EU) 2015/35, all commitments were considered in terms of benefits and expenses deriving from contracts, by defining hypotheses that determine the future value.

In particular, we can identify three types of hypotheses:

- Demographics: mortality, longevity and disability;
- Financial: return rates for assets (deterministic risk neutral and stochastic scenarios), discount and inflation rates and volatility hypotheses for financial instruments;
- Non-Financial: surrenders, renewals, reductions, insolvencies, return and spending propensity.

Below is a description of the methodological criteria used to define the main hypotheses, periodically updated on the basis of statistical/actuarial estimates:

Demographic hypotheses

Process of identifying the distribution of the likelihood of death, broken down by sex and age, differentiated by various sub-collectives in the portfolio (term life products, CPI products, Class I including multi-class and Class III):

- The mortality rate by age is obtained as a ratio between the number of deaths observed and the average number of people exposed to risk;
- For each sub-collective observed, a unique mortality table was defined, distinguished by age and sex. Recovery of tardy notifications with respect to prior years of death was done by modifying the extractive criteria for the database, adding information on when notifications were received;
- Finally, the result is represented with an appropriate discount on the reference mortality tables by product.

Financial hypotheses

Determination of returns on assets and valuation of technical provisions is done following the regulatory principles in effect (Delegated Regulation 2015/35 of 10 October 2014, as amended).

In particular, for projections for financial instruments using market consistency principles, the risk-free interest term structure is used, applying a Volatility Adjustment based on the data published each month by EIOPA.

To produce financial risk neutral stochastic scenarios used for Solvency II processing, software has been used for several years that automates the generation process. The software includes theoretical models, calculation methods and the entire IT structure needed to generate the required scenarios.

The risk neutral macroeconomic scenarios take into consideration:

- two benchmark economies ('EUR' and 'USD')
- for each economy, the following risk factors are considered:
 - nominal interest rates
 - real interest rates
 - credit risk
 - equity
 - exchange rates

The generation process creates one thousand simulated trajectories, calibrated to the volatility levels observed on the reference date of the analysis.

Methodological choices made by Poste Vita call for the use of the following projection models for the various risk factors:

- nominal interest rates: Libor Market Model plus (LMM+)
- real interest rates: Gaussian Libor Market Model (GLMM)
- spread: G3 Model
- equity: Stochastic Volatility Jump Diffusion (SVJD)

The nominal interest rate curve used in the generation process on the valuation date coincides with that provided by EIOPA. These curves include the following corrections: credit risk adjustment and volatility adjustment.

The curves are also subject to a Smith-Wilson interpolation and extrapolation process that includes an ultimate forward rate level at which the scenario converges (3.45%), within a certain tolerance, during the corresponding period between the last rate deemed liquid (20 years) and 60 years.

The inflation rate on the valuation date is obtained from market info-providers and coincides with the EUSWI curve.

The volatility surface used to calibrate the rate models is part of the calibration issued by an external supplier who is a leader in their sector.

This same calibration is accompanied by the relative documentation, which reports market volatility levels (implicit volatility of swaptions) and the quality level of the fitting obtained with the models used.

Therefore, the quality of the fitting for the volatilities guarantees consistency between the starting curve, supplied by EIOPA, and the market volatility used to produce the scenario.

The market spread projection model is calibrated by the provider (both level and volatility).

The equity projection model:

- is calibrated to the implied volatility surfaces of options with underlying EUROSTOXX50, S&P500 and MSCI World;
- is calibrated by the provider on historical data for objects for which there are no implied volatility surfaces listed on the market;
- is calibrated by the ALM&SAA Office for other investments: this calibration is based on the estimation of parameters from time series downloaded from market info-providers.

The scenarios produced are subjected to validation tests, distributed by the supplier, before they are used as input in the ALM model, so that the risk neutrality is verified as well as the consistency with the valuation model.

Non-financial hypotheses

- a. Process to determine surrender frequency, broken down by different portfolio sub-collectives and product lines:
- observation of the phenomenon is done by the anti-duration of the policy and by different product line;
 - the surrender rate is obtained as the ratio between the number of policies surrendered and the number of policies exposed to the risk of surrender at the beginning of the period for each calendar year of issue, that is by each year the policy is in effect;
 - starting from the annual rate matrix, aggregating with respect to the columns, the vector of surrender rates is obtained by anti-duration;
 - aggregation is done using weighted averages which give more weight to complete and more recent observations;
 - the portion of insured capital requested through surrender is determined by product line as the ratio between the average surrender and the average insured capital within the same observation period;
 - the average capital rate, obtained in the previous point, is applied in relation to distinct product lines, at each surrender frequency so as to obtain, by anti-duration, the rates (percentage) of insured capital reduced due to surrenders.
- b. Process to determine the frequency of partial surrenders:
- observation of the phenomenon is done by the anti-duration of the policy and by different product line;
 - the partial surrender rate is obtained as the ratio between the number of policies partially surrendered and the number of policies exposed to the risk of partial surrender at the beginning of the period for each calendar year of issue, that is by each year the policy is in effect;
 - starting from the annual rate matrix, aggregating with respect to the columns, the vector of partial surrender rates is obtained by anti-duration;
 - aggregation is done using weighted averages which give more weight to complete and more recent observations;
 - the average portion of insured capital requested through partial surrender is determined by product line as the ratio between the average partial surrender and the average insured capital within the same observation period;
 - the average capital rate, obtained in the previous point, is applied in relation to distinct product lines, at each partial surrender frequency so as to obtain, by anti-duration, the rates (percentage) of insured capital reduced due to partial surrenders.
- c. Process to determine renewal frequency for products with a recurring single premium:
- by policy month of effect and anti-duration average premiums paid by policyholders is determined, as the ratio between the amount of premiums paid for each monthly generation and the number of policies in the portfolio, relative to the same generation and still existing at that anti-duration;
 - the crude renewal frequency is obtained as the ratio between average subsequent premiums with adjacents, which are then aggregated in consecutive policy years and weighted with respect to the numerosness of the generations;
 - the final vector is the result of mechanical smoothing, i.e. conveyed by expert judgement.
- d. Process to determine the amounts of additional payments:
- the methodology used to determine the amount of additional payments is based on observations by core product and guarantee lines and includes the following phases:
- determination of the average value of additional payments by product;
 - determination of the frequency of additional payments by product;
 - determination of the annual premium amount by core product line;
 - the final vector is the result of mechanical smoothing, i.e. conveyed by expert judgement.
 - determination of a feeding law of the average premiums identified in the previous point as a function of anti-duration and for the same product lines.

e. Dynamic Policy Holder Behaviour (DPHB):

the Company has introduced the hypothesis of “dynamic surrenders” to include dynamic policy holder behaviour (“DPHB”) with respect to market conditions in its valuations.

The mathematical model used in Poste Vita calculation procedures defines a variation factor, with positive/negative effects on the surrender frequency observed in the Company’s experience, as a function of the performance of a “spread” financial variable.

An estimate of the parameters for the DPHB model used in internal BEL calculation procedures for Poste Vita was arrived at, taking into account the following methodological aspects:

- analysis of the linear and non-linear correlation between the strategic “spread” financial variable and observed surrender frequencies, which allowed identification of non-linear correlations;
- calculation of the “spread” variable as a function of returns returned by the GS (separately managed account).

f. The process of determining expenses:

the process used to determine expenses can be represented as follows:

- during the financial statements stage, there is an initial phase of analytical identification of costs by nature, to be allocated to the macro-categories within the technical and non-technical account:
 1. Other acquisition costs (Acquisition);
 2. Investment management expenses (Finance);
 3. Claims expenses (Settlement);
 4. Other administrative expenses (Administration);
- in the next phase, costs are allocated using specific technical indicators by class/product (macro product lines), to estimate the average costs of policies by line and anti-duration (acquisition costs -> year of issue/operating expenses -> for subsequent years).
- for the estimate of average policy costs at 31 December 2022, total operating costs incurred in 2022 was used as the starting point, net of recoveries for seconded personnel and intercompany services and costs of a non-recurring nature.

When projecting cash-flows, Poste Vita also considered charges relative to investment management and charges relative to the receipt of future expected premiums for the existing portfolio at the valuation date.

When evaluating the hypotheses underlying the BEL calculation, some were deemed immaterial in that the relative phenomenon observed either occurs sporadically over time or was irrelevant in terms of the volumes observed at the valuation date.

In particular, the following were found to be immaterial:

1. LTC disability hypotheses;
2. Maturity deferral hypotheses;
3. Non-pension product return conversion hypotheses;
4. Switch hypotheses;
5. Collective policy hypotheses;
6. LTCL non-self-sufficiency hypotheses;
7. Traffic death/injury hypotheses;
8. Partial Early Termination of Financing;
9. Decumulation.

When projecting cash flows, used in determining Best Estimate values, policies in effect at the time of valuation are grouped in Model Point, selecting a homogeneous grouping by risk type (by product code), so as to separate and manage the guarantees found in the insurance contracts. For multi-class policies, Class I and Class III guarantees are managed and valued separately. For Model Point generation, specific analysis was done to determine an optimal aggregate set to reproduce the Best Estimate value (with respect to the Best Estimate value obtained with policy by policy valuation), the numerousness of Model Points and a reduction in approximation error.

Best Estimate calculation is done using a stochastic approach so as to determine the time value of options (surrenders, renewals, reductions, insolvencies...) and guarantees (e.g. minimum financial guarantee set in the tariff) included in insurance policies in effect at the time of valuation, as defined under article 32 of delegated regulation (EU) 2015/35.

For the purposes of calculating the best estimate, the undertaking has applied to the risk-free interest rates an adjustment for the volatility of the structure by maturity of the risk-free interest rates (so-called "**Volatility Adjustment**"), according to the provisions contained in Art. 36-septies of the Italian Private Insurance Code.

To make this adjustment at the valuation date, technical information produced by EIOPA was used, on the basis of Article 36-octies of the Italian Private Insurance Code. The volatility adjustment applied to the 31 December 2022 valuation was 19 bps.

The Company quantified the impact of eliminating the volatility adjustment on the amount of technical provisions, keeping all the underlying data and hypotheses unchanged and using the interest rate structure without the volatility adjustment.

The consequent impact is summarised in the table below:

Line of Business (€k)	TP (with VA)	TP (no VA)	difference
Insurance with profit participation	123,559,443	124,127,059	-567,616
Index-linked and unit-linked insurance	8,969,369	8,966,664	2,704
Other life insurance	194,903	195,080	-177
Health insurance (direct business)	10,255	11,098	-842

The valuation model projects cash flows using a run-off approach, that is until the complete extinction of the liabilities portfolio over a time horizon set at 40 years. To take contracts still in effect on the last project date into account in the Best Estimate, the terminal value of these is included (total reserve at final projection date discounted to zero).

For each set of results produced, the market consistency of cash flows (positive and negative) is validated using the Leakage and Martingale tests, calibrating assets to the initial market value, in line with the risk neutral interest term structure, assuming an absence of arbitrage.

Cash flows were considered without deducting amounts recoverable through reinsurance contracts. This amount is calculated externally to the model and is equal to the current value of the difference between outgoing and incoming cash flows in reference to items subject to the reinsurance treaty.

This value, indicating the amounts recoverable from reinsurance contracts, is then adjusted as a function of the probability of default associated with the reinsurer.

This adjustment was calculated using the formula as per art. 61 of the Delegated Regulation (EU) 35/2015:

$$\text{AdjCD} = - \max(0.5 \cdot \text{PD} / (1 - \text{PD}) \cdot \text{Durmod} \cdot \text{BErec}; 0)$$

where:

- PD is the probability of default by said counterparty during the following 12 months;
- Durmod is the modified duration of amounts recoverable from reinsurance contracts with said counterparty in relation to the homogeneous risk group;
- BErec are the amounts recoverable from reinsurance contracts with said counterparty in respect of the homogeneous risk group.

Note that reinsurance amounts for business not modelled relative to term life, LTC, collective CPI and reinsurance amounts for the School Product were estimated as equal to the mathematical provisions transferred under the Local GAAP.

Recoverable amounts by LoB, net of the adjustment which takes reinsurer credit risk into account, were as follows at 31 December 2022:

Line of Business (€k)	31/12/2022
	Recoverables
Insurance with profit participation	91
Index-linked and unit-linked insurance	
Other life insurance	11,530
Health insurance (direct business)	(5,556)

The table below shows, relative to products linked to Separately Managed Accounts, the minimum levels guaranteed at 31 December 2022 and their weight as a percentage of the mathematical provisions:

% Minimum Guaranteed (€k)	MATHEMATICAL PROV 31/12/2022	% MATHEMATICAL PROV 31/12/2022
0.00%	80,831,582	56.83%
0.50%	7,457,677	5.24%
1.00%	12,586,434	8.85%
1.25%	16,514	0.01%
1.42%	163,822	0.12%
1.50%	40,741,130	28.65%
1.57%	6,367	0.00%
1.89%	28,989	0.02%
2.03%	15,835	0.01%
2.13%	7	0.00%
-1.2%*	374,391	0.26%
Total	142,222,747	100.00%

* Note: the guarantee shown refers to the surrender benefit for Whole Life products.

Technical Provisions for the Subsidiary Poste Assicura SpA

With reference to the value of the technical provisions of the Subsidiary Poste Assicura SpA, including the amount of the best estimate and the risk margin, a summary table is shown below:

Line of Business (€k)	31/12/2022					
	Premium provisions	Claims provisions	Risk margin	TP - Total	Recoverables from reinsurance	TP minus recoverables from reinsurance
1. Medical expense insurance	12,551	74,994	6,189	93,735	1,557	92,178
2. Income protection	33,530	96,121	13,889	143,541	5,654	137,887
3. Workers' compensation						
7. Fire and other damage	(1,265)	6,682	1,140	6,557	(742)	7,298
8. General liability	(898)	15,896	1,879	16,876	1,627	15,250
9. Credit and suretyship insurance	445	37	31	513		513
10. Legal expenses	(174)	1,151	85	1,062	623	439
11. Assistance	21	13	15	48		48
12. Miscellaneous	26,109	3,126	3,849	33,083	463	32,620
Total	70,319	198,019	27,076	295,415	9,182	286,233

Description of the bases, methods and main hypotheses used to measure the technical provisions

Poste Assicura calculates the technical provisions for solvency purposes according to the provisions of Chapter III (Rules relating to technical provisions) of Commission Delegated Regulation (EU) 2015/35 as transposed by Chapter II (Calculation of technical provisions) of Italian Legislative Decree no. 209/2005, updated for solvency issues by Italian Legislative Decree no. 74/2015 and according to the addition made by IVASS Regulation no. 18 of 15 March 2016.

The value of the technical provisions (TP) corresponds to the amount that an insurance or reinsurance company would have to pay if they immediately transferred all their contractual rights and obligations to another company. The value of the technical provisions is equal to the sum of the "Best Estimate Liabilities" (BEL) for the "Premium Provision" and "Claims Provision" and the "Risk Margin" (RM).

Best Estimate Premium Provision

Based on the definition provided in Solvency II terms, the Best Estimate Premium Provision is given by the current expected value of future cash flows generated by contracts existing on the valuation date.

Starting from this definition, the methodology used to quantify the Best Estimate Premium Provision before reinsurance allows development of all future cash flows deriving from payment of claims, expenses and possible premium surrenders due to early termination, net of future premiums to be collected. This methodology is based on the simplification found in Annex 6 to IVASS Regulation 18 of 15 March 2016.

To discount estimated future cash flows, the discount curve supplied by EIOPA was used, without the volatility adjustment.

Best Estimate Claims Provision

The Best Estimate Claims Provision was obtained starting with the historic series of provisions and payments for benefits made by the settlement network. This information is monitored using statistical analysis, accompanied by actuarial statistical assessments.

Before carrying out any actuarial valuation, Poste Assicura prepares a series of reports which analyse claim level indicators. Analysis of the temporal development of indicators is used to identify claims trends, particularly with reference to cost developments for each generation and their development trends over time. These indicators are identified monthly and compared with the situation in the previous year.

Analysis of the temporal development of indicators is used to identify claims trends, particularly with reference to cost developments for each generation and their development trends over time.

The following actuarial statistical methods have been implemented for the purposes of Solvency II assessments:

- Paid Loss Development Method;
- Incurred Loss Development Method;
- Paid Bornhuetter-Ferguson Method;
- Incurred Bornhuetter-Ferguson Method

Finally, LoBs were excluded from the application of actuarial statistical methods which at the valuation date had insufficient historical data, reduced volumes or a specialised settlement structure. In this case, the Best Estimate Claims Provision was obtained from the statutory reserve at the valuation date, duly removed and discounted.

The sole Line of Business affected by this simplified valuation was Assistance.

To discount estimated future cash flows, the discount curve supplied by EIOPA was used, without the volatility adjustment.

Reconciliation of Solvency II technical provisions with the statutory financial statements

The following table shows the differences between statutory and Solvency II technical provisions net of reinsurance at 31 December 2022:

Technical Provisions minus recoverables from reinsurance - SI vs SII (€k)	Local	Other*	Methodology Effect	Discount Effect	TP SII
Local Claims Provision/SII Claims Provision	212,140	(2)	(14,222)	(9,929)	187,987
Local Premiums Provision/SII Premiums Provision	134,168	0	(54,003)	(8,995)	71,170
Other Technical Provisions Local/Risk Margin	17,382	0	11,796	(2,102)	27,076
Total	363,691	(2)	(56,430)	(21,026)	286,233

* Delta for generations not valued and rounding.

The switch from Local GAAP calculation standards to those of Solvency II leads to a reduction in technical provisions net of reinsurance of 27.1% (€ 77,458 thousand).

The difference between the Local Claims Provision and the Best Estimate Claims Provision, amounting to € 24,154 thousand, is attributable to the different method applied and the introduction of a discount component. In fact, from a statutory point of view, the principle of prudence is respected, based on which negative IBNR cannot be determined. However, for Solvency II, to determine the final cost which is as close as possible to fair value, a more forward looking policy was selected.

The difference between the Local Premium Provision and the Best Estimate Premium, amounting to € 62,999 thousand, is attributable to the different method applied and the introduction of a discount component. For Solvency II, in contrast to statutory standards, the current value of future profits is also taken into account.

The statutory technical provisions also include the reserves additional to the premium provision, the equalisation provision and the ageing provision, while for Solvency II purposes, a safety margin is measured which represents the cost of holding own funds equal to the Solvency Capital Requirement to support the obligations until they are fully settled.

Amounts recoverable from reinsurance contracts

The amounts recoverable from reinsurance contracts were determined as follows:

- when calculating the Best Estimate Premium, amounts recoverable from reinsurers were obtained as the difference between claims generated from provisions by fractions of premiums, future premiums and outward reinsurance premiums and the premiums transferred to the reinsurer, to which was added commissions received from the reinsurer;
- when calculating the Best Estimate Claims, amounts recoverable from reinsurers were obtained as the sum of claims transferred through non-proportional treaties and claims transferred through quota share treaties.

The reinsurer counterparty default adjustment, for recoveries from reinsurers of the premium provision and the claims provision respectively, is calculated based on the simplified formula indicated in the Technical Specification for the Preparatory Phase Part I (TP.2.183.), as shown below:

$$Adj_{CD} = -\max\left(0.5 \cdot \frac{PD}{(1-PD)} \cdot Dur_{mod} \cdot BE_{rec}; 0\right)$$

dove:

- BE_{rec} is the Best Estimate of recoverables;
- Dur_{mod} is the modified duration of amounts recoverable from reinsurance;
- PD is the probability of default of the reinsurance counterparty.

The determined as described above is allocated to each future year in proportion to the flow of recoverables.

Below is a breakdown of recoverables from the Best Estimate Premium Provision:

Line of Business (€k)	31/12/2022		
	Best Estimate Premium Provision Gross of Reins.	Best Estimate Premium Provision Net of Reins.	Recoverable with Adjustment
1. Medical expense insurance	12,551	12,720	(169)
2. Income protection	33,530	33,164	366
3. Workers' compensation			
7. Fire and other damage	(1,265)	(229)	(1,036)
8. General liability	(898)	(586)	(312)
9. Credit and suretyship insurance	445	445	
10. Legal expenses	(174)	(175)	2
11. Assistance	21	21	
12. Miscellaneous	26,109	25,810	299
Total	70,319	71,170	(851)

Recoverables for the Best Estimate Premium Provision are equal to -€ 851 thousand. The Best Estimate Premium Provision net of reinsurance amounted to +€ 71,170 thousand. The Best Estimate Premium Provision before reinsurance is -1.2% lower than the net estimate.

Below is a breakdown of recoverables from the Best Estimate Claims Provision:

Line of Business (€k)	31/12/2022		
	Best Estimate Claims Provision Gross of Reins.	Best Estimate Claims Provision Net of Reins.	Recoverable with Adjustment
1. Medical expense insurance	74,994	73,268	1,726
2. Income protection	96,121	90,833	5,288
3. Workers' compensation			
7. Fire and other damage	6,682	6,387	295
8. General liability	15,896	13,957	1,939
9. Credit and suretyship insurance	37	37	
10. Legal expenses	1,151	529	621
11. Assistance	13	13	
12. Miscellaneous	3,126	2,962	164
Total	198,019	187,987	10,033

Recoverables for the Best Estimate Claims Provision amount to +€ 10,033 thousand. The Best Estimate Claims Provision net of reinsurance amounts to +€ 187,987 thousand, a percentage reduction of approximately 5.1% of the gross estimate. Recoverables obtained are consistent with the Reinsurance strategy in force in 2022.

Level of uncertainty associated with technical provisions

Valuation of technical provisions requires sustainable technical hypotheses relative to the composition of the portfolio and company policies. These aspects were duly considered during the valuations. In any case, the hypotheses used could nonetheless provide estimates that differ from effective future amounts. To that end, sensitivity analysis was done to determine the impact of changes in the individual hypotheses used on final estimates.

In particular, the Company did sensitivity analysis on factors which were deemed the most significant relative to the features of the portfolio and involve:

- hypotheses of contract abandonment by policyholders and prospective Loss Ratio in the context of the Best Estimate Premium;
- claims settlement policies and the consequent variation in the link ratio relative to Best Estimate Claims.

Risk Margin

The Group's Risk margin is the sum of the Risk Margins of the individual Companies, as established in article 77 of the Solvency II Directive.

At 31 December 2022, in line with the approach adopted in the previous year, Group Companies used a simplified method to calculate the Risk Margin, as provided for in paragraph 2, article 60 of IVASS Regulation no. 18/2016. In particular, after verifying the hypotheses regarding the risk profile of the company can be considered as unchanged over time, the Group chose the hierarchy 2 method proposed in annex 4 to the cited Regulation. The Group believes that this method, based on the run-off of obligations net of reinsurance, reflects in a proportionate manner the nature, scope and complexity of the underlying risks and the commitments undertaken by the reference company.

The hierarchy 2 method is based on the hypothesis that the solvency capital requirement is proportional to the best estimate of technical provisions, for each year of reference. The proportionality factor is the ratio between the current SCR and the current best estimate of technical provisions. The Group's risk margin is shown below:

(€k)		31/12/2021	31/12/2022	Delta
Risk Margin	226,042	4,678,681	n.s.	

The increase in the Risk Margin is due in particular to the following factors:

- increase in underwriting resulting from the rising rate scenario compared to the valuation at 31 December 2021;
- zeroing of MTRTs at 31 December 2022;
- sharp increase in the discount factor due to the reduction of the eiopa risk-free curve compared to 31 December 2021.

The Group Companies, also in light of the principle of proportionality of the method of calculation of technical provisions pursuant to Article 56 of the Delegated Acts, considered that this methodology, based on the run-off of bonds net of reinsurance, is the one that best represents the future technical performance of the bonds and therefore reflects in a proportionate manner the nature, scope and complexity of the underlying risks.

The assessments carried out are reported below, aimed at verifying the analyses and demonstrating the invariance of the Company's risk profile over time:

- the predominant component of the solvency requirement is technical in nature (underwriting risk);
- the market risk component is not material for the calculation of the Risk Margin;
- the operational risk according to the standard formula is mainly a function of technical variables (technical provisions, premiums, Basic Solvency Capital Requirement) and in the assessments carried out is a function of the premiums;
- the counterparty risk is not substantial and is also mainly a function of technical variables (recoveries from reinsurers of technical provisions borne by them in case of default);
- there are no negative values present in the best estimates of the technical provisions at the valuation date or subsequent dates.

With reference to the components set out by art. 38, paragraph 1, points i) and j) of the Delegated Acts, the Company also made the following considerations:

Composition of underwriting risk:

- With regard to Poste Vita, Solvency Capital Requirement assessments for risk margin purposes showed a predominant contribution of Life underwriting risk.
- With regard to Poste Assicura, the Solvency Capital Requirement assessments performed to date have shown a predominant contribution of Health and Non-life underwriting risk, including the diversification effect, the adjustment for deferred tax loss absorption capacity and the Capital Add On.

Counterparty default risk:

- The Group Companies work with reinsurers with unquestionable capital and financial solidity. An essential condition of collaboration is the assignment by one of the identified rating agencies of a rating no lower than BBB+.

Operational risk:

- Since there are no special purpose vehicles, there is no need to assess whether the percentage of the reinsurers' share of the bonds is the same.

D.3 Other liabilities

For the most significant liability items below is the amount at 31 December 2022 calculated using Solvency II criteria, compared with the amount recognised in the *IAS/IFRS Consolidated Financial Statements* with reference to the Poste Vita Group and compared with the amount recognised in the *Local GAAP Financial Statements* for the individual Companies.

Subordinated liabilities

Subordinated liabilities - Poste Vita Group (€ 993,493 thousand)

Subordinated liabilities, wholly owned by the Parent Company Poste Vita SpA, amounted to € 993,493 thousand at 31 December 2022, and refer to the:

- Market value of the Tier 2 subordinated liability, amounting to € 263,250 thousand, with a nominal value of € 250 million, contracted by Poste Vita entirely with the Ultimate Parent Poste Italiane in 2008 and with an indefinite maturity date, inclusive of accrued interest expense (settled entirely at market conditions) of € 2,613 thousand.
- Market value of the Tier 1 Restricted subordinated liability, amounting to € 250,980 thousand: a perpetual, non-convertible, fixed-rate regulatory capital instrument, approved by the Company's Board of Directors in extraordinary session on 7 June 2021 and by the Shareholders' Meeting on 16 June 2021, and issued on 26 July 2021 for a nominal amount of € 300 million and fully subscribed by the Ultimate Parent Poste Italiane. The instrument can be recalled after the tenth year and after each interest payment date. The fixed-rate security is issued at par with an annual coupon of 5.00%, with deferred half-yearly payment (26 July and 26 January).
- Market value of the new Tier 1 Restricted subordinated liability, amounting to € 476,650 thousand: a perpetual, non-convertible, fixed-rate regulatory capital instrument, approved by the Company's Board of Directors in an extraordinary session on 27 July 2022 and by the Shareholders' Meeting on 28 July 2022, and issued on 3 August 2022 for a nominal amount of € 500 million and fully subscribed by the Ultimate Parent Poste Italiane. The instrument can be recalled after the tenth year and after each interest payment date. The fixed-rate bond is issued at par with an annual coupon of 8.4%, with deferred half-yearly payment (3 August and 3 February).

This loan is remunerated at market conditions, regulated in accordance with the conditions set out in article 45, chapter IV, title III of Legislative Decree no. 209 of 7 September 2005 and subsequent amendments, and fully available for the purpose of hedging the solvency margin.

Contingent liabilities

Contingent liabilities - Poste Vita SpA Group (€ 20,603 thousand)

Contingent liabilities are recorded to cover losses that are either probable or certain to be incurred, for which, however, there is an uncertainty as to the amount and/or as to the date on which they will occur. This item includes the liabilities defined and regulated by IAS 37 and therefore determined in accordance with the provisions of the aforementioned standard.

Provisions are recognised in the financial statements at the moment in which the Group has a current obligation as a result of a past event and it is probable it will be asked to fulfil this obligation.

Contingent liabilities at the end of 2022 amount to € 20,603 thousand. The breakdown of this item and a comparison with the figures recorded at the end of the previous period are shown below:

Composition (€m)	31/12/2022	31/12/2021	delta
Legal disputes	5.9	5.4	0.5
Tax disputes	-	-	-
Other liabilities	14.8	13.9	0.8
Total	20.6	19.3	1.3

The breakdown is as follows:

- outstanding legal disputes amounting to € 5.9 million (€ 5.4 million at 31 December 2021), the majority of which related to cases concerning “dormant policies”, falling within the scope of the “two-year statute of limitations” instead of the current ten-year statute of limitations;
- other liabilities of € 14.8 million relating to:
 - € 5.2 million (equal to the figure at 31 December 2021) to provisions against Intesa San Paolo’s intention to charge the Parent Company Poste Vita, by way of recourse, the VAT paid as a result of the facilitated settlement of pending litigation concerning the higher VAT ascertained by the Italian Revenue Service with reference to the years 2003 and 2004. This case concerns the collaboration relationship (failure to invoice the direct cost of personnel seconded to Poste Vita) and the co-insurance contract (failure to invoice the commissions on proxies and waivers), entered into in September 1999 between Sanpaolo Vita (later Eurizon and now Intesa San Paolo Vita) and Poste Vita. Investigations are under way with Intesa San Paolo Vita in order to verify the possibility of reaching a settlement of the dispute;
 - € 4.2 million (€ 4.7 million at 31 December 2021) relating to certain cases of fraud involving primarily the settlement of life insurance policies accompanied by falsified documentation sent directly to the Parent Company Poste Vita, as a result of which insurance payments were made to parties found not to be legitimate;
 - € 5.4 million relating to other provisions (€ 4 million at 31 December 2021), including: i) € 1.6 million relating to the provision for future charges in respect of the “Da Grande” product; ii) € 0.9 million relating to pending mediation, although the Parent Company Poste Vita is not exposed to risk in relation to these proceedings; and iii) € 1.8 million relating to provisions made during the period by the subsidiary Poste Assicura, including € 0.8 million for penalties for probable delays in the management of claims relating to the policy underwritten by Fondazione Enasarco and € 1 million in relation to the phenomenon of “overinsurance”, as more fully described in the section “Other information”.

The increase in the period of € 1.3 million is mainly attributable to: i) € 0.5 million provision for legal disputes; ii) € 0.3 million provision made in the period (€ 0.5 million already allocated in 2021) in relation to the above-mentioned management of claims relating to the policy underwritten by Fondazione Enasarco; and iii) the € 1 million provision made in the period for the above-mentioned overinsurance.

Contingent liabilities - Poste Vita SpA (€ 18,829 thousand)

Contingent liabilities at the end of 2022 amount to € 18,829 thousand.

The breakdown of this item and a comparison with the figures recorded at the end of the previous period are shown below:

Composition (€m)	31/12/2022	31/12/2021	delta
Legal disputes	5.9	5.4	0.5
Tax disputes	-	-	-
Other liabilities	13.0	13.4	(0.5)
Provision for taxes			
Total	18.8	18.8	0.0

The breakdown of the provision for risks at the end of the period is shown below:

- outstanding legal disputes amounting to € 5.9 million, most of which concerning “dormant policies”, falling within the scope of the “two-year statute of limitations” instead of the current ten-year statute of limitations;
- other liabilities of € 13 million relating to:
 - € 5.2 million to provisions to cover Intesa San Paolo’s intention to charge the Parent Company Poste Vita, by way of recourse, the VAT paid as a result of the facilitated settlement of pending litigation concerning the higher VAT ascertained by the Italian Revenue Service with reference to the years 2003 and 2004. This case concerns the collaboration relationship (failure to invoice the direct cost of personnel seconded to Poste Vita) and the co-insurance contract (failure to invoice the commissions on proxies and waivers), entered into in September 1999 between Sanpaolo Vita (later Eurizon and now Intesa San Paolo Vita) and Poste Vita. Investigations are under way with Intesa San Paolo Vita in order to verify the possibility of reaching a settlement of the dispute;
 - € 4.2 million relating to certain cases of fraud involving primarily the settlement of life insurance policies accompanied by falsified documentation sent directly to the Company, as a result of which insurance payments were made to parties found not to be legitimate;
 - € 3.6 million related to other provisions, of which: i) € 1.6 million related to the provision for future charges in relation to the “Da Grande” product and ii) € 0.9 million related to pending mediation, although the Company is not exposed to risk in relation to these procedures.

Relative to valuation methods, please see that reported at the Group level.

Contingent liabilities - Poste Assicura SpA (€ 1,744 thousand)

With reference to the Subsidiary Poste Assicura SpA, contingent liabilities at the end of 2022 amounted to € 1,744 thousand (€ 500 thousand in 2021) and related for € 0.8 million to the Enasarco case and for € 1 million to the “overinsurance” phenomenon, as better specified in the section “Other Information”. Relative to valuation methods, please see that reported at the Group level.

Pension benefit obligations

Pension benefit obligations - Poste Vita Group (€ 893 thousand)

This item includes the amounts relating to employee termination benefits for a total value at the end of 2022 of € 893 thousand. These amounts were determined using the criteria set out in IAS 19 and the consolidated value is the sum of the amounts of the companies belonging to the Insurance Group.

Pension benefit obligations - Poste Vita SpA (€ 688 thousand)

At 31 December 2022, the Parent Company Poste Vita SpA has pension obligations totalling € 688 thousand.

Relative to valuation methods, please see that reported at the Group level.

Pension benefit obligations - Poste Assicura SpA (€ 205 thousand)

The Subsidiary Poste Assicura SpA reported pension obligations of € 205 thousand at 31 December 2022.

Relative to valuation methods, please see that reported at the Group level.

Deferred tax liabilities

Deferred taxes liabilities - Poste Vita Group (€ 6,489,064 thousand)

Deferred tax liabilities are equal to the sum of the values of the same item reported in the Market Value Balance Sheet (Solvency II) of the Parent Company Poste Vita and the Subsidiaries. The subsidiaries Net Holding SpA and Poste Insurance Broker Srl have no deferred tax liabilities. Deferred tax liabilities are determined on the basis of the differences between the values of assets and liabilities for Solvency II purposes and the corresponding Local GAAP values, applying the IRES + IRAP rate (30.82%).

Deferred tax liabilities - Poste Vita SpA (€ 6,463,210 thousand)

Deferred tax liabilities are determined on the basis of the differences between the values of assets and liabilities for Solvency II purposes and the corresponding Local GAAP values, applying the IRES + IRAP rate (30.82%).

As a result of the application of the Solvency II valuation rules, the item Deferred tax liabilities amounts to € 6,463,210 thousand at the end of 2022.

The main components include deferred taxes accrued mainly as a result of the different valuation of gross technical provisions in the amount of € 6,435,101 thousand, compared to the values in the Local GAAP financial statements.

Relative to valuation methods, please see that reported at the Group level.

Deferred tax liabilities - Poste Assicura SpA (€ 25,854 thousand)

The item Deferred tax liabilities amounts to € 25,854 thousand at the end of the period.

The changes are mainly attributable to the change in technical provisions in the amount of € 25,056 thousand, in application of the Solvency II valuation criteria.

Relative to valuation methods, please see that reported at the Group level.

Financial liabilities other than debts owed to non-credit institutions

Financial liabilities other than debts owed to non-credit institutions - Poste Vita Group (€ 10,911 thousand)

This item refers almost exclusively to the financial liabilities arising from the application of IFRS 16 for a total value of € 10,911 thousand at 31 December 2022 and represents the residual fees to be settled at the end of the period.

Said liabilities are initially recorded at the present value of lease fees not paid on the date the contract commences; for the purposes of calculating the present value, the Company uses the incremental borrowing rate, defined by loan period. Liabilities are subsequently reduced to reflect the lease fees paid and increased to reflect interest on the remaining amount (using the effective interest rate method).

This item is shown net of intragroup transactions totalling € 55 thousand, referring primarily to the financial liability relating to the sub-lease contract of offices from the Parent Company Poste Vita SpA to the Subsidiary Poste Assicura SpA

The increase compared to the figure recorded in the previous twelve months (€ 1,946 thousand as of December 2021) is due to the new lease agreement with the Ultimate Parent Poste Italiane SpA, signed in the course of 2021, effective as of May 2022.

Financial liabilities other than debts owed to non-credit institutions - Poste Vita SpA (€ 8,399 thousand)

This item refers almost exclusively to financial liabilities arising from the application of IFRS 16 for a total value of € 8,399 thousand at 31 December 2022.

Relative to valuation methods, please see that reported at the Group level.

Financial liabilities other than debts owed to non-credit institutions - Poste Assicura SpA (€ 2,567 thousand)

This item refers almost exclusively to financial liabilities arising from the application of IFRS 16 for a total value of € 2,567 thousand at 31 December 2022.

Relative to valuation methods, please see that reported at the Group level.

Insurance and intermediaries payables

Insurance and intermediaries payables - Poste Vita Group (€ 354,291 thousand)

These payables are recorded at nominal value. For accounting purposes, no discounting methods are used since, as these payables are short-term, the effects would not be significant.

This item amounts to € 354,291 thousand at the end of 2022 and is expressed net of intragroup transactions totalling € 8,167 thousand and relating primarily to the payable accrued by the Subsidiary Poste Assicura SpA, to the Parent Company Poste Vita SpA for its share of the premium covering the “life” guarantee of CPI products.

Insurance and intermediaries payables - Poste Vita SpA (€ 289,937 thousand)

At the end of 2022, this item amounts to € 289,937 thousand and the breakdown is as follows:

- € 280,326 thousand for commissions payables to the Ultimate Parent Poste Italiane SpA, of which € 234,370 thousand for portfolio maintenance;
- € 9,611 thousand for commission payables due to insurance intermediaries following the placement of insurance products mainly related to the last quarter of the year and which will be settled in the first months of 2023.

Relative to valuation methods, please see that reported at the Group level.

Insurance and intermediaries payables - Poste Assicura SpA (€ 70,261 thousand)

This item mainly includes intermediaries and insurance companies payables. At the end of 2022, this item amounts to € 70,261 thousand (€ 30,759 thousand at 31 December 2021) and the breakdown is as follows:

- commission payables due to insurance intermediaries for € 10,176 thousand, following the placement of insurance products mainly related to the last quarter of the year and settled in the first months of 2023;
- payables to current account companies: the item refers to premiums related to the C.P.I. product (€ 5,587 thousand). This product offers “non-life” insurance coverage provided by Poste Assicura and “life” insurance coverage provided by the Parent Company Poste Vita. The related premiums are collected in full by the Company, which has a payable to Poste Vita for the portion of the premium covering the “life” guarantee. This position is settled at the date of preparation of this document;
- payables due to co-insurers for € 3,063 thousand;
- payables related to the reconciliation process between premiums issued and collected in the amount of € 47,287 thousand;
- payables due to policyholders for claims to be paid for € 4,148 thousand

Relative to valuation methods, please see that reported at the Group level.

Insurance and intermediaries payables - Poste Insurance Broker Srl (€ 2,260 thousand)

The item mainly refers, for € 1,544 thousand, to the payable to Genertel and Linear for the premium to be paid net of the commission due to the company for the brokerage activity, and for € 356 thousand to commission payables paid to Poste Italiane for the brokerage activity.

Relative to valuation methods, please see that reported at the Group level.

Payables

Payables - Poste Vita SpA Group (€ 178,478 thousand)

Payables at the end of 2022 amounted to € 178,478 thousand and mainly refer to payables for services and goods purchased during the year and not yet settled at 31 December 2022.

It should be noted that this item has been derecognised as a result of infragroup transactions for a total of € 6,844 thousand.

Payables are recognised at fair value at the acquisition date and subsequently measured at their estimated settlement value.

Payables - Poste Vita SpA (€ 142,279 thousand)

At the end of 2022, the Parent Company's payables amounted to € 142,279 thousand (€ 58,677 thousand at 31 December 2021) and mainly refer to payables for services and goods purchased during the year and not yet settled at 31 December 2022.

Relative to valuation methods, please see that reported at the Group level.

Payables - Poste Assicura SpA (€ 42,326 thousand)

Payables at the end of 2022 amounted to € 42,326 thousand (€ 19,939 thousand at 31 December 2021) and mainly refer to payables for services and goods purchased during the year and not yet settled at the reporting date.

Relative to valuation methods, please see that reported at the Group level.

Payables - Net Holding SpA (€ 82 thousand)

Payables amounted to € 82 thousand at the end of 2022.

Relative to valuation methods, please see that reported at the Group level.

Payables - Poste Insurance Broker Srl (€ 635 thousand)

These payables relate to commitments of a commercial nature payable within the next financial year.

Relative to valuation methods, please see that reported at the Group level.

Difference between Solvency II and IAS/IFRS Consolidated Financial Statements valuation

Below is a table summarising the different valuation criteria adopted when measuring liabilities for Solvency II purposes and for the IAS/IFRS Consolidated Financial Statements:

Liabilities	Valuation criterion Solvency II	Valuation criterion IAS/IFRS
Contingent liabilities	For relevant liabilities, the valuation applied is in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.	For relevant liabilities, the valuation applied is in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.
Pension benefit obligations	Amount determined in accordance with IAS 19 .	Amount determined in accordance with IAS 19.
Financial liabilities other than debts owed to credit institutions	Amount determined in accordance with IFRS 16. Liabilities are initially recorded at the present value of lease fees not paid on the date the contract commences; for the purposes of calculating the present value, the Company uses the incremental borrowing rate, defined by loan period. Liabilities are subsequently reduced to reflect the lease fees paid and increased to reflect interest on the remaining amount (using the effective interest rate method).	Amount determined in accordance with IFRS 16. Liabilities are initially recorded at the present value of lease fees not paid on the date the contract commences; for the purposes of calculating the present value, the Company uses the incremental borrowing rate, defined by loan period. Liabilities are subsequently reduced to reflect the lease fees paid and increased to reflect interest on the remaining amount (using the effective interest rate method).
Deferred tax liabilities	Deferred tax liabilities are equal to the sum of the values of the same item reported in the Market Value Balance Sheet (Solvency II) of the Parent Company, Poste Vita, and the Subsidiaries, Poste Assicura and PWS. These values were determined, with reference to the valuation differences in the values of assets and liabilities calculated for Solvency II purposes and the corresponding Local GAAP values, based on the applicable rates.	Deferred tax liabilities are recognised for deductible temporary differences between the carrying amounts of assets and liabilities and the corresponding values recognised for tax purposes. Deferred tax liabilities are not recognised if there is little likelihood that said payable will arise.
Derivatives	Recognition in the financial statements is at fair value through profit or loss.	Recognition in the financial statements is at fair value through profit or loss.
Insurance and intermediaries payables	Payables are recorded at Fair Value at the acquisition date and subsequently measured at their estimated settlement value.	Payables are stated at their nominal value.
Subordinated liabilities	Recognition in the financial statements is at the observed fair value, including accrued interest.	Recognition in the financial statements is at amortised cost, including accrued interest.

The main changes include deferred taxes on changes in the value of financial instruments, in accordance with Solvency II valuation criteria.

Liabilities (€k)	31/12/2022		
	Solvency II value	IAS/IFRS value	Delta
Contingent liabilities	20,603	20,603	
Pension benefit obligations	893	893	
Deferred tax liabilities	6,489,064	332,038	6,157,026
Financial liabilities other than debts owed to credit institutions	10,911	10,911	
Insurance & intermediaries payables	354,291	354,291	
Payables (trade, not insurance)	178,478	158,367	20,111
Subordinated liabilities	993,493	1,052,613	(59,120)

With reference to Group companies, application of Solvency II valuation criteria to Balance Sheet assets led to the following valuation differences with respect to the **Local GAAP standards**, reported below:

Liabilities	Criterio di valutazione Solvency II	Criterio di valutazione Local GAAP
Contingent liabilities	For relevant liabilities, the valuation applied is in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.	The valuation is made in accordance with Accounting Standard OIC 31 . In particular, a provision is made for risks and charges that are only intended to cover losses or payables of a specific nature, certain or probable, for which the amount and effective date are not determined at the reporting date.
Pension benefit obligations	Amount determined in accordance with IAS 19 .	Employee termination benefits (TFR) are calculated analytically for each employee on the basis of art. 5 of Law 297 of 1982 , and in compliance with the TFR reform pursuant to Legislative Decree no. 252/2005 and subsequent amendments.
Financial liabilities other than debts owed to credit institutions	Amount determined in accordance with IFRS 16 . Liabilities are initially recorded at the present value of lease fees not paid on the date the contract commences; for the purposes of calculating the present value, the Company uses the incremental borrowing rate, defined by loan period. Liabilities are subsequently reduced to reflect the lease fees paid and increased to reflect interest on the remaining amount (using the effective interest rate method).	The statutory accounting standards do not require the recognition of financial liabilities for leased assets.
Deferred tax liabilities	Deferred tax liabilities are determined on the basis of the differences between the values of assets and liabilities for Solvency II purposes and the corresponding Local GAAP values. The tax effect is determined on the basis of the rates in force.	Deferred tax liabilities are recognised for deductible temporary differences between the carrying amounts of assets and liabilities and the corresponding values recognised for tax purposes. Deferred tax liabilities are not recognised if there is little likelihood that said payable will arise.
Insurance and intermediaries payables	Payables are recorded at Fair Value at the acquisition date and subsequently measured at their estimated settlement value.	Payables are stated at their nominal value.
Subordinated liabilities	Recognition in the financial statements is at the observed fair value, including accrued interest.	Subordinated liabilities are recorded at nominal value.

Poste Vita SpA

Liabilities (€k)	31/12/2022		
	Solvency II value	Statutory accounts value	Delta
Contingent liabilities	18,829	18,829	
Pension benefit obligations	688	771	(83)
Deferred tax liabilities	6,463,210		6,463,210
Financial liabilities other than debts owed to credit institutions	8,399		8,399
Insurance & intermediaries payables	289,937	289,937	
Payables (trade, not insurance)	142,279	122,165	20,114
Subordinated liabilities	993,493	1,076,173	(82,680)

Poste Assicura SpA

Liabilities (€k)	31/12/2022		
	Solvency II value	Statutory accounts value	Delta
Pension benefit obligations	205	215	(10)
Deferred tax assets	25,854		25,854
Financial liabilities other than debts owed to credit institutions	2,567		2,567
Reinsurance payables	994	994	
Insurance and intermediaries payables	70,261	70,261	
Payables (trade, not insurance)	42,326	42,383	(58)

D.4 Alternative Valuation Methods

Paragraphs D.1 and D.3 contain the valuation principles deriving from the Policy on measuring assets and liabilities other than technical provisions, originating from the new requirements introduced in the Solvency II Directive and govern the provisions regarding valuation of assets and liabilities other than technical provisions in line with that established in IVASS Regulation 34 of 7/02/2017 and pursuant to article 267 of Delegated Regulation (EU) 2015/35 of the Commission of 10 October 2014.

With reference to the valuation of financial instruments, the Board of Directors of the Parent Company Poste Vita, as from 2015, approved¹² the Poste Italiane Group's Fair Value Policy, which, in accordance with the provisions of IFRS 13, regulates the general principles and rules that govern the process of determining the fair value for the purpose of preparing the financial reports, in addition to assessments and analyses of risk management, investment and capital management and assets and liabilities management. The principles and rules for the fair value measurement of financial instruments have been identified in accordance with the instructions from the regulators and the accounting standards of reference, ensuring homogeneity among the valuation techniques adopted within the Poste Italiane Group. The methods used have been revised, where necessary, to take into account developments in operational procedures and in market practices during the year.

During the first half of 2022, the Risk Management Function, with the support of the corporate functions involved, finalised the "Technical Annex to the Additional Guidelines to the Fair Value Policy of the Insurance Group", the contents of which were already applied in the valuation of financial instruments at 31 December 2022.

It seems appropriate to recall that this document, which is necessary in order to fully implement the provisions of the Additional Guidelines, as well as the IVASS action plan approved by the Board of Directors of the Parent Company Poste Vita SpA on 26 January 2022, has the twofold objective of:

- identifying and defining the controls applied to verify the level of liquidity in the assignment of the Fair Value hierarchy, highlighting the limits, time interval and significance thresholds to be applied in performing the analyses and controls defined in the Additional Guidelines to the Fair Value Policy of the Poste Vita Insurance Group;
- describing the rules and criteria for determining the fair value of unlisted or listed but illiquid financial instruments whose Level in the fair value hierarchy is other than 1.

The Group will continue to closely monitor the effective and complete implementation of the Fair Value Policy and the related Additional Guidelines recently drafted for the Poste Vita Group, also in consideration of the Company's organisational and strategic evolutions.

In particular, assets are classified according to a hierarchical scale that reflects the relevance of the sources used in conducting the valuations, consisting of the 3 levels represented below. The allocation of these levels has been carried out with a conservative approach taking into account the still ongoing improvements required to carry out the "Full look through approach" on all categories of funds held in the portfolio.

Level 1:

this level includes the financial instruments for which prices listed on active markets are available. The existence of official prices on an active market constitutes the best evidence of fair value. A market is defined as active when transactions take place with sufficient frequency and volume to provide information about prices on a continuous basis. The following categories of financial instruments are relevant to the Poste Vita Group:

- Bonds listed on active markets: for the definition of an active market for bonds, the Insurance Group follows the criteria defined in the Group's FV Policy and applied in the "Fair Value Engine" IT tool. In order to classify a "Level 1" financial instrument, daily monitoring rules have been established for contributions in order to verify their liquidity. The pricing sources for contributed securities are:
 - a. MTS market;
 - b. MILA;
 - c. Bloomberg CBBT.

Securities are considered level 1 if during the time period of reference they have a bid-ask spread within the limit established by the Group's Fair Value Policy.

12. Last updated 28 February 2023.

- shares listed on active and liquid markets whose valuation is made considering the price resulting from the last contract traded on the reference stock exchange during the day, except for the shares related to the company FSI SGR for an inclusive amount of € 297 thousand, which has been assigned level 3;
- listed open-end investment funds such as Exchange Traded Funds (ETF) for which the valuation is based on the daily closing market price as provided by the info-provider Bloomberg or the fund manager and all the following parameters are also simultaneously respected:
 - calculation of the NAV carried out daily;
 - average time required to sell the position no longer than a significant number of working days.

Level 2:

this level consists of measurements made using inputs different from the listed prices included in Level 1 and observable directly or indirectly for the asset. Considering the characteristics of Poste Vita Group's business, observable input data used to determine the fair value of individual technical categories include return and inflation curves, surface volatility on interest rates, premiums on inflation options, asset swap spreads or credit default spreads representing the credit standing of specific counterparts, and possible liquidity adjustments listed by major market counterparts. The following fall under Level 2: Bonds listed on inactive or unlisted markets that do not meet the Fair Value Policy criteria for attribution of fair value level 1. For the valuation of these securities, a preliminary analysis was carried out on the availability of a price that was considered reliable, albeit indicative of a lower level in the fair value hierarchy. This verification took the form of the presence of a BVAL score above 30 and in that case the use of a:

- CBBT price if available;
- BVAL price if available and with a score greater than or equal to 8.

For the securities not falling under the previous scope, namely for which the BVAL score was lower than 30, the measurement is made using an internal model.

- All listed open-end funds that, on the basis of the checks carried out, cannot be categorised as “Level 1” and meet the following parameters:
 - calculation of the NAV carried out at least weekly;
 - an average time required to sell the position no longer than a significant number of working days.
- All unlisted open-end funds for which the NAV provided by Info-provider Bloomberg or the fund manager is available at least monthly and which, on the basis of periodic documented analysis carried out on a “look through” basis, have an investment in financial instruments classified as “Level 3” under IFRS 13 below a specific materiality threshold expressed as a percentage of the Fund's total NAV.

Level 3:

this level consists of fair value measurements made using non-observable input for the asset or liability. Level 3 includes unlisted closed-end funds for which measurement is carried out considering the last available NAV at least every six months communicated by the fund manager. This NAV is adjusted according to the capital calls and reimbursements announced by the managers which occurred between the latest NAV date and the assessment date. For Poste Vita the following categories of financial instrument apply:

- Residual bonds that do not meet the previous indications.
- All listed and unlisted open-end funds that, on the basis of verifications carried out, cannot be categorised as “Level 2”.
- All Alternative Funds, which, by nature are characterised by a low frequency of NAV calculations and contain financial instruments that are often illiquid or have no prices listed on active markets. In particular, this category includes for Poste Vita: Private Equity Funds; Real Estate Funds; Infrastructure Equity Funds; Infrastructure Debt Funds; Private Debt and Hedge Funds.

For multi-asset funds, the majority of the underlying investments are represented by financial instruments listed on liquid and active markets.

These funds have been classified as level 2 in the fair value hierarchy adopted by the Poste Vita Group for financial reporting purposes as they are unlisted open-end mutual funds for which the NAV (Net Asset Value) reported daily by the custodian bank is available and which, based on specific analyses conducted on a sample of the funds' assets, have an insignificant proportion of Level 3 financial instruments in relation to the funds' overall NAV.

In compliance with both the Poste Italiane Group's Fair Value guidelines, as well as the supplementary requirements set forth in the above-mentioned Additional Guidelines and the related Technical Annex, at 31 December, the following were reclassified:

- about € 1.3 billion of financial instruments from fair value level 1 to level 2, mainly referring to corporate securities that do not meet the liquidity criteria provided by the Fair Value policy for the attribution of level 1 and to ETFs reclassified following the supplementary controls carried out on the basis of the provisions of the Technical Annex to the Additional Guidelines to the FV Policy;
- € 4.4 billion of financial instruments from level 2 to level 1, mainly referring to inflation-linked and strip Italian government bonds that met the liquidity criteria at the valuation date (spread between BID price and ASK price at the valuation date);
- roughly € 3.7 billion of financial instruments from fair value level 3 to fair value level 2, referring almost exclusively to class III funds as a result of look-through analyses.

D.5 Other information

Use of estimates

Preparation of the annual accounts requires the application of accounting standards and methods that are at times based on complex subjective judgements and estimates based on historical experience, and assumptions that are considered reasonable and realistic under the circumstances. Use of such estimates and assumptions affects the amounts reported in the financial statements and related disclosures. Estimates and assumptions are periodically reviewed and the impact of any changes is reflected in the financial statements for the period in which the estimate is revised if the revision only influences the current period, or also in future periods if the revision influences both current and future periods.

Estimates were used in the following cases during the period under review:

- in determining the fair value of financial assets and liabilities;
- in determining the estimate of Technical Provisions;
- in quantifying provisions for risks and charges, in consideration of the indeterminate nature or amount or date of occurrence;
- in estimating the recoverability of deferred tax assets.

E – Capital management

E.1 Own Funds

Introduction

This section focuses on the representation of the insurance Group's solvency position. The solvency position is represented by the ratio between the Group's and the Companies' equity (own funds) and the Solvency Capital Requirement (SCR).

Specifically in terms of own funds, issues related to the various components that make up the solvency position will be examined in depth and analysed, in particular:

- - items that make up equity and related tiering;
- - reconciliation of own funds and equity in the financial statements;
- - analysis of the movement of own funds.

The Solvency Capital Requirement and the Minimum Capital Requirement will also be dealt with, in attempting to examine in greater detail issues related to the different types of risk that make up the amount, and the main characteristics that distinguish the "Standard Formula" used by the Group Companies.

This section concludes with some useful information for the purposes of this analysis.

Capital Management objectives, policy and process

The guiding principles for the capital management activities of Poste Vita and the Poste Vita Group are defined in specific guidelines on capital management for Poste Vita and for the Group. These guidelines set out a management of own funds in compliance with regulatory requirements, in line with the risk appetite and with the strategy of Poste Vita and the Poste Vita Group.

Capital management activities refers to the management and control of own funds, or procedures aimed at:

- defining the medium-term capital management plan;
- classifying and verifying own funds periodically, to ensure that they meet the regulatory requirements and are consistent with the capital management plan and the internal assessment on solvency risk and financial condition;
- assessing the impact of transitional measures on elements of own funds where authorised;
- defining capital contingency measures in the context of the process of preparing the Poste Vita and Poste Vita Group emergency plan;
- governing the issue of own funds based on the medium-term capital management plan and/or in line with the projections and internal assessments on solvency risk and financial condition;
- assessing the dividends policy in line with the profits generated and the risk appetite.

The general purposes pursued are:

- maintaining a balance between a capitalisation that has a sufficient and solid structure in order to follow the regulatory limits and meeting the requirements of the Risk Appetite Framework;
- assessing the quality of the capital in terms of composition;
- ensuring that any policy concerning dividends is taken into consideration in terms of the capital position;
- assessing and scheduling actions on own funds intended to strengthen the capitalisation in order to address business trends and market volatility.

In line with the objectives and the policy, the capital management process is structured into several phases. Annually, during the strategic planning process, the thresholds of the Risk Appetite Framework are defined alongside the projections relative to the internal assessment of solvency risk and financial condition over the medium term. The regulatory capital levels to be satisfied are then defined based on input from strategic planning on investments and commercial performance. Based on the internal risk and solvency assessments, a medium-term capital management plan is defined, intended to establish the development of own funds and any capital operations to be implemented or assessed, taking into consideration the tolerance limits and levels of Poste Vita and the Poste Vita Group, in addition to the objectives set. Periodically, the capital management process provides for monitoring and reporting to assess trends, consistent with and with respect to the defined medium-term capital management plan. Annually, as part of the Company's and the Group's contingency planning process, capital contingency measures are assessed and defined to be applied in stress scenarios that bring the solvency requirement below the defined tolerance thresholds.

Finally, for the sake of completeness, it should be noted that the Board of Directors of the Company Poste Vita as UHC in its meeting of 26 July 2022 approved the new Strengthened Contingency Plan ("SEP"), which, among other things, finalised the amendment of the company's Articles of Association favouring the reduction of the time-frame in the event of the activation of the "recovery option" introduced in the 2021 SEP relating to the Company's share capital increase through the issue of new shares to be subscribed by the sole shareholder Poste Italiane.

Structure, amount and quality of own funds - Poste Vita Group

The Poste Vita Group's own funds are made up of its basic own funds and ancillary own funds, the Parent Company Poste Vita SpA having obtained, on 13 February 2019, authorisation to use the letter of irrevocable and unconditional commitment of Poste Italiane SpA to participate in one or more share capital increases to cover the solvency capital requirement for a maximum amount of € 1,750,000 thousand.

Basic own funds are formed of the excess assets over liabilities valued in accordance with article 75 of Directive 2009/138/EC, the eligible subordinated liabilities deducted from the share of foreseeable dividends and elements not representing own funds. On 26 July 2021, Poste Vita issued € 300 million of Restricted Tier 1 ("Restricted Tier 1" or "rT1") capital instruments, subordinated and non-convertible, with indefinite maturity, fully allocated to Poste Italiane SpA. The instrument can be recalled after the tenth year and after each interest payment date. The fixed-rate security was issued at par with an annual coupon of 5.00%, with deferred half-yearly payment (26 July/26 January).

On 3 August 2022, Poste Vita issued € 500 million of Restricted Tier 1 ("Restricted Tier 1" or "rT1") capital instruments, subordinated and non-convertible, with indefinite maturity, fully allocated to Poste Italiane SpA. The instrument can be recalled after the tenth year and after each interest payment date. The fixed-rate security was issued at par with an annual coupon of 8.40%, with deferred half-yearly payment (3 August/3 February).

The Group's own funds correspond to the equity reported in the Market Value Balance Sheet of the Parent Company Poste Vita SpA as the equity of the subsidiaries Poste Assicura SpA, Net Holding SpA and Poste Insurance Broker Srl (wholly-owned subsidiaries consolidated on a line-by-line basis), is eliminated with the corresponding values of the equity investments.

The Poste Vita Group's basic own funds amount to € 11,054,895 thousand and the breakdown is as follows:

- Local GAAP share capital for € 1,216,608 thousand;
- Reconciliation Reserve for € 8,847,407 thousand;
- Subordinated liabilities for € 990,880 thousand, consisting of:
 - market value of the Tier 2 subordinated liability, amounting to € 263,250 thousand, with a nominal value of € 250 million, contracted by Poste Vita entirely with the Ultimate Parent Poste Italiane in 2008 and with an indefinite maturity date;
 - market value of the Tier 1 Restricted subordinated liability, amounting to € 250,980 thousand: a perpetual, non-convertible, fixed-rate regulatory capital instrument with a nominal value of € 300 million and fully subscribed by the Ultimate Parent Poste Italiane;
 - market value of the Tier 1 Restricted subordinated liability, amounting to € 476,650 thousand: a perpetual, non-convertible, fixed-rate regulatory capital instrument, with a nominal value of € 500 million and entirely allocated to the Ultimate Parent Poste Italiane.
- There are no non-representative elements of basic own funds deducted.

The Group's ancillary own funds amount to a total of € 1,750,000 thousand.

The amount of own funds available to cover the capital requirement was subsequently classified by level based on the quality of the individual elements of the Own Funds (tiering). The following tables provide a breakdown by Tier of the Poste Vita Group's Own Funds at 31.12.2022 and 31.12.2021:

BASIC own funds (€k)	31/12/2022			
	TOTAL	TIER 1 Unrestricted	TIER 1 Restricted	TIER 2
Ordinary share capital (gross of own shares)	1,216,608	1,216,608		
Surplus funds				
Reconciliation reserve	8,847,407	8,847,407		
Subordinated liabilities	990,880		727,630	263,250
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II OF				
Total basic own funds after deductions	11,054,895	10,064,015	727,630	263,250
Unpaid and uncalled ordinary share capital callable on demand	1,750,000			1,750,000
Total Ancillary Own Funds	1,750,000			1,750,000

BASIC own funds (€k)	31/12/2021			
	TOTAL	TIER 1 Unrestricted	TIER 1 Restricted	TIER 2
Ordinary share capital (gross of own shares)	1,216,608	1,216,608		
Surplus funds				
Reconciliation reserve	9,147,587	9,147,587		
Subordinated liabilities	562,640		298,590	264,050
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II OF				
Total basic own funds after deductions	10,926,835	10,364,195	298,590	264,050
Unpaid and uncalled ordinary share capital callable on demand	1,750,000			1,750,000
Total Ancillary Own Funds	1,750,000			1,750,000

The Group's own funds (including the Restricted Tier 1 subordinated liability) meet the eligibility conditions for SCR coverage as they comply with Article 82 of the aforementioned Delegated Regulation, in particular the eligibles are exclusively Tier 1 and Tier 2.

Furthermore, all Tier 2 capital elements are eligible under Article 82 of the European Commission's Delegated Regulation 2015/35 as less than half of the SCR value.

The Poste Vita Insurance Group's own funds available to cover the MCR consist solely of basic own funds of € 11,054,895 thousand, and are fully eligible to cover the Minimum Capital Requirement.

As a result of the above, the amount of own funds eligible to cover the SCR at the end of 2022 was € 12,804,895 thousand and coincides, based on the aforementioned eligibility rules, with the amount of eligible own funds; while the amount to cover the MCR was € 11,054,895 thousand. The following tables show the breakdown by tier of the own funds at 31.12.2022 and 31.12.2021:

Available own funds (€k)	31/12/2022			
	TOTAL	TIER 1 Unrestricted	TIER 1 Restricted	TIER 2
Total available own funds to meet the SCR	12,804,895	10,064,015	727,630	2,013,250
Total available own funds to meet the MCR	11,054,895	10,064,015	727,630	263,250
Total eligible own funds to meet the SCR	12,804,895	10,064,015	727,630	2,013,250
Total eligible own funds to meet the MCR	11,054,895	10,064,015	727,630	263,250

Available own funds (€k)	31/12/2021			
	TOTAL	TIER 1 Unrestricted	TIER 1 Restricted	TIER 2
Total available own funds to meet the SCR	12,676,835	10,364,195	298,590	2,014,050
Total available own funds to meet the MCR	10,926,835	10,364,195	298,590	264,050
Total eligible own funds to meet the SCR	12,676,835	10,364,195	298,590	2,014,050
Total eligible own funds to meet the MCR	10,926,835	10,364,195	298,590	264,050

In relation to the above and considering the SCR and MCR values shown below, the SCR ratio was 253.26% at the end of 2022 and the MCR ratio was 482.57%.

Coverage Ratio (€k)	31/12/2022
	TOTAL
SCR	5,055,992
MCR	2,290,855
Ratio of Eligible own funds to SCR	253.26%
Ratio of Eligible own funds to MCR	482.57%

Differences between Poste Vita Group equity and own funds

The difference between Equity in the IAS/IFRS Consolidated Financial Statements and the Solvency II Equity of the Poste Vita Group is summarised in the following table:

Available Own Funds (€k)	Amount
Ordinary share capital (gross of own shares) (A)	1,216,608
Retained earnings - Reconciliation Reserve (B)	3,838,170
Shareholders' Equity Local GAAP	5,054,777
Reconciliation reserve base (C)	5,459,237
Foreseeable dividends and distributions - Tier 1 (D)	(450,000)
Total Reconciliation reserve (B+C+D)	8,847,407
Deductions/Collateral (E)	0
Eligible Own Funds Tier I (F)	727,630
Eligible Own Funds Tier II (G)	2,013,250
Total eligible own funds (A+B+C+D-E+F+G)	12,804,895

The item retained earnings of € 4,776,959 thousand consists of: i) IAS/IFRS profit for the period of € 977,046 thousand; ii) retained earnings for previous years of € 3,719,386 thousand and iii) other reserves of € 80,527 thousand.

In view of Poste Vita SpA's accounting results and overall financial strength, the amount of € 450 million was considered as foreseeable dividends.

The difference between IAS/IFRS consolidated equity and Solvency II Excess of Assets over Liabilities of € 4,520,448 thousand consists of the basic reconciliation reserve. This reserve is representative of the effect generated by the different valuation made in accordance with the standards used to prepare the consolidated financial statements under IAS/IFRS compared with the valuation based on Solvency II rules.

Below is a detail of the reconciliation reserve, through the analytical reconstruction of the valuation effects of the application of Solvency II standards on the assets and liabilities of the Market Value Balance Sheet:

Adjustment (€k)	Amount
Shareholders' Equity IAS/IFRS	5.993.567
Assets	
Deferred acquisition costs	-36.422
Intangible assets & Goodwill	0
Investments	-296.974
Reinsurance recoverables	-28.340
Deferred tax assets	4.043.156
Other	-505
Total Adj Assets	3.680.914
Liabilities	
Technical provisions	-6.957.609
Deferred tax liabilities	6.157.026
Subordinated liabilities	-59.120
Other	20.201
Total Adj Liabilities	-839.501
Reconciliation Reserve base	4.520.448
Excess of assets over liabilities	10.514.014

E.1.1 Structure, amount and quality of own funds - Poste Vita SpA

Basic own funds consist of the excess of assets over liabilities valued in accordance with article 75 of Directive 2009/138/EC. There are no own shares held by the Company.

The Parent Company Poste Vita SpA's own funds consist of basic own funds and ancillary own funds, as the Company obtained authorisation on 13 February 2019 to use the letter of commitment signed by Poste Italiane SpA to cover the solvency capital requirement¹³ and represent 100% of the elements included in the Group's own funds as further described in section "E.1.1 Structure, amount and quality of own funds - Poste Vita Group".

The amount of available own funds, as shown in the table below, to cover the SCR therefore amounts to € 12,804,895 thousand and consists of total basic own funds and ancillary own funds, while the amount of eligible own funds to cover the SCR at the end of 2022 was € 12,804,895 thousand, following the reduction in the Tier 2 level due to the eligibility rules set out in article 82 of the European Commission's Delegated Regulation 2015/35. Finally, the amount of eligible own funds to cover the MCR is € 11,054,895 thousand, equal only to Tier 1 and Tier 2 basic own funds.

The following tables show the breakdown by tier of the own funds at 31.12.2022 and 31.12.2021:

Available own funds (€k)	31/12/2022			
	TOTAL	TIER 1 Unrestricted	TIER 1 Restricted	TIER 2
Total available own funds to meet the SCR	12,804,895	10,064,015	727,630	2,013,250
Total available own funds to meet the MCR	11,054,895	10,064,015	727,630	263,250
Total eligible own funds to meet the SCR	12,804,895	10,064,015	727,630	2,013,250
Total eligible own funds to meet the MCR	11,054,895	10,064,015	727,630	263,250

Available own funds (€k)	31/12/2021			
	TOTAL	TIER 1 Unrestricted	TIER 1 Restricted	TIER 2
Total available own funds to meet the SCR	12,676,835	10,364,195	298,590	2,014,050
Total available own funds to meet the MCR	10,926,835	10,364,195	298,590	264,050
Total eligible own funds to meet the SCR	12,676,835	10,364,195	298,590	2,014,050
Total eligible own funds to meet the MCR	10,926,835	10,364,195	298,590	264,050

In relation to the above and considering the SCR and MCR values shown below, the Solvency Ratio was 257.78% at the end of 2022 and the MCR ratio was 494.55%.

Coverage Ratio (€k)	31/12/2022
	TOTAL
SCR	4,967,417
MCR	2,235,338
Ratio of Eligible own funds to SCR	257.78%
Ratio of Eligible own funds to MCR	494.55%

The reconciliation reserve at 31.12.2022 of € 8,847,407 thousand consists of the basic reconciliation reserve of € 5,459,237 thousand (representing the effect generated by the different valuation made in accordance with statutory standards used for the preparation of the financial statements compared to the valuation based on Solvency II rules) and the insertion of the expected dividend distribution during the year. The remaining part of € 3,388,170 thousand consists of: i) profit for the period of € 481,714 thousand; ii) retained earnings for previous years of € 3,091,178 thousand and iii) other reserves of € 265,278 thousand.

13. With reference to point a) of the Regulations requiring "information on the material conditions of the main elements of own funds held by the company".

Available Own Funds (€k)	Amount
Ordinary share capital (gross of own shares) (A)	1,216,608
Retained earnings - Reconciliation Reserve (B)	3,838,170
Shareholders' Equity Local GAAP	5,054,777
Reconciliation reserve base (C)	5,459,237
Foreseeable dividends and distributions - Tier 1 (D)	(450,000)
Total Reconciliation reserve (B+C+D)	8,847,407
Deductions/Collateral (E)	0
Eligible Own Funds Tier I (F)	727,630
Eligible Own Funds Tier II (G)	2,013,250
Total eligible own funds (A+B+C+D-E+F+G)	12,804,895

The difference between Local GAAP Equity and Solvency II Excess of Assets over Liabilities is made up of the basic reconciliation reserve and the inclusion of the expected dividend distribution during the year. This reserve is representative of the effect generated by the different valuation made in accordance with the standards used for the preparation of the financial statements compared to the valuation based on Solvency II rules.

Below is a detail of the reconciliation reserve, through the analytical reconstruction of the valuation effects of the application of Solvency II standards on the assets and liabilities of the Market Value Balance Sheet, net of tax effects.

Adjustment (€k)	Amount
Shareholders' Equity IAS/IFRS	5,993,567
Assets	
Deferred acquisition costs	-36,422
Intangible assets & Goodwill	0
Investments	-296,974
Reinsurance recoverables	-28,340
Deferred tax assets	4,043,156
Other	-505
Total Adj Assets	3,680,914
Liabilities	
Technical provisions	-6,957,609
Deferred tax liabilities	6,157,026
Subordinated liabilities	-59,120
Other	20,201
Total Adj Liabilities	-839,501
Reconciliation Reserve base	4,520,448
Excess of assets over liabilities	10,514,014

E.1.1 Structure, amount and quality of own funds - Poste Assicura SpA

The own funds of the Subsidiary Poste Assicura SpA are given exclusively by basic own funds (BOF) as the Company does not have ancillary own funds (AOF).

There are no own shares held by the Company.

The Company's basic own funds total € 298,820 thousand and the breakdown is as follows:

- Share capital of € 25,000 thousand;
- Reconciliation Reserve and components of Local GAAP Equity of € 273,820 thousand.

All of the Company's own funds items, in the absence of subordinated liabilities, have been classified in Tier 1 Unrestricted.

As illustrated in the table below, the Company's own funds fully comply with the eligibility conditions for SCR coverage since:

- tier 1 capital represents more than 50% of the total value of eligible own funds;
- tier 3 capital is 0 and thus below the maximum threshold of 15% of the total eligible own funds;
- tier 1 elements covering MCR thus account for more than 80% of the total.

The amount of eligible own funds covering the SCR at the end of 2022, as a result of the above, is € 298,820 thousand, as well as the amount of eligible own funds covering the MCR.

The following tables show the breakdown by tier of the own funds at 31.12.2022 and 31.12.2021:

Available own funds (€k)	31/12/2022		31/12/21	
	TOTAL	TIER 1 Unrestricted	TOTAL	TIER 1 Unrestricted
Total available own funds to meet the SCR	298,820	298,820	297,791	297,791
Total available own funds to meet the MCR	298,820	298,820	297,791	297,791
Total eligible own funds to meet the SCR	298,820	298,820	297,791	297,791
Total eligible own funds to meet the MCR	298,820	298,820	297,791	297,791

In relation to the above and considering the SCR and MCR values shown below, the Solvency Ratio was 168.12% at the end of 2022 and the MCR ratio was 536.39%.

Coverage Ratio (€k)	31/12/2022
	TOTAL
SCR	177,747
MCR	55,709
Ratio of Eligible own funds to SCR	168.12%
Ratio of Eligible own funds to MCR	536.39%

The reconciliation reserve of € 273,820 thousand consists of the basic reconciliation reserve of € 35,252 thousand, representing the effect generated by the different valuation made in accordance with statutory standards used for the preparation of the financial statements compared to the valuation based on Solvency II rules. The remaining part of 238,568 thousand consists of: i) profit for the period of € 17,271 thousand; ii) retained earnings for previous years of 210,932 thousand and iii) other reserves of 10,365 thousand.

Below is a detail of the Reconciliation reserve, through the analytical reconstruction of the valuation effects of the application of Solvency II standards on the assets and liabilities of the Market Value Balance Sheet, net of deferred tax effect:

Adjustment (€k)	Amount
Shareholders' Equity Local	263,568
Asset	
Property	1,745
Investments	(18,476)
Reinsurance recoverables	(2,516)
Any other asset	(13)
Total Adj Assets	(19,259)
Liabilities	
Technical provisions	(56,241)
Pension benefit obligations	(7)
Financial liab. other than debts	1,776
Payables	(40)
Total Adj Liabilities	(54,511)
Reconciliation Reserve base	35,252
Excess of assets over liabilities	298,820

E.2 Solvency Capital Requirement and Minimum Capital Requirement

Group SCR and MCR

The Group calculates its capital requirement in accordance with method 1 as set out in article 230 of Directive 2009/138/EC.

Below is the breakdown of the capital requirement (consolidated SCR) of the Poste Vita Group at 31 December 2022, compared with the corresponding results at 31 December 2021, deriving from the application of the Standard Formula, in accordance with Directive 2009/138/EC and the criteria set out in the Delegated Acts.

It should be noted that the Group does not use simplified calculations to determine any of the risk sub-modules.

(€k)	31.12.2021	31.12.2022	Delta %
Market risk	4,167,082	2,253,884	(45.9%)
Counterparty default risk	472,536	300,286	(36.5%)
Life underwriting risk	1,757,921	4,750,934	170.3%
Health underwriting risk	96,502	113,797	17.9%
Non-life underwriting risk	38,938	40,176	
Diversification	(1,418,396)	(1,573,939)	11.0%
Intangible asset risk			
Basic Solvency Capital Requirement	5,114,583	5,885,137	15.1%
Total capital requirement for operational risk	684,384	675,079	(1.4%)
Loss-absorbing capacity of deferred taxes	(1,357,791)	(1,504,224)	10.8%
Solvency capital requirement	4,441,175	5,055,992	13.8%

At 31 December 2022, the following is noted with respect to the previous year:

- an increase in the life underwriting requirement due to the reduction in the percentage weight of capital gains in a rising rate regime;
- a decrease in the counterparty requirement due to reduced liquidity held by the Group;
- a reduction in the market risk requirement due to an increase in the absorption capacity of technical provisions.

The current risk distribution generates a lower diversification benefit compared to 31 December 2021.

Details of the breakdown of the SCR underwriting risk and SCR market risk at 31 December 2022 are provided below.

Each risk sub-module is considered net of adjustments relative to the ability of technical provisions to absorb losses.

(€k)	31.12.2021	31.12.2022	Delta %
Mortality risk	47,938	248,088	417.5%
Longevity risk	113,278	27,155	(76.0%)
Disability-morbidity risk	0		
Lapse risk	1,540,770	4,555,413	195.7%
Life expense risk	303,815	292,661	(3.7%)
Revision risk	0		
Life catastrophe risk	32,419	90,832	180.2%
Diversification within life underwriting risk module	(280,299)	(463,215)	65.3%
Total life underwriting risk	1,757,921	4,750,934	170.3%

The life underwriting risk requirement increases mainly as a result of the increase in the early termination risk requirement due to the market scenario with raising rate regimes.

(€k)	31.12.2021	31.12.2022	Delta %
Total Health NSLT	84,334	105,358	24.9%
Total Health SLT	18,694	12,833	(31.4%)
Total Health Cat	5,251	5,175	(1.4%)
Diversification with health risk module	(11,777)	(9,570)	(18.7%)
Total health underwriting risk	96,502	113,797	17.9%

(€k)	31.12.2021	31.12.2022	Delta %
Non-life premium and reserve risk	34,163	33,954	(0.6%)
Non-Life lapse risk	3,522	4,659	32.3%
Non-life catastrophe risk	11,697	14,129	20.8%
Diversification within non-life underwriting risk module	(10,444)	(12,566)	20.3%
Total non-life underwriting risk	38,938	40,176	3.2%

(€k)	31.12.2021	31.12.2022	Delta %
Interest rate risk	262,545	374,902	42.8%
Equity risk	1,048,029	563,075	(46.3%)
Property risk	281,864	218,521	(22.5%)
Spread risk	2,891,183	1,545,141	(46.6%)
Market risk concentrations	0		
Currency risk	329,616	227,971	(30.8%)
Diversification within market risk module	(646,155)	(675,726)	4.6%
Total Market risk	4,167,082	2,253,884	(45.9%)

The requirement for market risk decreases due to the increase in the absorption capacity of technical provisions.

It should be noted that the Company does not use simplified calculations to determine any of the risk sub-modules.

With reference to the “loss-absorbing capacity of deferred taxes” (“LAC DT”), it may be assessed as eligible for reduction of this capital requirement in view of the Group’s ability to generate future taxable profits to the extent provided for by the regulations pursuant to the Delegated Acts and IVASS Regulation no. 35 of 7 February 2017 (“IVASS Regulation no. 2017/35”).

IVASS Regulation no. 35/2017 defines notional deferred taxes (“nDTA”) as the notional change in deferred taxes in the solvency Balance Sheet following the instantaneous loss scenario referred to in article 207 of the Delegated Regulation, calculated as the difference between the following amounts:

- deferred taxes obtained by subjecting items in the solvency Balance Sheet to the loss scenario; and
- deferred taxes recognised in the solvency Balance Sheet.

For the purposes of determining nDTA, the Group used an analytical approach based on determining the impacts of the instantaneous loss on individual solvency balance sheet items for the purposes of determining the relative tax treatment. To that end, it was necessary to determine the impacts of the loss, broken down by risk module and submodule as established for the Standard Formula, as well as the relative IRES tax treatment (24% of taxable income).

The **Group’s minimum capital requirement (MCR)** is determined in accordance with article 248 of the Delegated Acts as the sum of the individual MCR of the Group’s investee insurance companies (Poste Vita and Poste Assicura).

(€k)	31.12.2021	31.12.2022	Delta %
Minimum Capital Requirement	2,029,162	2,291,047	12.9%

SCR and MCR of Poste Vita SpA

Poste Assicura’s Solvency Capital Requirement (SCR) is obtained by applying the Standard Formula in compliance with Directive 2009/138/EC and with the criteria set out in the Delegated Acts published in the European Official Journal. It should be noted that the Company is engaged in the pre-application activities of the Undertaking Specific Parameters (USP). In the pre-authorisation period, Poste Assicura SpA has estimated a capital add-on aimed at bridging the differences between standard and USP parameters.

In calculating the capital requirement, information relating to contracts in portfolio at 31 December 2022 was used.

Additionally, for each contract the relative proportional and non-proportional reinsurance treaties were identified and then considered for the valuation net of reinsurance.

Below are the results.

Breakdown of SCR

(€k)	31.12.2021	31.12.2022	Delta %
Market risk	4,222,027	2,300,953	(45.5%)
Counterparty default risk	461,210	288,692	(37.4%)
Life underwriting risk	1,757,921	4,750,934	170.3%
Health underwriting risk	19,540	13,862	(29.1%)
Non-life underwriting risk	0	0	
Diversification	(1,334,117)	(1,482,140)	11.1%
Intangible asset risk	0	0	
Basic Solvency Capital Requirement	5,126,580	5,872,301	14.5%
Total capital requirement for operational risk	674,959	663,774	(1.7%)
Loss-absorbing capacity of deferred taxes	(1,392,369)	(1,568,658)	12.7%
Solvency capital requirement	4,409,170	4,967,417	12.7%

At 31 December 2022 compared to the previous year, there was an overall increase in the requirement resulting mainly from the following factors:

- increased underwriting risks due to increased OF and lower percentage weight of capital gains (the company is exposed to the lapse mass);
- an increase in the counterparty requirement due to the increase in liquidity held;
- a reduction in the market requirement resulting mainly from a reduction in spread risk due to the greater absorption capacity of the insurance liabilities of revaluable products.

The current risk distribution generates a higher diversification benefit compared to 31 December 2022.

Below are details of the breakdown of the SCR Life Underwriting Risk, SCR Market Risk, SCR Equity and SCR Counterparty at 31 December 2022.

Each risk sub-module is considered net of adjustments relative to the ability of technical provisions to absorb losses.

It should be noted that the Company does not use simplified calculations to determine any of the risk sub-modules.

Breakdown of SCR Life underwriting risk

(€k)	31.12.2021	31.12.2022	Delta %
Mortality risk	47,938	248,088	417.5%
Longevity risk	113,278	27,155	(76.0%)
Disability-morbidity risk	0		
Lapse risk	1,540,770	4,555,413	195.7%
Life expense risk	303,815	292,661	(3.7%)
Revision risk	0		
Life catastrophe risk	32,419	90,832	180.2%
Diversification within life underwriting risk module	(280,299)	(463,215)	65.3%
Total life underwriting risk	1,757,921	4,750,934	170.3%

The requirement for life underwriting risk increases mainly due to the increase in the early termination risk requirement as a result of the market scenario with the related decrease in unrealised operating gains of about € 27 billion (or a 199% decrease), which realise a lower return in the risk-neutral scenario with a consequent increase in the valuation of guarantees in particular in stress scenarios.

Breakdown of SCR market

(€k)	31.12.2021	31.12.2022	Delta %
Interest rate risk	263,530	350,409	33.0%
Equity risk	1,115,137	627,602	(43.7%)
Property risk	281,864	218,521	(22.5%)
Spread risk	2,886,622	1,540,567	(46.6%)
Market risk concentrations	0		
Currency risk	329,616	227,971	(30.8%)
Diversification within market risk module	(654,743)	(664,117)	1.4%
Total Market risk	4,222,027	2,300,953	(45.5%)

The market risk requirement decreases as a result of the reduction in spread and property risk and the increased diversification benefit from the portfolio's diversification objective with respect to Italian government bonds.

Although the Italian government spread on the Euroswap rate at 31.12.2022 increased by 64 bps on the 10-year node compared to the corresponding value in 2021, the market requirement decreased due to the increase in the absorption capacity of technical provisions resulting from the rise in interest rates.

Details of the Type 1 and Type 2 Counterparty Default Risk requirements are set out below.

Counterparty Default Risk

(€k)	31.12.2021	31.12.2022	Delta %
Type 1 equities	457,009	282,389	(38.2%)
Type 2 equities	5,581	8,333	49.3%
Diversification within equity risk module	(1,381)	2,031	(247.1%)
Total counterparty default risk	461,210	288,692	(37.4%)

The requirement decreased due to the reduction of the item cash and cash equivalents deposited on current accounts and thus exposed to counterparty risk.

The Type 1 and Type 2 requirements of SCR Equity are detailed below.

(€k)	31.12.2021	31.12.2022	Delta %
Type 1 exposures	455,955	189,368	(58.5%)
Type 2 exposures	731,615	472,950	(35.4%)
Diversification within counterparty default risk	(72,433)	(34,716)	(52.1%)
Total equity risk	1,115,137	627,602	(43.7%)

As a result of the diversification process in the securities portfolio, there is an increase in equity exposure.

Poste Vita's Minimum Capital Requirement (MCR) is determined in accordance with article 248 of the Delegated Acts and amounted to approximately € 2.2 billion at 31 December 2022.

The component that determines the MCR is the combined Minimum Capital Requirement (combined MCR) equal to 45% of the Life Solvency Capital Requirement (SCR), as the linear MCR is higher than the Cap set by Regulations (MCR Cap). The main inputs into the calculation of the linear MCR are the Capital at Risk amounting to € 26 billion, the Best Estimate Liabilities in relation to future discretionary profit-sharing (amounting to € 20.5 billion), the Best Estimate Liabilities in relation to guaranteed benefits amounting to € 98.8 billion, the Best Estimate Liabilities in relation to unit-linked bonds amounting to € 8.6 billion, the Best Estimate Liabilities in relation to all other bonds amounting to € 0.11 billion.

MINIMUM CAPITAL REQUIREMENT (€k)	31.12.2021	31.12.2022	Delta %
Linear MCR	4,468,761	2,669,075	(40.3%)
SCR	4,409,170	4,967,417	12.7%
MCR cap	1,984,121	2,235,338	12.7%
MCR floor	1,102,292	1,241,854	12.7%
Combined MCR	1,984,126	2,235,338	12.7%
Absolute floor of the MCR	5,400	5,400	0.0%
Minimum Capital Requirement	1,102,293	1,241,854	12.7%

SCR and MCR of Poste Assicura SpA

Poste Assicura's Solvency Capital Requirement (SCR) is obtained by applying the Standard Formula in compliance with Directive 2009/138/EC and with the criteria set out in the Delegated Acts published in the European Official Journal. It should be noted that the Company is engaged in the pre-application activities of the Undertaking Specific Parameters (USP).

In calculating the capital requirement, information relating to contracts in portfolio at 31 December 2022 was used.

Additionally, for each contract the relative proportional and non-proportional reinsurance treaties were identified and then considered for the valuation net of reinsurance.

Below are the results.

SOLVENCY CAPITAL REQUIREMENT (€k)	31.12.2021	31.12.2022	Delta %
Market risk	20,925	24,937	19.2%
Counterparty default risk	10,891	13,534	24.3%
Life underwriting risk	-	-	-
Health underwriting risk	85,135	106,156	24.7%
Non-life underwriting risk	38,938	40,176	3.2%
Diversification	-48,091	-54,635	13.6%
Intangible asset risk	-	-	-
Basic Solvency Capital Requirement	107,798	130,168	20.8%
Total capital requirement for operational risk	9,424	11,305	20.0%
Loss-absorbing capacity of technical provisions	-	-	-
Loss-absorbing capacity of deferred taxes	-38,838	-56,131	44.5%
Solvency capital requirement excluding Capital Add-On	78,384	85,342	8.9%
Capital Add-On already set	44,604	92,405	107.2%
Solvency capital requirement	122,988	177,747	44.5%
Minimum Capital Requirement	45,036	55,709	23.7%

* Including the adjustment for deferred tax capacity generated by Capital Add On.

HEALTH UNDERWRITING RISK (€k)	31.12.2021	31.12.2022	Delta %
NSLT health premium and reserve risk	83,822	105,009	25.3%
NSLT health lapse risk	9,286	8,569	-7.7%
Diversification within NSLT health underwriting risk	-8,773	-8,220	-6.3%
Total NSLT health underwriting risk	84,334	105,358	24.9%
Total health catastrophe risk	3,004	3,030	0.9%
Diversification within health underwriting risk module	-2,203	-2,232	1.3%
Total health underwriting risk	85,135	106,156	24.7%

NON LIFE UNDERWRITING RISK (€k)	31.12.2021	31.12.2022	Delta %
Non-life premium and reserve risk	34,163	33,954	-0.6%
Non-Life lapse risk	3,522	4,659	32.3%
Non-life catastrophe risk	11,697	14,129	20.8%
Diversification within non-life underwriting risk module	-10,444	-12,566	20.3%
Total non-life underwriting risk	38,938	40,176	3.2%

Minimum Capital Requirement

Poste Assicura's Minimum Capital Requirement (MCR) is determined in accordance with article 248 of the Delegated Acts and amounted to € 55,709 thousand at 31 December 2022.

MINIMUM CAPITAL REQUIREMENT (€k)	31.12.2021	31.12.2022	Delta %
Linear MCR	45,036	55,709	23.7%
SCR	122,988	177,747	44.5%
MCR cap	55,345	79,986	44.5%
MCR floor	30,747	44,437	44.5%
Combined MCR	45,036	55,709	23.7%
Absolute floor of the MCR	3,700	4,000	8.1%
Minimum Capital Requirement	45,036	55,709	23.7%

The MCR is the Combined Minimum Requirement (Combined MCR) being higher than the absolute minimum of € 4,000 thousand, as defined by the regulations in the "Notice on the adjustment to inflation of the amounts laid down in Directive 2009/138/EC of the European Parliament and of the Council". The combined requirement is equal to the Linear MCR.

E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

At 31 December 2022, this did not apply to the Group and the individual Group Companies.

E.4 Differences between the Standard Formula and the Internal Model used

At 31 December 2022, this did not apply to the Group and the individual Companies.

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

At 31 December 2022, this did not apply to the Group and the individual Companies.

E.6 Other information

At 31 December 2022, there was no further information in addition to as already outlined in the previous paragraphs.

F – ANNEXES

In relation to that established under article 5 of Implementing Regulation 2015/2452, below are the Quantitative Reporting Templates to be annexed to this Report for the Poste Vita SpA Group, with data relative to 31.12.2022, expressed in €k. Note that model S.05.02.01 Premiums, claims and expenses by countries was not prepared in that business is concentrated within Italy:

- S.02.01.02 - Balance Sheet
- S.05.01.02 - Premiums, claims and expenses by line of business
- S.22.01.22 - Impact of long term guarantees measures and transitionals
- S.23.01.22 - Own funds
- S.25.01.22 - Solvency Capital Requirement - for groups on Standard Formula
- S.32.01.22 - Undertakings in the scope of the group

Poste Vita Insurance Group
S.02.01.02 - Balance Sheet

Assets	Solvency II value	
		C0010
Intangible assets	R0030	
Deferred tax assets	R0040	4,530,569
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	11,153
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	132,206,834
Property (other than for own use)	R0080	
Holdings in related undertakings, including participations	R0090	110,617
<i>Equities</i>	<i>R0100</i>	<i>103,666</i>
Equities - listed	R0110	103,666
Equities - unlisted	R0120	
<i>Bonds</i>	<i>R0130</i>	<i>100,370,684</i>
Government Bonds	R0140	79,576,592
Corporate Bonds	R0150	20,248,782
Structured notes	R0160	545,310
Collateralised securities	R0170	
Collective Investments Undertakings	R0180	31,621,867
Derivatives	R0190	
Deposits other than cash equivalents	R0200	
Other investments	R0210	
Assets held for index-linked and unit-linked contracts	R0220	9,608,163
Loans and mortgages	R0230	
Loans on policies	R0240	
Loans and mortgages to individuals	R0250	
Other loans and mortgages	R0260	
Reinsurance recoverables from:	R0270	15,247
Non-life and health similar to non-life	R0280	9,182
Non-life excluding health	R0290	1,971
Health similar to non-life	R0300	7,211
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	6,065
Health similar to life	R0320	(5,556)
Life excluding health and index-linked and unit-linked	R0330	11,621
Life index-linked and unit-linked	R0340	
Deposits to cedants	R0350	
Insurance and intermediaries receivables	R0360	136,746
Reinsurance receivables	R0370	2,996
Receivables (trade, not insurance)	R0380	41,861
Own shares (held directly)	R0390	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	
Cash and cash equivalents	R0410	2,924,160
Any other assets, not elsewhere shown	R0420	2,677,907
Total assets	R0500	152,155,637

Liabilities	Solvency II value	
		C0010
Technical provisions - non-life	R0510	295,415
Technical provisions - non-life (excluding health)	R0520	58,140
TP calculated as a whole	R0530	
Best estimate	R0540	51,142
Risk margin	R0550	6,998
Technical provisions - health (similar to non-life)	R0560	237,275
TP calculated as a whole	R0570	
Best estimate	R0580	217,197
Risk margin	R0590	20,078
TP - life (excluding index-linked and unit-linked)	R0600	123,764,601
Technical provisions - health (similar to life)	R0610	10,255
TP calculated as a whole	R0620	
Best estimate	R0630	(321)
Risk margin	R0640	10,577
TP - life (excluding health and index-linked and unit-linked)	R0650	123,754,346
TP calculated as a whole	R0660	
Best estimate	R0670	119,481,944
Risk margin	R0680	4,272,402
TP - index-linked and unit-linked	R0690	8,969,369
TP calculated as a whole	R0700	
Best estimate	R0710	8,600,743
Risk margin	R0720	368,626
Other technical provisions		
Contingent liabilities	R0740	20,603
Provisions other than technical provisions	R0750	
Pension benefit obligations	R0760	893
Deposits from reinsurers	R0770	
Deferred tax liabilities	R0780	6,489,064
Derivatives	R0790	
Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810	10,911
Insurance & intermediaries payables	R0820	354,291
Reinsurance payables	R0830	2,726
Payables (trade, not insurance)	R0840	178,478
Subordinated liabilities	R0850	993,493
Subordinated liabilities not in BOF	R0860	2,613
Subordinated liabilities in BOF	R0870	990,880
Any other liabilities, not elsewhere shown	R0880	561,778
Total liabilities	R0900	141,641,623
Excess of assets over liabilities	R1000	10,514,015

Poste Vita Insurance Group
S.05.01.02 - Premiums, claims and expenses by line of business

	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Total
Premiums written										
Gross - Direct Business	161,035	154,515		28,263	23,051	690	3,468	136	20,979	392,136
Gross - Proportional reinsurance accepted										0
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share	1,161	2,163		3,350	946	0	1,714	0	65	9,398
Net	159,874	152,353		24,913	22,105	690	1,754	136	20,914	382,738
Premiums earned										
Gross - Direct Business	156,952	144,756		22,059	22,659	51	3,306	152	19,327	369,262
Gross - Proportional reinsurance accepted										0
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share	1,161	2,414		3,350	938	0	1,674	0	299	9,836
Net	155,791	142,343		18,709	21,721	51	1,632	152	19,028	359,426
Claims incurred										
Gross - Direct Business	132,662	64,007		4,755	4,858	38	365	15	-727	205,972
Gross - Proportional reinsurance accepted										0
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share	-2,821	-271		-292	-340	0	178	0	-798	-4,344
Net	135,483	64,277		5,047	5,198	38	188	14	71	210,316
Changes in other technical provisions										
Gross - Direct Business	0	-13		278	0	0	0	0	0	265
Gross - Proportional reinsurance accepted										0
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share										0
Net		-13		278						265
Expenses incurred	33,183	44,556		9,027	8,374	21	-26	98	11,455	106,687
Other expenses										
Total expenses										106,687

	Line of Business for: life insurance obligations				Total
	Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	
Premiums written					
Gross	9,426	16,309,852	755,576	104,626	17,179,479
Reinsurers' share	1,350			8,399	9,749
Net	8,075	16,309,852	755,576	96,227	17,169,729
Premiums earned					
Gross	9,426	16,309,852	755,576	104,626	17,179,479
Reinsurers' share	1,350	0	0	8,399	9,749
Net	8,075	16,309,852	755,576	96,227	17,169,729
Claims incurred					
Gross	3,277	9,143,212	371,519	50,308	9,568,315
Reinsurers' share	212	0	0	8,493	8,706
Net	3,064	9,143,212	371,519	41,814	9,559,609
Changes in other technical provisions					
Gross	-3,692	-6,017,206	-1,991,147	-13,204	-8,025,250
Reinsurers' share	617	0	0	-34	583
Net	-4,309	-6,017,206	-1,991,147	-13,171	-8,025,833
Expenses incurred	1,040	469,112	27,272	29,202	526,626
Other expenses					
Total expenses					526,626

Poste Vita Insurance Group

S.22.01.22 - Impact of long term guarantees measures and transitionals

	Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
Technical provisions	133,029,385			565,931	
Basic own funds	11,054,895			(391,511)	
Eligible own funds to meet Solvency Capital Requirement	12,804,895			(391,511)	
<i>Solvency Capital Requirement</i>	5,055,992			135,944	

Poste Vita Insurance Group
S.23.01.22 - Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sectors						
Ordinary share capital (gross of own shares)	R0010	1,216,608	1,216,608			
Non-available called but not paid in ordinary share capital at group level	R0020					
Share premium account related to ordinary share capital	R0030					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Non-available subordinated mutual member accounts at group level	R0060					
Surplus funds	R0070					
Non-available surplus funds at group level	R0080					
Preference shares	R0090					
Non-available preference shares at group level	R0100					
Share premium account related to preference shares	R0110					
Non-available share premium account related to preference shares at group level	R0120					
Reconciliation reserve	R0130	8,847,407	8,847,407			
Subordinated liabilities	R0140	990,880		727,630	263,250	
Non-available subordinated liabilities at group level	R0150					
An amount equal to the value of net deferred tax assets	R0160					
The amount equal to the value of net deferred tax assets not available at the group level	R0170					
Other items approved by supervisory authority as basic own funds not specified above	R0180					
Non available own funds related to other own funds items approved by supervisory authority	R0190					
Minority interests (if not reported as part of a specific own fund item)	R0200					
Non-available minority interests at group level	R0210					
Own funds from the financial statements that shall not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	R0230					
whereof deducted according to art 228 of the Directive 2009/138/EC	R0240					
Deductions for participations where there is non-availability of information (Article 229)	R0250					
Deduction for participations included by using D&A when a combination of methods is used	R0260					
Total of non-available own fund items	R0270					
Total deductions	R0280					
Total basic own funds after deductions	R0290	11,054,895	10,064,015	727,630	263,250	
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	1,750,000			1,750,000	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Non available ancillary own funds at group level	R0380					
Total ancillary own funds	R0400	1,750,000			1,750,000	

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0520	12,804,895	10,064,015	727,630	2,013,250	
Total available own funds to meet the minimum consolidated group SCR	R0530	11,054,895	10,064,015	727,630	263,250	
Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0560	12,804,895	10,064,015	727,630	2,013,250	
Total eligible own funds to meet the minimum consolidated group SCR	R0570	11,054,895	10,064,015	727,630	263,250	
Minimum consolidated Group SCR	R0610	2,290,855				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	482.57%				
Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)	R0660	12,804,895	10,064,015	727,630	2,013,250	
Group SCR	R0680	5,055,992				
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	R0690	253.26%				
		C0060				
Reconciliation reserve						
Excess of assets over liabilities	R0700	10,514,015				
Own shares (included as assets on the balance sheet)	R0710					
Foreseeable dividends, distributions and charges	R0720	450,000				
Other basic own fund items	R0730	1,216,608				
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740					
Other non available own funds	R0750					
Reconciliation reserve before deduction for participations in other financial sectors	R0760	8,847,407				
Expected profits						
Expected profits included in future premiums (EPIFP) - Life Business	R0770	3,448,280				
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	23,302				
Total Expected profits included in future premiums (EPIFP)	R0790	3,471,582				

Poste Vita Insurance Group

S.25.01.22 - Solvency Capital Requirement - for groups on Standard Formula

	Gross solvency capital requirement	USP	Simplifications
Market risk	7,613,259		
Counterparty default risk	300,286		
Life underwriting risk	13,469,741		
Health underwriting risk	113,797		
Non-life underwriting risk	40,176		
Diversification	-4,352,328		
Intangible asset risk			
Basic Solvency Capital Requirement	17,184,931		

Calculation of Solvency Capital Requirement

Operational risk		675,079
Loss-absorbing capacity of technical provisions		-11,299,794
Loss-absorbing capacity of deferred taxes		-1,596,629
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC		
Solvency capital requirement excluding capital add-on		4,963,587
Capital add-on already set		92,405
Solvency capital requirement		5,055,992
Other information on SCR		
Capital requirement for duration-based equity risk sub-module		
Total amount of Notional Solvency Capital Requirements for remaining part		
Total amount of Notional Solvency Capital Requirements for ring fenced funds		
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios		
Diversification effects due to RFF nSCR aggregation for article 304		
Minimum consolidated group solvency capital requirement		2,291,047
Information on other entities		
Capital requirements for other financial sectors (Non-insurance capital requirements)		
Capital requirements for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies		
Capital requirements for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions		
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated entities carrying out financial activities		
Capital requirement for non-controlled participation requirements		
Capital requirement for residual undertakings		
Overall SCR		
SCR for undertakings included via D and A		
Solvency capital requirement		5,055,992

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights
IT	815600C3162E56F1CB29	1 - LEI	POSTE ASSICURA SpA	2 - Non life insurance undertaking	SpA	2 - Non-mutual	IVASS - Istituto per la Vigilanza sulle Assicurazioni (the insurance regulator)	100%	100%	100%
IT	8156001CB3B48E80F923	1 - LEI	POSTE VITA SpA	4 - Composite undertaking	SpA	2 - Non-mutual	IVASS - Istituto per la Vigilanza sulle Assicurazioni (the insurance regulator)			
IT	IT0000000NET	2 - Specific code	NET HOLDING SPA	99 - Other	S.R.L.	2 - Non-mutual		100%	100%	100%
IT	IT0000000PIB	2 - Specific code	POSTE INSURANCE BROKER Srl	99 - Other	S.R.L.	2 - Non-mutual		100%	100%	100%

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
IT	815600C3162E56F1CB29	1 - LEI	POSTE ASSICURA SpA		1 - Dominant	100%	1 - Included in the scope		1 - Method 1: Full consolidation
IT	8156001CB3B48E80F923	1 - LEI	POSTE VITA SpA				1 - Included in the scope		1 - Method 1: Full consolidation
IT	IT0000000NET	2 - Specific code	NET HOLDING SPA		1 - Dominant	100%	1 - Included in the scope		1 - Method 1: Full consolidation
IT	IT0000000PIB	2 - Specific code	POSTE INSURANCE BROKER Srl		1 - Dominant	100%	1 - Included in the scope		1 - Method 1: Full consolidation

Poste Vita SpA

With regard to the provisions of article 4 of the Implementing Regulation 2015/2452, the Parent Company Poste Vita SpA's Quantitative Reporting Templates, to be annexed to this Report, are shown below with figures for 31.12.2022, expressed in €. Please note that form S.05.02.01 Premiums, claims and expenses by countries was not prepared in that business is concentrated within Italy:

- S.02.01.02 - Balance Sheet
- S.05.01.02 - Premiums, claims and expenses by line of business
- S.12.01.02 - Life and Health SLT Technical Provisions
- S.22.01.21 - Impact of long term guarantees measures and transitionals
- S.23.01.01 - Own funds
- S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
- S.28.02.01 - Minimum capital Requirement - Both life and non-life insurance activity

Poste Vita SpA
S.02.01.02 Balance Sheet

Assets		Solvency II value
		C0010
Intangible assets	R0030	
Deferred tax assets	R0040	4,505,757
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	8,623
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	131,961,727
Property (other than for own use)	R0080	
Holdings in related undertakings, including participations	R0090	409,516
<i>Equities</i>	<i>R0100</i>	<i>103,666</i>
Equities - listed	R0110	103,666
Equities - unlisted	R0120	
<i>Bonds</i>	<i>R0130</i>	<i>99,826,678</i>
Government Bonds	R0140	79,110,257
Corporate Bonds	R0150	20,171,112
Structured notes	R0160	545,310
Collateralised securities	R0170	
Collective Investments Undertakings	R0180	31,621,867
Derivatives	R0190	
Deposits other than cash equivalents	R0200	
Other investments	R0210	
Assets held for index-linked and unit-linked contracts	R0220	9,608,163
Loans and mortgages	R0230	
Loans on policies	R0240	
Loans and mortgages to individuals	R0250	
Other loans and mortgages	R0260	
Reinsurance recoverables from:	R0270	6,065
Non-life and health similar to non-life	R0280	
Non-life excluding health	R0290	
Health similar to non-life	R0300	
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	6,065
Health similar to life	R0320	-5,556
Life excluding health and index-linked and unit-linked	R0330	11,621
Life index-linked and unit-linked	R0340	
Deposits to cedants	R0350	
Insurance and intermediaries receivables	R0360	46,557
Reinsurance receivables	R0370	452
Receivables (trade, not insurance)	R0380	47,262
Own shares (held directly)	R0390	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	
Cash and cash equivalents	R0410	2,878,261
Any other assets, not elsewhere shown	R0420	2,660,486
Total assets	R0500	151,723,353

Liabilities	Solvency II value	
		C0010
Technical provisions - non-life	R0510	
Technical provisions - non-life (excluding health)	R0520	
TP calculated as a whole	R0530	
Best estimate	R0540	
Risk margin	R0550	
Technical provisions - health (similar to non-life)	R0560	
TP calculated as a whole	R0570	
Best estimate	R0580	
Risk margin	R0590	
TP - life (excluding index-linked and unit-linked)	R0600	123,764,601
Technical provisions - health (similar to life)	R0610	10,255
TP calculated as a whole	R0620	
Best estimate	R0630	-321
Risk margin	R0640	10,577
TP - life (excluding health and index-linked and unit-linked)	R0650	123,754,346
TP calculated as a whole	R0660	
Best estimate	R0670	119,481,944
Risk margin	R0680	4,272,402
TP - index-linked and unit-linked	R0690	8,969,369
TP calculated as a whole	R0700	
Best estimate	R0710	8,600,743
Risk margin	R0720	368,626
Other Technical Provisions	R0740	
Contingent liabilities	R0740	18,829
Provisions other than technical provisions	R0750	
Pension benefit obligations	R0760	688
Deposits from reinsurers	R0770	
Deferred tax liabilities	R0780	6,463,210
Derivatives	R0790	
Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810	8,399
Insurance & intermediaries payables	R0820	289,937
Reinsurance payables	R0830	1,732
Payables (trade, not insurance)	R0840	142,279
Subordinated liabilities	R0850	993,493
Subordinated liabilities not in BOF	R0860	2,613
Subordinated liabilities in BOF	R0870	990,880
Any other liabilities, not elsewhere shown	R0880	556,801
Total liabilities	R0900	141,209,338
Excess of assets over liabilities	R1000	10,514,015

Poste Vita SpA
S.05.01.02 - Premiums, claims and expenses by line of business

	Line of Business for: life insurance obligations				Total
	Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	
Premiums written					
Gross	9,426	16,309,852	755,576	104,626	17,179,479
Reinsurers' share	1,350			8,399	9,749
Net	8,075	16,309,852	755,576	96,227	17,169,729
Premiums earned					
Gross	9,426	16,309,852	755,576	104,626	17,179,479
Reinsurers' share	1,350	0	0	8,399	9,749
Net	8,075	16,309,852	755,576	96,227	17,169,729
Claims incurred					
Gross	3,277	9,143,212	371,519	50,308	9,568,315
Reinsurers' share	212	0	0	8,493	8,706
Net	3,064	9,143,212	371,519	41,814	9,559,609
Changes in other technical provisions					
Gross	-3,692	-6,017,206	-1,991,147	-13,204	-8,025,250
Reinsurers' share	617	0	0	-34	583
Net	-4,309	-6,017,206	-1,991,147	-13,171	-8,025,833
Expenses incurred	1,040	469,112	27,272	29,202	526,626
Other expenses					
Total expenses					526,626

Poste Vita SpA
S.12.01.02 - Life and Health SLT Technical Provisions

	Index-linked and unit-linked insurance		Other life insurance	Total (Life other than health insurance, including Unit-Linked)	Health insurance (direct business)		Total (Health similar to life insurance)
	Insurance with profit participation	Contracts with options or guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees	
Technical provisions calculated as a whole				0			0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole				0			0
Technical provisions calculated as a sum of BE and RM							
Best Estimate							
Gross Best Estimate	119,360,885	8,600,743	121,058	128,082,686		-321	-321
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	91		11,530	11,621		-5,556	-5,556
Best estimate minus recoverables from reinsurance/SPV and Finite Re	119,360,794	8,600,743	109,529	128,071,066		5,234	5,234
Risk Margin	4,198,557	368,626	73,845	4,641,028	10,577		10,577
Amount of the transitional on Technical Provisions							
Technical Provisions calculated as a whole				0			0
Best estimate				0			0
Risk margin				0			0
Technical provisions - total	123,559,443	8,969,369	194,903	132,723,715	10,255		10,255

Poste Vita SpA
S.22.01.21 - Impact of long term guarantees measures and transitionals

	Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
Technical provisions	132,733,970			565,931	
Basic own funds	11,054,895			-391,511	
Eligible own funds to meet Solvency Capital Requirement	12,804,895			-391,511	
<i>Solvency Capital Requirement</i>	4,967,417			149,722	
Eligible own funds to meet Minimum Capital Requirement	11,054,895			-391,511	
Minimum Capital Requirement	2,235,338			66,350	

Poste Vita SpA
S.23.01.01 - Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35						
Ordinary share capital (gross of own shares)	R0010	1,216,608	1,216,608			
Share premium account related to ordinary share capital	R0030					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	8,847,407	8,847,407			
Subordinated liabilities	R0140	990,880		727,630	263,250	
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II OF						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	11,054,895	10,064,015	727,630	263,250	
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	1,750,000			1,750,000	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400	1,750,000			1,750,000	
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	12,804,895	10,064,015	727,630	2,013,250	
Total available own funds to meet the MCR	R0510	11,054,895	10,064,015	727,630	263,250	
Total eligible own funds to meet the SCR	R0540	12,804,895	10,064,015	727,630	2,013,250	
Total eligible own funds to meet the MCR	R0550	11,054,895	10,064,015	727,630	263,250	
SCR	R0580	4,967,417				
MCR	R0600	2,235,338				
Ratio of Eligible own funds to SCR	R0620	257.78%				
Ratio of Eligible own funds to MCR	R0640	494.55%				

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0060				
Reconciliation reserve						
Excess of assets over liabilities	R0700	10,514,015				
Own shares (held directly and indirectly)	R0710					
Foreseeable dividends, distributions and charges	R0720	450,000				
Other basic own fund items	R0730	1,216,608				
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740					
Reconciliation reserve	R0760	8,847,407				
Expected profits						
Expected profits included in future premiums (EPIFP) - Life Business	R0770	3,448,280				
Expected profits included in future premiums (EPIFP) - Non-life business	R0780					
Total Expected profits included in future premiums (EPIFP)	R0790	3,448,280				

Poste Vita SpA

S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula

	Gross solvency capital requirement	USP	Simplifications
Market risk	7,665,738		
Counterparty default risk	288,692		
Life underwriting risk	13,469,741		
Health underwriting risk	13,862		
Non-life underwriting risk			
Diversification	-4,259,323		
Intangible asset risk			
Basic Solvency Capital Requirement	17,178,710		

Calculation of Solvency Capital Requirement

Operational risk	663,774
Loss-absorbing capacity of technical provisions	-11,306,409
Loss-absorbing capacity of deferred taxes	-1,568,658
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	
Solvency capital requirement excluding capital add-on	4,967,417
Capital add-on already set	
Solvency capital requirement	4,967,417
Other information on SCR	
Capital requirement for duration-based equity risk sub-module	
Total amount of Notional Solvency Capital Requirements for remaining part	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	
Diversification effects due to RFF nSCR aggregation for article 304	

Approach to tax rate

	Yes/No
Approach based on average tax rate	2 - No

Calculation of loss absorbing capacity of deferred taxes

DTA	
DTA carry forward	
DTA due to deductible temporary differences	
DTL	
LAC DT	(1,568,658)
LAC DT justified by reversion of deferred tax liabilities	(1,419,745)
LAC DT justified by reference to probable future taxable profit	(148,913)
LAC DT justified by carry back, current year	
LAC DT justified by carry back, future years	
Maximum LAC DT	

Poste Vita SpA

S.28.02.01 - Minimum capital Requirement - Both life and non-life insurance activity

Linear formula component for life insurance and reinsurance obligations

	Non-life activities		Life activities	
	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
MCR calculation Life				
Obligations with profit participation - guaranteed benefits			98,818,236	
Obligations with profit participation - future discretionary benefits			20,542,558	
Index-linked and unit-linked insurance obligations			8,600,743	
Other life (re)insurance and health (re)insurance obligations			114,763	
Total capital at risk for all life (re)insurance obligations				26,282,384
			Non-life activities	Life activities
Linear formula component for life insurance and reinsurance obligations				2,669,075
Overall MCR calculation				
Linear MCR				2,669,075
SCR				4,967,417
MCR cap				2,235,338
MCR floor				1,241,854
Combined MCR				2,235,338
Absolute floor of the MCR				5,400
Minimum Capital Requirement				2,235,338

Notional non-life and life MCR calculation	Non-life activities	Life activities
Notional linear MCR		2,669,075
Notional SCR excluding add-on (annual or latest calculation)		4,967,417
Notional MCR cap		2,235,338
Notional MCR floor		1,241,854
Notional Combined MCR		2,235,338
Absolute floor of the notional MCR		5,400
Notional MCR		2,235,338

Poste Assicura SpA

In relation to the provisions of Article 4 of the 2015/2452 Implementing Regulation, the Quantitative Reporting Templates, to be annexed to this Report, of the Subsidiary Poste Assicura SpA with data referring to 31.12.2022, expressed in €k, are provided below; it should be noted that the templates S.05.02.01 Premiums, claims and expenses by countries and S.22.01.21 Impact of long-term guarantees measures and transitionals, respectively, have not been prepared as the business is concentrated within Italy and no transitionals or long-term guarantee measures are used.

- S.02.01.02 - Balance Sheet
- S.05.01.02 - Premiums, claims and expenses by line of business
- S.17.01.02 - Non-life Technical Provisions
- S.19.01.21 - Non-life Insurance Claims Information
- S.23.01.01 - Own funds
- S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
- S.28.01.01 - Minimum capital Requirement - Only life or only non-life insurance or reinsurance activity

Poste Assicura SpA
S.02.01.02 - Balance Sheet

Assets	Solvency II value	
		C0010
Intangible assets	R0030	
Deferred tax assets	R0040	24,612
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	2,531
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	544,641
Property (other than for own use)	R0080	
Holdings in related undertakings, including participations	R0090	635
Equities	R0100	
Equities - listed	R0110	
Equities - unlisted	R0120	
Bonds	R0130	544,006
Government Bonds	R0140	466,336
Corporate Bonds	R0150	77,670
Structured notes	R0160	
Collateralised securities	R0170	
Collective Investments Undertakings	R0180	
Derivatives	R0190	
Deposits other than cash equivalents	R0200	
Other investments	R0210	
Assets held for index-linked and unit-linked contracts	R0220	
Loans and mortgages	R0230	
Loans on policies	R0240	
Loans and mortgages to individuals	R0250	
Other loans and mortgages	R0260	
Reinsurance recoverables from:	R0270	9,182
Non-life and health similar to non-life	R0280	9,182
Non-life excluding health	R0290	1,971
Health similar to non-life	R0300	7,211
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	
Health similar to life	R0320	
Life excluding health and index-linked and unit-linked	R0330	
Life index-linked and unit-linked	R0340	
Deposits to cedants	R0350	
Insurance and intermediaries receivables	R0360	97,920
Reinsurance receivables	R0370	2,544
Receivables (trade, not insurance)	R0380	1,529
Own shares (held directly)	R0390	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	
Cash and cash equivalents	R0410	42,737
Any other assets, not elsewhere shown	R0420	19,862
Total assets	R0500	745,559

Liabilities	Solvency II value	
		C0010
Technical provisions - non-life	R0510	295,415
Technical provisions - non-life (excluding health)	R0520	58,140
TP calculated as a whole	R0530	
Best estimate	R0540	51,142
Risk margin	R0550	6,998
Technical provisions - health (similar to non-life)	R0560	237,275
TP calculated as a whole	R0570	
Best estimate	R0580	217,197
Risk margin	R0590	20,078
TP - life (excluding index-linked and unit-linked)	R0600	
Technical provisions - health (similar to life)	R0610	
TP calculated as a whole	R0620	
Best estimate	R0630	
Risk margin	R0640	
TP - life (excluding health and index-linked and unit-linked)	R0650	
TP calculated as a whole	R0660	
Best estimate	R0670	
Risk margin	R0680	
TP - index-linked and unit-linked	R0690	
TP calculated as a whole	R0700	
Best estimate	R0710	
Risk margin	R0720	
Other technical provisions	R0730	
Contingent liabilities	R0740	1,774
Provisions other than technical provisions	R0750	
Pension benefit obligations	R0760	205
Deposits from reinsurers	R0770	
Deferred tax liabilities	R0780	25,854
Derivatives	R0790	
Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810	2,567
Insurance & intermediaries payables	R0820	70,261
Reinsurance payables	R0830	994
Payables (trade, not insurance)	R0840	42,326
Subordinated liabilities	R0850	
Subordinated liabilities not in BOF	R0860	
Subordinated liabilities in BOF	R0870	
Any other liabilities, not elsewhere shown	R0880	7,343
Total liabilities	R0900	446,739
Excess of assets over liabilities	R1000	298,820

Poste Assicura SpA
S.05.01.02 - Premiums, claims and expenses by line of business

	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Total
Premiums written										
Gross - Direct Business	161,035	154,515		28,263	23,051	690	3,468	136	20,979	392,136
Gross - Proportional reinsurance accepted										0
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share	1,161	2,163		3,350	946	0	1,714	0	65	9,398
Net	159,874	152,353		24,913	22,105	690	1,754	136	20,914	382,738
Premiums earned										
Gross - Direct Business	156,952	144,756		22,059	22,659	51	3,306	152	19,327	369,262
Gross - Proportional reinsurance accepted										0
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share	1,161	2,414		3,350	938	0	1,674	0	299	9,836
Net	155,791	142,343		18,709	21,721	51	1,632	152	19,028	359,426
Claims incurred										
Gross - Direct Business	132,662	64,007		4,755	4,858	38	365	15	-727	205,972
Gross - Proportional reinsurance accepted										0
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share	-2,821	-271		-292	-340	0	178	0	-798	-4,344
Net	135,483	64,277		5,047	5,198	38	188	14	71	210,316
Changes in other technical provisions										
Gross - Direct Business	0	-13		278	0	0	0	0	0	265
Gross - Proportional reinsurance accepted										0
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share										0
Net		-13		278						265
Expenses incurred	33,183	44,556		9,027	8,374	21	-26	98	11,455	106,687
Other expenses										
Total expenses										106,687

Poste Assicura SpA
S.17.01.02 - Non - life Technical Provisions

	Medical expense insurance	Income protection insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Total
Technical provisions calculated as a whole									
Total Recoverables from reinsurance/ SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole									
Technical Provisions calculated as a sum of BE and RM									
Best estimate									
Premium provisions									
Gross - Total	12,551	33,530	-1,265	-898	445	-174	21	26,109	70,319
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	-169	366	-1,036	-312	0	2	0	299	-851
Net Best Estimate of Premium Provisions	12,720	33,164	-229	-586	445	-175	21	25,810	71,170
Claims provisions									
Gross - Total	74,994	96,121	6,682	15,896	37	1,151	13	3,126	198,019
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	1,726	5,288	295	1,939	0	621	0	164	10,033
Net Best Estimate of Claims Provisions	73,268	90,833	6,387	13,957	37	529	13	2,962	187,987
Total Best estimate - gross	87,545	129,652	5,417	14,998	482	977	33	29,235	268,339
Total Best estimate - net	85,988	123,998	6,158	13,371	482	354	33	28,772	259,156
Risk margin	6,189	13,889	1,140	1,879	31	85	15	3,849	27,076
Amount of the transitional on Technical Provisions									
TP as a whole									
Best estimate									
Risk margin									
Technical provisions - total									
Technical provisions - total	93,735	143,541	6,557	16,876	513	1,062	48	33,083	295,415
Recoverable from reinsurance contract/ SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	1,557	5,654	-742	1,627		623	0	463	9,182
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	92,178	137,887	7,298	15,250	513	439	48	32,620	286,233

Poste Assicura SpA
S.19.01.21 - Non-life Insurance Claims

	Development year (absolute amount)										In Current year	Sum of years (cumulative)	
	0	1	2	3	4	5	6	7	8	9			10 & +
Gross Claims Paid (non-cumulative)													
Prior	4,837	7,620	3,398	519	347	452	326	662	338	107	10	10	18,617
2013	4,678	6,160	2,011	532	321	158	272	88	1	1	1	1	14,222
2014	5,389	7,205	2,409	659	296	25	176	130	35			35	16,324
2015	6,822	8,221	2,406	929	140	63	121	20				20	18,723
2016	7,669	9,085	1,751	561	157	148	154					154	19,524
2017	9,786	11,905	3,129	442	124	125						125	25,511
2018	15,017	12,859	3,805	2,132	237							237	34,051
2019	42,243	28,144	8,589	1,297								1,297	80,273
2020	41,727	37,463	6,292									6,292	85,482
2021	75,972	60,649										60,649	136,621
2022	90,514											90,514	90,514
Total												159,334	539,935

	Development year (absolute amount)										Year end (discounted data)		
	0	1	2	3	4	5	6	7	8	9		10 & +	
Gross undiscounted Best Estimate Claims Provisions													
Prior	0	0	0	0	1,610	2,668	2,669	2,263	1,542	807	330		305
2013	0	0	0	3,668	2,732	2,348	964	705	332	119			108
2014	0	0	11,156	7,555	3,431	1,665	1,157	539	258				230
2015	0	19,272	14,853	10,386	3,589	2,112	891	710					636
2016	31,013	15,899	12,583	10,745	6,042	1,672	733						656
2017	28,111	12,878	8,732	8,294	3,792	1,181							1,089
2018	32,080	14,333	9,946	6,108	2,404								2,238
2019	42,308	22,037	15,005	9,079									8,465
2020	57,004	28,113	14,879										13,968
2021	94,351	39,813											37,708
2022	127,520												121,684
Total													187,086

Poste Assicura SpA
S.23.01.01 - Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35						
Ordinary share capital (gross of own shares)	R0010	25,000	25,000			
Share premium account related to ordinary share capital	R0030					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	273,820	273,820			
Subordinated liabilities	R0140					
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	298,820	298,820			
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	298,820	298,820			
Total available own funds to meet the MCR	R0510	298,820	298,820			
Total eligible own funds to meet the SCR	R0540	298,820	298,820			
Total eligible own funds to meet the MCR	R0550	298,820	298,820			
SCR	R0580	177,747				
MCR	R0600	55,709				
Ratio of Eligible own funds to SCR	R0620	168.12%				
Ratio of Eligible own funds to MCR	R0640	536.39%				

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
C0060						
Reconciliation reserve						
Excess of assets over liabilities	R0700	298,820				
Own shares (held directly and indirectly)	R0710					
Foreseeable dividends, distributions and charges	R0720					
Other basic own fund items	R0730	25,000				
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740					
Reconciliation reserve	R0760	273,820				
Expected profits						
Expected profits included in future premiums (EPIFP) - Life Business	R0770					
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	23,302				
Total Expected profits included in future premiums (EPIFP)	R0790	23,302				

Poste Assicura SpA

S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula

	Gross solvency capital requirement	USP	Simplifications
Market risk	24,937		
Counterparty default risk	13,534		
Life underwriting risk			
Health underwriting risk	106,156		
Non-life underwriting risk	40,176		
Diversification	-54,635		
Intangible asset risk			
Basic Solvency Capital Requirement	130,168		

Calculation of Solvency Capital Requirement

Operational risk		11,305
Loss-absorbing capacity of technical provisions		
Loss-absorbing capacity of deferred taxes		-56,131
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC		
Solvency capital requirement excluding capital add-on		85,342
Capital add-on already set		92,405
Solvency capital requirement		177,747
Other information on SCR		
Capital requirement for duration-based equity risk sub-module		
Total amount of Notional Solvency Capital Requirements for remaining part		
Total amount of Notional Solvency Capital Requirements for ring fenced funds		
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios		
Diversification effects due to RFF nSCR aggregation for article 304		

Approach to tax rate

	Yes/No
Approach based on average tax rate	2 - No

Calculation of loss absorbing capacity of deferred taxes

DTA	
DTA carry forward	
DTA due to deductible temporary differences	
DTL	
LAC DT	(56,131)
LAC DT justified by reversion of deferred tax liabilities	
LAC DT justified by reference to probable future taxable profit	(56,131)
LAC DT justified by carry back, current year	
LAC DT justified by carry back, future years	
Maximum LAC DT	

Poste Assicura SpA

S.28.01.01 - Minimum capital Requirement - Only life or only non-life insurance or reinsurance activity

Linear formula component for non-life insurance and reinsurance obligations

	Non-life activities	
	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
MCR calculation Non Life		
Medical expense insurance and proportional reinsurance	85,988	159,874
Income protection insurance and proportional reinsurance	123,998	152,353
Workers' compensation insurance and proportional reinsurance		
Motor vehicle liability insurance and proportional reinsurance		
Other motor insurance and proportional reinsurance		
Marine, aviation and transport insurance and proportional reinsurance		
Fire and other damage to property insurance and proportional reinsurance	6,158	24,913
General liability insurance and proportional reinsurance	13,371	22,105
Credit and suretyship insurance and proportional reinsurance	482	690
Legal expenses insurance and proportional reinsurance	354	1,754
Assistance and proportional reinsurance	33	136
Miscellaneous financial loss insurance and proportional reinsurance	28,772	20,914
Non-proportional health reinsurance		
Non-proportional casualty reinsurance		
Non-proportional marine, aviation and transport reinsurance		
Non-proportional property reinsurance		

Linear formula component for life insurance and reinsurance obligations

	Life activities	
	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
MCR calculation Life		
Obligations with profit participation - guaranteed benefits		
Obligations with profit participation - future discretionary benefits		
Index-linked and unit-linked insurance obligations		
Other life (re)insurance and health (re)insurance obligations		
Total capital at risk for all life (re)insurance obligations		
	Non-life activities	Life activities
MCRNL Result	55,709	
MCRL Result		

Overall MCR calculation

Linear MCR	55,709
SCR	177,747
MCR cap	79,986
MCR floor	44,437
Combined MCR	55,709
Absolute floor of the MCR	4,000
Minimum Capital Requirement	55,709

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POSTA TELEGRAFO

VELOCITÀ *Premura*

DIALOGO *Empatia*

GO *Puntuale*

Cortesìa

ASCOLTO *PRECISIONE*

RICERCA *VIGILANZA*

Empatia

APERTURA *RICERCA*

Familiarità

RI·S·P·E·T·T·O

shift

POSTE ITALIANE
L40
SERVIZIO AEREA POSTALE NOTTURNA





ORGANIZZAZIONE



VIGNANZA



Artesia

ASCOLT

RISPOST

SOLUZIO



REPORTS AND
ATTESTATIONS

APERT

VIGILANZA

Entra
E ATTENZIONE

EMERGENZA

RISPETTO

Famiglia vita

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REPORTS AND ATTESTATIONS

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Reports and Attestations

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**RELAZIONE DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D. LGS. 7.9.2005, N. 209 E
DELL'ART. 5, COMMA 1, LETTERE A E B, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Poste Vita S.p.A.**

Giudizio

Abbiamo svolto la revisione contabile dei seguenti elementi della Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria (la "SFCR Unica") di Poste Vita S.p.A. e delle società facenti parte del gruppo assicurativo (il "Gruppo" o il "Gruppo Poste Vita") per l'esercizio chiuso al 31 dicembre 2022, predisposta ai sensi dell'articolo 47-septies del D. Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento IVASS n. 33 del 6 dicembre 2016:

- modelli "S.02.01.02 Balance sheet" e "S.23.01.22 Own funds" del Gruppo Poste Vita, (i "Modelli");
- sezioni "D. Valutazione ai fini di solvibilità" e "E.1. Fondi propri" riferite al Gruppo Poste Vita, (l'"Informativa").

Le nostre attività non hanno riguardato:

- le componenti delle riserve tecniche relative al margine di rischio (voci R0550, R0590, R0640, R0680 e R0720) del modello "S.02.01.02 Balance sheet";
- il Requisito patrimoniale di solvibilità (voce R0680) e il Requisito patrimoniale minimo (voce R0610) del modello "S.23.01.22 Own funds",

che pertanto sono esclusi dal nostro giudizio.

I Modelli e l'Informativa, con le esclusioni sopra riportate, costituiscono nel loro insieme "i Modelli di MVBS e OF e la relativa informativa".

A nostro giudizio, i Modelli di MVBS e OF e la relativa informativa del Gruppo Poste Vita, inclusi nella SFCR Unica, per l'esercizio chiuso al 31 dicembre 2022, sono stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.328.220,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

Il nome Deloitte si riferisce a una o più delle seguenti entità: Deloitte Touche Tohmatsu Limited, una società inglese a responsabilità limitata ("DTTL"), le member firm aderenti al suo network e le entità a esse correlate. DTTL e ciascuna delle sue member firm sono entità giuridicamente separate e indipendenti tra loro. DTTL (denominata anche "Deloitte Global") non fornisce servizi ai clienti. Si invita a leggere l'informativa completa relativa alla descrizione della struttura legale di Deloitte Touche Tohmatsu Limited e delle sue member firm all'indirizzo www.deloitte.com/about.

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Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISAs). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile dei Modelli di MVBS e OF e della relativa informativa* della presente relazione.

Siamo indipendenti rispetto a Poste Vita S.p.A. (la “Società” o la “Capogruppo”) in conformità alle norme e ai principi in materia di etica e di indipendenza del Code of Ethics for Professional Accountants (IESBA Code) emesso dall’International Ethics Standards Board for Accountants applicabili alla revisione contabile dei modelli e della relativa informativa.

Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

Richiamo di informativa - Criteri di redazione, finalità e limitazione all’utilizzo

Richiamiamo l’attenzione alla sezione “D. Valutazione ai fini di solvibilità” che descrive i criteri di redazione. I Modelli di MVBS e OF e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell’Unione Europea direttamente applicabili e alla normativa nazionale di settore, che costituisce un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi. Il nostro giudizio non è espresso con rilievi con riferimento a tale aspetto.

Altri aspetti

La Società ha redatto il bilancio consolidato al 31 dicembre 2022 in conformità agli International Financial Reporting Standards adottati dall’Unione Europea, nonché al Regolamento emanato in attuazione dell’art. 90 del D.Lgs. 7 settembre 2005, n. 209 che ne disciplinano i criteri di redazione, che è stato da noi assoggettato a revisione contabile a seguito della quale abbiamo emesso la nostra relazione di revisione datata 4 aprile 2023.

La Società ha redatto i modelli “S.25.01.22 Solvency Capital Requirement - for groups on Standard Formula” e la relativa informativa presentata nella sezione “E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo” dell’allegata SFCR Unica in conformità alle disposizioni dell’Unione Europea direttamente applicabili e alla normativa nazionale di settore, che sono stati da noi assoggettati a revisione contabile limitata, secondo quanto previsto dall’art. 5 comma 1 lett. c) del Regolamento IVASS n. 42 del 2 agosto 2018, a seguito della quale abbiamo emesso in data odierna una relazione di revisione limitata allegata alla SFCR Unica.

Altre informazioni contenute nella SFCR Unica

Gli Amministratori sono responsabili per la redazione delle altre informazioni contenute nella SFCR Unica in conformità alle norme che ne disciplinano i criteri di redazione.



Le altre informazioni della SFCR Unica sono costituite da:

- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.12.01.02 Life and Health SLT Technical Provisions”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity” relativi a Poste Vita S.p.A.;
- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.17.01.02 Non - Life Technical Provisions”, “S.19.01.21 Non – Life Insurance Claims Information”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity” relativi a Poste Assicura S.p.A.;
- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.22.01.22 Impact of long term guarantees measures and transitionals”, “S.25.01.22 Solvency Capital Requirement - for groups on Standard Formula” e “S.32.01.22 Undertakings in the scope of the group” relativi al Gruppo Poste Vita;
- le sezioni “A. Attività e risultati”, “B. Sistema di Governance”, “C. Profilo di rischio”, “E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo”, “E.3. Utilizzo del sottomodulo del rischio azionario basato sulla durata nel calcolo del requisito patrimoniale di solvibilità”, “E.4. Differenze tra la formula standard e il modello interno utilizzato”, “E.5. Inosservanza del Requisito patrimoniale minimo e inosservanza del requisito patrimoniale di solvibilità” e “E.6. Altre informazioni”.

Il nostro giudizio sui Modelli di MVBS e OF e sulla relativa informativa non si estende a tali altre informazioni.

Con riferimento alla revisione contabile dei Modelli di MVBS e OF e della relativa informativa, la nostra responsabilità è svolgere una lettura critica delle altre informazioni e, nel fare ciò, considerare se le medesime siano significativamente incoerenti con i Modelli di MVBS e OF e la relativa informativa o con le nostre conoscenze acquisite durante la revisione o comunque possano essere significativamente errate. Laddove identifichiamo possibili incoerenze o errori significativi, siamo tenuti a determinare se vi sia un errore significativo nei Modelli di MVBS e OF e nella relativa informativa o nelle altre informazioni. Se, in base al lavoro svolto, concludiamo che esista un errore significativo, siamo tenuti a segnalare tale circostanza. A questo riguardo, non abbiamo nulla da riportare.

Responsabilità degli Amministratori e del Collegio Sindacale per i Modelli di MVBS e OF e la relativa informativa

Gli Amministratori sono responsabili per la redazione dei Modelli di MVBS e OF e della relativa informativa in conformità alle norme che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei Modelli di MVBS e OF e la relativa informativa che non contenga errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono responsabili per la valutazione della capacità del Gruppo di continuare ad operare come un'entità in funzionamento e, nella redazione dei Modelli di MVBS e OF e della relativa informativa, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli Amministratori utilizzano il presupposto della continuità aziendale nella redazione dei Modelli di MVBS e OF e della relativa informativa a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Capogruppo o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il Collegio Sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria del Gruppo.

Responsabilità della società di revisione per la revisione contabile dei Modelli di MVBS e OF e della relativa informativa

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che i Modelli di MVBS e OF e la relativa informativa, nel loro complesso, non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche prese dagli utilizzatori sulla base dei modelli di MVBS e OF e della relativa informativa.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- Abbiamo identificato e valutato i rischi di errori significativi nei Modelli di MVBS e OF e nella relativa informativa, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno.
- Abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile dei Modelli di MVBS e OF e della relativa informativa allo scopo di definire procedure di revisione appropriate nelle circostanze e non per esprimere un giudizio sull'efficacia del controllo interno del Gruppo.
- Abbiamo valutato l'appropriatezza dei criteri di redazione utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli Amministratori e della relativa informativa.

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- Siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli Amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità del Gruppo di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Capogruppo cessi di operare come un'entità in funzionamento.

Abbiamo comunicato ai responsabili delle attività di *governance*, tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

DELOITTE & TOUCHE S.p.A.



Vittorio Frigerio

Socio

Roma, 19 maggio 2023

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**RELAZIONE DI REVISIONE CONTABILE LIMITATA DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D. LGS. 7.9.2005, N. 209 E
DELL'ART. 5, COMMA 1, LETTERA C, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Poste Vita S.p.A.**

Introduzione

Abbiamo svolto la revisione contabile limitata dell'allegato modello "S.25.01.22 Solvency Capital Requirement - for groups on Standard Formula" (il "Modello di SCR e MCR") e dell'informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" (l'"informativa" o la "relativa informativa") di Poste Vita S.p.A. e delle società facenti parte del gruppo assicurativo (il "Gruppo Poste Vita") inclusi nell'allegata Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria ("SFCR Unica") per l'esercizio chiuso al 31 dicembre 2022, predisposta ai sensi dell'articolo 47-septies del D. Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento n. 33 del 6 dicembre 2016.

Il Modello di SCR e MCR e la relativa informativa sono stati redatti dagli Amministratori sulla base delle disposizioni dell'Unione Europea direttamente applicabili e della normativa nazionale di settore.

Responsabilità degli Amministratori

Gli Amministratori sono responsabili per la redazione del Modello di SCR e MCR e della relativa informativa in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione del Modello di SCR e MCR e della relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Responsabilità del revisore

È nostra la responsabilità di esprimere una conclusione sul Modello di SCR e MCR e sulla relativa informativa. Abbiamo svolto la revisione contabile limitata in conformità al principio internazionale sugli incarichi di revisione limitata *ISRE n. 2400 (Revised)*, *Incarichi per la revisione contabile limitata dell'informativa finanziaria storica*. Il principio *ISRE 2400 (Revised)* ci richiede di giungere a una conclusione sul fatto se siano pervenuti alla nostra attenzione elementi che ci facciano ritenere che il Modello di SCR e MCR e la relativa informativa non siano redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore. Tale principio ci richiede altresì di conformarci ai principi etici applicabili.

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La revisione contabile limitata del Modello di SCR e MCR e della relativa informativa conforme al principio *ISRE 2400 (Revised)* è un incarico di assurance limitata. Il revisore svolge procedure che consistono principalmente nell'effettuare indagini presso la direzione e altri soggetti nell'ambito dell'impresa, come appropriato, e procedure di analisi comparativa, e valuta le evidenze acquisite.

Le procedure svolte in una revisione contabile limitata sono sostanzialmente minori rispetto a quelle svolte in una revisione contabile completa conforme ai principi di revisione internazionali (ISAs). Pertanto non esprimiamo un giudizio di revisione sul Modello di SCR e MCR e sulla relativa informativa.

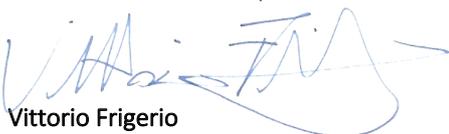
Conclusione

Sulla base della revisione contabile limitata, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che l'allegato Modello di SCR e MCR e la relativa informativa del Gruppo Poste Vita inclusi nella SFCR Unica per l'esercizio chiuso al 31 dicembre 2022, non siano stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Criteri di redazione, finalità e limitazione all'utilizzo

Senza esprimere la nostra conclusione con modifica, richiamiamo l'attenzione alla sezione "E2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" della SFCR Unica che descrive i criteri di redazione del Modello di SCR e MCR. Il Modello di SCR e MCR e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore che costituiscono un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi.

DELOITTE & TOUCHE S.p.A.



Vittorio Frigerio
Socio

Roma, 19 maggio 2023



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**RELAZIONE DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D. LGS. 7.9.2005, N. 209 E
DELL'ART. 4, COMMA 1, LETTERE A E B, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Poste Vita S.p.A.**

Giudizio

Abbiamo svolto la revisione contabile dei seguenti elementi della Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria (la "SFCR Unica") di Poste Vita S.p.A. e delle società facenti parte del gruppo (il "Gruppo" o il "Gruppo Poste Vita") per l'esercizio chiuso al 31 dicembre 2022, predisposta ai sensi dell'articolo 47-septies del D. Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento IVASS n. 33 del 6 dicembre 2016:

- modelli "S.02.01.02 Balance sheet" e "S.23.01.01 Own funds" (i "Modelli") di Poste Vita S.p.A. (la "Società");
- sezioni "D. Valutazione ai fini di solvibilità" e "E.1. Fondi propri" (l'"Informativa") riferite a Poste Vita S.p.A..

Le nostre attività non hanno riguardato:

- le componenti delle riserve tecniche relative al margine di rischio (voci R0640, R0680 e R0720) del modello "S.02.01.02 Balance sheet";
- il Requisito patrimoniale di solvibilità (voce R0580) e il Requisito patrimoniale minimo (voce R0600) del modello "S.23.01.01 Own funds";

che pertanto sono esclusi dal nostro giudizio.

I Modelli e l'Informativa, con le esclusioni sopra riportate, costituiscono nel loro insieme "i Modelli di MVBS e OF e la relativa informativa".

A nostro giudizio, i Modelli di MVBS e OF e la relativa informativa di Poste Vita S.p.A., inclusi nella SFCR Unica del Gruppo Poste Vita, per l'esercizio chiuso al 31 dicembre 2022, sono stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISAs). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile dei modelli di MVBS e OF e della relativa informativa* della presente relazione.

Siamo indipendenti rispetto alla Società in conformità alle norme e ai principi in materia di etica e di indipendenza del Code of Ethics for Professional Accountants (IESBA Code) emesso dall'International Ethics Standards Board for Accountants applicabili alla revisione contabile dei modelli e della relativa informativa.

Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

Richiamo di informativa - Criteri di redazione, finalità e limitazione all'utilizzo

Richiamiamo l'attenzione alla sezione "D. Valutazione ai fini di solvibilità" che descrive i criteri di redazione. I Modelli di MVBS e OF e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore, che costituisce un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi. Il nostro giudizio non è espresso con rilievi con riferimento a tale aspetto.

Altri aspetti

La Società ha redatto il bilancio d'esercizio al 31 dicembre 2022 in conformità alle norme italiane che ne disciplinano i criteri di redazione, che è stato da noi assoggettato a revisione contabile a seguito della quale abbiamo emesso la nostra relazione di revisione datata 4 aprile 2023.

La Società ha redatto i modelli "S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula" e "S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity" e la relativa informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" dell'allegata SFCR Unica in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore, che sono stati da noi assoggettati a revisione contabile limitata, secondo quanto previsto dall'art. 4 comma 1 lett. c) del Regolamento IVASS n. 42 del 2 agosto 2018, a seguito della quale abbiamo emesso in data odierna una relazione di revisione limitata allegata alla SFCR Unica.

Altre informazioni contenute nella SFCR Unica

Gli Amministratori sono responsabili per la redazione delle altre informazioni contenute nella SFCR Unica in conformità alle norme che ne disciplinano i criteri di redazione.



Le altre informazioni della SFCR Unica sono costituite da:

- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.05.02.01 Premiums, claims and expenses by countries”, “S.12.01.02 Life and Health SLT Technical Provisions”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity” relativi a Poste Vita S.p.A.;
- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.05.02.01 Premiums, claims and expenses by countries”, “S.17.01.02 Non - Life Technical Provisions”, “S.19.01.21 Non – Life Insurance Claims Information”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity” relativi a Poste Assicura S.p.A.;
- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.05.02.01 Premiums, claims and expenses by countries”, “S.22.01.22 Impact of long term guarantees measures and transitionals”, “S.25.01.22 Solvency Capital Requirement - for groups on Standard Formula” e “S.32.01.22 Undertakings in the scope of the group” relativi al Gruppo Poste Vita;
- le sezioni “A. Attività e risultati”, “B. Sistema di Governance”, “C. Profilo di rischio”, “E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo”, “E.3. Utilizzo del sottomodulo del rischio azionario basato sulla durata nel calcolo del requisito patrimoniale di solvibilità”, “E.4. Differenze tra la formula standard e il modello interno utilizzato”, “E.5. Inosservanza del Requisito patrimoniale minimo e inosservanza del requisito patrimoniale di solvibilità” e “E.6. Altre informazioni”.

Il nostro giudizio sui Modelli di MVBS e OF e sulla relativa informativa non si estende a tali altre informazioni.

Con riferimento alla revisione contabile dei Modelli di MVBS e OF e della relativa informativa, la nostra responsabilità è svolgere una lettura critica delle altre informazioni e, nel fare ciò, considerare se le medesime siano significativamente incoerenti con i Modelli di MVBS e OF e la relativa informativa o con le nostre conoscenze acquisite durante la revisione o comunque possano essere significativamente errate. Laddove identifichiamo possibili incoerenze o errori significativi, siamo tenuti a determinare se vi sia un errore significativo nei Modelli di MVBS e OF e nella relativa informativa o nelle altre informazioni. Se, in base al lavoro svolto, concludiamo che esista un errore significativo, siamo tenuti a segnalare tale circostanza. A questo riguardo, non abbiamo nulla da riportare.

Responsabilità degli Amministratori e del Collegio Sindacale per i Modelli di MVBS e OF e la relativa informativa

Gli Amministratori sono responsabili per la redazione dei Modelli di MVBS e OF e della relativa informativa in conformità alle norme che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei Modelli di MVBS e OF e la relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono responsabili per la valutazione della capacità della Società di continuare ad operare come un'entità in funzionamento e, nella redazione dei Modelli di MVBS e OF e della relativa informativa, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli Amministratori utilizzano il presupposto della continuità aziendale nella redazione dei Modelli di MVBS e OF e della relativa informativa a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Società o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il Collegio Sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria della Società.

Responsabilità della società di revisione per la revisione contabile dei Modelli di MVBS e OF e della relativa informativa

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che i Modelli di MVBS e OF e la relativa informativa, nel loro complesso, non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche prese dagli utilizzatori sulla base dei modelli di MVBS e OF e della relativa informativa.

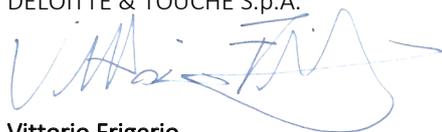
Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- Abbiamo identificato e valutato i rischi di errori significativi nei Modelli di MVBS e OF e nella relativa informativa, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno.
- Abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile dei Modelli di MVBS e OF e della relativa informativa allo scopo di definire procedure di revisione appropriate nelle circostanze e non per esprimere un giudizio sull'efficacia del controllo interno della Società.
- Abbiamo valutato l'appropriatezza dei criteri di redazione utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli Amministratori e della relativa informativa.

- Siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli Amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità della Società di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Società cessi di operare come un'entità in funzionamento.

Abbiamo comunicato ai responsabili delle attività di *governance*, tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

DELOITTE & TOUCHE S.p.A.



Vittorio Frigerio

Socio

Roma, 19 maggio 2023

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**RELAZIONE DI REVISIONE CONTABILE LIMITATA DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D. LGS. 7.9.2005, N. 209 E
DELL'ART. 4, COMMA 1, LETTERA C, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Poste Vita S.p.A.**

Introduzione

Abbiamo svolto la revisione contabile limitata degli allegati modelli "S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula" e "S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity" (i "Modelli di SCR e MCR") e dell'informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" (l'"informativa" o la "relativa informativa") di Poste Vita S.p.A. (nel seguito anche la "Società") inclusi nell'allegata Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria ("SFCR Unica") del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2022, predisposta ai sensi dell'articolo 47-septies del D. Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento n. 33 del 6 dicembre 2016.

I Modelli di SCR e MCR e la relativa informativa sono stati redatti dagli Amministratori sulla base delle disposizioni dell'Unione Europea direttamente applicabili e della normativa nazionale di settore.

Responsabilità degli Amministratori

Gli Amministratori sono responsabili per la redazione dei Modelli di SCR e MCR e della relativa informativa in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei Modelli di SCR e MCR e della relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Responsabilità del revisore

È nostra la responsabilità di esprimere una conclusione sui Modelli di SCR e MCR e sulla relativa informativa. Abbiamo svolto la revisione contabile limitata in conformità al principio internazionale sugli incarichi di revisione limitata *ISRE n. 2400 (Revised)*, *Incarichi per la revisione contabile limitata dell'informativa finanziaria storica*. Il principio *ISRE 2400 (Revised)* ci richiede di giungere a una conclusione sul fatto se siano pervenuti alla nostra attenzione elementi che ci facciano ritenere che i Modelli di SCR e MCR e la relativa informativa non siano redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore. Tale principio ci richiede altresì di conformarci ai principi etici applicabili.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.328.220,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

Il nome Deloitte si riferisce a una o più delle seguenti entità: Deloitte Touche Tohmatsu Limited, una società inglese a responsabilità limitata ("DTTL"), le member firm aderenti al suo network e le entità a esse correlate. DTTL e ciascuna delle sue member firm sono entità giuridicamente separate e indipendenti tra loro. DTTL (denominata anche "Deloitte Global") non fornisce servizi ai clienti. Si invita a leggere l'Informativa completa relativa alla descrizione della struttura legale di Deloitte Touche Tohmatsu Limited e delle sue member firm all'indirizzo www.deloitte.com/about.

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La revisione contabile limitata dei Modelli di SCR e MCR e della relativa informativa conforme al principio *ISRE 2400 (Revised)* è un incarico di assurance limitata. Il revisore svolge procedure che consistono principalmente nell'effettuare indagini presso la direzione e altri soggetti nell'ambito dell'impresa, come appropriato, e procedure di analisi comparativa, e valuta le evidenze acquisite.

Le procedure svolte in una revisione contabile limitata sono sostanzialmente minori rispetto a quelle svolte in una revisione contabile completa conforme ai principi di revisione internazionali (ISA). Pertanto non esprimiamo un giudizio di revisione sui modelli di SCR e MCR e sulla relativa informativa.

Conclusione

Sulla base della revisione contabile limitata, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che gli allegati Modelli di SCR e MCR e la relativa informativa di Poste Vita S.p.A. inclusi nella SFCR Unica del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2022, non siano stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Criteri di redazione, finalità e limitazione all'utilizzo

Senza esprimere la nostra conclusione con modifica, richiamiamo l'attenzione alla sezione "E2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" della SFCR Unica che descrive i criteri di redazione dei Modelli di SCR e MCR. I Modelli di SCR e MCR e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore che costituiscono un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi.

DELOITTE & TOUCHE S.p.A.



Vittorio Frigerio

Socio

Roma, 19 maggio 2023



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**RELAZIONE DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D. LGS. 7.9.2005,
N. 209 E DELL'ART. 4, COMMA 1, LETTERE A E B,
DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Poste Assicura S.p.A.**

Giudizio

Abbiamo svolto la revisione contabile dei seguenti elementi della Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria (la "SFCR Unica") del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2022, predisposta dalla capogruppo Poste Vita S.p.A. ai sensi dell'articolo 47-septies del D. Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento IVASS n. 33 del 6 dicembre 2016:

- modelli "S.02.01.02 Balance sheet" e "S.23.01.01 Own funds" (i "Modelli") di Poste Assicura S.p.A. (la "Società");
- sezioni "D. Valutazione ai fini di solvibilità" e "E.1. Fondi propri" (l'"Informativa"), riferite a Poste Assicura S.p.A..

Le nostre attività non hanno riguardato:

- le componenti delle riserve tecniche relative al margine di rischio (voci R0550 e R0590) del modello "S.02.01.02 Balance sheet";
- il Requisito patrimoniale di solvibilità (voce R0580) e il Requisito patrimoniale minimo (voce R0600) del modello "S.23.01.01 Own funds",

che pertanto sono esclusi dal nostro giudizio.

I Modelli e l'Informativa, con le esclusioni sopra riportate, costituiscono nel loro insieme "i Modelli di MVBS e OF e la relativa informativa".

A nostro giudizio, i Modelli di MVBS e OF e la relativa informativa di Poste Assicura S.p.A., inclusi nella SFCR Unica del Gruppo Poste Vita, per l'esercizio chiuso al 31 dicembre 2022, sono stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISAs). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile dei modelli di MVBS e OF e della relativa informativa* della presente relazione.

Siamo indipendenti rispetto alla Società in conformità alle norme e ai principi in materia di etica e di indipendenza del Code of Ethics for Professional Accountants (IESBA Code) emesso dall'International Ethics Standards Board for Accountants applicabili alla revisione contabile dei modelli e della relativa informativa.

Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

Richiamo di informativa - Criteri di redazione, finalità e limitazione all'utilizzo

Richiamiamo l'attenzione alla sezione "D. Valutazione ai fini di solvibilità" che descrive i criteri di redazione. I Modelli di MVBS e OF e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore, che costituisce un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi. Il nostro giudizio non è espresso con rilievi con riferimento a tale aspetto.

Altri aspetti

La Società ha redatto il bilancio d'esercizio al 31 dicembre 2022 in conformità alle norme italiane che ne disciplinano i criteri di redazione, che è stato da noi assoggettato a revisione contabile a seguito della quale abbiamo emesso la nostra relazione di revisione datata 3 aprile 2023.

La Società ha redatto i modelli "S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula" e "S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity" e la relativa informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" dell'allegata SFCR Unica in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore, che sono stati da noi assoggettati a revisione contabile limitata, secondo quanto previsto dall'art. 4 comma 1 lett. c) del Regolamento IVASS n. 42 del 2 agosto 2018, a seguito della quale abbiamo emesso in data odierna una relazione di revisione limitata allegata alla SFCR Unica.

Altre informazioni contenute nella SFCR Unica

Gli Amministratori sono responsabili per la redazione delle altre informazioni contenute nella SFCR Unica in conformità alle norme che ne disciplinano i criteri di redazione.



Le altre informazioni della SFCR Unica sono costituite da:

- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.05.02.01 Premiums, claims and expenses by countries”, “S.17.01.02 Non - Life Technical Provisions”, “S.19.01.21 Non – Life Insurance Claims Information”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity” relativi a Poste Assicura S.p.A.;
- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.05.02.01 Premiums, claims and expenses by countries”, “S.12.01.02 Life and Health SLT Technical Provisions”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity” relativi a Poste Vita S.p.A.;
- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.05.02.01 Premiums, claims and expenses by countries”, “S.22.01.22 Impact of long term guarantees measures and transitionals”, “S.25.01.22 Solvency Capital Requirement - for groups on Standard Formula” e “S.32.01.22 Undertakings in the scope of the group” relativi al Gruppo Poste Vita;
- le sezioni “A. Attività e risultati”, “B. Sistema di Governance”, “C. Profilo di rischio”, “E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo”, “E.3. Utilizzo del sottomodulo del rischio azionario basato sulla durata nel calcolo del requisito patrimoniale di solvibilità”, “E.4. Differenze tra la formula standard e il modello interno utilizzato”, “E.5. Inosservanza del Requisito patrimoniale minimo e inosservanza del requisito patrimoniale di solvibilità” e “E.6. Altre informazioni”.

Il nostro giudizio sui Modelli di MVBS e OF e sulla relativa informativa non si estende a tali altre informazioni.

Con riferimento alla revisione contabile dei Modelli di MVBS e OF e della relativa informativa, la nostra responsabilità è svolgere una lettura critica delle altre informazioni e, nel fare ciò, considerare se le medesime siano significativamente incoerenti con i Modelli di MVBS e OF e la relativa informativa o con le nostre conoscenze acquisite durante la revisione o comunque possano essere significativamente errate. Laddove identifichiamo possibili incoerenze o errori significativi, siamo tenuti a determinare se vi sia un errore significativo nei Modelli di MVBS e OF e nella relativa informativa o nelle altre informazioni. Se, in base al lavoro svolto, concludiamo che esista un errore significativo, siamo tenuti a segnalare tale circostanza. A questo riguardo, non abbiamo nulla da riportare.

Responsabilità degli Amministratori e del Collegio Sindacale per i Modelli di MVBS e OF e la relativa informativa

Gli Amministratori sono responsabili per la redazione dei Modelli di MVBS e OF e della relativa informativa in conformità alle norme che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei Modelli di MVBS e OF e la relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono responsabili per la valutazione della capacità della Società di continuare ad operare come un'entità in funzionamento e, nella redazione dei Modelli di MVBS e OF e della relativa informativa, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli Amministratori utilizzano il presupposto della continuità aziendale nella redazione dei Modelli di MVBS e OF e della relativa informativa a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Società o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il Collegio Sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria della Società.

Responsabilità della società di revisione per la revisione contabile dei Modelli di MVBS e OF e della relativa informativa

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che i Modelli di MVBS e OF e la relativa informativa, nel loro complesso, non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche prese dagli utilizzatori sulla base dei modelli di MVBS e OF e della relativa informativa.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- Abbiamo identificato e valutato i rischi di errori significativi nei Modelli di MVBS e OF e nella relativa informativa, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno.
- Abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile dei Modelli di MVBS e OF e della relativa informativa allo scopo di definire procedure di revisione appropriate nelle circostanze e non per esprimere un giudizio sull'efficacia del controllo interno della Società.
- Abbiamo valutato l'appropriatezza dei criteri di redazione utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli Amministratori e della relativa informativa.

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- Siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli Amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità della Società di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Società cessi di operare come un'entità in funzionamento.

Abbiamo comunicato ai responsabili delle attività di *governance*, tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

DELOITTE & TOUCHE S.p.A.



Carlo Pilli
Socio

Roma, 19 maggio 2023

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**RELAZIONE DI REVISIONE CONTABILE LIMITATA
DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D. LGS. 7.9.2005,
N. 209 E DELL'ART. 4, COMMA 1, LETTERA C,
DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Poste Assicura S.p.A.**

Introduzione

Abbiamo svolto la revisione contabile limitata degli allegati modelli "S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula" e "S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity" (i "Modelli di SCR e MCR") e dell'informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" (l'"informativa" o la "relativa informativa") di Poste Assicura S.p.A. (nel seguito anche la "Società") inclusi nell'allegata Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria ("SFCR Unica") del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2022, predisposta dalla capogruppo Poste Vita S.p.A. ai sensi dell'articolo 47-septies del D. Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento n. 33 del 6 dicembre 2016.

I Modelli di SCR e MCR e la relativa informativa sono stati redatti dagli Amministratori sulla base delle disposizioni dell'Unione Europea direttamente applicabili e della normativa nazionale di settore.

Responsabilità degli Amministratori

Gli Amministratori sono responsabili per la redazione dei Modelli di SCR e MCR e della relativa informativa in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei modelli di SCR e MCR e della relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Responsabilità del revisore

È nostra la responsabilità di esprimere una conclusione sui Modelli di SCR e MCR e sulla relativa informativa. Abbiamo svolto la revisione contabile limitata in conformità al principio internazionale sugli incarichi di revisione limitata *ISRE n. 2400 (Revised)*, *Incarichi per la revisione contabile limitata dell'informativa finanziaria storica*. Il principio *ISRE 2400 (Revised)* ci richiede di giungere a una conclusione sul fatto se siano pervenuti alla nostra attenzione elementi che ci facciano ritenere che i Modelli di SCR e MCR e la relativa informativa non siano redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore. Tale principio ci richiede altresì di conformarci ai principi etici applicabili.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.328.220,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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La revisione contabile limitata dei Modelli di SCR e MCR e della relativa informativa conforme al principio *ISRE 2400 (Revised)* è un incarico di assurance limitata. Il revisore svolge procedure che consistono principalmente nell'effettuare indagini presso la direzione e altri soggetti nell'ambito dell'impresa, come appropriato, e procedure di analisi comparativa, e valuta le evidenze acquisite.

Le procedure svolte in una revisione contabile limitata sono sostanzialmente minori rispetto a quelle svolte in una revisione contabile completa conforme ai principi di revisione internazionali (ISAs). Pertanto non esprimiamo un giudizio di revisione sui modelli di SCR e MCR e sulla relativa informativa.

Conclusione

Sulla base della revisione contabile limitata, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che gli allegati Modelli di SCR e MCR e la relativa informativa di Poste Assicura S.p.A. inclusi nella SFCR Unica del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2022, non siano stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Criteri di redazione, finalità e limitazione all'utilizzo

Senza esprimere la nostra conclusione con modifica, richiamiamo l'attenzione alla sezione "E2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" della SFCR Unica che descrive i criteri di redazione dei Modelli di SCR e MCR. I modelli di SCR e MCR e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore che costituiscono un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi.

DELOITTE & TOUCHE S.p.A.



Carlo Pilli
Socio

Roma, 19 maggio 2023



POSTA TELEGRAFO

shift

VELOCITÀ
DIALOGO
Cortesia
ASCOLTO
RISPETTO
RISPOSTA

Premura
Empatia
Puntuale
APERTURA
PRECISIONE
VIGILANZA
Curiosità

Familiarità

EFFICACIA



Poste Italiane SpA

Registered office: Viale Europa, 190 - Rome
Fully paid-up share capital: €1,306,110,000.00
Tax Code and Rome Companies' Register no. 97103880585/1996
Business Registration Number in Rome: REA 842633
VAT no. 01114601006

Edited by

Corporate Affairs - Communication
Poste Italiane SpA

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Insurance Group Poste Vita SpA

The Parent Company of the Poste Vita Group authorized to practice Insurance with provision ISVAP:

- No. 1144 12/03/1999 published on G.U. no. 68 23/03/1999
- No. 2462 14/09/2006 published on G.U. no. 225 27/09/2006

Poste Vita Insurance Group entered on the Register of Italian Insurance Group under n.043

Information of parent company Poste Vita SpA

Registered Office in Roma – Viale Europa, 190

Tax Code 07066630638 – VAT number 05927271006

Company entered on Registry of Companies of Rome under no. 29149/2000

Company entered in Section I of the Register of Italian Insurance under no. 1.00133

Share Capitale € 1,216,607,898 fully paid-up

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