CONSOLIDATED ANNUAL REPORT **2025**

PRESENCE, PEOPLE, PROXIMITY, ALL IN ONE **P**



Posteitaliane

Postevita
GruppoAssicurativoPostevita

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REPORT OF OPERATIONS

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Composition of the corporate and control bodies of the parent company Poste Vita SpA

BOARD OF DIRECTORS[1]

Chair
- Andrea Novelli

Deputy Chair
- Maria Bianca Farina

Chief Executive Officer
- Laura Furlan

Director
- Cosimo Pacciani
- Paolo Martella
- Biancamaria Raganell[2]
- Alfonsoluca Adinolfi[3]

Poste

BOARD OF STATUTORY AUDITORS[1]

Chairperson
- Alberto Dello Strologo

Alternate Auditor
- Marco De Iapinis
- Maura Gervasutti

Standing auditor
- Debora D'Angiolillo
- Vincenzo Moretta

SUPERVISORY BOARD[4]

Chairperson
- Bruno Assumma

Member
- Matteo Petrella
- Marta Fraganza

1. The Board of Directors and the Board of Statutory Auditors were appointed by the Shareholders' Meeting held on 26 June 2023 and will serve for three-year terms of office, until the date of approval of the financial statements for 2025. On 18 June 2025, following the resignation of Andrea Novelli from the position of Chief Executive Officer and of Maria Bianca Farina from the position of Chair of the Board of Directors – on the recommendation of the Ultimate Parent Poste Italiane within the scope of its management and coordination powers – the Board of Directors appointed i) the Director Andrea Novelli as Chair of the Board of Directors, ii) the Director Maria Bianca Farina as Deputy Chair of the Board of Directors, and iii) the Director Laura Furlan as Chief Executive Officer. At present, the role of General Manager has not been assigned.
2. Independent Directors.
3. On 17 October 2025, Mr Diaz della Vittoria Pallavicini resigned from his position as Independent Director of Poste Vita effective as of 10 November 2025. On 18 December 2025, pursuant to Article 2386, paragraph 1, of the Italian Civil Code and Articles 16 and 17 of the Articles of Association, the Board of Directors therefore supplemented the composition of the Administrative Body, appointing Alfonsoluca Adinolfi as an Independent Director, consequently supplementing the composition of the Internal Control and Risks and Related Party Transactions Committee of Poste Vita and the Group and the Appointments and Remuneration Committee of Poste Vita and the Group.

INDEPENDENT AUDITORS[5]
• Deloitte&Touche SpA

INTERNAL CONTROL AND RISKS AND RELATED PARTY TRANSACTIONS COMMITTEE[6]

Chairperson
• Cosimo Pacciani

Member
• Matteo Petrella
• Vanda Ternau

Vita

APPOINTMENTS AND REMUNERATION COMMITTEE[5]

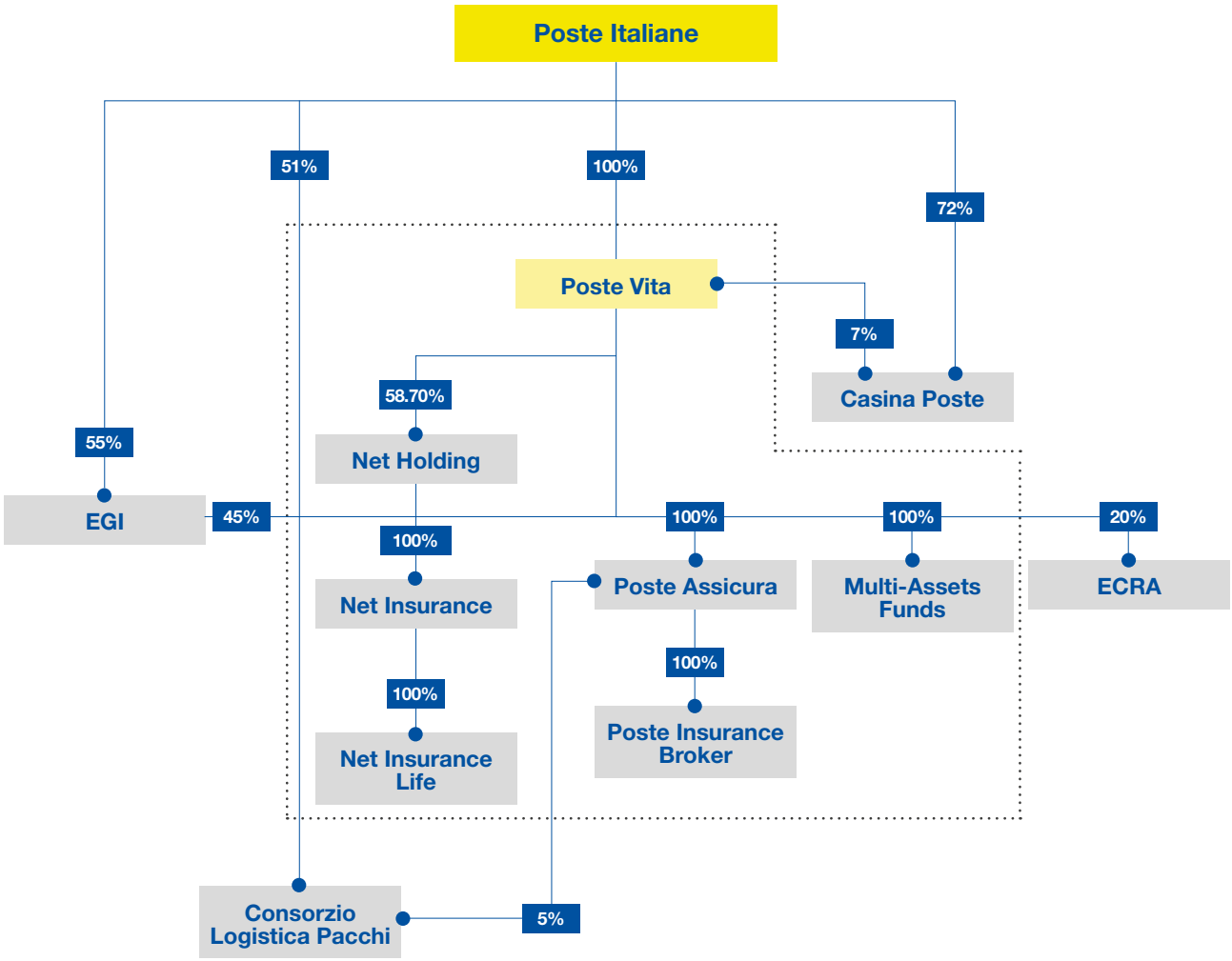
Chairperson
• Maria Bianca Farina[7]

Member
• Biancamaria Raganelli
• Alfonsoluca Adinolfi

4. At its meeting on 26 July 2024, the Board of Directors appointed Bruno Assumma, as Chairperson of Poste Vita's Supervisory Board and Matteo Petrella and Marta Fraganza, as members of Poste Vita's Supervisory Board, for a term of three years.
5. The Shareholders' Meeting, which met on 28 November 2019, approved the engagement of Deloitte & Touche SpA to audit the annual and consolidated financial statements of Poste Vita for the nine-year period from 2020-2028. The firm is the Group auditor selected following a single tender launched by Poste Italiane SpA in compliance with the provisions of Regulation (EU) 573 of 16 April 2014 and of Italian Legislative Decree no. 39 of 17 January 2010, as amended by Legislative Decree no. 135/2016.
6. The Internal Control and Risks and Related Party Transactions Committee and the Appointments and Remuneration Committee were established by Board resolution of 28 June 2023.
7. On 18 June 2025, the Board of Directors appointed Maria Bianca Farina as a member and Chair of the Appointments and Remuneration Committee.

Group structure

The Poste Vita Group's (the "Group") structure and its scope of consolidation at 31 December 2025 are briefly described below:



In the period under review, the scope of consolidation changed as a result of the liquidation of the company Net Holding[1], which was completed on 13 March 2025 and which provided for the assignment to Net Holding's shareholders of the 97.8% stake it held in Net Insurance SpA, and as a result of the derecognition of the stake held in Cronos Vita Assicurazioni SpA ("Cronos") following the total, non-proportional demerger of Cronos, which was completed on 1 October 2025.

1. Poste Vita held the investment in Net Insurance through Net Holding until the date of the latter's liquidation. At 31 December 2025, Poste Vita held a direct stake in Net Insurance of 58.70%.

The Poste Vita Insurance Group operates in the Investment and Protection business through its Life and Non-Life insurance operations.

The scope of consolidation, therefore, includes at 31 December 2025:

1. The Parent Company Poste Vita SpA ("Poste Vita" or the "Parent Company"), an insurance company operating in Life insurance, wholly owned by Poste Italiane;
2. Poste Assicura SpA ("Poste Assicura"), an insurance company operating in Non-Life insurance, excluding motor insurance, wholly owned by the Parent Company Poste Vita;
3. Poste Insurance Broker Srl ("Poste Insurance Broker" or "PIB"), a wholly-owned subsidiary of Poste Assicura, is active in the third-party motor liability and ancillary cover segment, through the placement of standardised insurance policies for Poste Italiane Group customers;
4. Net Insurance SpA ("Net Insurance") is an insurance company authorised to practice non-life insurance and reinsurance that offers protection solutions dedicated to individuals, families and small and medium-sized enterprises. Net Insurance is 58.70% owned by the Parent Company Poste Vita and wholly owns Net Insurance Life;
5. Net Insurance Life SpA ("Net Insurance Life") is an insurance company active in the Life insurance business that mainly offers insurance coverage related and instrumental to the Non-Life products offered by its ultimate parent Net Insurance;
6. Multi-Asset Funds ("MAFs"), consisting of 6 UCITS under Italian law (11 funds before the merger[2] of 5 funds into as many existing funds), managed by BancoPosta Fondi.

Poste Vita also holds a non-controlling interest of 45% of the share capital in 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 Share Capital, in the company Eurizon Capital Real Asset SGR SpA ("ECRA"). This is an asset management company to which Poste Vita has entrusted an alternative investment management mandate. The aforementioned investments are measured with the equity method.

Poste Assicura holds 5% of the share capital of Consorzio Logistica Pacchi S.c.p.a. ("Consorzio Logistica Pacchi" or "CLP") as a non-controlling investor; the latter mainly provides sorting, tracking and delivery services for the Packages service for Poste Italiane SpA. This investment is measured at cost.

Finally, the Parent Company Poste Vita holds, as a non-controlling investor, 7% of the share capital of Casina Poste società sportiva dilettantistica a responsabilità limitata (Casina Poste SSD Srl). This investment is measured at cost.

With reference to the investment in Cronos, following the completion on 1 October 2025 of the total, non-proportional demerger, the Company derecognised the investment recorded in the financial statements as an available-for-sale asset in accordance with IFRS 5, at a value of € 49.5 million.

2. On 17 April 2025, in order to pursue efficient fund management, three Multi-Asset Funds were merged: BancoPosta Olympium Dynamic Multi-Asset, BancoPosta Olympium Insurance Multi-Asset and BancoPosta Olympium Optimal Multi-Asset, and on 19 September 2025, two further Multi-Asset Funds were merged: BancoPosta Long Term Optimal Multi-Asset Fund and BancoPosta Dynamic Long Term Multi-Asset Fund.

Key performance indicators

The table below shows the main economic-equity balances; for comments please refer to the following paragraphs.

PRINCIPAL FINANCIAL KPIs	31.12.2025	31.12.2024	Change	
Financial Investments	168,443	163,245	5,198	3%
Insurance technical liabilities	166,251	161,966	4,285	3%
of which CSM	11,620	11,922	(302)	(3%)
Equity	6,530	6,983	(454)	(6%)
Normalised CSM Growth*	2.8%	2.0%	0.8%	
Solvency Ratio	302.6%	322.6%	(20.0%)	
Workforce (exact FTE)*	750	677	73	11%

PRINCIPAL OPERATIONAL KPIs	31.12.2025	31.12.2024	Change	
Gross inflows	21,034	18,962	2,072	11%
of which Investment	*19,838*	*17,966*	*1,872*	*10%*
of which Protection	*1,196*	*996*	*201*	*20%*
Investment net inflows	1,136	1,557	(421)	(27%)
Net revenue	1,645	1,504	142	9%
of which Investment	*1,472*	*1,355*	*117*	*9%*
of which Protection	*173*	*148*	*25*	*17%*
EBIT	1,544	1,395	149	11%
of which Investment	*1,398*	*1,274*	*124*	*10%*
of which Protection	*147*	*121*	*25*	*21%*
*New Business Margin***	7.2%	6.4%	0.7%	
*Adjusted EBIT****	1,606	1,453	153	11%
Net Result	1,092	1,040	51	5%
Investment Lapse rate*****	8.3%	6.6%	1.7%	
Protection Combined Ratio******	84.0%	84.9%	-0.9%	
PostaValorePiù Return	2.73%	2.64%	0.09%	
PostaPensione Return	3.16%	2.88%	0.28%	
Poste Vita Valore Solidità Return	3.38%	3.34%	0.04%	

** CSM new business/present value of new business premiums (PVNBP).
*** Does not include the cost relating to the provision for life insurance.
**** Determined as the annualised ratio of lapses to average statutory technical provisions (mathematical, sums payable and other additional provisions).
***** Indicator calculated as the ratio of total costs incurred (claims and claims expenses + balance of reinsurance + attributable/non-attributable operating expenses + other. technical expenses and income) to insurance revenue (including revenue from life/non-life supplement policies).

1. Executive summary

During the period from 1 January 2025 to 31 December 2025 (the "**Period**"), the management of the Company was carried out in line with the forecasts of the 2025 Budget and with the strategic guidelines of The Connecting Platform 24-28 Strategic Plan.

With reference to the Investment business, **premiums collected** in the Period totalled € 19.8 billion, an increase of 10% (+€ 1.9 billion) compared to 2024, mainly due to the € 5.9 billion increase in inflows on Multi-class products of € 13.5 billion (€ 7.6 billion in the same period of 2024), only partly offset by the € 4.2 billion decrease in inflows on traditional build-up products.

Meanwhile, **liquidations** totalled € 18.8 billion in the Period and were up € 2.4 billion compared to 2024, mainly due to the growth in lapses (+€ 3.3 billion), whose frequency3 relative to average provisions was 8.3% in the Period (6.6% in 2024). The increase compared to 2024 is affected by the rebalancing of customer portfolios by the intermediary BancoPosta, an activity aimed at ensuring, over time, the alignment between the asset allocation of customer portfolios and that deemed most appropriate according to their risk profile. This change was partly mitigated by the decrease in maturities of € 0.9 billion compared to 2024.

In relation to this, **net inflows** from the Investment business recorded in the Period were positive at € 1 billion, albeit down (-€ 0.5 billion) compared to 2024 due to the aforementioned increase in liquidations, which was only partially offset by the increase in gross inflows.

Gross inflows in the Protection business amounted to € 1,196 million in the Period, up € 201 million (+20%) compared to 2024 (€ 996 million), driven by: i) the "property and personal protection" line, which increased by € 76 million (+25%); ii) the increase in premiums relating to the "Payments" line (+€ 42 million, +13%); and iii) the growth (+€ 84 million, +22%) of the "Corporate" segment.

In the Protection business, **liquidations** at the end of the Period amounted to € 611 million, an increase of € 102 million (+20%) compared to the figure for 2024 (€ 510 million), mainly due to growth in volumes. The **Combined Ratio** of the Protection business net of reinsurance stood at 84%, an improvement compared to the value recorded in 2024 (equal to 84.9%).

3. Determined as the ratio of lapses to average statutory technical provisions (mathematical, sums payable and other additional provisions).

The reclassified statement of profit or loss at 31 December 2025, distinguishing the results achieved in Investment and Protection businesses, compared with the same period of 2024, is shown below.

RECLASSIFIED STATEMENT OF PROFIT OR LOSS €m	31.12.2025			31.12.2024			DELTA		
	Investment	Protection	Total	Investment	Protection	Total	Investment	Protection	Total
A. Revenue arising from insurance contracts	**2,254**	**951**	**3,205**	**2,025**	**788**	**2,813**	**229**	**163**	**392**
- CSM release	*1,301*	*88*	*1,389*	*1,229*	*61*	*1,291*	*72*	*26*	*98*
- Risk Adjustment release	*110*	*18*	*128*	*46*	*18*	*64*	*63*	*0*	*63*
- Release of PVFCF Expense and Claims Flows	*567*	*191*	*758*	*500*	*163*	*663*	*67*	*28*	*95*
- IACF release	*276*	*48*	*324*	*249*	*32*	*281*	*27*	*16*	*43*
- Other	*0*	*(0)*	*(0)*	*0*	*(1)*	*(1)*	*0*	*1*	*1*
- Contracts measured under PAA	*0*	*607*	*607*	*0*	*516*	*516*	*0*	*91*	*91*
B. Costs arising from insurance contracts	**(856)**	**(762)**	**(1,618)**	**(751)**	**(635)**	**(1,386)**	**(105)**	**(127)**	**(231)**
- Loss component	*(3)*	*(3)*	*(5)*	*0*	*(3)*	*(3)*	*(3)*	*(0)*	*(3)*
- Attributable Expenses and Claims	*(577)*	*(180)*	*(757)*	*(502)*	*(154)*	*(657)*	*(75)*	*(26)*	*(101)*
- IACF depreciation	*(276)*	*(48)*	*(324)*	*(249)*	*(33)*	*(282)*	*(27)*	*(15)*	*(42)*
- Other	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
- Contracts measured under PAA	*0*	*(531)*	*(531)*	*0*	*(445)*	*(445)*	*0*	*(86)*	*(86)*
C. Balance of work transferred	**0**	**(38)**	**(38)**	**0**	**(32)**	**(32)**	**0**	**(6)**	**(6)**
D. Result from insurance services (A+B+C)	**1,398**	**151**	**1,550**	**1,274**	**122**	**1,395**	**125**	**30**	**154**
E. Income/expenses from financial assets	5,563	38	5,601	6,415	42	6,457	(852)	(4)	(856)
F. Net financial costs/revenue related to insurance contracts	(5,489)	(16)	(5,505)	(6,333)	(15)	(6,348)	844	(1)	843
G. Net financial result (E+F)	**74**	**22**	**96**	**82**	**27**	**108**	**(8)**	**(5)**	**(13)**
Net insurance revenue (D+G)	**1,472**	**173**	**1,645**	**1,355**	**148**	**1,504**	**117**	**25**	**142**
Other revenue/costs	5	17	22	4	6	10	1	11	12
Non-attributable operating expenses	(79)	(44)	(123)	(85)	(33)	(118)	6	(10)	(5)
EBIT	**1,398**	**147**	**1,544**	**1,274**	**121**	**1,395**	**124**	**25**	**149**
Net financial income from Free Capital	102	2	103	152	2	154	(50)	0	(50)
Interest and commission payable	(72)	(1)	(73)	(76)	(1)	(77)	4	(0)	4
Profit (loss) for the year before tax	**1,427**	**147**	**1,574**	**1,350**	**122**	**1,471**	**78**	**25**	**103**
Taxes	(437)	(45)	(483)	(396)	(36)	(431)	(42)	(10)	(51)
Consolidated net profit (loss)	**990**	**102**	**1,092**	**954**	**86**	**1,040**	**36**	**16**	**51**

The Poste Vita Group's **net insurance revenue** amounted to € 1,645 million in 2025, an increase of € 142 million (+9%) compared to € 1,504 million recorded in 2024. The trend is attributable both to the Investment business, which contributed revenue of € 1,472 million (+€ 117 million), and to the Protection business, which contributed net revenue of € 173 million (+€ 25 million), the growth of which would be even more pronounced if an extraordinary income of € 7 million recorded by the subsidiary Net Insurance in 2024 were not taken into account.

In detail, net revenue of the Investment business increased by € 117 million (+9%) compared to the corresponding period of 2024, mainly due to: i) the higher release of CSM of € 72 million compared to 2024, as a result of the higher coverage unit[4]; and ii) the higher release of risk adjustment (+€ 63 million). These increases are partly offset by: i) the negative contribution of the experience variance (-€ 8 million), mainly related to the decrease, compared to 2024, in the balance between expected expenses and claims and those actually realised in the Period; and ii) the lower contribution of net financial income (-€ 8 million).

4. The Contractual Service Margin (CSM) is the quantity through which the pattern is defined and represents the amount of insurance services rendered during the year (for Poste Italiane, the coverage unit is defined for almost the entire portfolio as the ratio between the volume of mathematical provisions for the Period and the total volume of mathematical provisions projected over the duration of the insurance contracts).

Net revenue from the Protection business amounted to € 173 million in the Period, up € 25 million (+17%) compared to 2024, mainly due to the growth in insurance revenue from contracts issued (+€ 163 million; +21%) associated with volume growth. This change is partly offset by: i) the growth in costs for insurance services issued (-€ 127 million), ii) the higher cost of reinsurance (-€ 6 million) mainly due to the growth of Net Insurance business, and iii) the lower contribution of financial income (-€ 5 million). If the extraordinary income of € 7 million recorded by the subsidiary Net Insurance in the second quarter of 2024 were not taken into account, the growth for the Period would be even more pronounced compared to 2024.

Other net revenue and non-attributable operating expenses[5] in the Period totalled € 101 million (€ 108 million recognised in 2024) and mainly related to personnel expenses, IT service costs and consulting/professional services. The item includes the amount allocated by the Poste Vita Group as a contribution to the guarantee fund established by the 2024 Budget Law[6], amounting to € 62 million (€ 58 million in 2024). The decrease in the item "other net revenue and non-attributable operating expenses" compared to 2024 amounts to € 7 million and is mainly attributable to the recovery (€ 11 million) of the sums paid by the Parent Company Poste Vita and the subsidiary Poste Assicura to INPS as a CUAF (*Cassa Unica Assegni Familiari*) contribution for the period September 2014 - September 2019 together with the related penalties, only partially offset by the higher charge (+€ 3.5 million) allocated for the contribution to the guarantee fund.

Given the dynamics described, EBIT for the Period was € 1,544 million, including € 1,398 million pertaining to the Investment business and € 147 million to the Protection business, marking a rise of € 149 million (+11%) compared to 2024. Excluding the contribution to the insurance guarantee fund, **adjusted EBIT** amounted to € 1,606 million and recorded a year-on-year increase of € 153 million (+11%).

With regard to financial management, the net result in 2025 is positive at € 30 million, down € 46 million compared to 2024 (€ 76 million) and refers to € 103 million (€ 154 million in 2024) in income from the management of free assets (including the capital gain recorded following the completion of the total proportional demerger of Cronos for € 11.6 million) and for € 73 million (€ 78 million in 2024) to interest expense on subordinated loans, commissions paid on ancillary own funds to the Ultimate Parent Poste Italiane SpA and the premium to be paid under an insurance contract on the coverage of mass lapse risk.

By virtue of the aforementioned trends, **gross profit** for the Period was € 1,574 million, an increase of € 103 million compared to € 1,471 million reported in the previous period. Considering the tax burden, determined with an estimated tax rate of about 30.7%, the Poste Vita Group closed the Period with a **net profit** of € 1,092 million, an increase of € 51 million (+4,9%) on the € 1,040 million recorded in 2024.

Equity at 31 December 2025 amounted to € 6,530 million, down by € 453 million compared to 2024 as a result of the distribution of dividends and reserves to Poste Italiane and interest expense paid on hybrid subordinated loans, only partially offset by the profit for the period and the positive change in the FVOCI reserve (net of the mirroring effect).

5. Costs that are not directly attributable to insurance contracts and therefore do not contribute to the definition of the result of insurance services but are recognised in the Statement of Profit or Loss when incurred and not included in the calculation of the CSM.
6. Law no. 213 of 30 December 2023. "State budget for the financial year 2024 and multi-year budget for the three-year period 2024-2026" published in Official Journal no. 303 of 30 December 2023. The amount is equal to 4‰ of the technical provisions for supervisory purposes at 31 December 2024.

2. The economic and market context

In the last quarter of 2025, global growth proved more resilient than expected, supported by improved financial conditions (characterised by a gradual normalisation of monetary policies), increasing investment and trade related to artificial intelligence, and macroeconomic policies. According to the Organisation for Economic Co-operation and Development (OECD), global economic growth for 2025 stood at an annual rate of 3.2%, beating the estimates at the beginning of the year mainly thanks to the resilience of emerging markets. However, for 2026, growth forecasts have been confirmed downwards at an annual rate of 2.9%. In fact, the OECD expects a slowdown in economic activity in the short term due to the gradual increase in tariff rates and the persistent context of geopolitical uncertainty. The composite Purchasing Managers' Indices (PMIs) in the major advanced economies showed an increasing trend in 2025. In particular, the manufacturing sector recovered in all major geographic areas, although it still remains below the expansion threshold in Europe, while the services sector experienced a slight decrease in the American area alone, but still remained above the expansion threshold.

In 2025, global inflation recorded a gradual decline, but with persistent pressures in some areas (the United States, the United Kingdom and Japan in particular). Against this backdrop, major central banks implemented divergent monetary policies, reflecting differences in growth rates, the composition of inflation and their respective institutional mandates. The European Central Bank has taken a cautious approach, keeping interest rates unchanged since June 2025 to monitor the evolution of inflation and global uncertainties. The Federal Reserve, reflecting a compromise between employment concerns and inflationary risks, opted to start a cycle of interest rate cuts, with a 75 basis point cut from September. The Bank of England continued its gradual easing, making a further cut of 25 basis points in December and bringing the cost of borrowing to 3.75%. In contrast, the Bank of Japan opted for a rate hike of 25 basis points in December, bringing the cost of borrowing to 0.75%, in order to counter persistent inflation.

Economic growth in the US in the third quarter of 2025 stood at an annual rate of 4.4%, up from 3.8% in the previous quarter. Despite the increase, concerns remain about the strength of the labour market and the effects of trade policies. As for the first aspect, the monthly employment report for November surprised on the upside, with the unemployment rate peaking at 4.6%, then returning to 4.4% at year-end. As for the impact of trade policies, the consumer price index has shown signs of stabilising in recent months at the level of 2.7%, after reaching the annual peak of 3% in September. However, the increasing upstream pressures in the production chains, as evidenced by producer prices for intermediate goods and indications of prices paid in confidence surveys, suggest a rise in inflation in the coming months, although recent trade agreements help to avert the risks of more extreme scenarios.

The fourth quarter of 2025 for the Eurozone economy looks like a period of moderate but fragile growth, with signs of resilience in the labour market and inflation reaching the ECB's target. The average of the PMI indices in the last three months, at 52.3, is higher than that of the July-September period, at 51. Taken individually, this increase indicates an acceleration in GDP growth in the third quarter of 2025 of 0.3% (q/q), compared to an expansion of 0.1% (q/q) in the second quarter of 2025. Preliminary estimates for the fourth quarter, for now, confirm the growth trend (+0.3% q/q). However, the PMI for the manufacturing survey, after reaching its most recent peak in August, fell in the final part of the year, reaching 48.8 in December. Inflation in the euro area showed a stable trend around the 2% target, standing at 1.9% (y/y) in the last observation in December. The index net of energy and fresh food stabilised at 2.3% (y/y): this is the lowest since October 2021. Among the components, energy inflation returned to negative territory on an annual basis from March and until December continued to act as a brake on headline inflation, standing at -1.9% (y/y). The greatest upward pressure has recently come from the food sector, and in particular from fresh food, which reached a high of 5.5% (y/y) in August, its highest since January last year, before falling to 2.8% y/y in December, which is still high. The official rates of the European Central Bank have remained unchanged since June: the last five meetings ended without any change to the monetary policy stance, confirming the extent of the cuts over 2025 at 100 basis points in the first part of the year.

In the third quarter of 2025, the UK's GDP registered a further slowdown in growth (+0.1% q/q), after the contraction in the second quarter of 2025 (+0.3% q/q) and the more dynamic start to the first quarter (+0.7% q/q), driven by services but held back by the weak manufacturing sector, persistent inflation and a slightly deteriorating labour market. Against this market backdrop, the Bank of England has adopted a cautious but accommodating approach to monetary policy. The Monetary Policy Committee further reduced the interest rate by 25 basis points at its last meeting in December, bringing the cuts to a total of 100 basis points over 2025. In addition, at the September meeting, a slowdown in annual sales of UK government bonds from £ 100 billion to around £ 70 billion was announced for the period October 2025 - September 2026.

In Italy, after a stronger first quarter than expected (+0.3% q/q), GDP surprised on the downside in the spring months, returning to a contraction not seen for two years (-0.1% q/q). The variability over the half-year is mainly due to exports (+2.1% q/q at the beginning of the year, -1.7% q/q in the spring), which first benefited from the front-loading of deliveries to the US to avoid the duties announced from the beginning of April, and then corrected subsequently. In the third quarter of 2025, GDP returned to growth (+0.1% q/q) thanks to the trade balance, which returned to above 5 billion after the sharp decline in August. Furthermore, preliminary estimates for the fourth quarter indicate further growth towards levels of +0.3% q/q. There were also positive signs from domestic demand: investment surprised decisively on the upside, while consumer spending was little more than stagnant.

As far as emerging economies are concerned, the economy in China managed to reach the annual growth target of 5%, weathering the tariff storm and the real estate market crisis better than expected, thanks above all to the pace of expansion in the first half of the year (GDP growth of 5.4% in Q1 and 5.2% in Q2). In the fourth quarter, GDP was weak, at only 4.5%. On the supply side, growth was mainly driven by the acceleration of the services sector (+5.4% y/y), industry (+5.9% y/y) and, to a lesser extent, the agricultural sector (+3.9% y/y). On the demand side, the largest contribution to GDP growth was provided by consumption, while one cause of the sharp decline was investment in durable goods (-3.8% y/y). However, both consumption and investment lost momentum in the second half of the year, leading to a sharp slowdown in economic activity in the fourth quarter, partly due to the fading of the positive effects of trade-in and advance foreign order programmes, measures to limit unnecessary spending by public employees, and renewed attention to reducing production overcapacity. In this context, the government seems for now to have ruled out large-scale stimulus for the real estate sector, confirming that urban planning policies will focus on improving the quality of existing assets rather than on their further expansion. Likewise, the People's Bank of China's monetary easing is expected to be moderate and with a longer time-frame, partly to avoid fuelling a stock market bubble.

In Japan, the central bank raised interest rates to 0.75% at its December meeting, the highest level since 2008. However, the government has decided to implement an expansionary fiscal policy, presenting a record spending plan of $ 135 billion (about 21 trillion yen) to increase investment in industrial sectors that are crucial for the country. This stimulus has raised concerns about the debt-to-GDP ratio, which is currently around 250%, the highest ratio among industrialised countries. The stimulus package is a strong response to the collapse in GDP recorded in the third quarter (-1.8% y/y), the effect of US tariffs and the slowdown in the real estate sector.

As for Russia, GDP grew by 0.6% (y/y) in the third quarter, slowing sharply compared to 4% in the previous year. The economy, which was supported last year by an increase in defence spending despite Western sanctions, is now facing slowing growth and growing risks of recession.

As regards the main commodities, over the course of the year, due to ongoing geopolitical tensions, gold strengthened as a safe haven, reaching all-time highs, with the annual high of $ 4,533 per ounce reached in December. In contrast, the price of oil, despite the volatility brought about by geopolitical tensions, followed a downward trend during the year due to the increase in global supply, mainly as a result of renewed US production: Brent fell from its January high of $ 82 per barrel to $ 61 per barrel at the end of 2025. With regard to the main global currencies, the EUR/USD exchange rate appreciated during the year due to growing mistrust of the US economy as a result of expansionary policies, tariffs and political tensions: after a low of 1.02 in January, the exchange rate reached a high of 1.18 in September, before settling in the 1.17 area at the end of the year. The yen also depreciated sharply during the year due to a change of political course that favoured aggressive fiscal stimulus and growing concerns about public debt: the EUR/JPY exchange rate, after a low of 155 in January, reached its highs at the end of the year, trading at 184 yen per euro.

Financial markets

In 2025, yields on core ten-year government bonds showed strong volatility, fuelled by fears related to the introduction of US tariffs, new fiscal stimulus measures in Europe and the gradual reduction of inflationary expectations. The US 10-year bond experienced a downward trend, albeit with episodes of high volatility due to the promises of the Trump presidency and the continuous "repricing" of the rate cuts expected during the year by the Fed. This caused the 10-year Treasury bond to fluctuate from a high of 4.8% in January, supported by still resilient inflation, to a low of 3.9% in October. Subsequently, thanks to the easing of inflationary pressures and more accommodating communications from the Fed, the yield stabilised in the 4.2% area at the end of the year. Conversely, in the Eurozone, rates rose in the first quarter due to the removal of the brake on Germany's debt: the German ten-year bond reached 2.9% in March, the highest level since 2011. In the second quarter of 2025, rates fell again due to ECB cuts and concerns stemming from US tariffs that weighed on the growth prospects of the European economy. Against this backdrop, President Lagarde and the other members of the Governing Council announced that, although disinflation is well underway and the 2% target has been substantially achieved in the medium term, the cycle of cuts is not automatic and further moves will depend strictly on macroeconomic data.

The prospect of a stable monetary policy initially reduced volatility in the third quarter of 2025, but in the last period of the year, growing geopolitical tensions and expansionary fiscal policies led to a further rise in European yields: at 31 December, the German ten-year government yield thus stood at 2.85%, up from 2.36% at the end of 2024 and in line with the March high.

Italian government bond yields rose over the first quarter of 2025, mainly due to the new European fiscal stimulus measures geared towards the recovery plan, reaching around 4% in March. In the second quarter, on the other hand, there was a significant decline in yields, supported by the ECB's interest rate cuts and strong investor demand. At the end of the second quarter, the yield on the Italian ten-year government bond stood at 3.47%, compared to 3.52% at the end of 2024. In the third quarter, the yield on the BTP, like other European comparables, increased, albeit to a lesser extent in relative terms, stabilising in the 3.53% area. In the final part of the year, the trend was generally downward; at the end of 2025, the Italian 10-year bond recorded a value of 3.55%, in line with the value at the end of 2024. The ten-year spread between Italian government bonds and the German Bund showed a trend characterised by an initial widening, from 115 basis points at the end of 2024 to a maximum of 129 basis points at the beginning of April, influenced by the new European fiscal stimulus measures. Subsequently, the spread narrowed significantly, falling to 69 basis points at the end of December, supported by the ECB's accommodative monetary policy and investors' growing optimism about the Italian political and economic environment.

On the corporate credit front, in the first quarter of 2025, the average yield in the Euro Investment Grade and Euro High Yield segments rose compared to the end of 2024, before experiencing a period of decline. In the final quarter, the yield started to rise again: at the end of December, the average return of the Investment Grade index was in the 3.22% area, while that of the High Yield index was in the 5.51% area. In this context, the spread is around 66 basis points in the Euro Investment Grade segment and around 251 basis points in the Euro High Yield sleeve. As for the US Investment Grade and US High Yield sectors, yields fell during the year after experiencing an annual peak in April: at the end of December, the average return of the Investment Grade index was in the 4.81% area, while that of the High Yield index was in the 5.56% area. In this context, the spread is around 77 basis points in the US Investment Grade segment and around 163 basis points in the US High Yield segment.

The performance of all major equity indices in the year, in local currency, is positive: global equity (MSCI Word) +21.63%, USA (S&P500) +17.86%, Europe (EuroStoxx 50) +22.14%, Germany (DAX) +23.01%, Italy (FTSEMIB) +38.13%, Emerging Markets +34.32%.

Insurance market

In 2025, the Investment and Pension insurance market recorded positive net inflows of € 9.9 billion, an improvement of € 13.4 billion compared to 2024, when they were negative, after 2024 and 2023 were heavily impacted by the macroeconomic environment. This result is mainly attributable to the growth in gross inflows (+7.4% compared to 2024), essentially related to Class III products, and to the contraction in outflows (-4.6% compared to 2024), mainly related to lower lapses of Class I and Class III products.

In the first nine months of 2025, the **Protection** insurance market continued on a path of robust growth in terms of premium inflows, recording, at 30 September 2025, € 21.2 billion in premiums for non-motor non-life business (+7.6% compared to the same period in 2024), and € 15 billion in premiums for motor business (+5.9% y/y), due not only to the positive trend in demand, but also to an increase in rates (in the Motor sector) as a result of the high inflation of recent years. With reference, moreover, to premiums relating to the Protection segment of the Life classes, gross inflows during the Period amounted to € 2.5 billion (+€ 0.2 billion) compared to € 2.3 billion in the same period of 2024.

Investment and Pension products

Gross inflows for investment and pension products[7] amounted to approximately € 115.5 billion in 2025 (+7.5% compared to 2024). If new Life business reported by the sample of EU undertakings is taken into account, the figure reaches € 127.2 billion (+9.2% y/y).

Gross inflows by class*
(figures updated to December 2025 in €m)

Premiums by class/product	Premiums YTD	% change 12 2025 vs 12 2024
Life - class I	70,992	0.4%
Unit - Linked - class III	37,419	18.9%
Capitalisations - class V	1,387	-4.0%
Pension funds - class VI	5,665	48.1%
Italian insurers - non-EU	**115,463**	**7.5%**
EU insurers**	**11,767**	**29.9%**
Total	**127,230**	**9.2%**

* Source: ANIA.
** The term "EU insurers" refers to the Italian subsidiaries of undertakings with a registered office in an EU country operating under the right of establishment and freedom to provide services. The figures refer solely to undertakings taking part in the survey. New business data is available for this category.

Premiums from Class I investment products amounted to € 71 billion in 2025 (essentially in line with 2024), confirming their share of the total of 61.5% in the Period. With regard to inflows in Class III (in the exclusive unit-linked form) in 2025, there was an increase of 18.9% compared to the figure in 2024, with total volumes of € 37.4 billion. On the contrary, inflows from capitalisation products (amounting to € 1.4 billion) recorded a decrease of 4% in the Period compared to the figure recorded in the previous year. New contributions related to pension fund management recorded inflows of € 5.7 billion during the Period and were 48.1% higher than in 2024.

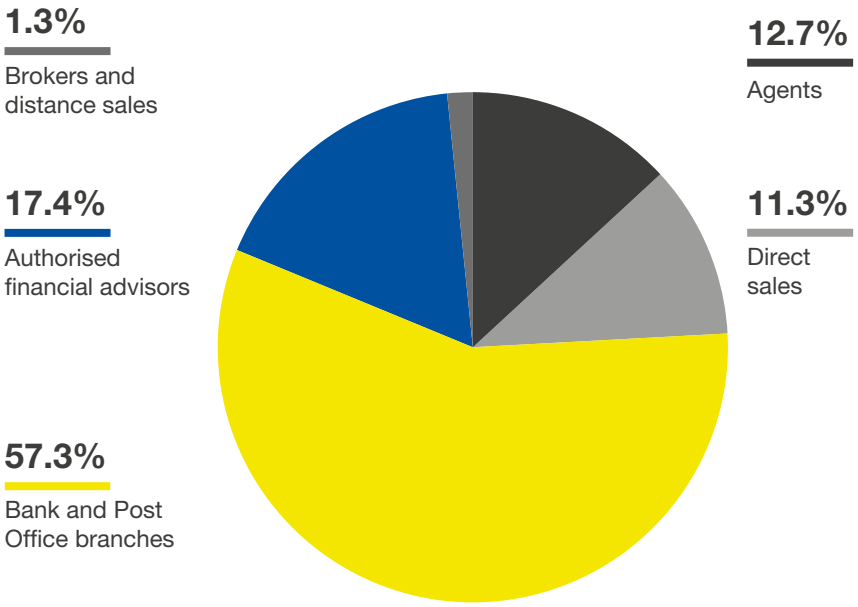
With reference to the **distribution channel**, 57.3% of inflows relating to investment products was intermediated in 2025 through bank and post office branches, with a premium volume of € 66.2 billion, up by 8.2% compared to 2024. On the other hand, with regard to the entire agency channel, gross inflows in the Period under review reached € 27.7 billion, up € 1.7 billion compared to the figure for 2024, and accounting for 24% of total intermediated inflows.

7. Source: Report ANIA - Trends Life Flows and Reserves Year XV - no. 04 - published on 18 February 2026.

Gross premiums written through authorised financial advisors amounted to € 20 billion, up 8.1% on the amount placed in 2024 and with an incidence compared to the total of intermediated premiums equal to 17.4%.

Lastly, the broker and distance sales channel recorded a decrease in the Period of 11.2% compared to 2024, with a volume of premiums placed equal to € 1.5 billion (equal to 1.3% of the total intermediated).

GROSS INFLOWS OF INVESTMENT PRODUCT BY DISTRIBUTION CHANNEL



As regards the protection products market, the total premiums of the Italian direct portfolio, thus including the production carried out in our country by Italian companies and the representations of foreign ones, based on the latest official data available[8], amounted to € 38.6 billion in the first nine months of 2025, an increase of 6.9% compared to the same period in 2024, of which € 15 billion (+5.9% y/y) related to the Motor Non-life sector, € 21.2 billion to the Non-motor Non-life sector (+7.6% y/y) and the remaining part amounting to € 2.5 billion (+6.7% y/y) to inflows from Life protection products.

Direct Protection portfolio premiums by class* (data updated to December 2025 in €m)

Premiums by segment**	Premiums YTD	% change 09 2025 vs 09 2024
Car damage protection	14,977	5.9%
Non-car damage protection	21,175	7.6%
Life protection	2,448	6.7%
Total	**38,600**	**6.9%**

* Source: ANIA.
** Premiums refer to Italian, non-EU and EU insurers.

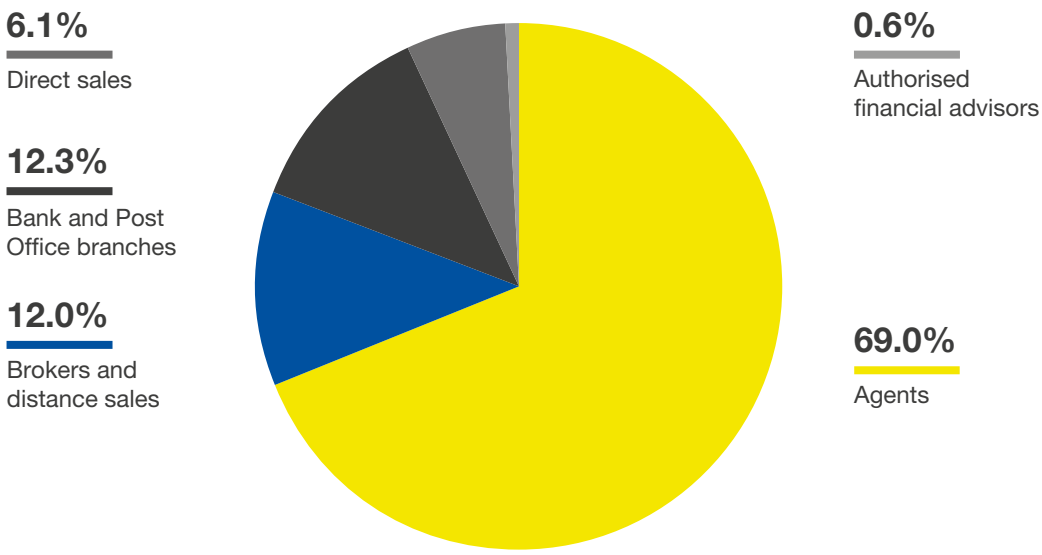
The overall growth of the protection sector of € 2.5 billion is mainly attributable to the development of the Non-motor Non-life sector (+€ 1.5 billion compared to the first nine months of 2024), as well as that of the Motor Non-life sector (+€ 0.8 billion compared to the same period in 2024). With regard to the former, the lines of business with the greatest weight in terms of premiums written, which showed a positive change during the Period, were: Injuries with premiums of € 2,981 million, up 2.7% y/y; Illness insurance with premiums of € 3,738 million, up 12.6% y/y; the General liability line of business, with premiums of € 3,816 million, up 1.5% y/y; the Other damage to property line of business, with premiums of € 3,403 million, up 4.7% y/y; and the Fire and natural forces line of business, with premiums of € 2,926 million, up 17.6% y/y. With regard to the Motor Non-life sector, the growth compared to the first nine months of 2024 is related both to the increase in premiums in the Motor TPL segment (+€ 0.5 billion) and to the increase in premiums in the Land Vehicle Hull segment (+€ 0.3 billion).

8. ANIA Report - Year X - no. 43 - published on 25 November 2025.

Finally, with regard to Life protection, pure risk products (e.g. TCM, LTC and CPI) showed growth of € 0.2 billion (+6.5%) compared to the first nine months of 2024.

As far as distribution channels are concerned, the agency channel remains the leader with a market share of 69% in the first nine months of 2025 (essentially in line with the figure recorded in the first nine months of 2024, equal to 69.8%). The broker and distance sales channel account for an intermediated share of protection premiums of 12% (12.4% at the end of September 2024), while bank and post offices recorded a share of 12.3% (11.8% in the first nine months of 2024). The remaining 6.7% (6% in the same period of 2024) refers to intermediated inflows through direct sales, which accounted for 6.1% in the first nine months of 2025 (5.4% in the first nine months of 2024), and secondly to intermediated inflows through authorised financial advisors, which accounted for 0.6% of total volumes (equal to the figure recorded in the same period in 2024).

INFLOWS BREAKDOWN OF PROTECTION PRODUCTS BY DISTRIBUTION CHANNEL*



Source: ANIA.
* Italian insurers and non-EU insurer representatives operating as an establishment.

3. Operating review

During the Period, the management of the Poste Vita Group was carried out in line with the strategic guidelines for the development of the insurance offer approved by the Board of Directors of the Parent Company Poste Vita. The following paragraphs describe the new products placed in the Period.

Investment Business

In relation to the products concerning the Investment business, the third edition of the Poste Progetto Obbligazionario multi-class insurance policy began in January 2025. It has the same characteristics as the previous one: a single premium with a term of 15 years, which, for the first 6 years, envisages the investment of the premium in a unit-linked fund and, for the following 9 years or so, the annual revaluation of the invested capital based on the result achieved by the two Separately Managed Accounts (Posta ValorePiù and Poste Vita Valore Solidità). In May 2025 and September 2025, the fourth and fifth editions of the aforementioned policy were launched, called Poste Progetto Obbligazionario, with similar characteristics to the previous editions.

In February 2025, the placement of the multi-class product Poste Progetto Direzione Valore was launched, with a duration of 15 years that envisages, for the first 5 years, the investment of the premium in the separately managed account Poste Vita Valore Solidità and, for the following 10 years, a gradual reallocation mechanism, through which the policy's countervalue is reallocated in the investment line 50% Poste Vita Valore Solidità - 50% Poste Vita Obiettivo Sostenibilità internal fund.

In April 2025, a Class I policy called Poste Valore Solidità Più II was launched, with a duration of 15 years and characterised by an annual revaluation of the invested capital based on the result achieved by two Separately managed accounts (50% Poste Vita Valore Solidità and 50% Posta ValorePiù) and by the penalties provided for in the event of total or partial lapse for the first three years of the product life.

For customers in the Premium segment, a Unit-Linked policy called Poste Prospettiva Sviluppo was launched at the end of July 2025 with a duration of 6 years and which envisages the investment of the premium in an internal fund with the objective of maximising performance by participating in any growth in the stock market. At the same time, the internal fund in question aims to safeguard, on the maturity date, at least 96% of the premium invested, taking into account any partial lapses.

Also with regard to the Premium segment, in September 2025, the placement of the PostePremium Soluzione Crescita product was launched. This is a multi-class product with a duration of 15 years, which envisages the investment of the premium in the separately managed account "Poste Vita Valore Solidità", and through a gradual reallocation mechanism, the transfer of part of the premium into one of the product's two internal funds (one equity and one balanced) until the chosen target allocation is reached.

In November 2025, the window placement of the multi-class policy Poste Progetto Bonus 4in4 was reopened, dedicated exclusively to customers who bring in new liquidity, which provides for the combination of a class I policy (Posta ValorePiù Separately Managed Account) with profit participation and a unit-linked insurance investment product (Internal Fund: Poste Vita Obiettivo Sostenibilità).

Premiums written in the Investment business in the Period totalled € 19.8 billion, an increase of 10% (+€ 1.9 billion) compared to 2024 due to the € 5.9 billion increase in inflows relating to Multi-class products of € 13.5 billion (€ 7.6 billion in 2024), only partially offset by the € 4.2 billion decrease in inflows relating to traditional build-up products.

The following table shows the breakdown of the portfolio by product type, where we can see a significant contribution of inflows from Multi-class products, amounting to 68% (42% in 2024) of total inflows.

Investment gross inflows (€m)	31.12.2025	Impact	31.12.2024	Impact	delta	delta%
Traditional revalued	4,951	25%	9,191	51%	(4,240)	(46%)
Pension products	1,040	5%	1,053	6%	(12)	(1%)
Multi-class	13,534	68%	7,629	42%	5,906	77%
Unit and index-linked	214	1%	13	0%	202	1604%
Capitalisation	97	0%	81	0%	16	20%
Total	**19,838**	**100%**	**17,966**	**100%**	**1,872**	**10%**

The schedule below provides an overview of inflows during the Period by ministerial class, which shows i) a prevalence of build-up class I products of € 16.1 billion (including the Multi-class product for € 10.1 billion), accounting for 81% of total inflows, and ii) a € 0.8 billion increase (of which € 0.6 billion relating to the Multi-class component) of class III inflows.

Gross premium revenue (€m)	31.12.2025	Impact	31.12.2024	Impact	delta	delta%
Class I	16,061	81%	14,986	83%	1,075	7%
Class III	3,680	19%	2,900	16%	780	27%
Class V	97	0%	81	0%	16	20%
Total	**19,838**	**100%**	**17,966**	**100%**	**1,872**	**10%**

Protection Business

With reference to the Protection business, in December 2025 the Poste Vita Group, through the Parent Company Poste Vita, placed the new Temporary Term Life Policy called “Poste Affetti Protetti”, which provides for the introduction of new underwriting methods (such as the request for a medical examination and/or clinical tests upon the occurrence of certain conditions[9]) and the possibility of accessing higher insurable sums from € 300 thousand up to € 1 million.

The subsidiary Poste Assicura continued to develop its modular offer, in order to make it more responsive to the needs of its customers, while also incentivising inflows through discount campaigns.

In order to strengthen the protection of investments from anti-duration phenomena and in line with the Group’s strategic guidelines, Poste Assicura has expanded its Poste Vivere Protetti protection offer by including the new Investments Line, which includes the Malattia Grave Più cover[10]. This cover gives the policyholder of the investment product the option to choose a percentage of compensation that, upon the occurrence of a Serious Illness, will be paid on the amount of capital invested in the IBIP product.

During the Period, the subsidiary Poste Assicura completed the marketing of the product Poste Lavorare Protetti. This is a modular product dedicated to small economic operators, aimed at ensuring protection against catastrophic events in response to the obligations introduced by the 2024 Budget Law. The product includes compulsory coverage against catastrophic events, together with additional protection against extreme weather events and fire.

In addition, in order to reduce the country’s under-insurance by raising customers’ awareness of the importance of protection needs, 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 with serious illness cover.

During the Period, the subsidiaries Net Insurance and Net Insurance Life continued to update their product portfolio, both by introducing new insurance solutions (including the marketing of a product with coverage against catastrophic events for SMEs in line with the specific regulations of MEF Decree no. 18 of 30 January 2025), and revising existing products. This was done with the aim of making the insurance offering increasingly consistent with the business model outlined in the Business

9. The sum insured is high or the age of the insured person exceeds certain thresholds.
10. Dedicated to subscribers of investment products placed by the Parent Company Poste Vita.

Plan and responsive to market dynamics. In the salary-backed loans sector, during the Period, the subsidiary Net Insurance consolidated its position as a leading operator on the market through various projects aimed at automating and streamlining processes, as well as consolidating profitability through the restyling of its product range. Net Insurance Life continued the process of strengthening repricing on the Life rates of CPI products by launching the marketing of new products in this sector.

In relation to the above-mentioned trends, gross premiums written with reference to the Protection business amounted to € 1,196 million in 2025, up € 201 million (+20%) compared to 2024 (€ 996 million), driven by: i) the "property and personal protection" line, which increased by € 76 million (+25%) to € 375 million; ii) the increase in premiums relating to the "Payments" line (+€ 42 million, +13%), mainly attributable to the contribution of Net Insurance Life and Net Insurance; and iii) the growth (+€ 84 million, +22%) of the "Corporate" segment, whose premiums rose from € 374 million recorded in 2024 to € 458 million in 2025. The latter include: i) € 31 million (equal to the figure for 2024) in premiums relating to Poste Vita's Employee Benefits collective policies and ii) € 32 million (+€ 8 million compared to 2024) in premiums relating to the integrated life & non-life offer.

Protection gross inflows (€m)	31.12.2025	Impact	31.12.2024	Impact	delta	delta%
Property and personal protection	375	31%	299	28%	76	25%
Payments (ICC and salary-backed loans)	364	30%	323	32%	42	13%
Corporate	458	38%	374	38%	84	22%
Total	**1,196**	**100%**	**996**	**100%**	**201**	**20%**

The following table shows the distribution of premiums by ministerial class and for the Non-Life and Life business segments. Notably: i) the prevalence of the Illness class (33%) in the total premiums of the Non-Life business, and the predominance for 28% of Class I (human life duration insurance)in the Life business sector, compared to total premiums. The same classes recorded total growth in inflows of € 116 million during the period compared to 2024.

Gross premium revenue (€m)	31.12.2025	Impact%	31.12.2024	Impact%	Delta	Delta %
Non-Life classes						
Injuries	139	12%	139	14%	-0	0%
Illness	396	33%	349	35%	47	13%
Land vehicle hulls	38	3%	6	1%	32	n/s
Fire and natural disaster	31	3%	28	3%	3	9%
Other damage to property	93	8%	56	6%	37	65%
General liability	29	2%	28	3%	2	5%
Credit	55	5%	40	4%	15	38%
Security deposit	4	0%	2	0%	2	67%
Financial losses	19	2%	21	2%	-2	-11%
Legal expenses	10	1%	11	1%	-1	-8%
Assistance	17	1%	17	2%	1	4%
Total Non-life classes	**830**	**69%**	**696**	**70%**	**134**	**19%**
Life classes						
Class I (TCM-CPI)	335.38	28%	266	27%	69	26%
Class IV (LTC)	31.54	3%	34	3%	-2	-6%
Total Life classes	**367**	**31%**	**300**	**30%**	**67**	**22%**
Total Protection	**1,196**	**100%**	**996**	**100%**	**201**	**20%**

Gross inflows for indirect business and relating exclusively to the reinsurance agreement entered into for certain Class I pure risk products by the Parent Company, Poste Vita, with the subsidiary, Net Insurance Life, amounted to € 2.2 million in the Period (€ 2.2 million in 2024).

Trend in Liquidations

Liquidations totalled € 19,325 million during the Period under review, up € 2,398 million (+14%) from € 16,927 million in 2024.

With reference to the Investment business, the item totalled € 18,711, up +14% compared to the same period of 2024, due to an increase in lapses of € 3,270 million (+31%), only partly mitigated by the decrease in maturities of € 961 million.

In relation to the Protection business, liquidations in the Period amounted to € 614 million, an increase of € 104 million (+20%) compared to 2024 mainly due to growth in volumes.

Liquidations (€m)	31.12.2025	31.12.2024	Change	
Protection Business				
Liquidations	581	484	97	20%
Costs for settling claims	33	26	7	26%
Total Protection Business	**614**	**510**	**104**	**20%**
Investment Business				
Claims	2,446	2,462	(16)	(1%)
Lapses	13,979	10,710	3,270	31%
Maturities	2,277	3,238	(961)	(30%)
Costs for settling claims	9	7	2	21%
Total Investment business	**18,711**	**16,417**	**2,294**	**14%**
Total	**19,325**	**16,927**	**2,398**	**14%**

The following table represents, with reference to the Investment business, the summary of liquidations observed in the Period by ministerial class, where an increase in claims expenses relating to Class I products is mainly shown.

Protection claim expense (€m)	31.12.2025	31.12.2024	Change	
Class I	17,460	15,215	2,245	15%
Class III	1,136	1,078	58	5%
Class V	115	124	(9)	(7%)
Total	**18,711**	**16,417**	**2,294**	**14%**

With reference to the Protection business, in terms of distribution by ministerial class, as shown in the table below, there was an increase of € 40 million in the “Illness” class, € 37 million in the “Other damage to property” class of the Non-Life business and € 22 million in the Life business’s “human life duration insurance” Class I.

Protection claim expense (€m)	31.12.2025	31.12.2024	Change	
Non-Life classes				
Injuries	68	68	0	1%
Illness	304	264	40	15%
Land vehicle hulls	2	0	2	n/s
Fire and natural disaster	4	4	0	5%
Other damage to property	74	36	37	102%
General liability	8	10	(2)	(22%)
Credit	37	33	4	14%
Security deposit	0	0	(0)	(79%)
Financial losses	3	4	(1)	(29%)
Legal expenses	1	1	0	60%
Assistance	1	1	0	4%
Total Non-life classes	**502**	**421**	**82**	**19%**
Life classes				
Class I (TCM-CPI)	108	86	22	25%
Class IV (LTC)	4	3	1	33%
Total Life classes	**112**	**89**	**23**	**25%**
Total Protection	**614**	**510**	**104**	**20%**

Distribution

The Parent Company Poste Vita and its subsidiary Poste Assicura place their products primarily through the Post Offices of the Ultimate Parent, Poste Italiane SpA – BancoPosta Ring-Fenced Capital – RFC, duly registered under letter D in the Single Register of Insurance Intermediaries as per ISVAP Regulation no. 5 of 16 October 2006 and, secondarily, with reference to the placement of group policies, they make use of brokers.

The sales network of Poste Italiane consists of 13,000 Post Offices throughout the country. Insurance contracts are signed in the Post Offices by qualified and suitably trained personnel. Training activity for personnel in charge of product sales is conducted according to regulatory guidelines. Professional training programmes focused both on new products and on general technical-insurance aspects (classroom or e-learning). These courses were accompanied by training in asset management (specific behavioural training), savings protection and training in provision of the guided consultancy service.

In addition, following the demerger of Cronos, the Parent Company Poste Vita took over the agreements previously entered into by Cronos with seven distributing banks.

With regard to the subsidiaries Net Insurance and Net Insurance Life, insurance products are placed through the bancassurance channel and through brokers/agents.

Below is the weighting of commissions recognised by channel and by business (Investment and Protection).

Distribution channel	Protection	Investment	Total
Post Offices	58.9%	100.0%	85.5%
Brokers/Agents	21.9%	0.0%	7.8%
Bancassurance	19.1%	0.0%	6.8%
Total	**100.0%**	**100.0%**	**100.0%**

Reinsurance strategy

The reinsurance policy relates exclusively to the Protection business of the Poste Vita Group. Regarding the Parent Company, Poste Vita, the effects of existing treaties concluded with leading reinsurers, referring to Term Life Insurance policies and reinsurance coverage with regard to LTC (Long-Term Care) segment and CPI products, continued during the Period.

With regard to the subsidiary Poste Assicura, the reinsurance policy implemented during the Period includes:
- for the Injuries and Illness classes, a non-proportional excess-of-loss agreement per risk and/or event, aimed at protecting against peak exposures and catastrophic events. The excess-of-loss treaty covers the retained share;
- adoption of a non-proportional excess-of-loss agreement for the Fire, Other damage to property and third-party liability insurance classes, excluding the cyber component, for risks and/or events aimed at protecting against large losses, including catastrophic risks (e.g. earthquake);
- for risks related to Legal Protection and the cyber personal line component of the modular product, proportionate quota share reinsurance structures, with fixed reinsurance commission and profit sharing on a Loss Occurring basis;
- 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 and/or special acceptance is used.

A number of expired or non-renewed proportional treaties on a Risk-Attaching basis remain in run-off.

In 2025, the subsidiary, Net Insurance Life, in the segment of salary-backed loans, has entered into proportional pure quota treaties within the scope of “term life” insurance. For business other than salary- and pension-backed loans, the subsidiary:
- renewed a proportional risk premium treaty - referring to specific new products as well as for the CPI segment;
- renewed the risk premium treaty, with an assignment fee, for Long Term Care products (Class IV).

Finally, within the Protection business, the reinsurance strategy adopted by the subsidiary Net Insurance provides as follows:

- with reference to Credit class, with regard to the salary-backed loan sector, four separate proportional pure quota treaties were concluded;
- with respect to the classes Financial Losses, Security Deposit, Fire ("CAT" risks) and Legal Protection/Assistance classes, a proportional pure share treaty was renewed;
- with reference to the Injuries, Fire, General Liability, Land Vehicles classes, and multi-risk policies – "excess of loss" treaties were entered into, reducing the net retention on individual claims;
- with respect to the Assistance class and Illness class, a proportional risk-premium treaty was provided;
- with reference to agricultural hail and other adverse weather risks, a reinsurance programme has been set up for 2025, which is divided into separate proportional and non-proportional treaties, depending on the portfolio lots.

With reference to the outward business, at the end of the Period, the Poste Vita Group showed a negative balance of € 38 million (-€ 32 million in the corresponding period of 2024).

Complaints

The Parent Company, Poste Vita, received 2,717 new complaints during 2025, down from the figure of 3,409 received in 2024. The average time taken to respond to complaints in 2025 was roughly 17 days (33 days in 2024). Poste Vita received 885 complaints regarding its PIP product during the Period (1,268 complaints in 2024), with an average time taken to respond of around 17 days (34 days in 2024).

During 2025, the subsidiary Poste Assicura received 3,346 new complaints, compared to 3,641 in 2024. The average time taken to respond to complaints in 2025 was roughly 21 days (34 days in 2024).

In the same period, the subsidiary Net Insurance received 383 complaints (115 complaints in 2024), mainly concerning primary classes. The average time taken to respond to complaints in the period was 26 days (21 days during 2024).

Finally, during the Period, the subsidiary Net Insurance Life recorded 1 complaint (4 complaints in 2024).

4. Financial review

Below is a reclassified statement of financial position at 31 December 2025 with a comparison with the figures at the end of 2024:

ASSETS (€m)	31.12.2025	31.12.2024	Change	Change %
Investment	**168,443**	**163,245**	**5,198**	**3%**
of which: investments in associates and joint ventures	*114*	*113*	*1*	*1%*
of which: financial assets measured at amortised cost	*2,570*	*2,303*	*266*	*12%*
of which: financial assets measured at fair value through other comprehensive income	*110,316*	*107,496*	*2,820*	*3%*
of which: financial assets measured at fair value through profit or loss	*55,443*	*53,333*	*2,110*	*4%*
Cash and cash equivalents	**3,974**	**4,611**	**-637**	**-14%**
Non-current assets or disposal groups held for sale	**-**	**50**	**-50**	**-100%**
Insurance assets	**366**	**324**	**42**	**13%**
of which: Investment business			*-*	*-*
of which: Protection business	*366*	*324*	*42*	*13%*
Tangible and intangible assets	**174**	**171**	**3**	**2%**
Receivables and other assets	**3,162**	**3,189**	**-27**	**-1%**
Total	**176,118**	**171,589**	**4,529**	**3%**

LIABILITIES	31.12.2025	31.12.2024	Change	Change %
Equity	**6,530**	**6,983**	**-454**	**-6%**
Insurance Liabilities	**166,251**	**161,966**	**4,285**	**3%**
of which: Investment business	*164,890*	*160,709*	*4,181*	*3%*
of which: Protection business	*1,361*	*1,257*	*104*	*8%*
Provisions for risks and charges	11	12	-1	-10%
Financial liabilities	1,373	894	479	54%
Payables and other liabilities	1,953	1,733	220	13%
Total	**176,118**	**171,589**	**4,529**	**3%**

Financial investments

At 31 December 2025, financial investments totalled € 168,443 million (€ 163,245 million at the end of 2024), including € 2,197 million of financial investments (of which € 150 million of assets at Amortised Cost, € 1,011 million of assets at FVTOCI and € 1,035 million of assets at FVTPL) deriving from the compendium received following the demerger of Cronos.

€m	31.12.2025	31.12.2024	Change	
Shareholdings	**114**	**113**	**1**	**1%**
Financial assets measured at amortised cost	**2,570**	**2,303**	**266**	**12%**
of which government bonds	*2,194*	*2,141*	*52*	*2%*
of which corporate	*18*	*19*	*(1)*	*(5%)*
of which credits	*358*	*143*	*215*	*150%*
Financial assets at fair value through other comprehensive income	**110,316**	**107,496**	**2,820**	**3%**
of which shares	*7*	*4*	*2*	*52%*
of which government bonds	*90,312*	*88,346*	*1,966*	*2%*
of which corporate	*19,998*	*19,146*	*852*	*4%*
Financial assets at fair value through profit or loss	**55,443**	**53,333**	2,110	4%
of which shares	*1,183*	*1,851*	*(668)*	*(36%)*
of which government bonds	*8,783*	*10,335*	*(1,552)*	*(15%)*
of which corporate	*16,936*	*17,716*	*(780)*	*(4%)*
of which investment funds	*28,072*	*22,541*	*5,530*	*25%*
of which active derivatives	*152*	*69*	*83*	*121%*
of which credits	*316*	*820*	*(504)*	*(61%)*
Total Financial investments	**168,443**	**163,245**	**5,198**	**3%**

The item **equity investments** of € 114 million refers to: i) € 112 million for the investment measured using the equity method in the subsidiary Europa Gestioni Immobiliari SpA; ii) € 2 million for the investment measured using the equity method in the company Eurizon Capital Real Asset SGR SpA; iii) € 36.9 thousand for the cost of the investment, equal to 5% of the share capital, in the company Consorzio Logistica Pacchi; and iv) € 3.5 thousand for the cost of the investment, equal to 7% of the share capital, in the company Casina Poste.

The increase of € 1 million in the item “equity investments” during the Period is due to the revaluation of the investments in EGI and ECRA, to the extent of the share of profits earned in the Period.

Financial instruments measured at amortised cost, i.e. securities held to collect cash flows represented solely by payment of principal and interest (SPPI) amounted to € 2,570 million at 31 December 2025, showing an increase of € 266 million with respect to the end of 2024 figure and mainly relate to Free Capital.

(€m)	31.12.2025	31.12.2024	Change	
Shares	-	-		
Debt Securities	2,212	2,160	51	2%
of which: government bonds	*2,194*	*2,141*	*52*	*2%*
corporate	*18*	*19*	*(1)*	*(5%)*
UCITS units	-	-		
Receivables and loans	358	143	215	150%
Total	**2,570**	**2,303**	**266**	**12%**

Debt securities measured at amortised cost at 31 December 2025 had a carrying amount of € 2,212 million and mainly related to the free capital of the Parent Company Poste Vita and debt securities held by the subsidiary Poste Assicura. The increase recorded in the Period amounted to € 51 million and is mainly attributable to the securities relating to the free assets received following the demerger of Cronos, net of the maturities that occurred during the Period.

Debt securities recognised at amortised cost are adjusted to reflect the related impairment, the provision for which amounted to approximately € 0.8 million at 31 December 2025 (€ 0.8 million at 31 December 2024).

Receivables and loans of € 358 million at 31 December 2025 (€ 143 million at 31 December 2024) mainly refer to: (i) the balance of the correspondence current account with the Ultimate Parent Poste Italiane in the amount of € 279 million; (ii) receivables for commissions on internal funds in the amount of € 74 million.

Receivables and loans measured at amortised cost are adjusted to take into account the related impairment. Accumulated impairment at 31 December 2025 amount to approximately € 0.2 million (€ 0.1 million at 31 December 2024).

Financial assets measured at FVTOCI amount to a total of € 110,316 million and refer almost exclusively to debt instruments. The item shows an increase of € 2,820 million compared to 31 December 2024, mainly due to the securities transferred following the demerger of Cronos for € 1,011 million and due to the net investments (amounting to € 2,204 million) made during the Period.

These investments ,mainly represented by listed instruments issued by European countries and leading European companies, relate to: i) securities allocated to the separately managed accounts for € 106,204 million; ii) securities (specific assets) linked to Class I insurance investment products for € 348 million; iii) securities related to the Parent Company Poste Vita's free assets for € 2,678 million and iv) investments held by the subsidiaries Poste Assicura, Net Insurance, and Net Insurance Life for a total of € 1,131 million.

(€m)	31.12.2025	31.12.2024	Change	
Shares	7	4	2	52%
Debt Securities	110,310	107,492	2,818	3%
of which: government bonds	*90,312*	*88,346*	*1,966*	*2%*
corporate	*19,998*	*19,146*	*852*	*4%*
Investment Funds	-	-	0	n/s
Receivables	-	-	0	n/s
Total	**110,316**	**107,496**	**2,820**	**3%**

Given the dynamics of the financial markets, these financial instruments recorded a negative change in fair value of € 1,080 million (reflected in insurance liabilities for € 1,103 million).

Financial assets at fair value through profit or loss (FVTPL) amounted to a total of roughly € 55,443 million (of which € 22 million refer to the security issued by Cassa Depositi e Prestiti as a private placement).

(€m)	31.12.2025	31.12.2024	Change	
Shares	1,183	1,851	(668)	(36%)
Debt Securities	25,720	28,052	(2,332)	(8%)
of which: government bonds	*8,783*	*10,335*	*(1,552)*	*(15%)*
corporate	*16,936*	*17,716*	*(780)*	*(4%)*
Investment Funds	28,072	22,541	5,530	25%
Derivative assets	152	69	83	121%
Receivables	316	820	(504)	(61%)
Total	**55,443**	**53,333**	**2,110**	**4%**

This item recorded an overall positive change of € 2,110 million, mainly due not only to the contribution from the demerger of Cronos of € 1,035 million, but to net investments of around € 1,168 million and a net negative change in financial receivables of roughly € 504 million.

It should be noted that the item financial assets at fair value through profit or loss, at the end of December 2025, mainly consisted of:

- debt securities for € 25,720 million, of which: i) € 17,981 million held by UCITS Funds and relating for € 10,217 million to corporate instruments and € 7,765 million to government bonds, and ii) € 7,720 million held by the Parent Company Poste Vita and relating for € 1,019 million to government bonds, most of which are intended to cover Class III policies, and for € 6,701 million to corporate instruments issued by leading issuers and mainly used to cover products linked to separately managed accounts and Class III policies;

- units of mutual investment funds for € 28,072 million. These are held mainly by the Parent Company Poste Vita for a total value of € 27,909 million and used to cover (i) the Separately Managed Accounts[11] (€ 9,012 million), (ii) Class III policies (€ 18,893 million) and (iii) the free assets of the Parent Company Poste Vita (€ 4 million). The aforementioned amounts refer to: (i) the investments in UCITS units for € 23,088, (ii) units in mutual real estate funds for € 2,369 million, and (iii) mutual funds that primarily invest in bonds for € 2,452 million;
- shares for € 1,183 million, of which: i) € 983 million held by UCITS funds and ii) € 200 million held by the Parent Company Poste Vita and mainly used to cover Class III products;
- trading derivatives for € 152 million, fully held by UCITS funds and relating to currency forward transactions;
- receivables amounting to € 316 million and mainly referring to the liquidity available in the funds' current accounts and to receivables for dividends not yet collected and for fund units sold at the end of the Period. The decrease compared to 2024 is mainly due to a reduction in the funds' assets as a result of an asset management decision.

Financial income from securities belonging to this category gave rise to a positive result for the Period totalling € 2,243 million, down (-30%) from the 2024 figure, due to lower gains from valuation (-€ 940 million compared to 2024).

Financial income from securities - FVTPL €m	31.12.2025	31.12.2024	Delta	delta%
Ordinary income	1,066	829	238	29%
Gains/Losses from realisation	76	321	(246)	(76%)
Gains/Losses from valuation	1,101	2,041	(940)	(46%)
Total	**2,243**	**3,191**	**(948)**	**(30%)**

The net gains from valuation recognised during the Period amount to € 1,101 million and refer for (i) € 333 million to investments in Separately Managed Accounts and hence almost entirely reflected in the measurement of insurance liabilities; ii) € 706 million in assets covering unit-linked products which, therefore, are substantially offset by the corresponding measurement of the relevant insurance liabilities and iii) € 62 million in free capital.

The composition of the financial investments portfolio according to issuing country is in substantially line with the situation at the end of the previous financial year, marked by a prevalence of securities issued by Italian issuers, accounting for 48.2% of the total.

Issuing Country figures in millions	FVTPL	FVOCI	CA	TOTAL	Impact
Italy	16,713	62,262	1,772	80,747	48.2%
France	4,595	11,010	112	15,718	9.4%
Luxembourg	7,525	1,359	-	8,884	5.3%
USA	4,367	3,330	-	7,697	4.6%
Spain	2,187	5,407	36	7,630	4.6%
Belgium	537	5,930	112	6,579	3.9%
Ireland	5,581	978	0	6,559	3.9%
EIB Government Entities	-	5,419	126	5,545	3.3%
Germany	1,861	3,262	0	5,123	3.1%
Holland	1,765	3,325	-	5,090	3.0%
Great Britain	2,109	1,519	-	3,629	2.2%
Austria	321	1,424	17	1,762	1.1%
Finland	244	1,348	14	1,605	1.0%
Portugal	251	604	16	871	0.5%
Sweden	287	435	-	722	0.4%
Australia	378	336	-	713	0.4%
Japan	218	458	-	676	0.4%
Mexico	573	19	-	593	0.4%
Canada	215	320	-	535	0.3%
Denmark	235	264	-	499	0.3%

11. In addition to the amounts indicated above, the total covering the Separately Managed Accounts also includes the value of net assets held by UCITS funds (of which Poste Vita owns 100% of the units and which are consolidated on a line-by-line basis) totalling € 19,534 million (equal to the total NAV of the same).

Issuing Country figures in millions	FVTPL	FVOCI	CA	TOTAL	Impact
Switzerland	181	287	-	468	0.3%
Indonesia	345	0	-	345	0.2%
Chile	321	2	-	324	0.2%
Poland	249	31	-	280	0.2%
Brazil	259	-	-	259	0.2%
Slovakia	53	184	-	237	0.1%
Romania	228	-	-	228	0.1%
Cayman Islands	215	10	-	226	0.1%
Colombia	220	1	-	221	0.1%
Norway	50	165	-	216	0.1%
Hungary	208	2	-	210	0.1%
South Africa	206	-	-	206	0.1%
New Zealand	35	150	-	185	0.1%
Czech Republic	121	63	-	184	0.1%
Slovenia	64	107	7	177	0.1%
Malaysia	177	-	-	177	0.1%
Greece	157	17	-	175	0.1%
Peru	167	-	-	167	0.1%
United Arab Emirates	163	-	-	163	0.1%
South Korea	159	1	-	159	0.1%
Other	4	152	-	156	0.1%
Hong Kong	155	-	-	155	0.1%
Thailand	131	-	-	131	0.1%
Philippines	93	0	-	94	0.1%
Singapore	67	17	-	84	0.1%
Saudi Arabia	83	0	-	83	0.0%
India	75	-	-	75	0.0%
Liechtenstein	9	65	-	74	0.0%
Panama	74	-	-	74	0.0%
Morocco	72	-	-	72	0.0%
China	66	-	-	66	0.0%
JERSEY	26	35	-	61	0.0%
Other	728	17	-	745	0.4%
Total	**55,126**	**110,316**	**2,212**	**167,654**	**100.0%**

The distribution of the financial investment portfolio at 31 December 2025 by duration class is shown below, indicating that the portfolio is heavily weighted towards securities with durations of 1-10 years (72.8%).

Residual term €m	FVTPL	FVOCI	CA	TOTAL	Impact
up to 1	21,514	17,241	283	39,038	23%
1 to 3	7,285	12,826	157	20,267	12%
3 to 5	8,691	14,051	223	22,965	14%
5 to 7	4,730	15,898	268	20,897	12%
7 to 10	4,333	14,277	359	18,969	11%
10 to 15	5,110	17,152	503	22,765	14%
15 to 20	577	5,809	224	6,609	4%
20 to 30	546	10,635	192	11,373	7%
more than 30	2,341	2,429	2	4,771	3%
Overall total	**55,126**	**110,316**	**2,212**	**167,654**	**100%**

The yields of the Separately Managed Accounts in the Period were 2.73% for the PostaValorePiù managed account (2.64% in 2024), 3.16% for the PostaPensione managed account (2.88% in 2024) and 3.38% for the Poste Vita Valore Solidità managed account (3.34% in 2024), with an average invested capital of € 146,269 million for the managed accounts in the portfolio (equal to € 147,002.9 million in 2024).

	31.12.2025		31.12.2024	
	Gross Return	Average Invested Capital	Gross Return	Average Invested Capital
Separately Managed Accounts	**rates %**	**€m**	**rates %**	**€m**
Posta Valore Più	2.73%	126,654	2.64%	130,721
Posta Pensione	3.16%	12,569	2.88%	11,905
Poste Vita Valore Solidità	3.38%	7,046	3.34%	4,377
Total		**146,269**		**147,003**

Cash and cash equivalents amounted to € 3,974 million at the end of the Period (€ 4,611 million at the end of 2024). The item includes financial investments, referring mainly to Separately Managed Accounts, which may be invested in relation to the evolution of market performance.

Assets from outward reinsurance amounted to € 366 million at the end of the Period (€ 324 million at 31 December 2024) and related exclusively to the Protection business.

Below is a breakdown of the item by measurement model:

Summary table of insurance activities

Items/Values €m	31.12.2025			31.12.2024			Change		
	GMM	PAA	Total	GMM	PAA	Total	GMM	PAA	Total
Asset for remaining coverage	319	(6)	313	245	2	248	74	(8)	66
Asset for incurred claims	25	27	52	32	44	76	(7)	(17)	(24)
Total	**344**	**21**	**366**	**277**	**47**	**324**	**67**	**-25**	**42**
of which: future cash flows	*297*	*21*	*319*	*232*	*47*	*279*	*65*	*-25*	*40*
of which: adjustment for non-financial risks	*17*	*0*	*17*	*15*	*-*	*15*	*3*	*-*	*3*
of which: contractual service margin	*30*	*0*	*30*	*30*	*-*	*30*	*(1)*	*-*	*(1)*

Assets from outward reinsurance relate: i) € 319 million to the present value of future cash flows; ii) € 17 million to the adjustment for non-financial risks; and iii) € 30 million to the contractual service margin.

Tangible and intangible assets amounted to € 174 million (€ 171 million at 31 December 2024), of which € 148 million related to intangible assets and € 26 million to tangible assets.

Intangible assets amounting to € 148 million (€ 145 million at the end of December 2024), include: i) € 124 million of goodwill, arising from the residual difference between the consideration paid by the Parent Company Poste Vita for the acquisition of Net Insurance and the fair value of the acquired net assets, as adjusted following the Purchase Price Allocation ("PPA") process, and ii) € 11 million attributed to the higher value of the brand following the valuation activities carried out to date underlying the aforementioned PPA process. The remaining € 13 million mainly refers to costs of a multi-year nature incurred by the subsidiaries Net Insurance and Net Insurance Life mainly for the acquisition and customisation of software and the purchase of rights and licences.

Tangible assets of € 26 million (€ 25 million at the end of December 2024) mainly refer: i) € 10 million to the right of use of assets subject to contracts falling within the scope of application of IFRS 16 and referring mainly to the property owned by the Ultimate Parent Poste Italiane leased by the Parent Company Poste Vita and the subsidiary Poste Assicura; ii) € 7 million (of which € 1.1 million arising from the higher value allocated as a result of the aforementioned PPA) to the property held since 2015 and headquarters of the subsidiaries Net Insurance and Net Insurance Life; and iii) € 8 million (of which € 0.2 million arising from the higher value allocated as a result of the PPA) to the land owned by the subsidiaries Net Insurance and Net Insurance Life.

The item **receivables and other assets** amounting to € 3,162 million at 31 December 2025 (€ 3,189 million at the end of 2024) mainly refers to:

- the tax credit on mathematical provisions pursuant to Law 209/2002 of Poste Vita for € 1,952 million (€ 2,092 million at the end of 2024) representing the advance on withholdings and the substitute tax on capital gains for life policies;
- deferred tax assets of € 902 million (€ 908 million at the end of 2024), mainly comprising deferred tax assets calculated on the change in mathematical provisions and the delta between national accounting standards and IAS/IFRS standards;
- amounts due for stamp duty on Class III and Class V policies amounting to € 98 million; this item refers for € 60 million to the amount resulting from the Cronos business combination;
- current tax payables for € 97 million (€ 3 million at the end of 2024);
- receivables due from the Tax Authorities for the advance on insurance for € 39 million (€ 35 million at the end of the previous year).

Equity and solvency margin

Equity, at 31 December 2025, amounted to € 6,530 million, down by € 453 million with respect to the figure at the end of 2024, when it was € 6,983 million.

The decrease recorded in the Period is attributable mainly to the distribution of dividends and reserves to the Ultimate Parent Poste Italiane in the amount of € 1,500 million, as resolved by the Shareholders' Meeting of 30 April 2025 and interest expense paid on hybrid subordinated loans in the amount of € 43 million. These changes are partly offset by: i) the profit for the period of € 1,092 million and ii) the positive change in the reserve arising from the valuation of securities belonging to the FVOCI category (net of the mirroring effect) of € 5 million.

Changes in equity during the Period are shown below:

€m	31.12.2024	Allocation of 2024 profit	dividends	distribution of previous profits	ECL reserve	FVOCI reserve	Mirroring	Other gains or losses recognised directly through equity	Tier 1 Perpetual Capital Instruments	Non-controlling interests	12 2025 profit	31.12.2025
Share capital	**1,217**											**1,217**
Other equity instruments	**800**											**800**
Revenue reserve and other equity reserves:	**3,930**	**1,029**	**(1,000)**	**(500)**				**4**	**(43)**			**3,419**
Legal reserve	243											243
Extraordinary reserve	1											1
Organisation fund	3											3
Consolidation reserve	(0)											(0)
Revenue reserve for previous years	4,421	1,029	(1,000)	(500)				4	(43)			3,910
FTA reserve	(737)											(737)
Valuation reserves	**(83)**				**(1)**	**(745)**	**741**	**9**				**(78)**
of which - AFS/FVOCI Reserve	(3,313)					(745)						(4,058)
of which ECL Reserve	39				(1)							39
of which Mirroring	3,180						741					3,921
of which Direct and Transferred OCI	9							10				19
other reserves	1							(0)				1
Net profit/(loss) attributable to the owners of the Parent	**1,029**	**(1,029)**									**1,078**	**1,078**
Net profit/(loss) attributable to non-controlling interests	**11**	**(11)**								**14**		**14**
Equity attributable to non-controlling interests	**80**	**11**	**(6)**	**(5)**				**0**				**80**
Total	**6,983**	**0**	**(1,006)**	**(505)**	**(1)**	**(745)**	**741**	**14**	**(43)**	**14**	**1,078**	**6,530**

The **share capital** at 31 December 2025 was € 1,217 million and consisted of 1,217 million registered ordinary shares with a nominal value of € 1 each.

The item **other equity instruments** includes the issue value of the two perpetual, non-convertible, fixed-rate regulatory capital instruments issued respectively on 26 July 2021 and 3 August 2022 for a nominal amount of € 300 million and € 500 million, respectively, and fully subscribed by the Ultimate Parent Poste Italiane net of interest expense (net of related taxation) already paid at 31 December 2025 in the amount of € 141 million (of which € 44 million paid in the Period).

In accordance with IAS 32, these instruments, given the characteristics of the issue, which do not require the issuer to repay principal or pay coupons, have been recognised in equity. It should also be noted that the loans have characteristics such that they can be counted as constituent elements of the solvency margin and have a level of subordination similar to TIER 1.

The item **revenue reserves and other equity reserves** includes the negative impact of the first-time application of IFRS 17 in the amount of € 737 million (net of related taxation), mainly due to the increase, compared to IFRS 4 valuations, of the technical provisions of the direct business.

The item **valuation reserves** includes: i) losses/gains arising from the valuation of financial instruments measured at fair value through other comprehensive income, which show a negative balance of € 4,019 million at 31 December 2025 (negative € 3,274 million at 31 December 2024), and ii) the reserve for insurance contracts issued and outward reinsurance amounting to € 3,940 million at 31 December 2025 (€ 3,189 million at 31 December 2024). The latter reserve mainly includes the change in the fair value of instruments linked to insurance contracts and allocated to insurance liabilities as a result of the adoption of the OCI option[12].

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With regard to the **solvency margin**[13] of the Poste Vita Insurance Group at 31 December 2025, own funds qualifying for inclusion amounted to around € 13,205 million, a decrease of approximately € 715 million compared with € 13,921 million recorded at the end of 2024. Moreover, capital requirements rose during the Period by approximately € 49 million (from around € 4,321 million at the end of 2024 to around € 4,364 million at 31 December 2025).

As a result of the above trends, the Group's solvency ratio fell compared to 31 December 2024 (from 322.6% at the end of 2024 to 302.6% at 31 December 2025), whilst remaining well above the regulatory requirements and Poste Vita Group's risk appetite defined in the current RAF (i.e. 200%).

SCR coverage (€m)	31.12.2025	31.12.2024	delta
EOF with SCR coverage	13,205	13,920	(715)
SCR	4,364	4,315	49
Solvency Ratio	**302.6%**	**322.6%**	**(20.0%)**

MCR coverage (€m)	31.12.2025	31.12.2024	delta
EOF with MCR coverage	11,455	12,170	(715)
MCR	1,964	1,942	22
Solvency Ratio	**583.3%**	**626.8%**	**(43.4%)**

12. An accounting option that allows companies to present a portion of the financial income or expenses relating to insurance contracts in Other Comprehensive Income (OCI) instead of entirely in the statement of profit or loss.
13. The data will be subject to approval at the next Board of Directors meeting.

Available own funds	31.12.2025 TOTAL	TIER 1 Unrestricted	TIER 1 Restricted	TIER 2	31.12.2024 TOTAL	TIER 1 Unrestricted	TIER 1 Restricted	TIER 2
Total available own funds to meet the SCR	13,204,823	10,672,410	771,116	1,761,296	13,920,129	11,120,171	778,308	2,021,650
Total available own funds to meet the MCR	11,454,823	10,672,410	771,116	11,296	12,170,129	11,120,171	778,308	271,650
Total eligible own funds to meet the SCR	13,204,823	10,672,410	771,116	1,761,296	13,920,129	11,120,171	778,308	2,021,650
Total eligible own funds to meet the MCR	11,454,823	10,672,410	771,116	11,296	12,170,129	11,120,171	778,308	271,650

Insurance liabilities

Insurance **liabilities** at 31 December 2025 amounted to € 166,251 million, an increase of € 4,285 million compared to the figure of € 161,966 million recorded at the end of 2024. This item includes the insurance liabilities transferred following the demerger of Cronos for € 1,045 million. The following table breaks down this item by business and by measurement model:

Insurance liabilities

Items/Values €m	31.12.2025 Investment VFA	Protection GMM	Protection PAA	Total	31.12.2024 Investment VFA	Protection GMM	Protection PAA	Total	Change Investment VFA	Protection GMM	Protection PAA	Total
Liability for remaining coverage	164,115	892	36	165,043	160,095	782	0	160,877	4,019	110	36	4,166
Liability for incurred claims	775	92	341	1,208	613	167	308	1,089	162	(76)	33	119
Total	**164,890**	**984**	**378**	**166,251**	**160,709**	**949**	**308**	**161,966**	**4,181**	**35**	**69**	**4,285**
of which: Present value of future cash flows	*151,687*	*575*	*378*	*152,640*	*146,716*	*646*	*308*	*147,670*	*4,971*	*(70)*	*69*	*4,970*
of which: Adjustment for non-financial risk	*1,914*	*77*	*-*	*1,991*	*2,306*	*68*	*-*	*2,374*	*(392)*	*9*	*-*	*(382)*
of which: Contractual service margin	*11,288*	*331*	*-*	*11,620*	*11,686*	*236*	*-*	*11,922*	*(398)*	*96*	*-*	*(302)*

Insurance liabilities include at the end of the Period:

- the **liability for remaining coverage** of € 165,043 million (of which € 164,115 million related to insurance contracts pertaining to the Investment business and measured under the VFA model[14] and the remainder of € 928 million pertaining to the Protection business and referring to contracts measured under the GMM[15] and the PAA[16] methods). This item includes the contractual service margin (CSM) totalling € 11,620 million (of which € 11,288 million related to the Investment business and € 331 million to the Protection business);
- the **liability for incurred claims** amounted to € 1,208 million, of which € 775 million related to insured contracts measured under the VFA method and therefore related to the Investment business, and the remainder, € 433 million, related to insurance contracts measured under the GMM and PAA methods and related to the Protection business.

14. The VFA (Variable Fee Approach) is a measurement methodology for insurance contracts based on discounting expected cash flows, Risk Adjustment (adjustment of cash flows for non-financial variables) and a Contractual Service Margin (expected profit that applies to insurance contracts with direct profit-sharing features, such as segregated and unit-linked schemes.
15. The GMM (General Measurement Model) is a measurement methodology for insurance contracts based on the discounting of expected cash flows, Risk Adjustment (adjustment of cash flows for non-financial variables) and of a Contractual Service Margin (expected profit), which applies to non-life insurance contracts with a multi-year term and to life insurance contracts without direct profit-sharing elements (e.g. TCM, LTC).
16. The PAA is a methodology for evaluating insurance contracts and is used to simplify the measurement of certain types of contracts (e.g. one-year contracts). This model is used for the following types of contracts: i) short-term non-life insurance contracts and certain multi-year contracts giving the same result as the General Model.

The following table presents the changes in insurance liabilities related to the Investment business, broken down by underlying measurement elements: i) present value of cash flows; ii) adjustment for non-financial risks; and iii) contractual service margin.

Dynamics of insurance liabilities - Investments

Items/Values €m	Present value of future cash flows	Adjustment for non-financial risk	Contractual service margin	Total
Insurance liabilities at 1 January 2025 - VFA	**146,716**	**2,306**	**11,686**	**160,709**
CSM release			(1,301)	(1,301)
Risk Adjustment change		(110)		(110)
Experience Variance	5,946	0	(5,935)	11
Changes in hypothesis	(3,851)	(435)	4,286	0
Loss Component change	3	(0)	0	3
New Business and Initial Recognition	(1,123)	148	975	0
Financial costs/revenue	2,843	0	1,572	4,415
Net cash flows	128	0	0	128
Other changes	1,025	5	6	1,036
Insurance liabilities at 31 December 2025 - VFA	**151,687**	**1,914**	**11,288**	**164,890**
Change	**4,971**	**(392)**	**(398)**	**4,181**

With reference to the Investment business, the value of insurance liabilities relating to contracts measured under the VFA method increased during the Period by € 4,181 million, due to: i) the increase in the present value of future cash flows by € 4,971 million; ii) the decrease in the adjustment for non-financial risk by € 392 million; and iii) the increase in the CSM by € 398 million.

In particular, with reference to the quantities shown in the table, it is represented that:

The **present value of future cash flows** increased by € 4,971 million compared to 2024, mainly due to the result of financial operations and the trend in actual cash flows with respect to expected cash flows.

The **adjustment for non-financial risk** decreased by € 392 million compared to 2024, mainly due to the release of this component for the Period and the change in the Group's exposure to non-financial risks as a result of the lapses recorded in the Period, which led to a revision of estimates for future services partially offset by the effect of new business.

The **contractual service margin** recorded a pre-release growth of € 903 million in the Period, mainly related to the contribution of new business and the positive impact of financial expenses and revenue (mirroring), only partially mitigated by negative operating changes mainly determined by the higher volume of lapses observed than expected and by the updating of technical assumptions. The release of the Contractual Service Margin recorded in the Period was € 1,301 million.

The following table presents the changes in insurance liabilities related to Protection business, broken down by measurement model and by elements underlying the measurement: (i) present value of cash flows; (ii) adjustment for non-financial risks; and (iii) contractual service margin:

Dynamics of insurance liabilities - Protection

Items/Values €m	Present value of future cash flows	Adjustment for non-financial risk	Contractual service margin	Total
Insurance liabilities at 1 January 2025 - GMM	**646**	**68**	**236**	**949**
CSM release			(88)	(88)
Risk Adjustment change		(18)		(18)
Experience Variance	(9)	1	(10)	(18)
Changes in hypothesis	(51)	(6)	57	0
Loss Component change	6	(3)	0	3
New Business and Initial Recognition	(157)	35	129	7
Financial costs/revenue	0	0	(7)	(7)
Net cash flows	(134)	0	0	(134)
Other changes	8	1	0	8
Insurance liabilities at 31 December 2025 - GMM	**575**	**77**	**331**	**984**
Insurance liabilities at 1 January 2025 - PAA	**308**	**0**	**0**	**308**
Change in PAA insurance liability	69	0	0	69
Insurance liabilities at 31 December 2025 - PAA	**378**	**0**	**0**	**378**
Total at 31 December 2025	**953**	**77**	**331**	**1,361**
Total change	**(1)**	**9**	**96**	**104**
of which: GMM	*(70)*	*9*	*96*	*35*
of which: PAA	*69*	*0*	*0*	*69*

The present value of future cash flows of € 953 million at 31 December 2025 is substantially in line with 2024. The increase of € 69 million attributable to contracts measured under the PAA, due to the growth in premiums issued during the Period, is almost entirely offset by the decrease in future cash flows of contracts measured under the GMM due to New Business and actual net cash flows.

The adjustment for non-financial risk, amounting to € 77 million, increased by € 9 million compared to the value recognised at the end of 2024 due to the contribution of new business, which was substantially offset by the release of the portion pertaining to the Period.

The contractual service margin increased by € 96 million, mainly due to the contribution of new business on future margins and the positive effects of the change in assumptions, only partly offset by the release of the portion pertaining to the Period.

The **provisions for risks and charges** at 31 December amounted to € 11 million (€ 12 million at the end of 2024) and mainly comprised:

- ongoing legal disputes amounting to € 4.4 million, relating to liquidation 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.);
- € 1.5 million allocated for certain cases of fraud involving mainly the liquidations 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;
- € 1 million pertaining to a potential dispute concerning lapsed policies for the years 2014-2015, including penalties, interest, and expenses;
- € 0.8 million related to the provision for future charges in respect of the product “Da Grande”;
- € 1.2 million relating to the provisions made in the Period by the subsidiary Poste Assicura, of which € 0.8 million related to the Enasarco case, € 0.2 million related to the incorrect calculation of the redemption premium with reference to the CPI mortgage and loan policies as better specified in the section “Other Information”, and € 0.2 million to legal disputes;

- € 0.4 million pertaining to litigation with third parties for dormant pure risk policies (Term Life) relating to the former Cronos portfolio;
- € 1.2 million to provisions made for index-linked policies with a bond component that went into default relating to the former Cronos portfolio, whose policyholders have not yet joined the customer care initiatives and for which any individual settlement agreements may be defined in the future.

The decrease compared to the figure at the end of 2024 is mainly attributable to the utilisation of the provision for risks made during the Period for certain positions relating to fraud cases and the partial release of the provision for future charges in respect of the "Da Grande" product, partly offset by the dispute relating to the former Cronos portfolios and the increase in the provision for risks relating to the ongoing legal dispute.

Financial liabilities at 31 December 2025 amounted to € 1,373 million (€ 894 million at the end of 2024), of which € 926 million related to financial liabilities measured at fair value through profit or loss and € 447 million to financial liabilities measured at amortised cost.

Liabilities measured at fair value refer to liabilities related to investment contracts without discretionary participation features that are not within the scope of IFRS 17[17], totalling € 731 million; these contracts relate to the former Cronos portfolio and refer to standalone unit-linked policies to which there are no additional ancillary insurance covers and/or death benefit increases considered significant.

Financial liabilities measured at amortised cost mainly refer to: i) financial liabilities arising from the application of IFRS 16 for € 10 million, a balance representing the remainder of the fees to be settled at the end of the Period; ii) a subordinated bond issued in September 2021 by the subsidiary Net Insurance for a nominal value of € 12 million (fair value € 10 million); iii) a 10-year subordinated bond issued in December 2025 by the subsidiary Net Insurance for a nominal value of € 20 million and subscribed 60% by the Parent Company Poste Vita Spa and 40% by the minority shareholder IBL; the bond is recognised only for the portion subscribed by the minority shareholder.

In addition, there are loans granted to Cronos for € 412 million on the basis of the contract signed with the distributing and system banks on 27 September 2023, as part of the system transaction aimed at protecting Eurovita policyholders. These loans were disbursed to Cronos for the purpose of financing the liquidation of the sums due to the beneficiaries of the policies linked to the Separately Managed Accounts originating from Eurovita following the exercise of the lapse.

With regard to the above-mentioned subordinated loans measured at amortised cost, reference is made to:
- the subordinated loan issued by the subsidiary Net Insurance on 28 September 2021 and having a nominal value of € 12 million; for Solvency purposes, it is counted among the own funds for the entire amount as TIER2. This loan has a ten-year term, subject to the right of the issuer to call the financial instrument early, starting in the fifth year;
- the subordinated loan issued by the subsidiary Net Insurance on 30 December 2025 and having a nominal value of € 20 million (of which € 12 million subscribed by the Parent Company Poste Vita); for Solvency purposes, it is counted among the own funds for the entire amount as TIER2. This loan has a ten-year term, subject to the right of the issuer to call the financial instrument early, starting in the fifth year.

The above-mentioned loans are 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 are fully available for the purpose of hedging the solvency position.

17. These are contracts that do not provide for a transfer of significant insurance risk and therefore cannot be considered insurance contracts under IFRS 17.

With reference to the Tier 2 perpetual subordinated bond loan (amounting to € 250 million at 31 December 2024) issued by Poste Vita on 18 April 2008 and fully subscribed by Poste Italiane and for which the Supervisory Authority granted authorisation for repayment on 17 June 2025, the Company made the repayment on 20 October 2025 for a total amount of € 256.7 (of which € 250 million in principal and € 6.7 million in interest), as better described in the section “Other significant events”.

The item **Payables and other liabilities** amounted to € 1,953 million at 31 December 2025 (€ 1,733 million at 31 December 2024) and mainly refers to:

- the amount due to tax authorities for the advance of the tax on the mathematical provisions accruing during the Period for € 390 million (€ 418 million at the end of the previous year);
- amounts due to brokers relating mainly to commissions accrued for the placement of insurance products and the maintenance of the portfolio during the year amounting to € 485 million (€ 402 million at the end of the previous year);
- deferred tax liabilities for € 531 million (€ 439 million at the end of 2024), mainly attributable to the change in finance income and technical items between international accounting standards and statutory standards, as well as the change in the reserve deriving from measurement of securities in the FVTOCI category during the Period;
- amounts due to suppliers and Group companies for services received during the Period totalling € 90 million (€ 110 million at the end of the previous year);
- payables to funds for purchased units and fees amounting to € 73 million at the end of the Period under review (€ 55 million at the end of December 2024);
- the amount due for the contribution to the guarantee fund allocated, amounting to € 62 million at the end of the Period (€ 58 million at the end of the previous year);
- the payable for withholdings and substitute taxes for capital paid relative to life and FIP policies recognised at 31 December 2025, for € 58 million (€ 48 million at 31 December 2024), referring to taxes accruing in December which will be paid the next month;
- payables of approximately € 59 million to the other beneficiaries of the Cronos demerger following reallocation between the portfolios. This payable was already settled on 30 January 2026.

5. Operations

The reclassified statement of profit or loss by type of business for the year 2025 is shown below, compared with 2024. The statement of the **Investment business**, commented on below, includes the Parent Company Poste Vita's figures for the Investment business (including the statement of profit or loss figures of the Multi-Asset Funds).

RECLASSIFIED STATEMENT OF PROFIT OR LOSS €m	Investment Business			
	31.12.2025	31.12.2024	Delta	Delta%
A. Revenue from insurance contracts issued	**2,254**	**2,025**	**229**	**11%**
- CSM release	*1,301*	*1,229*	*72*	*6%*
- Risk Adjustment release	*110*	*46*	*63*	*137%*
- Release of PVFCF Expense and Claims Flows	*567*	*500*	*67*	*13%*
- IACF release	*276*	*249*	*27*	*11%*
B. Costs arising from insurance contracts issued	**(856)**	**(751)**	**(105)**	**14%**
- Loss component	*(3)*	*0*	*(3)*	*n/s*
- Attributable Expenses and Claims	*(577)*	*(502)*	*(75)*	*15%*
- IACF depreciation	*(276)*	*(249)*	*(27)*	*11%*
C. Balance of work transferred	**0**	**0**	**0**	**n/s**
D. Result from insurance services (A+B+C)	**1,398**	**1,274**	**125**	**10%**
E. Income/expenses from financial assets	5,563	6,415	(852)	-13%
F. Net financial costs/revenue related to insurance contracts	(5,489)	(6,333)	844	-13%
G. Net financial result (E+F)	**74**	**82**	**(8)**	**-10%**
Net insurance revenue (D+G)	**1,472**	**1,355**	**117**	**9%**
Other revenue/costs	5	4	1	29%
Non-attributable operating expenses	(79)	(85)	6	-7%
EBIT	**1,398**	**1,274**	**124**	**10%**
Net financial income from Free Capital	102	152	(50)	-33%
Interest and commission payable	(72)	(76)	4	-6%
Profit (loss) for the year before tax	**1,427**	**1,350**	**78**	**6%**
Taxes	(437)	(396)	(42)	11%
Profit (loss) for the year after tax	**990**	**954**	**36**	**4%**

Insurance service revenue in the Period amounted to € 2,254 million, up by € 229 million (+11%) compared to € 2,025 million recorded in 2024, due mainly to: i) the higher release of the contractual service margin ("CSM") (+€ 72 million) mainly attributable to a higher coverage unit; ii) the higher release of the risk adjustment (+€ 63 million); iii) the higher release of claims and expected expenses (+€ 67 million) and iv) the higher release (+€ 27 million) of acquisition costs (recognised in the financial statements for disclosure purposes only and which are however offset by the impact of the related amortisation recognised in costs).

Insurance revenue - direct business €m	31.12.2025	31.12.2024	Delta	Delta %
CSM release	1,301	1,229	72	6%
Risk Adjustment release	110	46	63	137%
Release of Expense and Claims Flows	567	500	67	13%
IACF release	276	249	27	11%
Total	**2,254**	**2,025**	**229**	**11%**

Insurance service costs[18] amounted to € 856 million, an increase of € 105 million (+14%) compared to 2024, mainly due to: i) the increase in claims and attributable expenses (+€ 75 million) due in particular to the increase in retention commissions, and iv) higher costs (+€ 27 million) related to the amortisation of acquisition costs, which are however offset by the impact on gross revenue of the related release, as described above.

Insurance costs - direct business €m	31.12.2025	31.12.2024	Delta	Delta %
Loss component	3	-	3	n/s
Attributable Expenses and Claims	577	502	75	15%
IACF depreciation	276	249	27	11%
Other	0	0	0	n/s
Total	**856**	**751**	**105**	**14%**

In relation to the aforementioned dynamics, the **result from insurance services** amounted to € 1,398 million, an increase of € 125 million (+10%) compared to the figure recognised in 2024.

Net income from financial assets in the Period amounted to € 5,563 million (€ 6,415 million in 2024) of which: i) € 2,241 million related to financial instruments measured at fair value through profit or loss and ii) € 3,322 million related to financial instruments classified as financial assets at fair value through other comprehensive income and investments measured at amortised cost.

Net income from financial instruments at fair value through profit or loss was positive at € 2,241 million in 2025 (€ 3,183 million achieved in 2024). The € 942 million decrease in this item is attributable mainly to the lower net gains from valuation recognised in the Period. For the parent Poste Vita's separately managed accounts and unit-linked products, gains from valuation recognised in the Period are retroceded to policyholders net of the over-coverage portion (mirroring) and reflected within insurance liabilities.

31.12.2025 (€m)	Interest	Other income and expenses	Net gains from realisation	Net gains from valuation	Total income and expenses
Deriving from financial assets and liabilities measured at fair value through profit or loss	**995**	**70**	**75**	**1,100**	**2,241**
31.12.2024					
Deriving from financial assets and liabilities measured at fair value through profit or loss	247	580	314	2,041	3,183
Change	**748**	**(510)**	**(238)**	**(940)**	**(942)**

Net income from investments classified as financial assets through other comprehensive income and from investments measured at amortised cost amounted to € 3,322 million in 2025, an increase of € 89 million compared to 2024, mainly due to higher ordinary income (+€ 30 million) net gains from realisation (+€ 78 million), changes only partly offset by lower net gains from valuation (-€ 19 million) recorded in the Period.

31.12.2025 (€m)	Interest	Other income and expenses	Total ordinary income	Gains/(Losses) from realisation	Gains/(Losses) from valuation	Total
Deriving from financial instruments at AC and FVOCI	**3,276**	**1**	**3,277**	**49**	**(4)**	**3,322**
31/12/24						
Deriving from financial instruments at AC and FVOCI	3,243	3	3,247	(29)	15	3,232
Change	**33**	**(2)**	**30**	**78**	**(19)**	**89**

The **net financial result**, which takes into account the mirroring effect, i.e. the portion of financial income relating to separately managed accounts and unit-linked products reversed to policyholders net of over-coverage, was positive in the Period at € 74 million, down by € 8 million compared to 2024 (equal to € 82 million).

18. Including costs directly attributable to insurance contracts and shown as a direct deduction from insured revenue. These costs also contribute to the determination of fulfilment cash flows and CSM in both the initial recognition and subsequent measurement phase and are released periodically in the statement of profit or loss (under net insurance income).

Non-attributable operating expenses (mainly related to personnel expenses, IT service costs and professional consultancy/services) amounted to € 79 million and included the contribution to the guarantee fund established by the 2024 Budget Law[19] amounting to € 62 million (€ 58 million in 2024). The decrease of € 6 million compared to the figure for the same period of the previous year is mainly attributable to the recovery of the amounts paid by Poste Vita to INPS as a CUAF contribution of € 7 million.

The item other revenue/costs amounted to € 5 million in 2025 (€ 4 million in 2024). The increase is attributable to the recovery of the penalties and interest component (€ 3 million) related to the recovery of the amounts paid to INPS as CUAF, partly offset by the lower net provisions for risks (-€ 2 million) recorded in the Period compared to 2024.

In relation to the above-mentioned trends, **EBIT** in the Period amounted to € 1,398 million, marking an increase of € 124 million compared to 2024. Excluding the contribution to the insurance guarantee fund, adjusted EBIT amounted to € 1,459 million, up by approximately € 127 million (+10%) year-on-year.

Net financial income related to the investment of free capital, mainly related to ordinary fees accrued on the portfolio primarily consisting of Italian bonds and including the capital gain recognised following the completion of the total non-proportional demerger of Cronos (€ 12 million), resulted in a positive result of € 102 million, a decrease of € 50 million compared to the figure recorded in 2024.

Free Capital Income €m	31.12.2025	31.12.2024	Delta	delta%
Ordinary income	109	113	(4)	(4%)
Gains/Losses from realisation	11	(2)	13	(767%)
Gains/Losses from valuation	(53)	5	(58)	(1059%)
Other - not securities	34	35	(1)	(2%)
Total	**102**	**152**	**(50)**	**(33%)**

Interest and commission expense of € 72 million (€ 77 million in 2024) related mainly to: i) commission expense on ancillary funds paid to the Ultimate Parent Poste Italiane SpA, for € 44 million; ii) interest expense on the subordinated loan underwritten with the Ultimate Parent for € 11 million and iii) € 17 million related to the premium to be paid for the Period in respect of an insurance contract entered into on the coverage of the mass lapse risk.

By virtue of the aforementioned trends, **gross profit for the period** was € 1,427 million, an increase of € 78 million (+6%) compared to the figure in 2024. Considering the tax burden, determined with an estimated tax rate of about 31%, the Poste Vita Group closed the Period with a **net profit** of € 990 million from its Investment business, an increase of € 36 million (+4%) compared to the € 954 million reported in 2024.

19. Law no. 213 of 30 December 2023. “State budget for the financial year 2024 and multi-year budget for the three-year period 2024-2026” published in Official Journal no. 303 of 30 December 2023.

Below is the reclassified statement of profit or loss of the **Protection business** at 31 December 2025 compared with the 2024 figure, which includes the figures of the subsidiaries Poste Assicura, Net Insurance, Net Insurance Life, Poste Insurance Broker, Net Holding[20] and the Protection business of the Parent Company Poste Vita.

RECLASSIFIED STATEMENT OF PROFIT OR LOSS €m	Protection Business			
	31.12.2025	31.12.2024	Delta	Delta%
A. Revenue from insurance contracts issued	**951**	**788**	**163**	**21%**
- CSM release	*88*	*61*	*26*	*43%*
- Risk Adjustment release	*18*	*18*	*0*	*0%*
- Release of PVFCF Expense and Claims Flows	*191*	*163*	*28*	*17%*
- IACF release	*48*	*32*	*16*	*50%*
- Other	*(0)*	*(1)*	*1*	*-91%*
- Contracts measured under PAA	*607*	*516*	*91*	*18%*
B. Costs arising from insurance contracts issued	**(762)**	**(635)**	**(127)**	**20%**
- Loss component	*(3)*	*(3)*	*(0)*	*7%*
- Attributable Expenses and Claims	*(180)*	*(154)*	*(26)*	*17%*
- IACF depreciation	*(48)*	*(33)*	*(15)*	*44%*
- Contracts measured under PAA	*(531)*	*(445)*	*(86)*	*19%*
C. Balance of work transferred	**(38)**	**(32)**	**(6)**	**20%**
D. Result from insurance services (A+B+C)	**151**	**122**	**30**	**24%**
E. Income/expenses from financial assets	38	42	(4)	-9%
F. Net financial costs/revenue related to insurance contracts	(16)	(15)	(1)	8%
G. Net financial result (E+F)	**22**	**27**	**(5)**	**-18%**
Net insurance revenue (D+G)	**173**	**148**	**25**	**17%**
Other revenue/costs	17	6	11	170%
Non-attributable operating expenses	(44)	(33)	(10)	31%
EBIT	**147**	**121**	**25**	**21%**
Net financial income from Free Capital	2	2	0	5%
Interest and commission payable	(1)	(1)	(0)	20%
Profit (loss) for the year before tax	**147**	**122**	**25**	**21%**
Taxes	(45)	(36)	(10)	27%
Profit (loss) for the year after tax	**102**	**86**	**16**	**18%**

Revenue from insurance contracts issued amounted to € 951 million during the Period, an increase of € 163 million (+21%) compared with the figure for 2024, mainly due to: i) the higher release of the CSM (+€ 26 million); ii) the higher release of claims and expected expenses (+€ 28 million); iii) the higher release of IACF (+€ 16 million) of acquisition costs related to the increase in volumes; and iv) the change of € 91 million in revenue relating to contracts measured with the PAA method owing to the growth in gross inflows.

Insurance revenue - direct business €m	31.12.2025	31.12.2024	Delta	Delta %
CSM release	88	61	26	43%
Risk Adjustment release	18	18	0	0%
Release of Expense and Claims Flows	191	163	28	17%
IACF release	48	32	16	50%
Other	(0)	(1)	1	(91%)
Contracts measured under PAA	607	516	91	18%
Total	**951**	**788**	**163**	**21%**

20. The figures for Net Holding relate to the economic results achieved from 1 January 2025 until the liquidation date (13 March 2025).

Costs arising from insurance contracts issued, amounted to € 762 million and increased by € 127 million (+20%) compared to 2024, mainly due to: i) an increase in paid claims and attributable expenses of € 26 million; ii) an increase in the amortisation of insurance acquisition cash flows ("IACF") of € 16 million related to higher commissions associated with the inflows growth; and iii) an increase (+€ 86 million) in insurance service costs related to contracts measured using the PAA method and mainly attributable to claims and expenses paid and the amortisation of IACF related to the development of the business.

Insurance costs - direct business €m	31.12.2025	31.12.2024	Delta	Delta %
Loss component	3	3	0	7%
Claims and expenses directly attributable	180	154	26	17%
IACF depreciation	48	33	15	44%
Other	-	0	0	n/s
Contracts measured under PAA	531	445	86	19%
Total	**762**	**635**	**127**	**20%**

The **result deriving from outward reinsurance** in the Period was negative for € 38 million, growth of € 6 million compared to the result achieved in 2024 (negative for € 32 million) mainly due to the business growth of the subsidiary Net Insurance.

In relation to the aforementioned dynamics, the **result from insurance services** amounted to € 151 million in the Period, up € 30 million compared to 2024.

The **net financial result** in 2025 was a positive € 22 million and down by € 5 million compared to 2024, mainly due to lower net gains from realisation recorded in the Period (-€ 7 million), only partially offset by the increase in fees (+€ 2 million) related to portfolio growth.

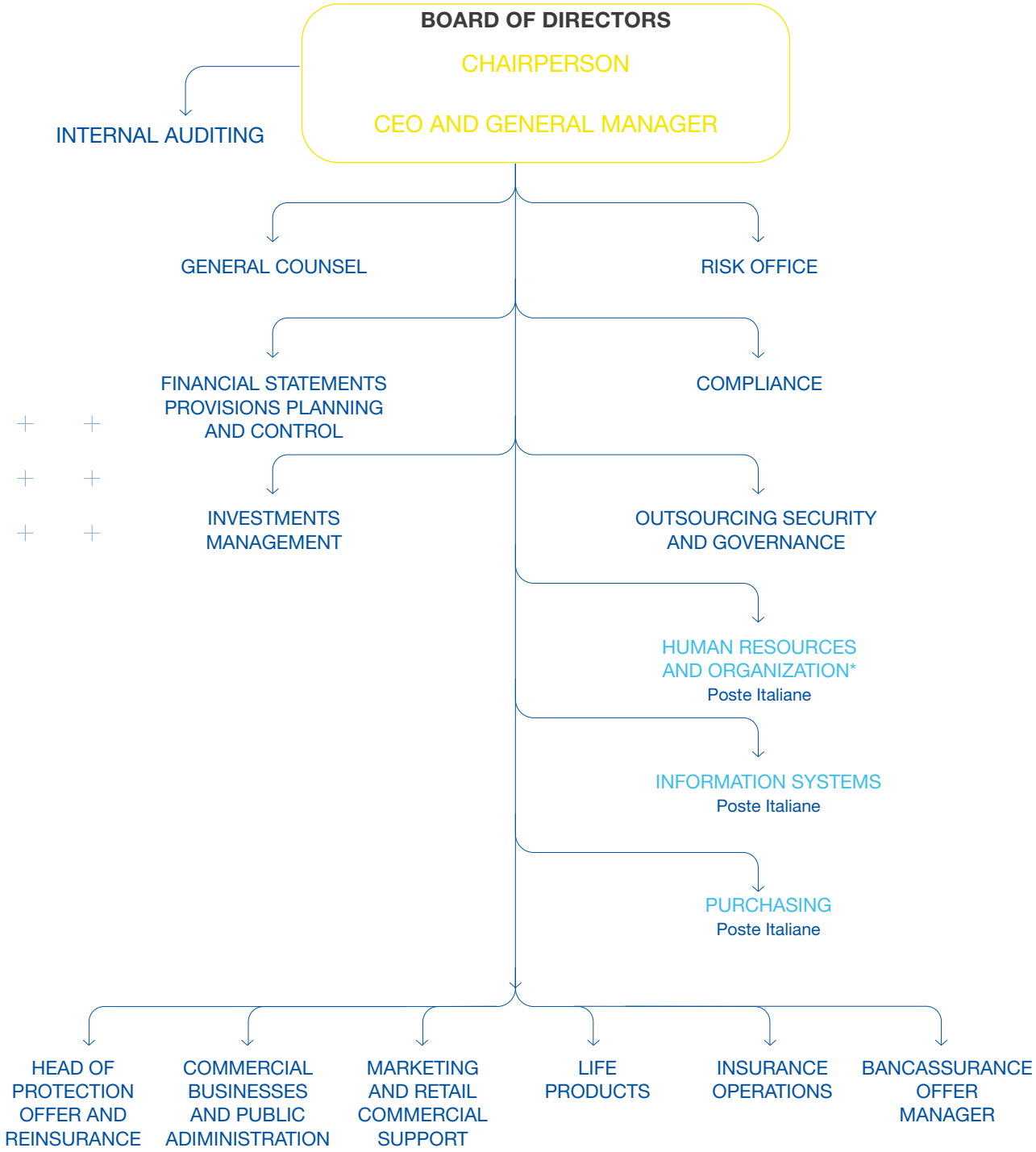
Non-attributable operating expenses, totalling about € 44 million (€ 33 million in 2024), mainly relate to personnel expenses, IT service costs, and consulting/professional services. The increase recorded in the Period is related to business development.

Due to the aforementioned trends, **gross profit for the period** came to € 147 million, compared to € 122 million in 2024. Considering the tax burden of approximately 30.9%, the Poste Vita Group closed the Protection business with a **net profit for the period** of € 102 million, an increase of € 16 million (+18%) compared to the € 86 million recorded in 2024.

6. Organisation of the Poste Vita Group

Organisational Structure

The organisational chart of the Parent Company Poste Vita at 31 December 2025, including the main outsourced functions, is shown below:



* Outsourced functions.

Corporate Governance

The governance model adopted by the Parent Company Poste Vita is "traditional", i.e. characterised by the traditional dichotomy between the Board of Directors and the Board of Statutory Auditors.

The Board of Directors, appointed by the Shareholders' meeting held on 26 June 2023, has a term of office of three years, which will expire on the date of approval of the financial statements for 2025. The Board has 7 members, 2 of which are independent.

The Board of Directors, as described above, meets periodically 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. It represents the main governing body of the Company and is vested with the widest possible powers to manage the company in the pursuit and implementation of the corporate purpose, which it exercises within the scope of the functions, duties and powers set out in current laws and regulations and in the Articles of Association.

The Board of Directors has ultimate responsibility for the corporate governance system, defines its strategic guidelines and ensures its constant completeness, functionality and effectiveness, also with reference to outsourced activities. It also ensures that the corporate governance system is suitable to achieve the objectives of efficiency and effectiveness of business processes, identification, assessment, including prospective assessment, management and adequate risk control, in line with the strategic guidelines and risk appetite of the company also in a medium-long term perspective, timeliness of the reporting system of corporate information, as well as reliability and integrity of accounting and management information, protection of assets also in a medium-long term perspective and compliance of the company's activities with current regulations, directives and company's procedures.

The Board of Directors of the Parent Company, 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.

The Chairperson of the Board of Directors has the role of guiding and overseeing the work of the Board of Directors. In addition to the powers envisaged by law and the Articles of Association with regard to the functioning of the corporate bodies and the legal representation of the Company, with powers of signature and representation in court and before all authorities and at all stages and levels of proceedings - including the power to grant power of attorney for the filing of complaints for criminal offences committed to the detriment of the Company, appointing defence counsel and special attorneys, including for civil lawsuits, for defence in litigations and for out-of-court proceedings - the Chairperson, without prejudice to their non-executive role and without any management function, is granted by the Board of Directors powers pertaining to the following areas: maintaining relations with the Key Functions (Internal Auditing, Compliance, Risk Management and Actuarial Function) for the purpose of liaising with the Board of Directors and Institutional Relations with Parliament, the Government, Ministries, institutional bodies and Authorities in general in agreement with the CEO and in close coordination with the Ultimate Parent Poste Italiane.

There is also the figure of the Deputy Chair, who is granted, in line with the provision of Article 18 of the Articles of Association, the same powers as the Chair, to be exercised in the event of the latter's absence or impediment.

The Board of Directors, in accordance with art. 2381 of the Italian Civil Code, granted the Chief Executive Officer all the powers necessary for the administration of the Company, unless otherwise provided for by law, the Articles of Association and the resolution appointing to the position. The Chief Executive Officer is also the Company's legal representative within the scope of the powers delegated.

Finally, in accordance with the provisions of IVASS Regulation no. 38/2018, the Board of Directors has established specific internal committees, composed of non-executive directors, mostly independent, with investigative, consultative and propositional 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 is supported by the following committees:
a. Internal Control and Risk and Related Party Transactions Committee;
b. Appointments and 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.

In this regard, it should be noted that, consistent with the findings of the self-assessment process of its own level of complexity/riskiness conducted by the subsidiary Poste Assicura and in line with the option granted by the IVASS Letter of 5 July 2018, as of 31 July 2023, the subsidiary Poste Assicura established its own Appointments and Remuneration Committee and its own Internal Control and Risks and Related Party Transactions Committee.

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

The Board of Statutory Auditors, elected by the Shareholders' Meeting held on 26 June 2023, is made up of 3 standing members and 2 alternates. Pursuant to art. 2403 of the Italian Civil Code, the Board of Statutory Auditors monitors compliance with the law and the Articles of Association and with good practices and, in particular, the adequacy of the organisational, administrative and accounting structure adopted by the Company and its functionality.

The audit activities required by articles 14 and 16 of Legislative Decree no. 39/2010, is carried out by Deloitte & Touche SpA, Group Auditor, selected after a single call for tenders issued by Poste Italiane SpA, in compliance with the provisions of Regulation (EU) 573 of 16 April 2014 and Legislative Decree no. 39 of 17 January 2010, as amended by Legislative Decree no. 135/2016.

The Parent Company Poste Vita also has a system of technical and conduct procedural rules designed to ensure consistent corporate governance through the coordinated management of the decision-making process regarding aspects, issues and activities of interest and/or of strategic importance, or that might give rise to significant risks for its assets. The governance system is further enhanced by a series of committees with the role of guiding and controlling corporate policies on strategic issues.

Lastly, to ensure stricter compliance with the more advanced governance models and in accordance with the Parent Company's Articles of Association, a manager responsible for financial reporting has been appointed by the Parent Company Poste Vita.

Internal control system

As part of the Parent Company Poste Vita's Corporate Governance System, the Internal Control System and the Risk Management System are a combination of tools, procedures, rules and organisational structures, designed to ensure that the business is managed in a way that is sound, fair and consistent with the corporate objectives, and to pursue sustainable success, through an adequate process of definition of the players, duties and responsibilities of the various corporate bodies and control functions as well as through the identification, measurement, management and monitoring of the main risks, and through the structuring of adequate information flows to guarantee the timely flow of information.

To be effective, the control system must be integrated, which presupposes that its components are coordinated and interdependent, and that the entire system be an integral part of the general organisational, administrative, and accounting structure of the Parent Company and the Poste Vita Group. Consistently with these principles, the Parent Company has identified a structured corporate governance model in line with the Group's one, which is applied operationally at company level on the basis of the role of the parties involved in internal controls and risk management and in proportion to the nature, scale and complexity of the business. The model provides for the definition of "levels of control" organised, in general, as set out below:

- **Governance:** defines, implements, maintains and monitors the Corporate Governance System (and in this context, the Internal Control and Risk Management System). It consists of the Administrative Body (duly supported by the Board Committees) and Senior Management. Specifically:
  - the Board of Directors is the ultimate guarantor and responsible for the Corporate Governance System and, to this end, does not limit its role to defining its strategic guidelines and orientations, but monitors its results and ensures its constant completeness, functionality and effectiveness, also with reference to outsourced activities, consistently with the provisions of the relevant regulations;

  - Senior Management is responsible for the implementation, maintenance and monitoring of the Corporate Governance System and the promotion of the internal control culture in accordance with the instructions issued by the Board of Directors and in compliance with the relevant regulations.

- **First level of control:** identifies, assesses, manages, and monitors those risks in relation to which it implements specific actions aimed at identifying and correcting any anomalies to ensure operational compliance. It is made up of all the control activities that the individual "business" and "staff" organisational units of the Company (Operating Functions) perform on their own processes as an integral part of each business process. The Operating Functions are, therefore, primarily responsible for the internal control and risk management process (as established by the Board of Directors and Senior Management) as they are called upon, in the course of day-to-day operations, to identify, measure, assess, monitor, mitigate and report risks arising from ordinary business activities in accordance with the risk management process and applicable internal procedures.
- **Second level of control**: monitors company risks, proposes guidelines on all related control systems, and verifies their adequacy in order to ensure the efficiency and effectiveness of the operations, sufficient risk control, prudent business practices, reliability of all disclosures, compliance with laws, regulations and internal procedures. The functions to whom such controls are delegated are autonomous, independent, and distinct from operating functions; they contribute to the definition of risk management policies and the risk management process. Specifically:
  - the **Risk Management function** has the task of controlling and maintaining the entire RMS, whose effectiveness it helps to ensure also through support activities for the Board of Directors and the Parent Company's Senior Management in defining and implementing the same;
  - the **Compliance function** identifies the applicable rules on an ongoing basis and ensures the management of the risk of non-compliance in accordance with the reference legislation, the Integrated Compliance System of the Poste Italiane Group and the Compliance Framework approved by the Parent Poste Vita's Board of Directors;
  - the **Actuarial function** contributes to the application of the Risk Management System through the performance of specific tasks relating to technical provisions, underwriting policies and reinsurance agreements;
  - the **Anti-Money Laundering function** continuously monitors the Company's exposure to the risk of money laundering and terrorist financing. The head of the function supports the Board of Directors in defining the policies/guidelines for governing this risk;
  - the **Information Security function** performs the tasks of assistance and reporting to the Administrative Body on information security matters, as well as monitoring and coordinating the related activities.
- **The Third Level Control:** Internal Auditing **function provides** independent *assurance* of the sufficiency and actual operations of the first and second levels of controls, and on the Corporate Governance System in general. In this context, the Internal Audit Function is responsible for monitoring and assessing the effectiveness, efficiency, and adequacy of the Internal Control Systems in terms of design and operation, also through integrated assessments and by overseeing the other components of the corporate governance system and any necessary adjustments to the system through the promotion of corrective actions or improvement plans implemented by management. Finally, the Internal Audit Function also provides support and advice to other corporate functions.

Pursuant to Article 30 of Legislative Decree 209/2005 - Private Insurance Code, the Risk Management, Compliance, Actuarial and Internal Auditing functions are defined as **Key Functions**.

The organisational model aims to ensure 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 Board Committees (the Appointments and Remuneration Committee and the Internal Control and Risks and Related Party Transactions Committee) also contributes to the operation of the model, as do the other functions and persons responsible for corporate control, such as: the Financial Reporting Manager pursuant to Law no. 262/2005, the Supervisory Board pursuant to Legislative Decree no. 231/01, the Suspicious Transaction Reporting Officer, the Tax Manager, the Data Governance Officer, the Data Protection Officer, the Individual Pension Plan Manager, the Function delegated to oversee the proper implementation of distribution policies, the Single Contact Person for the communication of statistical information, the Function for compliance with the prevention of corruption, the Person responsible for implementing and monitoring of Poste Italiane's consumer protection and competition compliance programme, the Person responsible for overseeing outsourced activities, etc.

The Parent Company Poste Vita has adopted an Organisational Model pursuant to Legislative Decree no. 231/01, with the objective of preventing the perpetration of the different types of offence envisaged by the Decree, and has appointed a specific Supervisory Board.

Adoption of the 231 Organisation Model and the rules of conduct contained therein combine with the "Poste Italiane Group's Code of Ethics" adopted by the companies in the Group, in keeping with similar code put in place by the Parent, Poste Italiane.

Finally, considering that the subsidiaries Net Insurance and Net Insurance Life implemented the guidelines provided by Poste Vita in the Internal Control and Risk Management System Guidelines in October 2024, it should be noted that, in June 2025, the role of functional guidance and coordination of the Heads of the Key Functions / Anti-Money Laundering Function of the UHC was also defined, to be exercised in respect of the Heads of the Group companies to ensure the uniformity of the working methods adopted and the achievement of the Group's control objectives. This coordination is carried out through the following activities: preventive guidance, management, advice and monitoring.

Organisational structure and personnel

The number of direct employees of the Poste Vita Group at 31 December 2025 was 750 (expressed in full time equivalent, 677 at 31 December 2024). Below is a breakdown of the workforce, divided by contract type and the relative changes with respect to the previous year:

Workforce Breakdown expressed in FTE	31.12.2025	31.12.2024	Change
Executives	51	47	4
Middle managers	415	361	53
Operational staff	279	259	20
Fixed-term contracts	6	10	(4)
Direct workforce	**750**	**677**	**73**

The increase of 73 employees in the Poste Vita Group is consistent with the objectives and the annual budget target, and includes the transfer of personnel (42 staff in terms of Full Time Equivalent - FTE) belonging to the compendium of activities and resources of the company Cronos following its total demerger on 1 October 2025.

With regard to training, in 2025, courses were mainly delivered in 'virtual' classroom mode (webinars) and in e-learning mode through the training platform adopted by the Poste Italiane Group. In addition, in-person training sessions were delivered for those practical training activities provided for in the Health and Safety at Work refresher programmes, and in experiential training projects for the development of soft skills and professional refresher initiatives compliant with insurance legislation (Ivass Regulation 40/2018).

The training activities mainly concerned "regulatory/compliance" training with particular reference to the following topics: Anti-corruption, Privacy and data protection, ESG, Legislative Decree no. 231/2001, GDPR, Governance, IVASS Regulations, IT Security, Occupational Health and Safety, Business Awareness, Fraud Management and specialised "technical" insurance training with a focus on IFRS17, insurance products and the insurance landscape, and Artificial Intelligence, as well as "development" courses aimed at enhancing soft skills (time management, assertive communication, public speaking, effective relationships, negotiation, decision-making, teamwork, leadership).

7. Relations with the ultimate parent and other Poste Italiane Group companies

Transactions between the Parent Company Poste Vita and its subsidiaries Poste Assicura, Net Insurance, Net Insurance Life, Poste Insurance Broker as well as transactions with Multi-Asset Funds have been eliminated in the Consolidated Financial Statements as part of the elimination of intercompany transactions and, therefore, are not shown in this section.

These transactions mainly involve:
- personnel secondment and transfer;
- operational organisation and use of equipment necessary to carry out business;
- collective policies covering critical illness and injuries;
- operational procedures relating to compliance with occupational health and safety regulations;
- operation and management of data protection procedures;
- operating management;
- management of Supervisory Reporting;
- centralisation of internal control, actuarial, organisation, legal and corporate affairs, investments and treasury, tax compliance, training and network support functions.

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

Relations with the Ultimate Parent Poste Italiane SpA, which holds all the shares, are governed by written contracts, settled by market conditions and regard mainly:
- the sale and distribution of insurance products at Post Offices and related activities;
- Post Office current accounts;
- the secondment of personnel from and to the Ultimate Parent Poste Italiane;
- support in organising the business and in the recruitment and management of personnel;
- the pick-up, packaging and shipping of ordinary mail;
- call centre services;
- office lease report;
- service of the purchasing, human resources, communication, anti-money laundering, IT, welfare, fraud management, administration and accounting functions.

Additionally, at 31 December 2025, the Ultimate Parent Poste Italiane had subscribed subordinate loans issued by the Company Poste Vita for a total of € 800 million, remunerated at market conditions reflecting the credit standing of the insurance Company.

The value of the investments held in the associates EGI and ECRA amounting to € 114 million (of which € 112 million related to the investment in EGI) is reported under assets at 31 December 2025.

In addition to relations with the Ultimate Parent Poste Italiane, Poste Vita Group companies also have operating relations with other Poste Italiane Group companies, with particular reference to:
- management of free capital and part of the investments in the portfolio of the Separately Managed Accounts (BancoPosta Fondi SGR, Anima SGR, ECRA);
- printing, enveloping and delivery of mail via information systems, management of incoming mail, dematerialisation and archiving of paper documents (Postel);
- shipping and personnel secondment services (SDA Express Courier);
- policies relating to the Injuries class (BancoPosta Fondi SGR), the General Liability class (PostePay) and the All Risk policies (Consorzio Logistica Pacchi and Europa Gestioni Immobiliari);

- services involving e-Procurement of forms, consumables, stationery and related services (Consorzio Logistica Pacchi);
- relationships relating to the subscription of membership fees and the management of Group events (Casina Poste);
- car rental services (Postego);
- mobile phone and staff secondment services (PostePay);
- mailing, printing and information services (Postel);
- management of liquidations and personnel-related services (Poste Welfare Servizi).

These types of transactions are also regulated on an arm's length basis.

8. Other information

Exemption from the preparation of the Non-Financial Statement

The Directors of the Ultimate Parent Company Poste Vita, have availed themselves of the exemption from preparing corporate sustainability reports pursuant to Article 7 of Legislative Decree no. 125 of 6 September 2024.

Information on own shares and/or shares of the Ultimate Parent held, purchased or sold in the Period

The companies of the Poste Vita Group do not own or have purchased or sold own shares or those of the Ultimate Parent Company.

Related party transactions

Related parties, in addition to the Poste Italiane Group companies whose transactions are described in the previous section, include, in accordance with IAS 24 (paragraph 9), the Ministry of Economy and Finance ("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 entities 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 2025, Poste Vita held a bond issued by Cassa Depositi e Prestiti as private placement for a nominal value of € 22 million and a total market value of € 22.7 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.

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) liquidation 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 "Posteprevidenza Valore" Individual Pension Plan and for which the recognition of claims for possible omissions in contributions for severance pay is sought) are also reported.

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

The disputes initiated against the subsidiary Poste Assicura at 31 December 2025 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, during the Period, some cases were identified which involved the underwriting of Non-Life insurance policies in the name of customers who then refuted their authenticity and cases of suspected wrongdoings with regard to claims not deemed genuine.

With regard to litigation not related to claims, to date, disputes are pending concerning the non-repayment of premiums paid and not enjoyed, as well as a case brought by an intermediary concerning financial claims against Poste Assicura, as commissions allegedly referring to activities performed for business referred to third-party customers of the Company. With reference to these positions, a provision for risks was made at 31 December 2025 for a total value of € 0.4 million.

Pending civil lawsuits against the subsidiary Net Insurance primarily relate to issues directly or indirectly underlying salary-backed loan products and, in particular, to the non-repayment of premiums paid and not enjoyed. With reference to this type of litigation, at the end of the Period, the subsidiary Net Insurance set aside € 0.4 million in a provision for risks.

Pending civil lawsuits against the subsidiary Net Insurance Life primarily relate to issues directly or indirectly underlying salary-backed loan products and, in particular, to the non-repayment of premiums paid and not enjoyed. With reference to this type of litigation, at the end of the Period the subsidiary Net Insurance Life allocated a provision for risks of € 5 thousand.

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 some penalties, pursuant to Article 32 of the aforementioned policy, for the period from 1 November 2019 to 31 October 2022.

Specifically, during the period from 1 November 2019 to 31 October 2021, the Company disbursed € 0.4 million to the counterparty during 2022, in accordance with a provision for risks set at € 0.5 million, recording a contingent asset of € 0.1 million.

At 31 December 2025, the provision for risks amounted to € 0.8 million and included the additional provision made in 2022 to cover potential liabilities arising from the amounts that the Company is expected to settle for the period from 1 November 2021 to 31 October 2022.

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, in late 2022, 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.). In view of this phenomenon, at the end of 2022, the subsidiary Poste Assicura had set aside an amount of € 1 million to the provision for risks, of which € 0.3 million had already been released in 2023, € 0.1 million released in 2024 and the remaining € 0.6 million in 2025 following the completion of the portfolio remediation activities, which have resulted/will result in the reimbursement, in respect of the positions concerned, of the amounts due to the policyholders.

Portfolio Analysis – calculation of the redemption premium for CPI policies for mortgages and loans

During 2025, following an analysis performed by the subsidiary Poste Assicura concerning CPI policies redeemed in 2024, aimed at verifying the correctness of the calculation of the redemption premium for partial or total early repayment, it emerged that an incorrect premium was returned for some positions. In relation to the above, a provision of € 0.2 million was made to the Provision for risks at 31 December 2025.

Portfolio Analysis – monitoring arrears

Following a portfolio analysis performed by the subsidiary Poste Assicura concerning overdue payments for retail, CPI and Incendio Mutui policies, a Provision for doubtful debts was set aside amounting to € 1 million at 31 December 2025 (€ 0.2 million at 31 December 2024).

Principal proceedings pending and relations with the Authorities

IVASS – Istituto per la Vigilanza sulle Assicurazioni (the Insurance Regulator)

The main pending proceedings concerning the Parent Company Poste Vita relate to the alleged breach of Article 183, paragraph 1, letter "a", of the Private Insurance Code (i.e. liquidation of insurance benefits beyond the contractual deadline), in particular:

- following the notice of objection served on 1 August 2024, the Institute, by order of 21 November 2025, imposed a fine of € 167,971 on Poste Vita, which the Parent Company Poste Vita paid within the terms of the law;
- following the notice of objection served on 25 February 2025, the Institute, by order of 10 December 2025, imposed a fine of € 173,581 on Poste Vita, which the Parent Company paid within the terms of the law.

Garante per la protezione dei dati personali (the data protection authority)

With the notification of 10 April 2025, the Data Protection Authority charged the Parent Company Poste Vita with violations pursuant to Article 166, paragraph 5, of Legislative Decree no. 196 of 30 June 2003, of the principles of "lawfulness, fairness and transparency" and of "integrity and confidentiality" referred to in Article 5, paragraph 1(a) and (f) of EU Regulation 2016/679 ("GDPR"), as well as Article 33, paragraph 1 of the GDPR.

The proceedings were triggered by a complaint lodged by a customer of the Company concerning the processing of data relating to three life insurance policies held by the customer.

The Company formulated its defence notes, which it notified to the Italian Data Protection Authority within the deadline, also informing the Authority that it had filed a criminal complaint for the facts reported by the customer in the complaint.

At the end of the proceedings, the Data Protection Authority, by order of 10 July 2025, imposed a fine of € 80,000 on Poste Vita, with the option of settlement within 30 days by paying half the amount. Following internal assessments, the Parent Company decided to proceed with the payment of the total sum of € 40,000 by way of the aforementioned settlement.

Bank of Italy

With regard to the investigations conducted between 2015 and 2016 by the Bank of Italy's Financial Intelligence Unit (FIU) against the Parent Company Poste Vita on the subject of anti-money laundering pursuant to Articles 47 and 53, paragraph 4 of Legislative Decree no. 231 of 2007, on 8 July 2016, the FIU notified the Company 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 Company carried out its assessment of the case and filed opposition to said decree within the terms of the law. The proceedings are pending.

CONSOB

It is noted that at 31 December 2025, a proceeding is pending before the Lazio Regional Administrative Court brought by the Parent Company Poste Vita with an appeal against the exclusion from the European open tender called by CONSOB.

At the hearing on the merits scheduled for 13 January 2026, the court ordered an adjournment to 7 April 2026.

INPS

By ruling no. 1774/2025, published on 12 February 2025, the Labour Court of Rome fully upheld the appeal filed by the Parent Company Poste Vita on 24 May 2023, seeking a declaration that the sums paid by the company to INPS by way of contributions for family benefits and penalties for the period September 2014 - September 2019, totalling € 9.1 million, were not due, and ordering the Institute to repay the aforementioned sums.

In December, the Parent Company received payment of the sums due from INPS.

By ruling no. 1234/2025, published on 30 January 2025, the Labour Court of Rome fully upheld the appeal filed by the subsidiary Poste Assicura seeking a declaration that the sums paid by the company to INPS by way of contributions for family benefits and penalties for the period September 2014 - September 2019, totalling € 1 million, were not due, and ordering the Institute to repay the aforementioned sums.

Last December, Poste Assicura received payment of the sums due from INPS.

Ministry of the Environment and Energy Security

On 4 September 2025, the Ministry of the Environment and Energy Security notified the Parent Company Poste Vita of a fine for the joint and several liability of the company and its legal representative as the material perpetrator of the violation, since, by failing to comply with the provisions of Article 8 of Legislative Decree no. 102/2014, they failed to carry out the energy audit by the deadline of 5 December 2024, thereby incurring the fine referred to in Article 16, paragraph 1, of the same decree.

The fine is € 4,000 (payment within 60 days of notification) and compliance, i.e. the energy audit, if not already done, must take place within 90 days of notification of the fine, under penalty of “an additional fine of between € 1,500 and € 15,000”.

At the end of the proceedings, the Ministry confirmed the fine, which Poste Vita paid within the terms of the law.

IVASS Inspection

On 16 December 2025, the inspection initiated on the Parent Company Poste Vita on 7 October 2025 by the Supervisory Authority aimed at verifying the figures of the Consolidated Financial Statements at 31 December 2024, prepared in accordance with international accounting standards, with particular reference to the issues of recognition, measurement and presentation of insurance contracts in accordance with IFRS 17, was concluded. The results of the aforementioned inspection report will be communicated to the Company in accordance with the Institute’s ordinary procedures.

Other significant events

Allocation of profit and distribution of retained earnings from previous years and approval of the ORSA

In line with the 2025 Budget and with the dividend policy set out in the Capital Management Plan of Poste Vita and the Poste Vita Group, on 7 April 2025 the Company's Board of Directors approved the proposal (resolved by the Shareholders' Meeting on 30 April 2025) to distribute a dividend of € 1,000 million from the profits shown in the 2024 financial statements and to distribute retained earnings from previous years in the amount of € 500 million.

At the same meeting, the Board of Directors approved the results of the ORSA (Own Risk Solvency Assessment) assessments of Poste Vita and the Poste Vita Group at 31 December 2024.

Cronos Vita Assicurazioni

Cronos Vita Assicurazioni SpA ("Cronos") was established on 3 August 2023 by the Parent Company Poste Vita, Allianz SpA, Intesa Sanpaolo Vita SpA, Generali Italia SpA and UnipolSai Assicurazioni SpA as part of a system-wide transaction to take over Eurovita's Life policy portfolio following the latter's crisis. On 1 October 2025, the non-proportional demerger of Cronos (authorised by IVASS on 14 May 2025) became effective, as a result of which each of the five shareholders was allocated a single and complete divided asset, and Cronos was dissolved concurrently.

Net Holding - liquidation

On 13 March 2025, the liquidation process of Net Holding SpA was completed, and currently the Parent Company Poste Vita directly holds a 58.7% stake in Net Insurance.

IBL Assicura Srl

On 22 January 2025, the subsidiary Net Insurance SpA completed the acquisition of a 19.9% stake in the share capital of IBL Assicura Srl.

Repayment of subordinated loan

With reference to the Tier 2 perpetual subordinated bond loan of € 250 million issued by the Parent Company Poste Vita on 18 April 2008 and fully subscribed by Poste Italiane, and for which the Supervisory Authority granted authorisation for repayment on 17 June 2025, Poste Vita, in compliance with the provisions of Delegated Regulation (EU) 2015/35 of 10 October 2014 (the so-called "Delegated Acts"), Article 24 of IVASS Regulation no. 25 of 26 July 2016, and on the basis of the provisions of the terms and conditions of the Loan, made the repayment on 20 October 2025 for a total amount of € 256.7 million (of which € 250 million in principal and € 6.7 million in interest).

Reorganisation of roles within the Board of Directors

On 18 June 2025, the Board of Directors of the Parent Company, Poste Vita, received the resignation of Mr. Andrea Novelli from the office of Chief Executive Officer and General Manager and of Ms. Maria Bianca Farina from the office of Chair of the Board of Directors. Consequently, on the recommendation of the Ultimate Parent Poste Italiane, within the scope of its management and coordination, it appointed, with effect from the end of the aforementioned meeting, i) Director Mr. Andrea Novelli as Chair of the Board of Directors, ii) Director Ms. Maria Bianca Farina as Deputy Chair of the Board of Directors, and iii) Director Ms. Laura Furlan as Chief Executive Officer.

Poste Assicura - Authorisation to conduct reinsurance business

On 12 December 2025, IVASS notified the subsidiary Poste Assicura of the extension of the authorisation to conduct reinsurance business in classes 2. Illness and 14 Credit, limited to asset losses from defaults, as per Article 2, paragraph 3 of Legislative Decree no. 209 of 7 September 2025.

Issue of subordinated loan - Net Insurance

On 23 December 2025, the Board of Directors of the Parent Company Poste Vita approved, as part of a transaction to strengthen the capital of the subsidiary Net Insurance, the subscription of a 60% stake in a subordinated bond with a nominal amount of € 20 million (with a possible increase, at the discretion of the issuer, up to € 30 million by 1 December 2026) issued by the subsidiary Net Insurance on 23 December 2025. This Tier II subordinated bond loan has a ten-year term (maturing on 30 December 2035), with the option for the issuer to redeem it early at par from the fifth year after its issue date, subject to authorisation by IVASS.

Regulatory developments

During the period and in any case by the date of presentation of the report, the following regulatory amendments have taken place, which impact or could impact the activity/sector in which the Poste Vita Group operates.

IVASS Order no. 166 of 12 December 2025

This provision stipulates that for the purposes of determining the supervisory contribution on insurance and reinsurance activities referred to in Article 335, paragraph 2, of Legislative Decree no. 209 of 7 September 2025, for the financial year 2026, the rate for management charges to be deducted from premiums collected is set at 4.40% of the aforementioned premiums.

IVASS Consultation Document no. 1/2026 - Valuation of non-durable securities in the financial statements

On 10 February, IVASS published Regulation no. 57 containing the “IVASS Draft Regulation concerning the implementation of the provisions of Law no. 199 of 30 December 2025, relating to the option of valuing non-durable securities on the basis of the value reported in the last annual financial statements”.

The Regulation in question implements Article 1, paragraphs 65 to 67, of Law no. 199 of 30 December 2025, which allows companies that do not adopt international accounting standards to derogate, for the 2025 and 2026 financial years, from the Italian Civil Code rules on the valuation criteria for “non-durable” securities, and replaces, by repealing it, Regulation no. 52/2022.

In detail, Law no. 199/2025, in paragraphs 65 and 66 of Article 1, provides:

- in paragraph 65, it introduces the "option for entities that do not adopt international accounting standards, in the financial years 2025 and 2026, to value securities not intended to remain permanently in their assets on the basis of their carrying amount, as shown in the last duly approved annual financial statements, instead of the realisable amount inferable from market trends, except for permanent losses";
- under paragraph 66, it establishes that "companies that avail themselves of the option set out in paragraph 65 allocate to unavailable reserves all profits in the amount corresponding to the difference between the values recorded in application of the option and the market values recorded at the closing date of the reference period, net of the relevant tax charge. In the event that the profit for the year is less than the amount of the aforementioned difference, the reserve shall be supplemented using profit reserves or other available equity reserves or, failing that, by profits from subsequent years".

The Company intends to take advantage of this option for the purposes of preparing the financial statements at 31 December 2025 (by sterilising € 1.3 billion of net value adjustments before tax effects), the approval of which will be submitted to the Board of Directors on 27 March 2026.

Communication to the market on ICT security and the application regime of the DORA Regulation

In December 2024, the Bank of Italy published two communications on its website relating respectively to: i) a self-assessment, to be carried out by intermediaries, of their ICT risk management framework, and ii) organisational and operational aspects of the application of the DORA Regulation. During 2025, within the stipulated time-frame, the self-assessment was submitted and the project to comply with the ICT risk management framework and the other provisions contained in the DORA Regulation for BancoPosta RFC and for the supervised entities of the Poste Italiane Group was substantially finalised, with further strengthening measures underway.

Bank of Italy/CONSOB/IVASS Document no. 10 of 30 January 2026 on the Application of IAS/IFRS

The Bank of Italy, CONSOB and IVASS published joint document no. 10 of 30 January 2026 on the accounting treatment of the asset towards customers arising from the advance payment of stamp duty on the insurance policies in the life classes classified as financial liabilities. The document is the result of the coordination round-table group between the Bank of Italy, CONSOB and IVASS on the application of IAS/IFRS, and follows the changes introduced by the 2025 Budget Law, which provides, from 2025, for the obligation for insurance companies to pay stamp duty annually on the insurance policies in the life classes. For policies existing on 1 January 2025, there is also a 4-year payment plan for the tax accrued in previous years.

The law also specifies that, in relation to the amounts paid, insurance companies may only recover from customers when the benefit is paid out (upon maturity or lapse of the policy): the payment of stamp duty by the companies therefore generates a right in their favour that will produce economic benefits, consisting in using the sums paid to fulfil, in part, the liability associated with the policies. Therefore, in the specific case of life policies classified as financial instruments for IAS/IFRS financial statement purposes and treated as financial liabilities, applying the international accounting standard IFRS 9 "Financial Instruments", this payment entails the recognition of an asset due from customers (to be recognised under other assets in the Statement of financial position) which must be recognised at present value[21] where the effect resulting from discounting is material. In addition, companies will have to disclose, as part of their periodic financial statements prepared in accordance with IAS/IFRS, detailed information on the effect of discounting the asset due from the customer.

In this regard, it should be noted that for the Parent Company Poste Vita, the discounting effect of the asset due from the customer at 31 December 2025 is considered not significant and therefore, this asset will be recognised at nominal value.

21. The present value shall be calculated using a prevailing risk-free market rate of financial instruments similar in terms of expected maturity. The difference between the nominal value and the present value of the asset must be recorded as an expense in the statement of profit or loss.

Accounting standards, amendments and improvements applicable as of 1 January 2025

- **Amendment to IAS 21 - Effects of changes in exchange rates** with the objective of establishing criteria for a consistent evaluation of the exchangeability of currencies and the determination of the exchange rate to be applied in cases where currencies are assessed as non-exchangeable. It also establishes the information to be provided in the notes to the financial statements as to how these evaluations were made.

The adoption of the above amendments did not significantly affect the financial reporting of this document.

Accounting standards, amendments and improvements applicable in subsequent years

- **Amendments to the Classification and Measurement of Financial Instruments – "Amendments to IFRS 9 and IFRS 7"** with the aim of clarifying some problematic aspects that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary upon the achievement of ESG objectives (i.e. green bonds). It also establishes the information to be provided in the notes to the financial statements as to how these evaluations were made.
- **Contracts Referencing Nature-dependent Electricity – "Amendment to IFRS 9 and IFRS 7"** with the objective of supporting entities in reporting the financial effects of contracts for the purchase of electricity produced from renewable sources (often structured as "Power Purchase Agreements"). On the basis of these contracts, the amount of electricity generated and purchased may vary according to uncontrollable factors such as weather conditions.
- **"Annual Improvements Volume 11".** The document includes clarifications, simplifications, corrections and changes aimed at improving the consistency of various IFRS Accounting Standards. The amended standards are:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and the related guidelines on the implementation of IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash Flows.

In addition, IFRS 18 will come into force from 1 January 2027. For information on its implementation, please refer to the preliminary information provided in the following paragraph.

As of the reporting date, the IASB has issued some financial reporting standards, amendments and interpretations not yet endorsed by the European Commission:

- IFRS 19 Subsidiaries without Public Accountability: Disclosures;
- Amendments to IFRS 19 Subsidiaries without public accountability: Disclosures;
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency.

The potential impact on the Poste Italiane Group's financial reporting of the accounting standards, amendments and interpretations due to come into effect is currently being assessed. It should also be noted that the Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet in force.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 "Presentation of Financial Statements". IFRS 18 introduces new requirements for the presentation of the statement of profit or loss, including specific totals and subtotals. In addition, entities will have to classify all costs and revenue within the statement of profit or loss into five categories: operating, investing, financing, income taxes and discontinued operations, of which the first three represent an innovation compared to the previous framework.

The standard also requires disclosure based on the new definition of management-defined performance measures (MPMs), on the subtotals of costs and revenue, and introduces new provisions for the aggregation and disaggregation of financial information, considering the roles assigned to the Primary Financial Statements (PFS) and the notes to the financial statements.

Amendments have also been made to IAS 7 "Statement of Cash Flows", which include a revision of the starting point for determining cash flows from operating activities under the indirect method: from net result to operating result. The option to choose the classification of cash flows relating to dividends and interest has also been eliminated. Further consequential amendments have been made to other accounting standards to enable a harmonised application of the standard.

IFRS 18 and the amendments to the other standards are applicable to financial years beginning on or after 1 January 2027. IFRS 18 must be applied retrospectively.

It should be noted that Poste Italiane has set up an internal working group, with the support of external professionals, to identify the impacts that the new provisions will have on the financial statements and notes to the financial statements, while monitoring:

- the transposition of the requirements into the reference regulations by the local authorities (including the Bank of Italy and IVASS);
- the ongoing discussions at the IFRS Interpretation Committee;
- any indications from ESMA.

IVASS - Life Insurance Guarantee Fund

The 2024 budget law[22] has established the "Life insurance guarantee fund", an associative body established between insurance companies and participating intermediaries with the aim of intervening to protect those who are entitled to benefit from the insurance benefits of those companies. The aforesaid fund settles the protected benefits up to a maximum amount of € 100 thousand for each beneficiary and its financial endowment is established by means of the funding made available to the members, so as to reach an amount equal to at least 0.4 per thousand of the amount of the life business technical provisions (determined in accordance with the Solvency II calculation methods) at 31 December of the previous year.

On 30 December 2025, IVASS notified the participating companies of the approval of the Fund's Articles of Association and at the same time informed the participants to consider, for the contribution pertaining to the financial year 2025, a budget entry of an amount calculated in a manner similar to that used for the financial year 2024.

With regard to the Poste Vita Group, the amount of the contribution at 31 December 2025, calculated on the basis of the technical provisions at 31 December 2024 determined in accordance with Solvency II regulations, is estimated to be approximately € 62 million.

22. Law no. 213 of 30 December 2023. "State budget for the financial year 2024 and multi-year budget for the three-year period 2024-2026" published in Official Journal no. 303 of 30 December 2023.

Main new tax legislation relevant to the Group

VAT regime for seconded personnel - Article 16-ter of Decree-Law no. 131/2024 (so-called "Infringement Decree")

Article 16-*ter* of Decree-Law no. 131/2024 (the so-called Infringement Decree) provided for the repeal of Article 8, paragraph 35, of Law no. 67/1988, according to which "*loans or secondments of personnel for which only the reimbursement of the relevant cost is paid are not to be considered relevant for VAT purposes*".

The Court of Justice's guidance, according to which – essentially – secondments of personnel should be subject to VAT, has therefore been implemented.

This regulatory amendment applies to loans and secondments of personnel entered into or renewed on or after 1 January 2025 and is without prejudice to the conduct adopted by taxpayers prior to that date (in accordance with the Court of Justice's judgment of 11 March 2020 in Case C-94/19 or in accordance with Article 8(35) of Law no. 67/1988, for which no final assessments have been made).

The Ministerial Decree of 6 December 2024 on the documentation for the non-application of sanctions relating to hybrid mismatch

The Decree of the Ministry of Economy and Finance regulates the characteristics and timing of submission to the Tax Authorities of the documentation to obtain the non-application of sanctions, in the event of a violation of the rules dictated by Legislative Decree no. 142/2018, on the subject of hybrid mismatch.

In particular, Legislative Decree no. 142/2018, in implementation of EU Council Directive no. 2016/1164, as amended by Directive no. 2017/952, has transposed into our legal system the rules suitable for countering tax avoidance practices, which directly affect the functioning of the Union's internal market, in relation to hybrid mismatch arrangements with third countries. The effect of such mismatches is, in fact, often a deduction in both States (double deduction) or a deduction of income in one State without it being included in the tax base of the other State (deduction without inclusion) or even the receipt of undue tax credits for taxes paid abroad.

In general, the term hybrid identifies agreements or structures, attributable to different types such as hybrid financial instruments, hybrid entities, hybrid financial transfers, entities with dual residence, implemented in order to achieve a reduction in the overall tax burden.

The Decree in question implements the provision contained in Article 1, paragraph 6- *bis*, of Legislative Decree 471/1997, which provides that "*In the event of a dispute relating to the provisions on hybrid mismatch arrangements referred to in Chapter IV of Legislative Decree no. 142 of 29 November 2018, which results in a higher tax or a reduction in the credit, the penalty referred to in paragraph 2 shall not apply if, during the access, inspection or audit or other preliminary investigation, the taxpayer delivers to the Tax Authorities the documentation, with a certain date, indicated in a specific decree of the Ministry of the Economy and Finance, which is suitable for verifying the application of the rules aimed at neutralising hybrid mismatch arrangements. The taxpayer who holds the documentation required by the decree referred to in the first sentence shall notify the Tax Authorities accordingly in accordance with the procedures and deadlines indicated therein. In the absence of such communication, paragraph 2 shall apply* ". In practice, this is a "protective" rule ("penalty protection") which, if applied, makes it possible to avoid the penalty for false declaration referred to in Article 1, paragraph 2, of Legislative Decree 471/1997).

According to the initial indications provided by the Decree, the documentation suitable for verifying the application of the rules must be prepared in Italian for each tax period involved and with reference to each taxable person. With regard to the content, the documentation must include information relating to the multinational group and the individual taxable persons included therein, respecting the approach set out in Annex A and the procedure described in Annex B to the Decree, in relation to each taxable person.

Article 5 of Decree-Law no. 84 of 17 June 2025 subsequently amended Article 61, paragraph 3, of Legislative Decree no. 209/2023 regarding the time limit for preparing the documentation relating to the rules to combat hybrid mismatch arrangements, in order to benefit from penalty protection.

In particular, paragraph 3 of the aforementioned Article 61 of Legislative Decree no. 209/2023 provided for the possibility of extending the penalty protection set out in paragraph 6-bis of Article 1 of Legislative Decree no. 471/1997 also to tax periods prior to the entry into force of Legislative Decree no. 209/2023, provided that the documentation was prepared, with a certain date, by the deadline for filing the tax return relating to the tax period in progress on the date of entry into force of Legislative Decree no. 209/2023 or, if later, by the sixth month following the date of approval of the implementing Ministerial Decree of 6 December 20244 (transitional period).

With the amendments made by Article 5, the transitional period is eliminated and the deadline for preparing the documentation is generalised to 31 October 2025 (the deadline set for submitting the tax return relating to the tax period in progress on the date of approval of the aforementioned Ministerial Decree, i.e. the 2024 tax period), including for the years prior to the entry into force of Legislative Decree no. 209/2023.

Amendments to the transitional regime for the deductibility of write-downs and loan losses of banks and insurance companies - Article 1, paragraphs 14-15 of Law no. 207 of 30 December 2024 (so-called ("2025 Budget Law")

Paragraphs 14 and 15 of Article 1 of the Budget Law 2025 further modify the transitional deductibility regime, for IRES and IRAP purposes, of write-downs and loan losses of banks, financial companies and insurance companies. Specifically, it establishes:

- in paragraph 14, the deferral, on a straight-line basis, to the tax period at 31 December 2026 and to the following three tax periods, of the deduction of the 11% portion of the amount of the negative components provided for the tax period at 31 December 2025, pursuant to Article 16 of Decree-Law no. 83/2015;
- in paragraph 15, the deferral, on a straight-line basis, to the tax period at 31 December 2027 and the two following tax periods, of the deduction of the 4.7% portion of the amount of the negative components provided for the tax period at 31 December 2026, pursuant to Article 16 of Decree-Law no. 83/2015.

Measures regarding the payment of stamp duty for life insurance contracts – Article 1, paragraphs 87-88, of Law no. 207 of 30 December 2024 (so-called ("2025 Budget Law")

The Budget Law changed the methods of payment of stamp duty on financial instruments, with reference to communications relating to life insurance contracts, to bring them into line with the standard methods of payment applied to other sectors.

Specifically, paragraph 87 establishes that for communications relating to life insurance contracts, the stamp duty referred to in Article 13, paragraph 2-ter, of the tariff attached to Presidential Decree no. 642/1972, is due annually and the corresponding amount is paid annually, starting from 2025, by insurance companies using the ordinary methods set out in Article 4 of the Decree of the Minister of Economy and Finance of 24 May 2012.

The following paragraph 88 specifies the methods of payment of the tax, establishing that for life insurance contracts in force on 1 January 2025, the amount corresponding to the total amount of the stamp duty referred to in the aforementioned Article 13, paragraph 2-ter, of the tariff attached to Presidential Decree no. 642/1972, calculated for each year up to 2024, is paid in an amount equal to:

- 50 per cent by 30 June 2025 (already paid by the Parent Company, Poste Vita, in June 2025);
- 20 per cent by 30 June 2026;
- 20 per cent by 30 June 2027;
- 10 per cent of the remaining quota by 30 June 2028.

It is understood that the amount corresponding to the stamp duty paid annually by the insurance undertaking is deducted from the benefit paid out upon maturity or lapse of the policy.

Law no. 199 of 30 December 2025 ("2026 Budget Law")

Below are the main changes introduced by the 2026 Budget Law of interest to the Company:

Amendments to the IRAP regulations for banks, financial intermediaries and insurance companies (paragraphs 46-50)

Articles 6 and 7 of Legislative Decree no. 446/1997 have been amended in order to adapt the content of the domestic legislation to the judgment of the EU Court of Justice of 1 August 2025 (Joined Cases C-92/24 to C-94/24) to align the tax treatment, for IRAP purposes, of intra-EU or EEA dividends received by financial intermediaries and insurance companies respectively with Article 4 of Directive 2011/96/EU (the "*Parent-Subsidiary Directive*").

Therefore, through the insertion of paragraph 6-*bis* in Article 6 and paragraph 1- *bis* in Article 7 of Legislative Decree no. 446/1997, it is established that dividends from subsidiaries (located in other EU or EEA Member States) that meet the requirements to fall within the scope of the aforementioned "Parent-Subsidiary" Directive shall be excluded from the formation of the value of the net production of the receiving company or entity for 95% of their amount. The 95% exclusion will, however, apply only upon the occurrence of the condition set out in Article 44, paragraph 2, letter a) of the TUIR, i.e. only to dividends from non-resident companies and entities relating to securities and financial instruments for which the non-deductibility of the related remuneration from income is provided for in the foreign State of residence of the issuer. The provisions in question will apply as of the tax period in progress at 31 December 2025.

For tax periods prior to the latter, the portion of IRAP relating to dividends that contributed to the formation of the value of net production, pursuant to Articles 6 and 7 of Legislative Decree no. 446/1997, to the extent that it exceeds the amount provided for under the new provisions, may only be claimed for refund if the 48-month limitation period from the date of payment is still pending (pursuant to Article 38 of Presidential Decree no. 602/1973).

Changes to the taxation regime for dividends and capital gains (paragraphs 51-55)

The 2026 Budget Law, reformulating the reference rules, makes the partial exclusion of dividends from the formation of the income of business entities subject to compliance with a requirement linked to the minimum shareholding in the company distributing them. The partial exclusion regime is alternatively granted on condition that the investment held:
iii. is at least 5% in terms of shareholding;
iv. has a tax value of at least € 500,000.

Pursuant to the new Article 27, paragraph 3-ter of Presidential Decree no. 600/1973, the same shareholding requirements (minimum shareholding of 5%, or minimum tax value of the shares or units of € 500,000) must be met by companies and entities resident in EU/EEA States in order to benefit from the reduced withholding tax rate of 1.20% on dividends from Italian sources; otherwise, the option remains to claim withholding tax at the rate provided for in the Double Taxation Conventions, where applicable.

The new requirement linked to the size of the shareholding applies to distributions approved from 1 January 2026 (par. 54).

The same requirements related to the size of the shareholding must be met for the purposes of the participation exemption referred to in Article 87 of the TUIR and Article 58 of the TUIR.

The new requirement (minimum shareholding of 5%, or with a minimum tax value of € 500,000) is in addition to the further requirements for *participation exemption* (period of ownership of the shareholding, first recognition of the shareholding as a financial fixed asset, tax residence of the investee in a State with ordinary taxation and the investee's operation of commercial businesses). The new requirement linked to the size of the shareholding applies to capital gains realised in connection with the sale of shareholdings acquired from 1 January 2026.

The criterion for determining the advance payment due for the tax period following the one in progress on 31 December 2025 (the 2026 tax period, for entities with a financial year coinciding with the calendar year) is also established.

More precisely, by applying the "historical criterion", in determining the advance payment due for the tax period following the one in progress at 31 December 2025, the tax for the previous period is assumed to be that which would have been determined by applying the provisions of paragraph 51.

Measurement of securities recorded under current assets (paragraphs 65-67)

For the 2025 and 2026 financial years, the exception to the criteria for the measurement in the financial statements of securities recorded under current assets is reintroduced. This allows entities that adopt national accounting standards to maintain the same values as in the previous financial statements, avoiding write-downs based on the realisable value inferable from market trends, except in the case of a durable loss.

Companies that avail themselves of said option allocate to unavailable reserves profits in the amount corresponding to the difference between the values recorded in application of the option and the market values recorded at the closing date of the reference period, net of the relevant tax charge. In the event that the profit for the year is less than the amount of the aforementioned difference, the reserve shall be supplemented using profit reserves or other available equity reserves or, failing that, by profits from subsequent years.

For companies in the insurance sector, it is expressly provided that the procedures for implementing the provisions of paragraphs 65 and 66 are established by the Istituto per la Vigilanza sulle Assicurazioni (the Italian insurance regulator) in its own regulations, which also govern the procedures for their application. Insurance companies apply the aforementioned provisions after verifying consistency with the structure of the financial commitments related to their insurance portfolio.

Temporary increase in the IRAP rate for financial intermediaries and insurance companies (paragraphs 74-75)

Paragraph 74 of the 2026 Budget Law provides, for the 2026, 2027 and 2028 tax periods, for an increase of two percentage points in the basic IRAP rates provided for in Article 16, paragraph 1-bis(b) and (c), of Legislative Decree no. 446/1997. As a result of this amendment, for the years 2026, 2027 and 2028, the IRAP rates are as follows:
v. 6.65% (instead of 4.65%) for banks and financial intermediaries;
vi. 7.90% (instead of 5.90%) for insurance companies.

In order to mitigate the financial impact of the increase in rates on the taxable persons concerned, a deduction of € 90,000 is granted up to the difference between (i) the tax resulting from the application of the transitional rates and (ii) the tax determined in the absence of the transitional rates. This deduction is to be applied for the tax period following the one in progress on 31 December 2026 and for the following one (i.e. for the years 2027 and 2028 for entities with a financial year coinciding with the calendar year).

Finally, the increase in rates must be taken into account for the purposes of determining the IRAP advance payment due for the tax period following the one in progress at 31 December 2025, by entities applying the historical method.

Limit on the deduction of write-downs of bonds recorded as financial fixed assets (paragraph 130)

The 2026 Budget Law introduces, in paragraph 130, amendments to the provisions of Presidential Decree no. 917/1986 (the "Consolidated Law on Income Tax – TUIR") which govern the limits of deductibility, for IRES entities, of write-downs of bonds.

Specifically, letter a) – replacing paragraph 4 of Article 94 of the TUIR (entitled "Measurement of securities") – establishes that, for the purposes of applying the measurement criterion provided for in Article 92, paragraph 5 of the TUIR to bonds (and other securities in series and bulk other than shares and financial instruments similar to shares) that do not constitute financial fixed assets and therefore fall, pursuant to Article 85, paragraph 1, letter e) of the TUIR, under revenue, the minimum value of the same is determined:

- within the limits of the arithmetic mean of the prices recorded in the last six months, for securities traded on regulated markets (new letter a) of Article 94, paragraph 4);
- by applying to the fiscally recognised value any decrease inferred from the overall performance of the Italian electronic bond market (the "MOT") over the last six months, for other unlisted securities (new letter b) of Article 94, paragraph 4).

Therefore, based on the new wording of Article 94, paragraph 4, for UCI entities, write-downs of bonds recorded in current assets are deductible within the limits of the MOT trend recorded in the last 6 months prior to the end of the tax period with regard to unlisted securities (the tax floor), or within the limits of the arithmetic mean of the prices recorded in the last six months for securities traded on regulated markets.

9. Significant events after the end of the period

Evolution of the market context

Escalating international geopolitical tensions, with particular reference to developments in the Middle East involving the United States, Israel and Iran, resulted in an increase in volatility in the financial markets and energy commodity prices.

The Poste Vita Group has analysed the effects of these developments on its financial position, results of operations and cash flows, as well as on the main estimates and assumptions used in preparing the financial statements. Based on the analyses carried out, including the impairment tests conducted in accordance with IAS 36, there are currently no significant impacts or evidence of impairment of the assets recognised in the financial statements.

The Group will continue to monitor the evolution of the macroeconomic environment, with particular attention to the dynamics of inflation and interest rates, evaluating possible prospective effects.

10. Business outlook

The Poste Vita Group will continue in line with the strategic guidelines relating to the development of its offering in order to offer innovative and effective insurance solutions to customers, integrating savings and protection products into simple and highly professional solutions.

With regard to investments and savings, the Group will continue to evolve its offering both with regard to the flagship product range, and with regard to the product range for specific customer segments, in order to meet customer needs, attract new liquidity from the market and maximise retention. The Group will also be engaged in relaunching the Posteprevidenza Valore Individual Pension Plan. Finally, the Poste Vita Group will leverage integrated advice to promote insurance protection.

Rome, 10 April 2026
The Board of Directors






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Consolidated accounting schedules

Statement of financial position - Assets

€m		31.12.2025	31.12.2024
1.	**INTANGIBLE ASSETS**	**148**	**146**
	of which: goodwill	*124*	*124*
2.	**TANGIBLE ASSETS**	**26**	**25**
3.	**INSURANCE ASSETS**	**366**	**324**
3.1	Insurance contracts issued constituting assets		
3.2	Outward reinsurance constituting assets	366	324
4.	**INVESTMENTS**	**168,443**	**163,245**
4.1	Investment property		
4.2	*Investments in associates and joint ventures*	114	113
4.3	Financial assets measured at amortised cost	2,570	2,303
4.4	Financial assets measured at fair value through other comprehensive income	110,316	107,496
4.5	Financial assets measured at fair value through profit or loss	55,443	53,333
	a) financial assets held for trading	*28,593*	*33,809*
	b) financial assets designated at fair value		
	c) other financial assets mandatorily measured at fair value	*26,850*	*19,523*
5.	**OTHER FINANCIAL ASSETS**	**169**	**148**
6.	**OTHER ASSETS**	**2,993**	**3,090**
6.1	Non-current assets or disposal groups held for sale		50
6.2	Tax assets	2,991	3,039
	a) current	*2,089*	*2,131*
	b) deferred	*902*	*908*
6.3	Other assets	2	2
7.	**CASH AND CASH EQUIVALENTS**	**3,974**	**4,611**
	TOTAL ASSETS	**176,118**	**171,589**

Statement of financial position – Equity and liabilities

€m		31.12.2025	31.12.2024
1.	**EQUITY**	**6,530**	**6,983**
1.1	Share capital	1,217	1,217
1.2	Other equity instruments	800	800
1.3	Capital reserves		
1.4	Revenue reserves and other equity reserves	3,419	3,930
1.5	Treasury shares (-)		
1.6	Valuation reserves	(78)	(83)
1.7	Equity attributable to non-controlling interests (+/-)	80	80
1.8	Net profit/(loss) for the year attributable to owners of the Parent (+/-)	1,078	1,029
1.9	Net profit/(loss) for the year attributable to non-controlling interests (+/-)	14	11
2.	**PROVISIONS FOR RISKS AND CHARGES**	**11**	**12**
3.	**INSURANCE LIABILITIES**	**166,251**	**161,966**
3.1	Insurance contracts issued constituting liabilities	166,251	161,966
3.2	Outward reinsurance constituting liabilities		
4.	**FINANCIAL LIABILITIES**	**1,373**	**894**
4.1	Financial liabilities measured at fair value through profit or loss	927	617
	a) financial liabilities held for trading	*195*	*617*
	b) financial liabilities designated at fair value	*731*	
4.2	Financial liabilities measured at amortised cost	447	278
5.	**PAYABLES**	**825**	**672**
6.	**OTHER LIABILITIES**	**1,128**	**1,062**
6.1	Liabilities included in disposal groups held for sale		
6.2	Tax liabilities	1,035	985
	a) current	*504*	*546*
	b) deferred	*531*	*439*
6.3	Other liabilities	94	76
	TOTAL EQUITY AND LIABILITIES	**176,118**	**171,589**

Statement of profit or loss

€m		31.12.2025	31.12.2024
1.	Insurance revenue from insurance contracts issued	3,205	2,813
2.	Costs for insurance services arising from insurance contracts issued	(1,618)	(1,386)
3.	Insurance revenue from outward reinsurance	114	128
4.	Costs for insurance services arising from outward reinsurance	(152)	(160)
5.	**Result of insurance services**	**1,550**	**1,395**
6.	Income/expenses from financial assets and liabilities measured at fair value through profit or loss	2,190	3,004
7.	*Income/expenses from investments in associates and joint ventures*	1	2
8.	Income/expenses from other financial assets and liabilities and from investment property	3,445	3,348
8.1	*- Interest income calculated using the effective interest method*	*3,455*	*3,424*
8.2	*- Interest expense*	*(57)*	*(61)*
8.3	*- Other income/expenses*	*(0)*	*(0)*
8.4	*- Gains/losses from realisation*	*52*	*(30)*
8.5	*- Gains/losses from valuation*	*(4)*	*16*
	of which: Connected with impaired financial assets	(4)	16
9.	**Investment income and expenses**	**5,636**	**6,354**
10.	Net financial costs/revenue related to insurance contracts issued	(5,514)	(6,358)
11.	Net financial revenue/costs related to outward reinsurance	9	10
12.	**Net financial result**	**131**	**6**
13.	Other revenue/costs	(7)	182
14.	Operating expenses:	(123)	(118)
14.1	*- Investment management expenses*	*(10)*	*(10)*
14.2	*- Other administrative expenses*	*(113)*	*(109)*
15.	Net provisions for risks and charges	3	4
16.	Net impairment losses/(reversals of impairment losses) on tangible assets	(0)	(0)
17.	Net impairment losses/(reversals of impairment losses) on intangible assets		
	of which: Goodwill adjustments		
18.	Other operating income/expenses	9	2
19.	**Profit (loss) for the year before tax**	**1,563**	**1,471**
20.	Taxes	(483)	(431)
21.	**Profit (loss) for the year after tax**	**1,080**	**1,040**
22.	Profit (loss) from discontinued operations	12	
23.	**Consolidated net profit (loss)**	**1,092**	**1,040**
	of which: attributable to owners of the Parent	*1,078*	*1,029*
	of which: attributable to non-controlling interests	*14*	*11*

Statement of comprehensive income

	€m	31.12.2025	31.12.2024
1.	**Profit/(loss) for the year**	**1,092**	**1,040**
2.	**Other comprehensive income after tax not to be reclassified to profit or loss**	**(0)**	**1**
2.1	Share of valuation reserves of equity-accounted investments	(0)	0
2.2	Change in valuation reserve for intangible assets		
2.3	Change in valuation reserve for tangible assets		
2.4	Financial revenue or costs relating to insurance contracts issued		
2.5	Profits or losses for non-current assets or disposal groups held for sale		
2.6	Actuarial gains/(losses) and adjustments to defined benefit plans	0	(0)
2.7	Gains or losses on equity instruments designated at fair value through other comprehensive income		0
2.8	Change in own credit rating for financial liabilities measured at fair value through profit or loss		
2.9	Other items		
3.	**Other comprehensive income after tax to be reclassified to profit or loss**	**5**	**52**
3.1	Change in reserve for currency translation differences		
3.2	Gains or losses on financial assets (other than equity instruments) measured at fair value through other comprehensive income	(745)	964
3.3	Gains or losses on cash flow hedges		
3.4	Gains or losses on hedges of a net investment in a foreign operation		
3.5	Share of valuation reserves of equity-accounted investments		
3.6	Financial revenue or costs relating to insurance contracts issued	754	(915)
3.7	Financial revenue or costs related to outward reinsurance	(4)	3
3.8	Profits or losses for non-current assets or disposal groups held for sale		
3.9	Other items		0
4.	**TOTAL OTHER COMPREHENSIVE INCOME**	**5**	**53**
5.	**TOTAL CONSOLIDATED COMPREHENSIVE INCOME (Items 1 and 4)**	**1,096**	**1,093**
5.1	**of which: attributable to owners of the Parent**	**1,083**	**1,079**
5.2	**of which: attributable to non-controlling interests**	**14**	**14**

Statement of changes in equity

€m	Share capital	Other equity instruments	Capital reserves	Revenue reserves and other equity reserves	Treasury shares	Valuation reserves	Profit (loss) for the year	Equity of the parent company	Equity attributable to non-controlling interests	Total equity
Amounts at 1.1.2024	**1.217**	**800**		**3.792**		**(135)**	**1.014**	**6.608**	**80**	**6.688**
of which: Change in opening balances										
Allocation of the T-2 operating result										
Reserves										
Dividends and other allocations				(750)				(750)		(750)
Changes in the financial year										
Issue of new shares										
Purchase of treasury shares										
Changes in investments										
Statement of comprehensive income				1.026		53		1.079		1.079
Other changes (+)							26	15	11	26
Other changes (-)				(59)				(59)		(59)
Amounts at 31.12.2024	**1.217**	**800**		**4.009**		**(83)**	**1.040**	**6.892**	**91**	**6.983**
Change in opening balances										
Allocation of the T-1 operating result										
Reserves				40			(40)	11	(11)	
Dividends and other allocations							(1.000)	(1.000)		(1.000)
Changes in the financial year										
Issue of new shares										
Purchase of treasury shares										
Changes in investments										
Statement of comprehensive income						5	1.092	1.083	14	1.096
Other changes (+)										
Other changes (-)				(550)				(550)	1	(550)
Amounts at 31.12.2025	**1.217**	**800**		**3.500**		**(78)**	**1.092**	**6.436**	**94**	**6.530**

Statement of cash flows (indirect method)

	Importo	
€m	31.12.2025	31.12.2024
Net cash generated/absorbed by:		
- Net profit (loss) for the year (+/-)	**1,092**	**1,040**
- net income and expenses from insurance contracts issued and outward reinsurance (-/+)	3,956	4,953
- Capital gains/losses on financial assets measured at fair value through profit or loss (-/+)	(1,022)	(2,045)
- Other non-cash income and expense from financial instruments, investment property and investments (+/-)	(595)	(568)
- Net provisions for risks and charges (+/-)	(1)	(5)
- Interest income, dividends, interest expenses, taxes (+/-)	(3,460)	(3,321)
- Other adjustments (+/-)	576	(811)
- interest income received (+)	3,930	3,178
- dividends received (+)	330	636
- interest expense paid (-)	(317)	(61)
- Income tax paid (-)	(949)	(872)
Net cash generated/absorbed by other monetary elements relating to operating activities		
- Insurance contracts issued constituting assets/liabilities (+/-)	403	1,203
- Outward reinsurance constituting assets/liabilities (+/-)	(74)	(110)
- Liabilities from financial contracts issued by insurance companies (+/-)	(27)	
- Receivables of banking subsidiaries (+/-)		
- Liabilities of banking subsidiaries (+/-)		
- Other financial assets and liabilities measured at fair value through profit or loss (+/-)	310	516
- Other financial assets and liabilities (+/-)	17	68
Total net cash generated by/used for operating activities	**4,167**	**3,800**
Net cash generated/absorbed by:		
- Sale/purchase of investment property (+/-)		
- Sale/purchase of investments in associates and joint ventures (+/-)	(1)	(3)
- Dividends received on investments (+)		
- Sale/purchase of financial assets measured at amortised cost (+/-)	(95)	(83)
- Sale/purchase of financial assets measured at fair value through other comprehensive income (+/-)	(2,207)	314
- Sale/purchase of tangible and intangible assets (+/-)	(3)	1
- Sale/purchase of subsidiaries and business units (+/-)		
- Other net cash flows from investing activities (+/-)	(1,167)	(2,209)
Total net cash generated by/used for investing activities	**(3,473)**	**(1,980)**
Net cash generated/absorbed by:		
- Issues/purchases of equity instruments (+/-)		
- Issues/purchases of treasury shares (+/-)		
- Dividend distribution and other purposes (-)	(1,500)	(750)
- Sale/purchase of third-party control (+/-)		
- Issues/purchases of subordinated liabilities and participating financial instruments (+/-)		
- Issues/purchases of liabilities measured at amortised cost (+/-)	169	(2)
Total net cash generated by/used for financing activities	**(1,331)**	**(752)**
NET CASH GENERATED/USED DURING THE YEAR	**(637)**	**1,068**

	31.12.2025	31.12.2024
Cash and cash equivalents at the beginning of the year	**4,611**	**3,543**
Total net cash generated/absorbed during the year	(637)	1,068
"Cash and cash equivalents: effect of changes of exchange rates"		
Cash and cash equivalents at the end of the year	**3,974**	**4,611**

Notes

Part A – General preparation criteria and accounting standards adopted

Declaration of conformity with international accounting standards

These Financial Statements have been prepared in compliance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). These were endorsed for application in the European Union by European Regulation (EC) 1606/2002 of 19 July 2002, as transposed into Italian law by Legislative Decree 38 of 28 February 2005 governing the introduction of IFRS into Italian legislation. The term IFRS includes all the International Financial Reporting Standards, International Accounting Standards ("IAS") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC", previously known as the Standing Interpretations Committee or "SIC"), adopted by the European Union and contained in the EU Regulations in force at 31 December 2025, regarding which no derogations were made.

Accounting standards

The Consolidated Financial Statements of the Poste Vita Group (the "Group") at 31 December 2025, consisting of the Statement of Financial Position, Statement of Profit or Loss, Statement of Changes in Equity, the Statement of Cash Flows, the Notes to the Financial Statements and the annexes to the Notes, were prepared in compliance with the schedules defined by the Supervisory Authority with Regulation 7 of 13 July 2007 and following the instructions contained in the same Regulation.

Pursuant to Chapter II Article 3 bis of ISVAP Regulation no. 7 of 13 July 2007, the Poste Vita Group has chosen to prepare consolidated financial statements for the year 2025 in millions of Euros, as it has "total assets" in excess of € 10 billion.

In this document, numbers indicating monetary amounts are indicated in millions of Euros, which is the functional currency of the Poste Vita Group. Therefore, misalignments of the last digit in the sum of values are possible due to rounding.

The Consolidated Financial Statements at 31 December 2025 were audited by Deloitte & Touche SpA[23].

Financial statements used for consolidation

In preparing the Consolidated Financial Statements, for companies consolidated on a line by line basis, their financial statements prepared using international accounting standards were used.

Date of the Consolidated Financial Statements

The reporting date for the consolidated financial statements is 31 December 2025, coinciding with the end of the financial year for the Parent Company Poste Vita SpA ("Poste Vita" or the "Parent Company" or the "Company") and the companies included in the scope of consolidation.

23. The ordinary Shareholders' Meeting, held on 28 November 2019, approved the engagement of Deloitte & Touche SpA to audit the consolidated financial statements of Poste Vita Group for the nine-year period from 2020-2028. The firm is the Group auditor selected following a single tender launched by Poste Italiane in compliance with the provisions of Regulation (EU) 573 of 16 April 2014 and of Italian Legislative Decree no. 39 of 17 January 2010, as amended by Legislative Decree no. 135/2016.

Consolidation techniques

The scope of consolidation includes the Parent Company Poste Vita, the companies Poste Assicura SpA, the 6 Multi-Assets Funds (wholly-owned by Poste Vita), the companies Net Insurance SpA (58.70% owned by the Parent Company Poste Vita) and Net Insurance Life SpA, controlled by Poste Vita through Net Insurance, and Poste Insurance Broker Srl, a wholly-owned subsidiary of Poste Assicura.

These equity investments fall under the definition provided in IFRS 10 and are consolidated on a line-by-line basis.

In line-by-line consolidation, the carrying amount of equity investments is eliminated against the corresponding portion of 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 of the investees are as follows:

- the assets, liabilities, costs and revenue of consolidated entities are accounted for on a line-by-line basis, separating where applicable the equity and profit/(loss) amounts attributable to non-controlling interests in consolidated equity and consolidated profit or loss;
- business combinations, in which control over an entity is acquired, are accounted for using the acquisition method. The cost of a business combination is represented by the current value (fair value) at the date of acquisition of the assets sold, the liabilities assumed, the equity instruments issued and any other directly attributable accessory charges; any difference between the cost of acquisition and the fair values of the assets and liabilities acquired, following review of their fair value, is recognised as “goodwill” arising from consolidation (if positive), or recognised in profit or loss (if negative);
- acquisitions of non-controlling interests in entities already controlled by the Group are not accounted for as acquisitions, but as equity transactions; in the absence of a relevant accounting standard, the Group recognises any difference between the cost of acquisition and the related share of net assets of the subsidiary in equity;
- any gains and losses (and the related tax effects) on transactions between companies consolidated on a line by-line basis, to the extent not yet realised with respect to third parties, are eliminated, as are intercompany payables and receivables, costs and revenue, and finance costs and income;
- gains and losses deriving from the disposal of investments in consolidated companies are recognised in profit or loss based on the difference between the sale price and the corresponding share of consolidated equity disposed of.

Below are the accounting standards adopted for the measurement and preparation of the Consolidated Financial Statements.

Statement of financial position - assets

1. Intangible assets

This item includes intangible assets, consisting of non-monetary elements lacking in physical substance, which can be identified and controlled by the company, relative to which the company will gain future economic benefits, as established in IAS 38.

Intangible assets are initially valued at cost. Subsequently, those with a defined useful life (e.g. software) are amortised based on the residual useful life. Amortisation starts once the asset is available for use and is applied on a straight line basis in relation to the residual possibility of use, or based on its estimate useful life.

Goodwill

The item includes goodwill acquired in business combinations as defined by IFRS 3.

Goodwill deriving from consolidation represents the greater value of the cost of acquisition with respect to that of the assets, liabilities and potential liabilities of the subsidiary, at fair value. Goodwill is recognised as an asset and recognised at cost net of impairment accumulated. It is subject to an impairment test at least once per year, pursuant to IAS 36.

Brand

The brand name of the subsidiaries Net Insurance and Net Insurance Life is considered an intangible asset with an indefinite life and is therefore not subject to systematic amortisation but to the provisions of IAS 36 on impairment, as explained in more detail in the section “Impairment of assets”

2. Tangible assets

In accordance with IAS 16, this category includes properties used for business purposes. For the valuation of properties for own use and in continuity with previously applied standards, the cost model was chosen. The cost includes ancillary charges and direct costs attributable to the asset. Properties are accounted net of depreciation and any impairment. Land, any assets under construction and advances are not depreciated, but are subject to periodic impairment tests to confirm the absence of impairment losses. Maintenance costs of an ordinary nature are charged to the statement of profit or loss, while maintenance costs that result in an increase in value, or in the functionality, or in the useful life of assets, are directly attributed to the assets to which they relate and depreciated in relation to their residual useful life.

This item also includes furnishings, systems and equipment and office machines, based on that established in IAS 16. These assets are recognised at cost, including charges directly incurred to prepare the assets for use, as well as any expenses for dismantling and removal which will be incurred consequent to contractual requirements which require the asset to be returned to its original condition.

Depreciation is recognised on a straight line basis relative to the estimated residual useful life.

The residual value and residual useful life are verified annually. In the case of discrepancies relative to previous estimates, the asset is written down for impairment and the depreciation rate is revised.

Extraordinary maintenance costs which provide future economic benefits are capitalised relative to the value of the asset, while ordinary maintenance costs are recognised in the Statement of profit or loss in the year they are incurred.

As of 1 January 2019, the Company adopted accounting standard IFRS 16. Hence, this item also includes rights of use for assets falling under the scope of the standard, equal to the current value of the periodic rent/fees contractually required to make use of the asset, amortised on a straight line basis.

Leased assets

Pursuant to the accounting standard for leases (IFRS 16 - Leases), when a contract is stipulated the Group determines whether the contract is a lease or if it contains a lease component. During the contractual life, the initial measurement is revised only if there are substantial changes in the conditions of the contract (e.g. changes in the subject of the contract or in the requirements which affect the right to control the underlying asset). If a lease contract also contains a non-lease component, the Group separates them and treats that component in accordance with the relevant accounting standard, with the exception of cases in which separation cannot be achieved based on objective criteria. In this case, the Group treats the lease and non-lease components together.

At the start date of the contract a right of use of the leased asset is recognised; this is equal to the initial value of the corresponding lease liability, plus the payments due before or on the contractual start date (for example agency expenses). Subsequently, said right of use is measured less accumulated depreciation and any accumulated impairment losses. The depreciation begins from the start date of the lease, and extends over the shortest period between the contractual term and the useful life of the underlying asset.

A lease liability, with the nature of a financial liability, is initially recognised at the present value of the lease instalments not paid at the contractual start date; for the purposes of calculating the current value the Group uses the incremental borrowing rate, defined for the duration of the loan and for each Group company. The initial measurement of the lease liability includes periodic payments due and the price to exercise any option rights, if the lessee is reasonably certain of exercising them. Subsequently, the lease liabilities are reduced to reflect the lease instalments paid and increased to reflect the interest on the remaining value (using the effective interest method).

The Group redetermines the lease liability (and makes a corresponding adjustment to the related right of use) in the case of a change in the duration of the lease (e.g. early termination of the contract or an extension of the expiry date) and/or in the amounts due, following a renegotiation of the economic conditions or a change in the index or rate used to determine payments (e.g. ISTAT).

Only in the case of a significant change in the lease term or in future lease payments does the Group remeasure the remaining lease liability with reference to the incremental borrowing rate at the date of the modification; in all other cases, the lease liability is remeasured using the initial discount rate.

The Group avails itself of the option granted by the principle of non-application of the provisions to short-term contracts (with a duration of no more than twelve months), to contracts in which the individual underlying asset is of low value (up to € 5,000) and for contracts in which the underlying asset is intangible (e.g. software licenses). For these contracts, the Group continues to adopt IAS 17 by recognising lease payments on a straight-line basis in profit or loss as a matching entry to short-term trade payables.

The Poste Vita Group has estimated the following useful lives for the various categories of tangible and intangible assets:

Type of asset	Period of depreciation/amortisation	Depreciation/amortisation rate
Software	3 years	33%
Internal Software	5 years	20%
Start-up and expansion costs	5 years	20%
Leasehold improvements	residual lease term	
Building (headquarters of the subsidiaries Net Insurance and Net Life)	48 years	
Fixture and fittings, office equipment and internal means of transport	8 years	12%
Motor vehicles	4 years	25%
Plant and machinery	5 years	20%

Impairment of assets

At the end of each reporting period, property, plant, equipment and intangible assets with finite lives are analysed to assess whether there is any indication that an asset may be impaired (as defined by IAS 36). If any such indication exists, the recoverable amount of the asset is estimated in order to determine the impairment loss to be recognised in profit or loss. The recoverable amount is the higher of an asset's fair value less costs to sell, and its value in use, represented by the present value of the future cash flows expected to be derived from the asset. In calculating value in use, future cash flow estimates are discounted using a rate that reflects current market assessments of the time value of money, the period of the investment and the risks specific to the asset. The realisable value of assets that do not generate separate cash flows is determined with reference to the cash generating unit (CGU) to which the asset belongs.

Regardless of any impairment indicator, the assets listed below are tested for impairment every year:
- intangible assets with an indefinite useful life;
- goodwill acquired in a business combination.

An impairment loss is recognised in profit or loss for the amount by which the net carrying amount of the asset, or the CGU to which it belongs, exceeds its recoverable amount. In particular, if the impairment loss regards goodwill and is higher than the related carrying amount, the remaining amount is allocated to the assets included in the CGU to which the goodwill has been allocated, in proportion to their carrying amount[24]. Except in the case of goodwill, if the impairment indicators no longer exist, the carrying amount of the asset or CGU is reinstated and the reversal recognised in profit or loss. The reversal must not exceed the carrying amount that would have been determined had no impairment loss been recognised and depreciation or amortisation been charged.

24. If the amount of the impairment loss is greater than the carrying amount of the asset or CGU, in accordance with IAS 36, no liability is recognised, unless recognition of a liability is required by an international accounting standard other than IAS 36.

3. Insurance assets

3.1 Insurance contracts issued constituting assets

This item includes insurance contracts issued and investment contracts with issued discretionary participation features as defined and regulated by IFRS 17, belonging to portfolios of insurance contracts issued constituting assets.

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standards, ensuring that an entity provides reliable information on the representation of these contracts.

IFRS 17 is to be applied to the following contracts:
- insurance contracts, including reinsurance contracts, that it issues;
- the reinsurance contracts it holds;
- investment contracts with Discretionary Participation Features ("DPFs") issued, if the entity also issues insurance contracts.

Please refer to Section 3 "Insurance Liabilities" for details on the Basis of Measurement.

3.2 Outward reinsurance constituting assets

This item includes outward reinsurance contracts as defined and regulated by IFRS 17, belonging to portfolios of outward reinsurance contracts that qualify, depending on the closing balance, as assets.

4. Investments

4.1 Investment property

Investment property relates to land or buildings held with a view to earn rental or lease income or for capital appreciation or both; in both cases such property generates cash flows that are largely independent of other assets.

Investments intended for the operation of the business or for sale in the ordinary course of business are instead classified under "Tangible Assets". In addition, investments for which a plan of sale has already been made and which are expected to be completed within one year are classified as non-current assets or disposal groups held for sale.

4.2 Investments in associates and joint ventures

This Item includes the equity investments in the associates Europa Gestioni Immobiliari SpA, Eurizon Capital Real Asset SGR SpA, and in the companies Consorzio Logistica Pacchi Scpa and Casina Poste Società Sportiva Dilettantistica a Responsabilità Limitata.

The first two are measured using the equity method, proportional to the interest held by the Group, in that the Parent Company Poste Vita has significant influence within the meaning of IAS 28, while the third and fourth are measured at cost. Significant influence is present if the Parent Company holds at least 20% of voting rights in the Shareholders' Meeting, either directly or indirectly. Investments in companies over which the Group exerts significant influence (assumed when the Group holds an interest of between 20% and 50%), are accounted for using the equity method.

The equity method calls for the following::

- the Group's share of an entity's post-acquisition profits or losses is recognised in profit or loss from the date on which significant influence or control is obtained until the date on which significant influence or control is no longer exerted by the Group; provisions are made to cover a company's losses that exceed the carrying amount of the investment, to the extent that the Group has legal or constructive obligations to cover such losses; changes in the equity of companies accounted for using the equity method not related to the profit/(loss) for the year are recognised directly in equity;
- gains and losses from valuation on transactions between the Parent Company/subsidiaries and the company accounted for using the equity method are eliminated to the extent of the Group's interest in the associate; unrealised losses, unless relating to impairment, are eliminated.

See Section 4.2 "Investments in Associates and Joint Ventures" for accounting and investment information on investments in associates and other interests not included in the scope of consolidation.

4.3 Financial assets measured at amortised cost

This category reflects financial assets held to collect the contractual cash flows (the held to collect or HTC business model) representing solely payments of principal and interest (SPPI). These assets are measured at amortised cost, that is the value of the asset at initial recognition minus principal payments, plus or minus accumulated amortisation, using the effective interest method, on all differences between the initial value and that at maturity, adjusted for any provisions to cover losses. The business model on which the classification of financial assets is based permits the sale of such assets; if the sales are not occasional, and are not immaterial in terms of value, consistency with the HTC business model should be assessed.

4.4 Financial assets measured at fair value through other comprehensive income

This category includes financial assets held both to collect the relevant contractual cash flows and for sale (the held to collect and sell or HTC&S business model), with the contractual cash flows representing solely payments of principal and interest. These assets are measured at fair value and gains or losses from valuation are recognised among other comprehensive income, with the exception of impairment gains or losses and gains or losses on exchange rates, until the financial asset is derecognised or reclassified. If the financial asset is derecognised, the accumulated gains/(losses) previously recognised in OCI are reclassified from equity to profit or loss. This category also includes, beyond debt securities having the above characteristics, equity instruments that would otherwise be recognised through profit or loss, for which the irrevocable choice was made to recognise changes in fair value through OCI (the FVTOCI option). This option entails the recognition of dividends alone through profit or loss.

4.5 Financial assets measured at fair value through profit or loss

This category, which is residual, refers to: (a) financial assets primarily acquired for trading; (b) those designated as such at initial recognition, exercising the fair value option; (c) financial assets that must be recognised at fair value through profit or loss; (d) derivative instruments, with the exception of the effective portion of those designated as cash flow hedges; (e) instruments representing equity, for which the company does not make use of the FVTOCI option. Financial assets belonging to the category in question are measured at fair value and the related changes are recognised in profit or loss. Derivative instruments at fair value through profit or loss are recognised as assets or liabilities depending on whether the fair value is positive or negative; positive and negative fair values deriving from transactions with the same counterparty are offset during the collateralisation/liquidation phase, where contractually provided for.

Financial assets are derecognised when there is no longer a contractual right to receive cash flows from the investment or when all the related risks and rewards and control have been substantially transferred.

In accordance with the relevant accounting standards, the assets and liabilities in the Multi-Asset Funds were classified at fair value through profit or loss (FVTPL) as they fall within the "Other business models" case of IFRS 9 - Financial Instruments. In determining the fair value of these items, the Poste Vita Group has taken advantage of the exception provided for by international accounting standards (Portfolio exemption), according to which, in the presence of a group of financial assets and liabilities exposed to market risks and the credit risk of each of the counterparties, the fair value may be defined, not on the basis of

the individual item, but considering the market value of the net exposure to these risks at the measurement date (in this specific case, the fair value of the net exposure to risks would correspond to the NAV of the Funds). The combination of the above provisions made it possible to maintain a valuation in line with the synthetic valuation (NAV) of the Funds in the consolidated financial statements of the Poste Vita Group without any impact on the statement of profit or loss, limiting the changes to the representative effects only (look through of the Funds with disclosure of the individual assets and liabilities comprising them).

Impairment and stage allocation

For financial assets measured at amortised cost and financial assets at fair value through other comprehensive income, a provision must be established to cover expected credit losses, determined using the Expected Credit Losses (ECL) model. The method utilised is the "General deterioration method", whereby:

- f on the reporting date the credit risk of a financial instrument has not increased significantly since initial recognition, a 12-month ECL is recognised (stage 1). Interest on the instrument is calculated on the gross carrying amount (amortised ist inclusive of the ECL);
- if on the reporting date the credit risk of the financial instrument has increased significantly since initial recognition, a lifetime ECL is recognised (stage 2). Interest on the instrument is calculated on the gross carrying amount (amortised cost inclusive of the ECL);
- if a financial instrument is already impaired on initial recognition or shows objective evidence of impairment as at the reporting date, lifetime expected losses are recognised. Interest is recognised on the amortised cost including ECL (stage 3).

In determining whether credit risk has increased significantly, it is necessary to compare the risk of default of the financial instrument as at the reporting date with the risk of default of the financial instrument on initial recognition.

However, there is a rebuttable default presumption if the financial instrument is more than 90 days past due, unless there is reasonable and supportable information to demonstrate that a default criterion with greater lag is more appropriate. For issuers of debt securities, default risk refers to:

- a 90-day delay in payment for corporate and bank counterparts;
- a delay in payment of even one day or debt renegotiation for sovereign counterparts.

Regarding trade receivables, a simplified approach is applied to measure the expected credit loss, if these receivables do not contain a significant interest component pursuant to IFRS 15. The simplified approach is based on a matrix of observed historical losses.

Additionally, for trade receivables, default risk was determined based on historic experience, the specific nature of the Group's assets and customers and taking into account analysis of overdue amounts, rejecting the 90 days assumption. The Group did not make use of the Low Credit Risk Exemption.

Determining fair value for financial instruments

Paragraph 2 of IFRS 13 - Fair value measurement, endorsed with Regulation EU 1255/2012 of 11 December 2012, establishes that "fair value is a criteria of market valuation, not specific to the entity". While for some assets and liabilities there may be observable information regarding market transactions, for other assets and liabilities this information may not be available. Nonetheless, the purpose of fair value measurement is the same in both cases: estimating the price at which a regular sale of the asset or transfer of the liability would take place between market operators on the valuation date under current market conditions (or the closing price on the valuation date from the point of view of the market operator holding the asset or liability)".

In compliance with that indicated in the standard, below is a description of the fair value measurement techniques used within the Poste Vita Group.

It is important to recall that the concept of an active market refers to a market on which prices are readily and regularly available in a price list or processed systematically using trading circuits which are "alternative" with respect to official ones, with prices considered reliable, as well as those which can be identified by contributors operating as primary intermediaries on various markets, in which the prices proposed represent potential transactions and effective market operations occurring regularly through normal trading.

These assets and liabilities are classified on the basis of a hierarchical scale that reflects the relevance of the sources used to obtain the measurements.

The hierarchy consists of 3 levels, as established in the cited accounting standard IFRS 13, specifically:

Level 1 – market prices obtained using prices expressed by an active market;

Level 2 – input data other than the above, expressing market values directly or indirectly associated with the instrument to be measured or obtained from products with similar risk characteristics;

Level 3 – input not directly or indirectly observable on the market, hence involving estimates and assumptions by the measuring entity.

More details about fair value measurement techniques are found in the section “Fair value measurement techniques”.

Derivatives

Derivatives are initially recognised at fair value on the date the derivative contract is executed and if they do not qualify for hedge accounting treatment, gains and losses arising from changes in fair value are accounted for in profit or loss for the period. If, on the other hand, derivative financial instruments qualify for hedge accounting, subsequent fair value changes are accounted for in accordance with the specific criteria indicated below.

With regard to hedge accounting transactions, the Poste Vita Group applies the provisions of IFRS 9 for hedge accounting.

Derivatives are initially recognised at fair value on the date the derivative contract is executed and if they do not qualify for hedge accounting treatment, gains and losses arising from changes in fair value are accounted for in profit or loss for the period.

If, on the other hand, the derivative instruments meet the requirements to be classified as hedging instruments and the hedging relationship meets the eligibility criteria set forth in the reference standard (IFRS 9 - Financial Instruments), subsequent changes in fair value follow the rules below.

For each derivative financial instrument that qualifies for recognition as a hedging instrument, its relationship to the hedged item is documented. This documentation provides, among other things, the following information: indications of the risk management strategy and its objective, a qualitative description of the hedging relationship and identification of the hedged risk, and a description of how the hedge effectiveness requirements will be assessed[25]. The fulfilment of the effectiveness criteria is checked at the beginning of the hedging relationship, as well as on an ongoing basis at each reporting date or in the presence of cases that may entail a significant change in the drivers affecting individual hedging relationships.

Fair value hedges[26]

In the context of fair value hedges:

- changes in fair value of the hedging instrument are recognised through profit or loss, or through OCI, if the hedging instrument covers an equity instrument for which the FVTOCI option was exercised;
- the carrying amount of the hedged item is adjusted for changes in fair value attributable to the hedged risk through profit or loss, or through OCI, if the hedged item is an equity instrument for which the FVTOCI option was exercised.

When the hedging transaction is not fully effective, resulting in differences between the above changes, the ineffective portion represents a loss or gain recognised separately in profit or loss for the period.

25. The hedge effectiveness requirements that must be met at the inception of the hedging relationship and at each reporting date are as follows:
    - the existence of an economic relationship between the hedging instrument and the hedged item;
    - the effect of credit risk must not predominate over changes in value resulting from the economic relationship;
    - the hedge ratio used for hedge accounting purposes is the same as that used for risk management purposes.
26. A hedge of the exposure to a change in fair value of a recognised asset or liability or of an unrecognised firm commitment attributable to a particular risk, and that could have an impact on profit or loss

A fair value hedge is considered effective if changes in the fair value of the hedged monetary amount are offset by changes in the fair value of the hedging instrument.

Cash flow hedge[27]

In the case of cash flow hedges:
- changes in the fair value of the hedging instrument are charged through profit or loss, limited to the effective portion, to a specific equity reserve, the movements of which are reported in Other Comprehensive Income (cash flow hedge reserve);
- changes in the fair value of the hedging instrument representing the ineffective portion of the hedge must be recognised in profit or loss in the period under consideration.

Under the cash flow hedge, the effective hedge is that portion of changes in the fair value of the hedging instrument that is offset by changes in the cash flow hedge reserve.

5. Other financial assets

This item mainly includes receivables due from intermediaries and insurance companies and other receivables. Receivables are measured at amortised cost, calculated using the effective return rate method. This method is not used for short-term receivables, as the discounting effect is negligible. These receivables are measured at the historic cost, which coincides with their nominal value, and are subject to impairment testing.

6. Other assets

This category consists of:

6.1 Non-current assets or disposal groups held for sale

This item includes assets relative to disposal groups held for sale, based on that established in IFRS 5.

Assets held for sale are recognised at the lesser of the carrying amount and the fair value net of any sales costs.

In the case the disposal of an equity investment in a subsidiary consolidated on a line by line basis is planned within the time-frame established under IFRS 5, all the assets of the entity to be disposed of are reclassified in the statement of financial position under the item “Non-current assets or disposal groups held for sale” (item 6.1 of the Assets) and the liabilities are also reclassified in a similar manner under the item “Liabilities included in disposal groups held for sale” (item 6.1 of the Liabilities). Both items are shown in the Consolidated Financial Statements net of infragroup transactions with the entity in question.

The items in the statement of profit or loss relative to assets included in a disposal group held for sale, in the case in which the group continues to operate in the sector associated with the entity to be disposed, are shown in accordance with the normal rules for line by line consolidation.

6.2 Current and deferred tax assets

These items include assets relative to current and deferred taxes, as defined and governed by IAS 12. Tax assets relative to deferred taxes are periodically verified at the end of the year and whenever changes are made to relevant tax laws.

27. A hedge of the exposure to the variability of cash flows attributable to a particular risk associated with an asset or liability recognised or with a highly probable forecast transaction, and that could have an impact on profit or loss.

6.3 Other assets

“Other assets” includes, among other things, deferred fee and commission expense relative to investment contracts, which does not fall under the scope of IFRS 17 but rather that of IFRS 9 and, as such, is classified among liabilities measured at fair value through profit and loss and accrued income and prepaid expense.

7. Cash and cash equivalents

Cash and cash equivalents mainly include cash and demand deposits.

Current account overdrafts are accounted for in current liabilities.

These financial assets are subject to impairment according to the general deterioration method on the basis of a 1-day time-frame.

Impairment

At each reporting date the Poste Vita Group analyses the carrying amount of its assets, to verify whether they have suffered any impairment. This is done by comparing the carrying amount of each asset with the relative estimated recoverable amount. If the latter value is lower than the former, the asset is written down. The recoverable amount is the higher of the fair value net of costs to sell and the value in use.

Any impairment loss is recognised in profit or loss. If impairment is no longer appropriate, the carrying amount of the asset, with the exception of goodwill, is increased to the new value of the estimated recoverable amount, without exceeding the carrying amount the asset would have had if the impairment had never been recognised.

Statement of financial position - Liabilities

1. Equity

This category includes equity instruments (“other equity instruments”) and the relative equity reserves attributable to owners of the Parent.

1.1 Capital

This item includes capital subscribed and paid in by shareholders.

1.2 Other equity instruments

Item includes the perpetual regulatory capital instrument issued by the Parent Company and subscribed in full by Poste Italiane SpA (“Poste Italiane”), classifiable as Restricted Tier 1, when in no case gives rise to an obligation for the issuer to reimburse capital or interest to the subscriber (with the exception of liquidation or the issuer itself opting for the early reimbursement option). These instruments are recognised at the issue value, net of issuing expenses and relative tax benefits. In line with this classification, payment of coupons to subscribers are recognised, similar to the case of dividends, as a direct reduction of equity reserves.

1.3 Capital reserves

This item includes, in particular, the share premium reserve of the reporting company.

1.4 Revenue reserve and other equity reserves

The item includes profits or losses deriving from initial application of international accounting standards (including IFRS 17) and consolidation reserves.

1.5 Treasury shares

As provided for in IAS 32, this item includes the equity instruments of the reporting entity held by the reporting entity and its subsidiaries.

1.6 Valuation reserves

This item includes: i) gains or losses arising from the valuation of financial assets measured at fair value through other comprehensive income, net of corresponding deferred taxes and the portion attributable to policyholders and allocated to insurance liabilities (mirroring); ii) financial revenue and costs related to insurance contracts issued and existing outward reinsurance for which the Group applies the accounting unbundling approach; and iii) direct recognition in equity of actuarial gains or losses and adjustments related to defined benefit plans.

1.7 Equity attributable to non-controlling interests

The macro-item includes instruments and components representing capital and related equity reserves attributable to non-controlling interests. Also included are any “Gains or losses on financial assets at fair value through other comprehensive income” and “Other gains or losses recognised directly in equity” attributable to non-controlling interests as well as the profit (loss) for the year attributable to non-controlling interests.

Options on minority interests

With regard to options to purchase shares from minority shareholders, the exercise price of the options is determined on the basis of economic/equity indicators of the acquired company. In the consolidated financial statements, a financial liability is recognised (in addition to the portion of equity pertaining to minority interests), to take into account the possible exercise of options, as a balancing entry to Group equity, the value of which depends on estimates made internally and which could change significantly in future years. Subsequent changes in the value of the financial liability are reflected in the Group's statement of profit or loss.

1.8 Net profit/(loss) for the year attributable to owners of the Parent

This item shows the consolidated result for the period. The distribution of dividends to shareholders is entered in the accounts following their approval by the Shareholders' Meeting.

1.9 Net profit/(loss) for the year attributable to non-controlling interests

This item shows the consolidated result for the period attributable to non-controlling interests.

2. Provisions for risks and charges

Provisions for risks and charges 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 or as to the date on which they will occur.

This item includes the liabilities defined and governed by IAS 37. 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. Amounts relative to provisions are identified based on estimates of the costs required to satisfy the obligation as of the reporting date and, if deemed significant, are discounted.

3. Insurance liabilities

3.1 Insurance contracts issued constituting liabilities

Included in this item are insurance contracts, including reinsurance contracts, issued and investment contracts with discretionary participation features issued as defined by IFRS 17, belonging to portfolios of insurance contracts constituting liabilities.

3.2 Outward reinsurance constituting liabilities

This item includes outward reinsurance contracts as defined and regulated by IFRS 17, belonging to portfolios of outward reinsurance contracts constituting liabilities.

The main models, inputs and assumptions used to estimate insurance liabilities, i.e. future cash inflows and outflows related to insurance contracts, are summarised below.

Input data, assumptions and estimate techniques used

For contracts measured with the VFA model, the estimate of future flows related to the Liability for remaining coverage is made considering the following input:

- Non-financial assumptions, such as mortality, lapses, conversions, expenses, etc. Expense assumptions, consistent with the principle, are parametrised taking into account only attributable costs;
- Financial assumptions, such as returns on assets backing insurance liabilities, asset allocation, etc.;
- Stochastic economic scenarios[28] differentiated by Separately Managed Account and by type of business.

The estimate of cash flows takes into account all the commitments of the companies in respect of the contracts under assessment through the preparation of items such as gross premiums, other inflows other than premiums consistent with the quantification of the benefits under analysis, fees, commissions, directly attributable expenses, payments for benefits, any residual mathematical provisions at the end of the projection, and outflows other than the above consistent with the quantification of the benefits under analysis.

For contracts measured with the BBA, the future fulfilment flows represent estimates of the future cash flows that will be generated by the natural fulfilment of the contracts by the companies and, therefore, include all possible cash flows that fall within the contract boundaries.

Projected cash flows include claim liquidations, reimbursements for early extinguishment of contracts, acquisition and collection commissions, other directly attributable administrative expenses, other directly attributable acquisition expenses, gross premiums and future premiums expected to be collected on the basis of contracts in place at the time of measurement, and amounts recovered in relation to claims (relating to the salary-backed loan business).

It should also be noted that, for onerous contracts measured by the PAA, future fulfilment flows are calculated using the same approach as for contracts measured by the BBA.

Liabilities for incurred claims include future fulfilment cash flows related to past services attributed to the group of contracts at the measurement date. These flows are defined as the sum of the following components:

- Cash flows of undiscounted Best Estimate Liabilities (UBEL[29]),which are the best estimate of cash outflows for both reported claims and late claims;
- Discount effect, calculated by discounting the cash flows referred to in the previous point using the defined discount curve;
- Adjustment for non-financial risks, estimated using the methodology defined by the Group.

The process of allocating costs between “attributable” and “non-attributable” is carried out precisely according to the cost centres that incur them. The development and related deferral of costs follow the associated cash flow projections and the same recognition metrics adopted for the CSM release.

No changes have been made to the insurance liability measurement process since the financial statements as at the previous year, with the exception of the financial and technical assumptions, which are updated as necessary at each measurement date.

Investment component

Assessments of the Expected Investment Component to be included in the estimate of future fulfilment cash flows are made separately by product type. An estimate of the flow related to the Investment Component is provided for both measurements at initial recognition of groups of contracts and for measurements at each reporting date.

In particular, the Group defines the undistinguished investment component as follows:

- for investment contracts with discretionary participation features and annuities in the accumulation phase, the expected investment component is equal to the lapse value net of penalties, whereby the estimate in future fulfilment flows is obtained as the difference between the estimated payout amount and the countervalue calculated on the basis of the lapse value net of penalties;

28. A stochastic mathematical model makes it possible to study the course of phenomena that follow random or probabilistic laws.
29. Undiscounted Best Estimate Liabilities.

- for annuities that are certain to be paid out, the value of the investment component is not an estimate since it corresponds to the value of the benefits to be paid out;
- for annuities that are being paid out, there is no investment component, in line with the characteristics of insurance contracts that provide for the payment of the benefit only in the event that the insured event occurs;
- for pure risk products (TCM, LTC and CPI), there is no investment component, since the benefit is paid out only when the insured event occurs.

Method for determining the discount rate used

The Poste Vita Group's decision in determining the IFRS 17 rate curve is to adopt a bottom-up approach, according to which the rate curve is identified by two elements: a Risk-Free curve and an Illiquidity Premium.

With regard to the identification of the risk-free curve, the Poste Vita Group's decision, in line with the Solvency II framework, is to adopt the Basic Risk-Free Rates curve without Volatility Adjustment published monthly by EIOPA.

As explained above, an Illiquidity Premium (IP) is added to the risk-free curve, the purpose of which is to adjust the risk-free curve to take account of the illiquidity of insurance contracts.

The Group identifies a different Illiquidity Premium depending on the relevant business, namely:
- business valued according to the VFA measurement model and subject to intergenerational mutuality (portfolio relating to single/multi-management build-up products, single/multi-management multi-class products, specific asset products and multi-class pension products);
- business valued according to the VFA measurement model and not subject to intergenerational mutuality (standalone unit-linked portfolio);
- Life and Non-Life business valued according to the general BBA measurement model.

For the purposes of determining the IP, separately for each relevant business, the Poste Vita Group uses a top-down approach, i.e. it uses the reference portfolio technique. This approach leads to the determination of the IP by identifying the asset portfolio to cover the liability flows, estimating the spread of the identified portfolio with respect to the risk-free curve, and correcting this spread for factors not relevant to the liability portfolio.

In operational terms, the Poste Vita Group has defined the curves at the date of initial recognition of the contract, in particular:
- for the Life business related to contracts issued by the Parent Company Poste Vita, the initial recognition curve of contracts is set equal to the Basic Risk-Free curve with Illiquidity Premium of the reference portfolio related to the previous quarter/half consistently with the type of measurement performed (intra-year/annual);
- for the Non-Life business, relating to contracts issued by Group companies (Poste Assicura, Net Insurance and Poste Vita) and for the Life business, relating to contracts issued by Net Insurance Life, the initial recognition[30] curve of contracts is the Basic Risk-Free curve of the reference portfolio related to the previous year (31/12/t-1).

For the BBA method, for the purpose of calculating the accrued interest on the CSM at the reporting date, the Poste Vita Group uses the forward curve determined with respect to the spot locked-in curve at the measurement date.

For the PAA model, the Poste Vita Group has not made an adjustment for the effect of the time value of money and financial risk.

The Poste Vita Group uses a single discount curve for discounting cash flows that do not vary according to the returns of the underlying elements.

In determining the IP for the portfolio relating to single/multi-management build-up products, single/multi-management multi-class products, specific asset products and multi-class pension products, the Group uses a methodology similar to that currently in use for deriving the Volatility Adjustment adopted in the context of Solvency II valuations.

30. The date of initial recognition is determined for contracts measured under the BBA method on the basis of the date of signing of the contract, while for contracts measured under the PAA it is based on the date of occurrence of the claim.

The Group calculates the Illiquidity Premium adjustment factor by calibrating it based on the asset portfolio held by the Company, in line with the IFRS17 objectives, according to which the rate to be adopted for flows that vary according to the underlying assets must reflect the variability of the assets themselves.

In particular, the Group determines a Group illiquidity premium based on the reference portfolio backing the liabilities in line with paragraph B78 of the Standard. This approach results in a single discount curve determined by the risk-free curve and a single adjustment factor calibrated on all Class I assets held against the liabilities of the business valued according to the VFA measurement model and subject to intergenerational mutuality (e.g. portfolios of assets pertaining to separately managed accounts and to the specific asset pool).

In support of this choice, specific impact analyses were conducted on the main IFRS 17 metrics, from which it emerges that the application of the single curve results in moderately prudential effects compared to the calculation differentiated by plan.

In light of the results of the analyses conducted, the Group believes that the methodological approach adopted allows for the determination of IFRS 17 provisions in accordance with the principles of prudence and adequacy, ensuring coverage of the insurance commitments undertaken.

The Group continues to monitor the approach adopted over time, assessing its adequacy in light of any changes in the portfolio in the reference context.

Method for determining the Adjustment for non-financial risk

The Poste Vita Group adopts the percentile approach. The amount of the adjustment for non-financial risk is determined by considering the scope of technical risks to which group companies are exposed, using assessments borrowed from the Solvency II framework. In particular, the Adjustment for non-financial risk for the groups of contracts belonging to the Life business (mortality, early termination, catastrophe, expenditure, longevity, invalidity and illness) is estimated taking into account the risk exposures typical of the Life business and the underwriting risk net of the loss-absorbing capacity of the technical provisions (LAC TP)[31] and gross of reinsurance. Operational risk and financial risks (e.g. counterparty default risk) arising from insurance contracts, which by their nature are not subject to the adjustment in question, are also excluded from the analyses.

For insurance contracts belonging to the Non-life business, exposures to pricing risk, reserving risk, catastrophe risk, and the risk of early exits typical of the type of business are considered. In the Non-life business, the Adjustment for non-financial risk is also determined, unlike in the Life business, for the Liability for incurred claims and Assets from outward reinsurance. The following types of risk are excluded from the scope of determining the Risk Adjustment: operational risk, market risk and counterparty default risk.

It should also be noted that if the simplified measurement model of the Premium Allocation Approach (PAA) is adopted, as defined by the Standard (IFRS 17, Art. 55), the estimate of the Risk Adjustment is not required when valuing the Liability for Remaining Coverage.

Methods for determining the CSM coverage unit

The release to the Statement of profit or loss of the CSM over the life of the contracts is done through the definition of the Coverage Unit (CU). With reference to the Life business, the Poste Vita Group determines the CSM release by adopting a Coverage Unit based on a Volume-based driver, defined separately for the measurement model adopted:

- BBA model: the CU is defined with a driver based on the sums insured, which are similar to the lump-sum death benefit for pure risk contracts, and on the mathematical provisions, for annuities (in the payout phase) not under the Separately managed accounts from Long-Term Care products;
- VFA model: the CU for DPF contracts is defined using a driver based on mathematical provisions.

31. Loss-absorbing capacity of technical provisions.

In the context of the CSM release pattern of the Non-Life business, for contracts valued with the BBA Model, the Group decided to use a release driver based on earned premiums gross of commissions or, alternatively, the sums insured, as with the Life business.

The CSM release percentage is defined by relating the volume-based drivers as defined above to the amount of volumes of these drivers projected over a time period that coincides with the duration of the insurance contract group.

For products measured with the VFA model, the Poste Vita Group considers an additional component (additional release) in the CSM release for the period aimed at capturing the differences between the margin result obtained with real-world earnings assumptions (Real World curves), compared to that obtained with risk-neutral earnings assumptions (Risk Neutral curves). This additional release is obtained from the difference between the period-end prospective CSM before release under the Real World assumption and the period-end prospective CSM before release under the Risk Neutral assumption.

As a result of the additional release, it is possible to achieve a CSM release that is more consistent with the financial performance of the underlying items of the insurance contracts and to avoid the systematic deferral of profit recognition in future years through coverage units.

Transition Approach

The Poste Vita Group has chosen to apply IFRS 17 from its effective date of 1 January 2023, without early application. As required by the new standard, the transition date was set as 1 January 2022. On that date, the Group defined the following transition methods, in compliance with the transitional provisions of the new standard, which concerned the Parent Company Poste Vita and the subsidiary Poste Assicura.

The Group, considering the availability/granularity of historical data in addition to the characteristics/materiality of the portfolios, has chosen to use the following transition methods provided for by IFRS 17.

- the Modified Retrospective Approach (MRA) method with reference to the Life business and for all products falling within the scope of the Variable Fee Approach (VFA) measurement model;
- the Fair Value Approach (FVA) method with reference to all products pertaining to the Non-Life business, both measured with the General Measurement Model (GMM) and with the Premium Allocation Approach (PAA) model, and with reference to the Life business for pure risk products only (measured with the General Measurement Model - GMM).

IThe Poste Vita Group has deemed the application of the Full Retrospective Approach at 1 January 2022 infeasible, because the available database for past years did not have the granularity and detail required to perform the valuation required by the accounting standard; for this reason, the Modified Retrospective Approach was applied for almost all insurance contracts. The complexity and significant effort required to retrieve the historical data necessary for the application of the Modified Retrospective Approach resulted in the application of the Fair Value Approach for the remaining part of the contracts.

In applying the Modified Retrospective Approach, as required by the standard, the Group has adopted simplifications compared to the Full Retrospective Approach, mainly related to the profit on contracts net of the Adjustment for non-financial risk. In applying this approach, a historical depth of contracts of about 10 years was also considered, including policies issued since 2012 and still outstanding at the transition date. This simplification was adopted because the portfolio thus constructed is a good approximation of the overall portfolio, as positions issued prior to 2012 have a percentage weight that is considered residual.

In the application of the Fair Value Approach, the value of the CSM of the Non-Life business measured with the BBA was determined as the premium reserve net of the acquisition commissions and the Present Value Cash Flow and Risk Adjustment at the transition date. With reference to the Life business, limited to contracts measured under the BBA method (pure risk contracts), the value of the insurance liability was determined as the present value of future cash flows net of the Adjustment for non-financial risk.

Furthermore, it should be noted that the Poste Vita Group has been applying IFRS 9 since 1 January 2018. Following the adoption of IFRS 17, there were no changes to the classification and measurement rules for financial assets.

Lastly, it should be noted that the subsidiaries Net Insurance and Net Insurance Life were acquired in 2023 and, therefore, after the transition date of 1 January 2022. However, on the date of completion of the acquisition of Net Insurance and Net Insurance Life, corresponding to the date of entry (1 April 2023)[32] into the scope of consolidation of the Poste Vita Group, the related accounting was carried out in the consolidated financial statements of the Poste Vita Group, in accordance with IFRS 3 - Business Combinations. Therefore, in order to integrate the balances subject to acquisition, the Poste Vita Group carried out a fair value of measurement of its assets for outward reinsurance and insurance liabilities at 1 April 2023.

Insurance contracts and Assets for outward reinsurance

They concern insurance contracts and investment contracts with discretionary participation features issued by the Companies belonging to the Poste Vita Group, as well as the reinsurance contracts held by them. As regards contracts issued by other companies belonging to the Group other than insurance companies, no elements have been identified that can be traced back to the definition of insurance contract, or, even though they fall within this definition, the Group has opted to continue to apply IFRS 15 and/or IFRS 9 as permitted by IFRS 17.

The process of aggregating insurance contracts provides for an initial distinction between Life and Non-life businesses and subsequently a distinction into different Portfolios of contracts and different Units of Account. The Portfolios include contracts with similar contractual and risk characteristics that are managed in a unitary manner. With regard to the Life business, groups of contracts are aggregated by product type (e.g. Pure Separately Managed Accounts, Multi-class, Temporary Death Benefits, etc.), while for the Non-life business, the level of aggregation coincides with the lines of business (e.g. those defined for Solvency II reporting); in some cases they are further subdivided in order to comply with the characteristics of specific products. For business related to reinsurance contracts held, the Unit of Account is equivalent to the individual treaty with the counterparty.

The Contract portfolios can be further disaggregated according to the underwriting year of the policies (cohorts)[33] and the level of profitability. For this purpose, an onerousness test of the products is carried out to divide the Units of Account into:
- profitable;
- onerous;
- which at the time of initial recognition do not have a high probability of becoming onerous.

The following describes the process for defining the onerousness test according to the relevant business:
- Life business: the test is performed at the product level in its design phase (ex ante) exclusively for new products, determining the estimated future flows of fulfilment at the relevant date. The analysis is repeated in the event of significant events that may affect the costliness of the product in the first year of life;
- Non-Life business: the test is performed on the basis of the Combined Ratio[34] at the time of the initial recognition of the group of contracts by defining the onerousness on a permanent basis until the maturity of the policies.

Groups of insurance contracts are recognised at the date of initial recognition. The Poste Vita Group has defined in detail, for each type of business and its underlying products, the date that identifies the start of the contractual relationship. These dates (e.g. effective date, renewal date, accession date, etc.) were identified according to the specificities of the products issued.

Measurement models

The Premium Allocation Approach ("PAA") model[35] is adopted exclusively for the Group›s Non-Life business. It should be noted that this simplified model is used by the Group for contracts with an annual duration and is also used for the measurement of multi-year contracts only if they do not reach certain thresholds deemed reasonable from a materiality perspective. The Group has therefore constructed baseline scenarios as well as stressed scenarios (such as sensitivity of the Loss Ratio and the Discount Curve), in order to identify the features of multi-year contracts by virtue of which the measurement of the LRC measured with the PAA model does not differ significantly from the measurement carried out with the BBA.

32. Assumed to be the date of acquisition of control pursuant to IFRS 3.
33. For Separately Managed Accounts and Multi-class insurance products, the exemption in the application of annual cohorts permitted by Regulation (EU) no. 2021/2036 has been implemented.
34. Ratio of claims and expenses incurred to premium volume, also taking into account the Adjustment for non-financial risk.
35. Optional and alternative model to the general model, is applicable to contracts characterised by a coverage period of no more than one year, as well as to groups of contracts for which the company considers that simplification linked to the model would not lead to a significantly different result from that obtained with the general model (for example, absence of variability of cash flows associated with the group of contracts).

Specifically, insurance contracts with at least one of the following characteristics are measured using this model:
- Annual Duration: this category includes retail policies and group policies with an annual duration; in this case, criterion (b) of paragraph 53 of IFRS 17 is applied.
- Multi-year Duration and membership of the Collective Business: this category includes multi-year collective policies; in this case, criterion (a) of paragraph 53 of IFRS 17 is applied.
- Multi-year duration and membership of a Portfolio where the weight of the Multi-year Business is less than or equal to 5% (in terms of gross premium revenue) in the last three financial years with reference to the contracts issued. Criterion (a) of paragraph 53 is applied to this category.

The PAA model is therefore applied to Non-life business, with the exception of the CPI, CQ and CVT products, which are measured through the adoption of the Building Block Approach (BBA) or General Model as they do not meet the conditions for the application of the simplified model. The BBA is also adopted for products belonging to the Life business for which the VFA model does not apply.

With reference to the outward business, the Group has decided to consider the reinsurance business eligible for the PAA if the reinsurance coverage is proportional and if the underlying insurance contracts are in turn eligible for the PAA.

In contrast, non-proportional business requires further analysis of eligibility for the PAA.

Since Risk Attaching treaties[36] are generally proportional treaties and since Loss Occurring treaties generally[37] have an annual duration, the Group has established the following criteria to define the applicability of the PAA to reinsurance contracts:
- Application of the PAA in the case of the following types of reinsurance coverage:
  - Loss Occurring treaties;
  - Risk-Attaching treaties, where the measurement model of the underlying Direct Business Group of Contracts is the Premium Allocation Approach;
- Application of the BBA in the case of the following types of reinsurance coverage:
  - Risk Attaching treaties, where the measurement model of the underlying Direct Business Group of Contracts is the Building Block Approach.

Where the Premium Allocation Approach is applied for the measurement of a group of contracts, a simplified calculation of the Liability for Remaining Coverage is provided for, based on premiums received net of acquisition costs paid, less the amount of premiums and acquisition costs already recognised in profit or loss by virtue of the passage of time. Consequently, when applying the Premium Allocation Approach, it is not necessary to consider the following in the measurement of contracts:
- the present value of future cash flows;
- the effects of risk;
- the time value of money.

In order to assess the Liability for Remaining Coverage relating to the groups of contracts measured using the PAA, the Poste Vita Group has planned to:
- not apply the option that allows the possibility of recognising acquisition costs when incurred for contracts with a duration of one year or less;
- consider the Financing Component to be negligible and, consequently, not to measure it for contracts measured by the PAA.

With reference to the Variable Fee Approach (VFA)[38], adopted exclusively for Life business, the following types of products are considered eligible for the model:
- With Profit Participation (Separately Managed Accounts, specific assets);
- Unit-linked standalone insurance;
- Hybrid products with investment components (Multi-class).

36. It covers all claims arising from policies issued or renewed during the term of the treaty, even if the claim occurs after the expiry of the treaty.
37. It covers all claims that occur during the term of the treaty, regardless of when the underlying insurance policy was issued.
38. Mandatory measurement model for contracts with direct participation features, such as separately managed accounts and unit-linked products.

Elements for determining future fulfilment flows

In application of the BBA and VFA models, future cash flows associated with insurance contracts are estimated by taking into account the so-called "contract boundary", in order to identify whether a particular contractual option should be included in the cash flow projection as soon as the contract is issued or whether the exercise of that option would result in the recognition of a new group of contracts. Contract boundary identification techniques have been borrowed from the Solvency II context[39], except in the case of Non-life business contracts with tacit renewal that were no longer terminable at the valuation date, which define the generation of a new group of contracts and, therefore, a new cohort. In the Life business, pure risk policies, cases of conversion into annuities, automatic maturity deferrals and additional payouts can generate a new fulfilment cash flow[40]; while in the Non-Life business, additional considerations can be made about product repricing clauses, the presence of variable sums insured and cases of surrender with return of unearned premium.

All costs directly attributable to the management of insurance contracts, including costs incurred in the acquisition of contracts, are also taken into account in the construction of the fulfilment cash flows. With particular reference to acquisition costs, the costs incurred internally for placement through the Poste Italiane network, placement commissions paid to the network external to the Poste Italiane Group (mainly for the Net Insurance and Net Insurance Life companies), rappels[41] and other direct and indirect acquisition costs are considered directly attributable to insurance contracts.

Adjustment for non-financial risk

In the measurement of insurance contracts, it is necessary to consider the adjustment for non-financial risk component (risk adjustment), i.e. the remuneration that Poste Vita Group companies charge for taking non-financial risks. To determine the Adjustment for non-financial risk, the Poste Vita Group has decided to use the percentile metric. According to this approach, the Adjustment for non-financial risk represents the potential loss in relation to the obligations assumed towards policyholders (Insurance Liabilities) that companies would incur, at a given level of probability (percentile level), to cover the insurance risks assumed, thus reflecting the companies' risk appetite. This element is calculated separately for Life and Non-Life business. The confidence level identified to quantify the Adjustment for non-financial risk is 70% for both Non-life and Life business.

In order to determine the amount of the Adjustment for non-financial risk, among other elements, the Solvency II valuation framework is taken into account, considering the same scope of underlying risks.

The Adjustment for non-financial risk may change as a result of changes in the risks to which the Group is exposed. These effects may have an impact on the statement of financial position if they relate to future services, affecting the total value of the contractual service margin, and on the statement of profit or loss through the period release of this component, which occurs on the basis of a defined coverage unit.

Discount rate

For the purposes of determining the discount rate to be used for discounting future cash flows, the Poste Vita Group, in line with the Solvency II framework, adopts the risk-free curve (Basic Risk-Free Rates - RFR) without the Volatility Adjustment published monthly by the European Insurance and Occupational Pensions Authority (EIOPA).

The Basic Risk-Free curve, depending on the specific business, may be adjusted to take into account specific Illiquidity Premiums (a component representing the level of liquidity of the counterparty) calibrated to portfolios or at Company level.

For detailed information on the discount curves used per individual portfolio, please refer to the section "Method for determining the discount rate used".

39. Legal references "Eiopa Guidelines on Contract Boundaries - Consolidated Version" of 31 January 2023 and Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, Article 18 "Contract Boundaries".
40. As of the financial year 2024, for certain newly issued products linked to separately managed accounts or mutual fund units, a specific clause was introduced concerning additional payments, which allows the Company to refuse such premiums. For these contracts, additional payments and related benefits are excluded from contract boundaries.
41. Additional remuneration over and above the commission paid to intermediaries (agents and brokers) on the achievement of predetermined objectives (production, technical, etc.).

Accounting policy under IFRS 17

The choices made by the Poste Vita Group in applying the provisions of the standard are summarised below:

- risk mitigation: the Poste Vita Group does not plan to adopt risk mitigation, i.e., the option not to recognise changes in the CSM to account for some or all of the changes in the time effect of money and non-financial risk;
  OCI Option: with regard to both insurance contracts with direct participation features and investment contracts with discretionary profit participation, the Poste Vita Group opts to disaggregate the finance income or expenses deriving from the underlying assets into Profit for the Period (P&L) and Equity (OCI), with the aim of mitigating accounting volatility and reducing mismatches between financial assets and insurance liabilities.
  The Group also provides that, for the aforementioned contracts (i.e. contracts measured using the VFA model), the finance income and expenses (coupons, amortised cost, gains and losses from realisation, as well as changes in fair value on instruments measured at FVTPL and FVOCI) generated by the underlying assets measured under IFRS 9, are passed on to policyholders based on the percentage weight of the mathematical provisions at the reference date (mirroring). In order to ensure a representation that is more in line with the economic substance, prior to the allocation of IFRS 9 income to the individual Units of Account, the value of the returns generated by the assets related to the IFRS 17 insurance contracts is deducted from the excess value of the assets over that required for the obligations relating to the insurance liabilities (over-coverage), in line with the principles of consistency between assets and liabilities set out in IFRS 17;
- exception to the use of annual cohorts[42] The Poste Vita Group adopts the exemption option[43] limited to the portfolios pertaining to the Line of Business "With Profit Participating" and the hybrid products with separately managed components of the parent Poste Vita. These contracts are therefore not divided into annual cohorts, but are managed together due to the mutualisation effect of returns[44] (i.e. contracts relating to products subject to a sharing of financial profits and losses between generations), typical of separately managed accounts. For these products, therefore, generations issued even more than 12 months apart are grouped together in the same Group of contracts. This exception is not applicable for the Non-Life business;
- method of presentation of the result of the outward reinsurance business: The Poste Vita Group has chosen to present the amounts recovered from reinsurers and the allocation of paid premiums for the year separately.

4. Financial liabilities

The macro-item includes the financial liabilities governed by IFRS 9, other than the payables included in the relevant macro-item, which are distinguished on the basis of the measurement criterion adopted in:

4.1 Financial liabilities measured at fair value through profit or loss

The value initially recognised corresponds to the fair value at the settlement date of the liability; transaction costs or income directly attributable to the transaction are not considered in the initial recognition and are directly recognised in the Statement of profit or loss.

Subsequently, valuation is at fair value and the difference between fair value and carrying amount is recognised in the Statement of profit or loss.

When required by the applicable IFRS (e.g. in the case of derivative liabilities), or when the irrevocable fair value option is exercised, financial liabilities are recognised at fair value through profit or loss.

42. Cohort means the division of contracts according to the year of signing.
43. At the time of endorsement of the definitive version of the standard, provision was made for an exemption from application of annual cohorts stemming from the fact that in insurance practice, the revaluation rules for insurance liabilities are a function of the returns on the related financial assets, which are calculated through a common management of these assets and therefore not differentiated according to the specific sub-portfolios included in a specific separately managed account or between product generation years. The presence of cohorts generates complexities in terms of quantifying the "mutualisation effect" arising from the inclusion of different Units of Account (new business) in a pool of Units of Account pertaining to pre-existing portfolios, as well as complexities in terms of allocation of return on assets to specific Units of Account that could generate distorting effects in IFRS 17 results.
44. Intergenerational mutuality is generated on those products of long duration that provide for the entry of policyholders even at different times in the life of the product. In these cases, the mutualisation effect makes it possible to offset losses and gains from portfolio management between the different generations of policyholders participating in the product.

In this case, changes in fair value attributable to changes in own credit risk are recognised directly in equity, unless this treatment creates or enhances an accounting asymmetry, whereby the residual amount of the changes in the fair value of liabilities is recognised through profit or loss.

A financial liability at fair value through profit or loss is derecognised when the contractual rights to the liability and the underlying risks are transferred.

For the criteria used to establish the fair value of financial liabilities, please see that found in the previous section (Determining fair value for financial instruments).

Within the item, one can distinguish:
- financial liabilities held for trading;
- financial liabilities designated at fair value and, in particular, financial liabilities that are irrevocably designated at initial recognition to eliminate or significantly reduce a measurement or recognition inconsistency (accounting mismatch) or in the case of a group of financial liabilities or financial assets and liabilities that are managed and measured at fair value in accordance with a documented risk management or investment strategy.

Specifically, this item includes financial liabilities measured at fair value recognised through profit or loss related to: i) contingent liabilities related to options to purchase minority interests measured at fair value ii) accruals related to commissions and other operating expenses of UCITS funds and iii) contracts that do not present a significant insurance risk and that do not provide for discretionary profit participation features and therefore do not fall within the scope of IFRS 17. Specifically, the Group measures these products at fair value, exercising the option provided for by the standard (Fair Value Option) in order to avoid accounting mismatches with respect to the related investments measured at fair value. These products include standalone unit-linked policies to which no additional ancillary insurance cover and/or death benefit increases deemed significant are attached. The fair value of these contracts at the measurement date, expressed for unit-linked policies as the equivalent value of the units, reflects the market value of the underlying assets.

4.2 Financial liabilities measured at amortised cost

They are valued at amortised cost, applying the effective interest rate method. If there is a change in the expected cash flows and they can be reliably estimated, the value of borrowings is recalculated to reflect the change on the basis of the present value of estimated future cash flows and the internal rate of return initially applied.

This item includes subordinated liabilities, for which the creditor's right to repayment, in the event of liquidation of the company, can only be exercised after all other creditors and bonds have been satisfied. In particular, this item includes all financial liabilities whatever their technical form (debts, loans, liabilities related to lease contracts, etc.) other than those under the item "Financial liabilities at fair value through profit or loss".

5. Payables

This category includes financial liabilities not included in the previous item "Financial liabilities", including trade payables, payables to policyholders and insurance intermediaries.

These payables are recognised at the nominal value. For accounting purposes no discounting methods were used given that these payables are all short-term, the effects would not be significant.

In addition, this item includes employee termination benefits relative to the portion calculated using Italian accounting standards. For the item in question discounting methods are not used, in that these are short-term payables or payables which call for the payment of interest based on established contracts. In particular, categories relative to employee benefits are as follows:

Short-term benefits

The short-term employee benefits are those that will be fully paid within twelve months of the end of the year in which the employee provided their services. These benefits include: wages, salaries, social security contributions, holiday pay and sick pay.

The undiscounted value of short-term employee benefits to be paid to employees in consideration of employment services provided over the relevant period is recognised, on accrual, among personnel expenses.

Post-employment benefits

Post-employment benefits are divided into two categories: defined benefit plans and defined contribution plans. Under defined benefit plans, given that the amount of the benefit to be paid is only quantifiable following the termination of employment, the related effects on profit or loss or the financial position are recognised on the basis of actuarial calculations in compliance with IAS 19. Under defined contribution plans, contributions payable are recognised in profit or loss when incurred, based on the nominal value.

Defined benefit plans

Defined benefit plans include employee termination benefits payable to employees in accordance with Article 2120 of the Italian Civil Code:

- For all companies with at least 50 employees subject to supplementary pension reform, from 1 January 2007 vesting employee termination benefits (TFR) must be paid into a supplementary pension fund or into a Treasury Fund set up by INPS. Accordingly, the company's defined benefit liability is applicable only to the provisions made up to 31 December 2006;
- In the case of companies with less than 50 employees, to which the supplementary pension reform does not apply, vested employee termination benefits continue to fully increase the liability accumulated by the company.

The liability is projected into the future using the Projected Unit Credit Method to calculate the probable amount to be paid on cessation of employment and then is discounted to recognise the time value of money prior to the liability being settled. The liability recognised in the financial statements is based on calculations performed by independent actuaries.

The calculation takes into account the employee termination benefits accrued for work already performed and is based on actuarial assumptions that mainly concern: demographic assumptions (such as employee turnover and mortality) and financial assumptions (such as rate of inflation and a discount rate consistent with that of the liability). In the case of companies with at least 50 employees, as the company is not liable for employee termination benefits accruing after 31 December 2006, the actuarial calculation of employee termination benefits no longer takes account of future salary increases. Actuarial gains and losses at the end of each reporting period, based on the difference between the carrying amount of the liability and the present value of the Group's obligations at the end of the period, due to changes in the actuarial assumptions above, are recognised directly in equity in the Statement of other comprehensive income. Defined benefit plans also include pension funds to guarantee members and their survivors a supplementary pension in addition to that managed by INPS to the extent and in the manner provided for by specific regulations, collective labour contracts and the law. In relation to this case, the principles of initial recognition and subsequent measurement indicated for employee termination benefits apply. In addition, as for employee termination benefits, the liability recognised in the financial statements is based on calculations performed by independent actuaries.

Defined contribution plans

Employee termination benefits (TFR) due to employees pursuant to Article 2120 of the Italian Civil Code are considered defined contribution plans solely for benefits vested subsequent to 1 January 2007 and obligatorily paid into a Supplementary Pension Fund or a Treasury Fund at INPS. Under defined contribution plans, contributions payable are recognised in profit or loss when incurred, based on the nominal value.

Termination benefits

Termination benefits payable to employees are recognised as a liability when the company decides to terminate the employment of an employee, or group of employees, prior to the normal retirement date or, alternatively, an employee or group of employees accepts an offer of benefits in consideration of a termination of employment. Termination benefits payable to employees are immediately recognised as personnel expenses.

Other long-term employee benefits

Other long-term benefits consist of benefits not payable within twelve months after the end of the reporting period during which the employees provided their services. The valuation of Other long-term benefits does not normally have the same degree of uncertainty as that relating to the benefits after the employment relationship, and therefore, some simplifications are envisaged by IAS 19 in the accounting methods: the net change in the value of all the components of the liability that occurred during the year are recognised entirely in profit or loss. Measurement of the other long-term employee benefits liability is recognised in the financial statements on the basis of calculations performed by independent actuaries.

6. Other liabilities

This macro-item includes items not contained in other liability items. This includes liabilities in disposal groups held for sale, current and deferred liabilities and other liabilities.

6.1 Liabilities in disposal groups held for sale

Please see that already stated for the corresponding item in the assets.

6.2 Current and deferred tax liabilities

These items include tax liabilities governed by IAS 12.

Current tax liabilities are calculated using the tax laws in effect for direct taxes.

Deferred liabilities are recognised for all temporary taxable differences between the carrying amounts of assets and liabilities and the corresponding amounts recognised for tax purposes, with the exception of cases expressly indicated in paragraph 15 of IAS 12. Deferred taxes calculated on items booked directly to Equity are also booked directly to Equity.

6.3 Other liabilities

In particular, the item includes:
- liabilities relating to defined benefits and other long-term employee benefits;
- accrued expenses and deferred income.

Statement of profit or loss

IFRS 17 requires that the amounts recognised in the statement of profit or loss and other comprehensive income be disaggregated into:

1. a result of insurance services which in:
   - insurance revenue from insurance contracts issued;
   - costs for insurance services arising from insurance contracts issued.
2. financial income or expenses related to insurance contracts.

Financial revenue and costs relating to issued insurance contracts are separated from financial revenue and costs relating to outward reinsurance. For reinsurance contracts held, an entity may present income and expenses, other than finance income and expense, as a single net amount or as separate amounts.

Revenue for insurance services and costs for insurance services presented in profit or loss exclude any investment component, premium refunds, and loan repayments on policies. Although the premiums charged may contain investment components, these components do not represent consideration for the provision of services and are not included in insurance revenue. Moreover, an entity is prohibited from presenting information about premiums that are not considered insurance revenue in other items of profit or loss.

The change in the adjustment for non-financial risk can be disaggregated between income from insurance services and financial income or expenses. When the entity elects not to disaggregate, the entire change shall be accounted for as part of the result of insurance services.

1. Insurance revenue from insurance contracts issued

The macro-item includes revenue from insurance contracts issued, which reflect the portion of the consideration received from the policyholder that the insurance company believes it is required to recognise in the statement of profit or loss in respect of the services provided during the year.

Total insurance revenue for a group of insurance contracts is the consideration for the contracts, i.e. the amount of premiums paid to the entity, adjusted for the effect of financing and excluding investment components.

In particular, for insurance contracts that fall under the General Model or Variable Fee Approach, revenue recognised in the period is mainly represented by the release of the CSM to the statement of profit or loss, the adjustment for non-financial risk related to current services, and the change in liabilities for remaining coverage for incurred claims and other expected insurance service costs in addition to the recovery of the accrued portion of acquisition costs.

Whereas for insurance contracts measured using the Premium Allocation Approach, the insurance revenue for the period are equal to the amount of expected premium income attributable to the period (excluding investment components) based on the passage of time.

2. Costs for insurance services arising from insurance contracts issued

Costs for insurance services arising from insurance contracts issued are mainly composed of:

- incurred claims during the year (excluding investment components) and other directly attributable expenses;
- losses from groups of onerous insurance contracts;
- amortisation of acquisition costs of insurance contracts issued;
- commissions/other acquisition costs expensed in full in the statement of profit or loss, investment management expenses underlying insurance contracts to which the Variable Fee Approach (VFA) measurement method is applied;
- changes in the amount of the share of the fair value of groups of insurance contracts with direct insurance participation features that do not change the contractual service margin;
- the positive or negative balance of other technical expenses and income related to insurance contracts issued, for the portion not included in the fulfilment cash flows.

3. Insurance revenue from outward reinsurance

The Standard allows the algebraic balance between revenue and costs for insurance services arising from outward reinsurance to be presented in Item “Net insurance revenue/costs from outward reinsurance” only.

As required by the Standard, Poste Vita Group opted to present the amounts recovered from reinsurers and the allocation of paid premiums for the year separately.

The macro-item includes the amount recovered from reinsurers, such as, for example, the amount of losses recovered on the underlying insurance contracts.

The positive balance of write-backs and write-downs related to expected losses arising from the reinsurer’s default risk should also be included, while the allocation of premiums paid for the year should not be reduced.

4. Costs for insurance services arising from outward reinsurance

The macro-item therefore includes commissions/other acquisition costs charged in full to the statement of profit or loss, the allocation of premiums paid for the year, net of amounts expected to be received from reinsurers that are not related to claims on the underlying insurance contracts, such as, for example, certain types of assignment fees.

It also includes:
- the negative balance of write-backs and write-downs related to expected losses arising from the reinsurer’s default risk;
- any positive or negative balance of other technical expenses and other technical income related to outward reinsurance, for the portion of such expenses and income not included in the fulfilment cash flows.

5. Result of insurance services

The item includes insurance revenue and costs for insurance services arising from insurance contracts issued or outward reinsurance indicated in previous items 1 to 4.

6. Income/expenses from financial assets and liabilities measured at fair value through profit or loss

The macro-item includes gains and losses from realisation, interest, dividends and positive and negative value changes for assets and liabilities in the category “fair value through profit or loss”.

Also included are gains and losses from non-hedging derivative contracts, other than those included under interest, and income from UCITS units.

7. Income/expenses from equity investments in associates and joint ventures

The macro-item includes the balance (positive or negative) between income and expenses related to investments in equity-accounted associates and joint ventures and the gain or loss on disposal of investments in subsidiaries.

Dividends received on investments in associates and joint ventures do not enter into the determination of the macro-item, but are shown as a negative change in “Investments in associates and joint ventures” in the assets and must be reported in the table “Significant investments: carrying amount, fair value and dividends received” in the notes.

Excluded from the macro-item are the results of the valuation of equity investments classified as “assets held for sale”, as well as the related income and expenses from disposals, which are to be reported under the item “Profit (Loss) from discontinued operations”.

8. Income/expenses from other financial assets and liabilities and investment property

The macro-item includes income and expenses from financial instruments not measured at fair value through profit or loss and from investment property, specifically:

8.1 Interest income calculated using the effective interest method

8.2 Interest expense

The items include interest income and expense, similar income and expenses related to, respectively, financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income, and financial liabilities measured at amortised cost.

Also included in the items are changes in the amortised costs of financial assets and liabilities due to changes in estimates of expected cash flows, and fees that are included in the calculation of the effective interest rate.

In particular, interest income (and similar income) also includes interest due to the passage of time, computed as part of the valuation of impaired financial assets, based on the original effective interest rate.

8.3 Other income/expenses

This item includes dividends related to shares or units held in the portfolio, other than those valued according to the equity method. Dividends on equity instruments designated at fair value through other comprehensive income are included. Dividends from investments are excluded.

8.4 Gains/losses from realisation

This item includes the balance of gains and losses from realisation:
- with the sale of a financial asset classified in the “Financial assets measured at amortised cost” and “Financial assets measured at fair value through other comprehensive income” portfolios;
- with the sale of investment properties;
- on the repurchase of own financial liabilities measured at amortised cost.

In the case of “financial assets (other than equity instruments) measured at fair value through other comprehensive income”, gains and losses represent the balance of two components: one already recognised in the relevant revaluation reserve, the other consisting of the difference between the disposal price and the carrying amount of the assets sold.

8.5 Gains/losses from valuation

This item includes the balance, positive or negative, between the positive changes arising from the reversal of impairment and the valuation subsequent to initial recognition of investment property measured at fair value, hedging instruments and hedged financial assets and liabilities other than equity securities measured at fair value through other comprehensive income.

9. Investment income and expenses

This item shows the balance, positive or negative, of the income and expenses indicated in Items 6 to 8.5 above.

10. Net financial costs/revenue related to insurance contracts issued

The following must be indicated:
- interest accrued during the year on insurance contracts issued, due to the time value of money;
- the effects in the reporting year on insurance contracts issued relating to changes in the time value of money and the effects of financial risk and its changes;
- changes in the fair value of the underlying assets of issued insurance contracts valued using the VFA approach, other than those related to changes in the amount of the share of the fair value of groups of insurance contracts with direct participation features attributable to the company that do not change the contractual service margin;
- effects associated with exchange rate fluctuations;
- any other financial revenue and costs related to insurance contracts issued not allocated to the previous items (e.g., the effects of discounting cash flows at the current interest rate).

The Group applies the accounting unbundling approach for portfolios of insurance contracts issued and existing outward reinsurance contracts with the aim of mitigating volatility in the Statement of Profit or Loss and the potential accounting mismatch that could arise due to the interaction between the classification and measurement of financial assets in accordance with IFRS 9 and the accounting for insurance contract liabilities.

Consequently, changes in discount rates are recognised within other components of comprehensive income. Specifically:
- for insurance contracts measured using the VFA, the financial economic components relating to insurance contracts issued recognised in the statement of profit or loss are an amount that offsets the finance income (or expenses) deriving from the underlying assets;
- for insurance contracts measured using the BBA method, the financial economic components relating to insurance contracts recognised in the statement of profit or loss include only the amount resulting from the discounting of insurance liabilities using the discount rates determined at the time of initial recognition (locked-in rates). Any changes in financial assumptions arising from the application of current rates are recognised within other components of comprehensive income;
- for insurance contracts measured using the PAA method, financial economic components relating to insurance contracts recognised in the statement of profit or loss mainly include the amount resulting from the discounting of insurance liabilities using the discount rates determined at the date of occurrence of claims for Liabilities for incurred claims (accident-year rates). Any changes in financial assumptions arising from the application of current rates are recognised within other components of comprehensive income.

These accounting choices are applied consistently at the portfolio level of insurance contracts issued and outward reinsurance contracts.

This item also includes changes in groups of insurance contracts with direct participation features related to the effects and changes in financial risks that do not change the contractual service margin because they are subject to financial risk mitigation with derivative instruments or financial instruments measured at fair value through profit or loss or with outward reinsurance (risk mitigation).

11. Net financial revenue/costs related to outward reinsurance

The following must be indicated:
- interest accrued during the reporting year on outward reinsurance due to the time value of money;
- the effects in the reporting year on outward reinsurance related to changes in the time value of money and the effects of financial risk and its changes;
- effects associated with exchange rate fluctuations;
- any other financial revenue and costs relating to outward reinsurance not allocated to the above items.

12. Net financial result

This item shows the balance, whether positive or negative, of the income and expenses indicated in Items 9, 10 and 11 above.

13. Other revenue/costs

The item includes, in particular:
- the positive or negative balance between revenue and costs deriving from the sale of goods, the provision of services other than financial and from third-party utilisation of tangible and intangible assets and other business assets according to IFRS 15;
- the release to the statement of profit or loss of valuation reserves relating to cash flow hedges of non-financial assets and liabilities;
- balance, positive or negative, between gains and losses from realisation on tangible and intangible assets.

14. Operating expenses

The following are accounted for in this item:

14.1 Investment management expenses

This item includes general and personnel expenses related to the management of financial instruments, real estate investments and investments. The item also includes custody and administration costs. Expenses included by the Group when estimating insurance assets/liabilities are excluded.

14.2 Other administrative expenses

This item includes general and personnel expenses not included in the calculation of insurance liabilities and assets and not allocated to acquisition costs of insurance contracts and investment management expenses. This item includes, in particular, general and personnel expenses incurred in the acquisition and administration of investment contracts without discretionary participation features that are not within the scope of IFRS 17 issued by the company. The item also includes general and personnel expenses of consolidated companies other than insurance companies - not otherwise allocated.

15. Net provisions for risks and charges

The account shows the balance, positive or negative, between provisions and any releases to the statement of profit or loss of provisions for risks and charges.

16. Net impairment losses/(reversals of impairment losses) on tangible assets

This item reports the balance, positive or negative, of impairment losses, depreciation and reversals of impairment losses on tangible assets, other than those relating to investment property and reported under “Gains/losses from valuation”, including those relating to assets granted under operating leases and rights of use acquired under leases and relating to the use of tangible assets.

17. Impairment losses/(reversals of impairment losses) on intangible assets

This item includes the balance, whether positive or negative, of impairment, amortisation and impairment reversals related to intangible assets, including those related to assets granted under operating leases and to rights of use acquired under leases and related to the use of intangible assets.

18. Other operating income/expenses

This item includes costs and revenue not attributable to other items that contribute to determining the profit (loss) for the year before tax.

19. Profit (loss) for the year before tax

This item shows the balance, positive or negative, of the income and expenses shown in Items 5, 12, 13, 14.1, 14.2, 15, 16, 17 and 18 above.

20. Taxes

This item includes the tax charge - equal to the balance between current and deferred taxes - relating to income for the year, net of that relating to “Discontinued operations”, to be reported under item 22 “Profit (Loss) from discontinued operations”.

21. Profit (loss) for the year after tax

This item shows the balance, positive or negative, of the algebraic difference between Items 19 and 20.

22. Profit/ loss from discontinued operations

This item includes costs and revenue, net of tax effects, related to discontinued operations as defined in IFRS 5, paragraph 33 (a).

23. Consolidated net profit (loss)

This item shows the balance, positive or negative, of the income and expenses indicated in Items 1 to 22 above. The “of which: attributable to owners of the parent” shows the share of the consolidated profit or loss attributable to owners of the parent based on equity ratios. The “of which: attributable to non-controlling interests” includes the fraction of the consolidated profit or loss attributable to non-controlling interests.

Statement of comprehensive income

The statement of comprehensive income was introduced in the version of IAS 1 published by the IASB in September 2007 and endorsed by EC Regulation no. 1274/2008. The statement includes income components, other than those in the statement of profit or loss, recognised directly in equity for transactions other than those with shareholders. In accordance with ISVAP Regulation no. 7 of 13 July 2007 and subsequent amendments, income and cost items are shown net of tax. The total of the consolidated statement of comprehensive income is broken down by separating the portion pertaining to the parent company from that pertaining to non-controlling interests.

Statement of changes in equity

The statement prepared in accordance with the requirements of ISVAP Regulation no. 7 of 13 July 2007, as amended, discloses all changes in equity items.

Statement of cash flows

The statement, prepared using the indirect method, is drawn up in accordance with the requirements of ISVAP Regulation no. 7 of 13 July 2007, as amended, distinguishing between operating, investing and financing activities.

Uncertainties involved with the use of estimates

As requested in paragraph 116 of IAS 1, we note here that the Consolidated Financial Statements for 2025 were prepared in respect of the principles of clearly, truly and accurately representing the equity and financial situation and the economic results for the year.

The decisions made and estimation and measurement criteria adopted in applying the international accounting standards are justified in the Notes.

Use of such estimates and assumptions affects the final amounts reported in the financial statements and related disclosures. The final amounts for the items in the financial statements relative to which these estimates or assumptions have been applied may differ due to uncertainties regarding the assumptions and the conditions on which estimates are based. 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 mainly in the following cases during the period under review:

- in determining the fair value of financial assets and liabilities;
- in estimating the recoverability of deferred tax assets;
- in quantifying provisions for risks and charges and provisions for employee benefits, in consideration of the indeterminate nature of the amount and date on which they will arise and the actuarial assumptions applied;
- in determining the estimate of insurance liabilities;
- in determining the valuation of insurance assets;
- in carrying out the impairment test on goodwill and other assets with an indefinite useful life;
- in assessing the options to purchase the minority shares;
- in the valuation of the assets and liabilities transferred to the Parent Company Poste Vita following the demerger of Cronos, as better illustrated within the document.

Accounting standards, amendments and improvements applicable as of 1 January 2025

- **Amendment to IAS 21 - Effects of changes in exchange rates** with the objective of establishing criteria for a consistent evaluation of the exchangeability of currencies and the determination of the exchange rate to be applied in cases where currencies are assessed as non-exchangeable. It also establishes the information to be provided in the notes to the financial statements as to how these evaluations were made.

The adoption of the above amendments did not significantly affect the financial reporting of this document.

Accounting standards, amendments and improvements applicable in subsequent years

- **Amendments to the Classification and Measurement of Financial Instruments – "Amendments to IFRS 9 and IFRS 7"** with the aim of clarifying some problematic aspects that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary upon the achievement of ESG objectives (i.e. green bonds). It also establishes the information to be provided in the notes to the financial statements as to how these evaluations were made
- **Contracts Referencing Nature-dependent Electricity – "Amendment to IFRS 9 and IFRS 7"** with the objective of supporting entities in reporting the financial effects of contracts for the purchase of electricity produced from renewable sources (often structured as "Power Purchase Agreements"). On the basis of these contracts, the amount of electricity generated and purchased may vary according to uncontrollable factors such as weather conditions
- **"Annual Improvements Volume 11".** The document includes clarifications, simplifications, corrections and changes aimed at improving the consistency of various IFRS Accounting Standards. The amended standards are:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and the related guidelines on the implementation of IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash Flows.

In addition, IFRS 18 will come into force from 1 January 2027. For information on its implementation, please refer to the preliminary information provided in the following paragraph.

As of the reporting date, the IASB has issued some financial reporting standards, amendments and interpretations not yet endorsed by the European Commission:
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.
- Amendments to IFRS 19 Subsidiaries without public accountability: Disclosures.
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency.

The potential impact on the Poste Italiane Group's financial reporting of the accounting standards, amendments and interpretations due to come into effect is currently being assessed. It should also be noted that the Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet in force.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 “Presentation of Financial Statements”. IFRS 18 introduces new requirements for the presentation of the statement of profit or loss, including specific totals and subtotals. In addition, entities will have to classify all costs and revenue within the statement of profit or loss into five categories: operating, investing, financing, income taxes and discontinued operations, of which the first three represent an innovation compared to the previous framework.

The standard also requires disclosure based on the new definition of management-defined performance measures (MPMs), on the subtotals of costs and revenue, and introduces new provisions for the aggregation and disaggregation of financial information, considering the roles assigned to the Primary Financial Statements (PFS) and the notes to the financial statements.

Amendments have also been made to IAS 7 “Statement of Cash Flows”, which include a revision of the starting point for determining cash flows from operating activities under the indirect method: from net result to operating result. The option to choose the classification of cash flows relating to dividends and interest has also been eliminated. Further consequential amendments have been made to other accounting standards to enable a harmonised application of the standard.

IFRS 18 and the amendments to the other standards are applicable to financial years beginning on or after 1 January 2027. IFRS 18 must be applied retrospectively for the year 2026.

It should be noted that Poste Italiane has set up an internal working group, with the support of external professionals, to identify the impacts that the new provisions will have on the financial statements and notes to the financial statements, while monitoring:

- the transposition of the requirements into the reference regulations by the local authorities (including the Bank of Italy and IVASS);
- the ongoing discussions at the IFRS Interpretation Committee;
- any indications from ESMA.

Part B – Scope of consolidation

In the period under review, the scope of consolidation changed as a result of the liquidation of the company Net Holding[45], which was completed on 13 March 2025 and which provided for the assignment to Net Holding's shareholders of the 97.8% stake it held in Net Insurance SpA, and as a result of the derecognition of the stake held in Cronos Vita Assicurazioni SpA ("Cronos") following the total, non-proportional demerger of Cronos, which was completed on 1 October 2025.

The Poste Vita Insurance Group operates in the Investment and Protection business through its Life and Non-Life insurance operations.

The scope of consolidation, therefore, includes at 31 December 2025:

1. The Parent Company Poste Vita SpA ("Poste Vita" or the "Parent Company"), an insurance company operating in Life insurance, wholly owned by Poste Italiane;
2. Poste Assicura SpA ("Poste Assicura"), an insurance company operating in Non-Life insurance, excluding motor insurance, wholly owned by the Parent Company Poste Vita;
3. Poste Insurance Broker Srl ("Poste Insurance Broker" or "PIB"), a wholly-owned subsidiary of Poste Assicura, is active in the third-party motor liability and ancillary cover segment, through the placement of standardised insurance policies for Poste Italiane Group customers;
4. Net Insurance SpA ("Net Insurance") is an insurance company authorised to practice non-life insurance and reinsurance that offers protection solutions dedicated to individuals, families and small and medium-sized enterprises. Net Insurance is 58.70% owned by the Parent Company Poste Vita and wholly owns Net Insurance Life;
5. Net Insurance Life SpA ("Net Insurance Life") is an insurance company active in the Life insurance business that mainly offers insurance coverage related and instrumental to the Non-Life products offered by its ultimate parent Net Insurance;
6. Multi-Asset Funds ("MAFs"), consisting of 6 UCITS under Italian law (11 funds before the merger[46] of 5 funds into as many existing funds), managed by BancoPosta Fondi.

In accordance with the requirements of Reg. 7, the table below shows "Equity investments in wholly-owned subsidiaries", including fully-consolidated structured entities, in which Parent Company Poste Vita owns 100% of the fund units, while BancoPosta Fondi is the company contractually appointed to manage them. Both of the above companies are wholly-owned subsidiaries of Poste Italiane.

Investments in wholly-owned subsidiaries

Name	Country of registered office	Country of operating office (1)	Method (2)	Business (3)	Type of relationship (4)	% Direct interest	% Total interest (5)	% Availability of votes in the ordinary shareholders' meeting (6)	% Availability of POTENTIAL votes in the ordinary shareholders' meeting (6)	% consolidated
Poste Assicura SpA	086		G	1	1	100	100	100	100	100
Poste Insurance Broker Srl	086		G	11	1	100	100	100	100	100
BancoPosta Global Multi-Asset Income	086		G	11	1	100	100	100	100	100
BancoPosta Dynamic Multi-Asset	086		G	11	1	100	100	100	100	100
BancoPosta Global Optimal Multi-Asset	086		G	11	1	100	100	100	100	100
BancoPosta Strategic Insurance Distribution	086		G	11	1	100	100	100	100	100
BancoPosta Diversified Distribution	086		G	11	1	100	100	100	100	100
BancoPosta Olympium Severum	086		G	11	1	100	100	100	100	100
Net Insurance SpA	086		G	1	1	58.70	58.70	58.70	58.70	58.70
Net Insurance Life SpA	086		G	1	1	58.70	58.70	58.70	58.70	58.70

(1) This disclosure is required only if the country of the operating office is different from the country of the registered office
(2) Consolidation method: Line by line = G; Line by line by unitary management = U
(3) 1 = Italian ins.; 2 = EU ins.; 3 = Non-EU ins.; 4 = ins. holding; 4.1 = mixed holding company; 5 = EU reins.; 6 = Non-EU reins.; 7 = banks; 8 = asset mng. co.; 9 = other holding; 10 = real estate 11 = other companies;
(4) Type of relationship: 1 = majority of the voting rights in the ordinary shareholders' meeting 2 = dominant influence in the ordinary shareholders' meeting 3 = agreements with other shareholders 4 = other forms of control 5 = unitary management pursuant to Art. 96(1) of "Legislative Decree 209/2005" 6 = unitary management pursuant to Art. 96(2) of "Legislative Decree 209/2005".
(5) This is the sum of the equity interests related to all the companies along the ownership chain standing between the reporting entity and the company in question. If a number of subsidiaries hold direct interests in the latter, it is necessary to report the sum of the individual interests
(6) Availability of votes in the ordinary shareholders' meeting, distinguishing between actual and potential votes

45. Poste Vita held the investment in Net Insurance through Net Holding until the date of the latter's liquidation. At 31 December 2025, Poste Vita held a direct stake in Net Insurance of 58.70%.
46. On 17 April 2025, in order to pursue efficient fund management, three Multi-Asset Funds were merged: BancoPosta Olympium Dynamic Multi-Asset, BancoPosta Olympium Insurance Multi-Asset and BancoPosta Olympium Optimal Multi-Asset, and on 19 September 2025, two further Multi-Asset Funds were merged: BancoPosta Long Term Optimal Multi-Asset Fund and BancoPosta Dynamic Long Term Multi-Asset Fund.

Below are the statements of equity investments in wholly-owned subsidiaries with significant minority interests:

Investments in wholly-owned subsidiaries with significant minority interests

Third-party interests, availability of third-party votes, dividends distributed to third parties, profit for the year and third-party equity

Name (figure in €m)	% minority interests	% Votes available in ordinary Shareholders' Meeting for third parties	Dividends distributed to third parties	Consolidated net profit (loss) attributable to non-controlling interests	Equity attributable to non-controlling interests
Net Insurance SpA	41.30	41.30	6	3	80
Net Insurance Life SpA	41.30	41.30		10	

Equity investments with significant minority interests: accounting Information

Name €m	Investments	Other assets	Cash and cash equivalents	Insurance liabilities	Financial liabilities	Equity	Total revenue	Profit (loss) from continuing operations before tax	Profit (loss) from continuing operations after tax	Profit (loss) from discontinued operations after tax	Profit/ (loss) for the year (1)	Other income components after tax (2)	Statement of comprehensive income (3) = (1) + (2)
Net Insurance SpA	198	150	24	211	30	98	172	43	39		33	(0)	33
Net Insurance Life SpA	271	232	5	453	5	40	104	37	26		25	(0)	25

In accordance with IFRS 10, subsidiaries are the entities over which the Parent Company exercises control. Control is obtained when the Parent Company is exposed to variable returns or holds real rights over returns, deriving from its relationship with the investee and, at the same time, is able to affect these returns by exercising its power over the entity. In particular, the Parent Company controls an investee if, and only if, it simultaneously:

- has the power over the investee (i.e. rights, not merely protective, which grant it the real ability to direct significant actions of the investee, that is activities that significantly impact the returns of the entity invested in);
- is exposed, or has rights to, variable returns from its involvement with the investee;
- has the ability to influence those returns through its power over the investee.

Determination of control is based on the substance of the economic relationship between the Group and the company to be measured and, among other things, considers current and potential voting rights.

The Group periodically and systematically assesses whether events and circumstances indicate a change in one or more elements of control.

Consolidation differences

The differences between the share of equity in consolidated companies and the carrying amounts for the equity investments shown in the individual financial statements is allocated directly to consolidated equity, in the consolidation reserve within the item “Revenue reserve and other equity reserves”, and in the Statement of Financial Position Assets under the item “Goodwill”.

Disclosure of unconsolidated structured entities

The table below summarises interests in unconsolidated structured entities:

Carrying amount of assets and liabilities of structured entities and maximum loss exposure

Name of structured entity/Items €m	Revenue earned by structured entity during the reference year	Carrying amount (at date of transfer) of assets transferred in reference year	Carrying amount of assets recognised in financial statements and attributable to the structured entity	Corresponding asset item in the statement of financial position	Carrying amount of liabilities recognised in financial statements and attributable to the structured entity	Corresponding liability item in the statement of financial position	Maximum loss exposure
PRIMA HEDGE PLATINUM GROWTH			1,303	Financial assets measured at fair value through profit or loss			450
DIAMOND EUROZONE OFFICE UBS FUND			423	Financial assets measured at fair value through profit or loss			189
DIAMOND EUROZONE RETAIL PROPERTY FUND			78	Financial assets measured at fair value through profit or loss			31
DIAMOND OTHER SECTOR ITALIA			112	Financial assets measured at fair value through profit or loss			37
DIAMOND ITALIAN PROPERTIES			154	Financial assets measured at fair value through profit or loss			59
CBRE DIAMOND FUND			325	Financial assets measured at fair value through profit or loss			105
Diamond Core			280	Financial assets measured at fair value through profit or loss			91
i3-Dante Fund Convivio sub-fund			271	Financial assets measured at fair value through profit or loss			68
SHOPPING PROPERTY FUND 2			7	Financial assets measured at fair value through profit or loss			2
Indaco SICAV SIF Indaco CIFC US Loan			91	Financial assets measured at fair value through profit or loss			14
Prima EU Private Debt Opportunity Fund			508	Financial assets measured at fair value through profit or loss			37
Prima Credit Opportunity Fund			79	Financial assets measured at fair value through profit or loss			5
PRIMA GLOBAL EQUITY PRTNERS FUND			206	Financial assets measured at fair value through profit or loss			132
Prima European Direct Lending 1 Fund			526	Financial assets measured at fair value through profit or loss			86
Prima Real Estate Europe Fund I			276	Financial assets measured at fair value through profit or loss			127
ALC Prima European Private Credit Feeder Fund			305	Financial assets measured at fair value through profit or loss			26

Information on transfers between financial asset portfolios

Subsequent to the adoption of IFRS 9, the Poste Vita Group has not made any changes to the business model for its financial assets and, consequently, no transfers of financial asset portfolios have occurred.

Information on fair value

The measurement of financial instruments at the end of the period was performed in line with and in compliance with the provisions of the current Fair Value Policy of the Poste Italiane Group, as well as the Additional Guidelines of the Fair Value Policy for the Poste Vita Insurance Group and the related Technical Annex.

In compliance with **IFRS 13** - *Fair Value Measurement*, the fair value measurement techniques used by the Poste Vita Group are described below.

The assets and liabilities concerned (specifically assets and liabilities measured at fair value and measured at cost or amortised cost, for which fair value must be disclosed in the notes) are classified with reference to a hierarchy that reflects the materiality of the sources used for their measurement.

The hierarchy consists of 3 levels.

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. For the Poste Vita Group the following categories of financial instrument apply:

- bonds listed on active markets: for the definition of active market for bonds, the Insurance Group follows the criteria defined in the Group's FV Policy and applied in the context of the "Fair Value Engine" tool. In order to classify a "Level 1" financial instrument, daily monitoring rules have been established for contributions in order to verify their liquidity. 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 and that comply with the additional liquidity criteria set forth in the Additional Guidelines to the Group's Fair Value Policy and the related Technical Annex;
- shares listed on active and liquid markets whose measurement is carried out by considering the price deriving from the last contract traded on the day on the reference stock market;
- listed open-ended investment funds such as ETFs (Exchange Traded Funds) for which the valuation is made considering the daily closing market price, as provided by the Bloomberg information provider or the fund manager and the parameters defined in the Additional Guidelines to the Group's Fair value policy and in the relative Technical Annex for the assignment of Level 1 are also respected, such as: a daily NAV calculation frequency and an average time required to sell the position no longer than a significant number of working days.

Price of Level 1 type bonds incorporates the credit risk component.

Level 2: this level is comprised of fair values based on inputs other than Level 1 quoted market prices that are either directly or indirectly observable for the asset. Given the nature of Poste Vita Group operations, the observable data used as input to determine the fair value of the various instruments include yield curves and projected inflation rates, ranges of rate volatility, inflation option premiums, asset swap spreads or credit default spreads which represent the creditworthiness of specific counterparties and any liquidity adjustments quoted by primary market counterparties.

For the Poste Vita Group the following categories of financial instrument apply:

- bonds listed on inactive markets or not listed that do not meet the criteria envisaged by the Fair Value Policy and the Additional Guidelines and relevant Technical Annex for the assignment of the fair value Level 1. For the valuation of these securities, a preliminary analysis was carried out on the availability of a price deemed reliable, albeit indicative of a lower Level in the fair value hierarchy;
- all listed open-ended funds that, on the basis of the verifications carried out, cannot be classified as "Level 1" but comply with the less stringent requirements set out in the Additional Guidelines and the related Technical Annex for Level 2 classification;
- all unlisted open-ended funds for which the NAV provided by the info provider Bloomberg or by the fund manager is available at least monthly and that, based on the periodic analyses appropriately documented carried out using "look through"

approaches, have an investment in “Level 3” financial instruments pursuant to IFRS 13 lower than a specific threshold of significance expressed as a percentage of the overall NAV of the Fund.

Level 3: this level consists of financial instruments for which fair value measurements are obtained using non-observable inputs for the asset or liability. Measurements are hence carried out using input not deriving directly from data observable on the market (only to the extent in which observable inputs are not available) and involve estimates and assumptions by the measurer, including assumptions about risk, which must be consistent with the assumptions market operators would use to determine the price of the asset or liability. A financial instrument must be classified as Level 3 if these estimates have a significant impact on the value of the financial instrument being measured.

For the Poste Vita Group the following categories of financial instrument apply:
- residual bonds that do not respect the previous guidelines;
- all listed and unlisted open-ended funds that, on the basis of verifications carried out, cannot be categorised as “Level 2”;
- all Alternative Investment Funds (“AIFs”), 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, for Poste Vita this category includes: Private Equity Funds; Real Estate Funds; Infrastructure Equity Funds; Infrastructure Debt Funds; Private Debt Funds and Hedge Funds;
- the equity investments in the associates EGI and ECRA measured using the equity method;
- financial liabilities measured at amortised cost;
- financial liabilities measured at fair value through profit or loss.

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-ended 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.

With reference to Alternative Investment Funds (“AIFs”), it should be noted that as part of the process of overall strengthening of controls on illiquid and/or complex investments, the Parent Company Poste Vita has launched a specific project aimed at refining the methods for estimating the fair value of such investments in the portfolio, also in response to the growing attention shown by the Supervisory Authority on the subject, as indicated in the IVASS Letter to the Market of 14 July 2021 concerning the “Valuation and prudential treatment of complex and/or illiquid financial instruments”.

This analysis led to the definition of a methodological approach for the quantification, for all AIFs in the portfolio, of appropriate liquidity adjustments, which take into account the lower liquidity of the fund’s units compared to the market value of the individual assets that make it up. The Technical Annex to the Additional Guidelines to the Fair Value Policy of the Poste Vita Group has been updated accordingly.

The methodology for estimating the liquidity discount was applied for the first time for the closing of the financial statements at 31 December 2025.

Fair value measurement on a recurring basis

The following table shows, separately by fair value hierarchy level, the comparison between balance sheet assets and liabilities measured at fair value on a recurring basis.

Financial assets and liabilities measured at fair value on a recurring basis: breakdown by fair value level

Financial assets/liabilities measured at fair value €m	Level 1		Level 2		Level 3		Total	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Financial assets measured at fair value through other comprehensive income	99,312	100,974	10,992	6,510	12	12	110,316	107,496
Financial assets measured at fair value through profit or loss	11,312	8,629	34,439	36,857	9,692	7,846	55,443	53,333
a) financial assets held for trading		365	19,635	25,702	8,958	7,742	28,593	33,809
b) financial assets designated at fair value								
c) other financial assets mandatorily measured at fair value	11,312	8,264	14,804	11,155	734	104	26,850	19,523
Investment property								
Tangible assets								
Intangible assets								
Total	**110,624**	**109,603**	**45,431**	**43,368**	**9,704**	**7,859**	**165,759**	**160,829**
Financial liabilities measured at fair value through profit or loss			40	516	886	101	927	617
a) Financial liabilities held for trading			40	516	155	101	195	617
b) Financial liabilities designated at fair value					731		731	
Total			**40**	**516**	**886**	**101**	**927**	**617**

Below are transfers between level 1 and 2 of the fair value hierarchy during the period:

€m	from level 1	to level 2	to level 1	from level 2
Financial assets at FVOCI	**(4,577)**	**4,577**	**435**	**(435)**
Fixed income securities	**(4,577)**	**4,577**	**435**	**(435)**
Financial assets at fair value through profit or loss	**(962)**	**962**	**810**	**(810)**
Fixed income securities	(1)	1	7	(7)
Other investments	(961)	961	803	(803)
Shares	-	-	1	(1)
Net transfers between level 1 and level 2	**(5,538)**	**5,538**	**1,245**	**(1,245)**

The reclassifications from level 1 to level 2 amounted to € 5,538 million and refer for: i) € 4,577 million to FVOCI fixed-income securities and mainly relating to strip government bonds and corporate bonds that, at the measurement date, do not meet the liquidity criteria provided for by the Fair Value policy for the attribution of level 1 (namely trading frequency, significance of volumes and any unchanged prices for a given duration) and ii) € 962 million to FVTPL financial instruments mainly relating to listed open-end funds (ETFs) that do not meet the liquidity criteria mentioned above.

Reclassifications from level 2 to level 1 amounting to € 1,245 million mainly refer for: i) € 435 million mainly to Italian government bonds, which at the measurement date meet the liquidity criteria mentioned above and ii) € 803 million to listed open-end funds (ETFs) that meet the liquidity criteria provided for by the Fair Value Policy.

The following is a breakdown of the changes in Level 3 financial assets and liabilities in the same period:

Annual changes in level 3 assets and liabilities recognised at fair value on a recurring basis

€m	Financial assets measured at fair value through other comprehensive income	Financial assets measured at fair value through profit or loss			Investment property	Tangible assets	Intangible assets	Financial liabilities measured at fair value through profit or loss	
		Financial assets held for trading	Financial assets designated at fair value	Financial assets mandatorily measured at fair value				Financial liabilities held for trading	Financial liabilities designated at fair value
1. Opening balances	**12**								
2. Increases	**4**	**1,620**		**715**				**54**	
2.1. Purchases	3	1,610		570					731
2.2. Profits charged to:		10		11				54	
2.2.1 Statement of profit or loss		10		11				54	
of which capital gains		10		11					
of which capital losses								54	
2.2.2 Statement of comprehensive Income									
2.3. Transfers to other levels				134					
2.4. Other increases	1			0					
3. Decreases	**(4)**	**(404)**		**(85)**					
3.1. Sales	(0)	(404)		(20)					
3.2. Redemptions									
3.3. Losses charged to:	(1)								
3.3.1 Statement of profit or loss	(1)								
of which capital losses	(1)								
of which capital gains									
3.3.2 Statement of comprehensive Income									
3.4. Transfers to other levels				(65)					
3.5. Other decreases	(4)								
4. Closing balances	**12**	**8,958**		**734**				**155**	**731**

At 31 December 2025, the Group held financial instruments classified as level 3 totalling € 9,704 million (relating almost exclusively to mutual funds) and financial liabilities amounting to € 886 million, mainly referring for € 731 million to financial liabilities related to investment contracts issued, the risk of which is borne by policyholders, with non-significant insurance risk and without discretionary profit participation features. These products, therefore, fall within the scope of IFRS 9 and relate to unit-linked products.

In addition, it should be noted that during the period, with reference to the category in question, € 66 million of financial instruments were reclassified from fair value level 3 to level 2, referring mainly to class III UCITS funds that, at the measurement date, met the required liquidity criteria, and € 134 million of financial instruments were reclassified from fair value level 1 and 2 to level 3, relating for the most part to class III listed open-end funds (ETFs) that, at the measurement date, did not meet the liquidity criteria set out in the Group's Fair Value Policy.

Information on the fair value hierarchy of assets and liabilities not measured at fair value

Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value levels

	Carrying amount		Fair value							
			Level 1		Level 2		Level 3		Total	
€m	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Assets										
Financial assets measured at amortised cost	2,570	2,303	1,702	1,908	347	101	361	145	2,410	2,155
Investment property										
Non-current assets or disposal groups held for sale		50						100		100
Total assets	**2,570**	**2,353**	**1,702**	**1,908**	**347**	**101**	**361**	**245**	**2,410**	**2,255**
Liabilities										
Financial liabilities measured at amortised cost	447	278					436	291	436	291
Liabilities included in disposal groups held for sale										
Total liabilities	**447**	**278**					**436**	**291**	**436**	**291**

Information on “day one profit/loss”

During the reporting period, the Poste Vita Group did not recognise any profits or losses at the date of initial recognition of financial assets and liabilities as it did not show evidence that the value recognised to the counterparty at the time of the transaction differed from the fair value of the underlying financial instrument.

Part C - Information on the consolidated statement of financial position

The items in the statement of financial position and the changes that occurred compared to 31 December of the previous year are commented on below (the numbering of the items recalls the numbering in the compulsory format required by Reg. 7).

Assets

1. Intangible assets

Intangible assets amounted to € 148 million at the end of 2025 (€ 146 million at the end of 2024).

The following schedule provides a breakdown:

Intangible Assets: Breakdown of assets

Assets/Values €m	31.12.2025		31.12.2024	
	Definite duration	Indefinite duration	Definite duration	Indefinite duration
A.1 Goodwill	**X**	**124**	**X**	**124**
A.1.1 attributable to owners of the Parent	X	73	X	124
A.1.2 attributable to non-controlling interests	X	51	X	
A.2 Other intangible assets	**"**	**13**	**11**	**11**
A.2.1 Assets measured at cost:	12	13	11	11
a) Internally generated intangible assets				
a) Other assets	12	13	11	11
A.2.2 Assets measured at restated value:				
a) Internally generated intangible assets				
a) Other assets				
Total	**12**	**137**	**11**	**135**

Key:
X indicates that the information should not be provided.

The changes recorded during the period are shown below:

Intangible assets: annual changes

		Other intangible assets: generated internally		Other intangible assets: other		
€m	Goodwill	DEF	INDEF	DEF	INDEF	Total
A. Opening balances	**124**			**11**	**11**	**146**
A.1 Total net impairment losses						
A.2 Net opening balances	**124**			**11**	**11**	**146**
A.2.a Adjustment of opening balances						
B. Increases				**4**	**2**	**7**
B.1 Purchases				4	2	7
- Business combinations						
- Other Purchases				4	2	7
B.2 Increases in internal intangible assets						
B.3 Impairment losses						
B.4 Positive changes in restated value						
B.5 Positive exchange differences						
B.6 Other changes						
C. Decreases				**(4)**	**(0)**	**(4)**
C.1 Sales						
- Business combinations						
- Other Sales						
C.2 Impairment losses				(4)	(0)	(4)
- Amortisation				(4)	(0)	(4)
- Write-downs						
C.3 Redetermined negative changes in value						
C.4 Transfers to non-current assets held for sale						
C.5 Negative exchange differences						
C.6 Other changes						
Other changes (-)						
D. Net closing balances	**124**			**12**	**13**	**148**
D.1 Total net impairment losses						
E. Gross closing balances	**124**			**12**	**13**	**148**
F. Measurement at cost	**124**			**12**	**13**	**148**

The item refers for € 124 million to goodwill arising from the residual difference between the consideration transferred (€ 181 million) and the fair value of the net assets acquired of Net Insurance by the Parent Company Poste Vita (€ 57 million) and for the residual € 24 million, € 13 million to trademarks and € 12 million to concessions, licences and costs of a multi-year nature incurred by the subsidiaries Net Insurance and Net Insurance Life mainly for the acquisition and customisation of software.

In accordance with IAS 36 ('Impairment of Assets'), goodwill was subjected to an impairment loss test to determine whether there had been a reduction in its value compared to what had been recognised ("impairment test").

In performing the impairment test on the Net Insurance Group, reference was made to the CGU (Cash Generating Unit) comprised of the company Net Insurance and the subsidiary Net Insurance Life as a cash-generating unit.

A Discount Dividend Model (DDM) method was used to estimate the value in use of the CGU.

To estimate the value in use of the CGU, reference was made to the period 2026-2030, consistent with the new Strategic Plan approved by the Company, assuming a discount rate (Ke) of 7.47% and a growth rate of 2%.

Based on the test results, there was no need to carry out value adjustments at 31 December 2025.

Sensitivity analyses show that the test is passed very comfortably even in scenarios significantly worse than the one used for the impairment test.

2. Tangible assets

Tangible assets totalled € 26 million at the end of 2025 (€ 25 million at the end of 2024). The breakdown of the item is shown below:

Tangible Assets: Breakdown of assets

Assets/Values €m	Assets for own use				Inventories from IAS 2	
	At cost		At restated value			
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
1. Owned assets	**16**	**16**				
a) land	8	8				
b) buildings	7	7				
c) office furniture and machines	0	0				
d) plant and equipment	0	0				
e) other assets						
2. Rights of use acquired through leases	**10**	**9**				
a) land						
b) buildings	9	8				
c) office furniture and machines						
d) plant and equipment	0	0				
e) other assets	1	1				
Total	**26**	**25**				

Tangible assets include: i) € 10 million for the right to use the assets covered by the contracts falling within the scope of IFRS 16 and referring mainly to the property owned by the Ultimate Parent Poste Italiane leased by the Parent Company Poste Vita and the subsidiary Poste Assicura; ii) € 7 million for the property held since 2015 and the headquarters of the subsidiaries Net Insurance and Net Insurance Life; and iii) € 8 million for the land owned by the subsidiaries Net Insurance and Net Insurance Life. The following table shows the changes in the item:

Tangible assets for own use: annual changes

€m	Land	Buildings	Office furniture and machines	Plant and machinery	Other tangible assets	Total
A. Gross opening balances						
A.1 Accumulated depreciation and impairment losses						
A.2 Net opening balances	**8**	**16**	**0**	**0**	**1**	**25**
A.2.a Adjustment of opening balances						
B. Increases		**1**	**0**	**0**	**1**	**2**
B.1 Purchases		1	0		1	2
- Other Purchases		1	0		1	2
C. Decreases		**(1)**	**(0)**	**(0)**	**(0)**	**(2)**
C.1 Sales						
C.2 Depreciation		(1)	(0)	(0)	(0)	(2)
C.7 Other changes		(0)		(0)		(0)
Change in the scope of consolidation (-)						
Change in method and % of consolidation (-)						
- Other changes (-)		(0)		(0)		(0)
D. Net closing balances	**8**	**16**	**0**	**0**	**1**	**26**
D.1 Accumulated depreciation and impairment losses		(16)	(1)	(1)	(2)	(20)
D.2 Gross closing balances	**8**	**31**	**2**	**1**	**3**	**46**
E. Measurement at cost						

3. Insurance assets

The item totalled € 366 million at the end of 2025, an increase of € 42 million compared to 31 December 2024 (€ 324 million).

Below is a breakdown of the item by business and by measurement model.

A.3.2.1 Insurance Assets

Items/Values €m	31.12.2025			31.12.2024			Change		
	GMM	PAA	Total	GMM	PAA	Total	GMM	PAA	Total
Life segment									
Asset for remaining coverage	235		235	181		181	54		54
Asset for incurred claims	8		8	7		7	2		2
Total Life business	**243**		**243**	**187**		**187**	**56**		**56**
of which: future cash flows	*223*		*223*	*172*		*172*	*50*		*50*
of which: adjustment for non-financial risk	*12*		*12*	*7*		*7*	*4*		*4*
of which: contractual service margin	*9*		*9*	*7*		*7*	*1*		*1*
Non-Life segment									
Asset for remaining coverage	84	(6)	78	65	2	67	20	(8)	11
Asset for incurred claims	17	27	44	26	44	70	(8)	(17)	(26)
Total Non-Life business	**101**	**21**	**123**	**90**	**47**	**137**	**11**	**(25)**	**(14)**
of which: future cash flows	74	21	96	60	47	106	15	(25)	(11)
of which: adjustment for non-financial risk	*6*		*6*	*7*		*7*	*(2)*		*(2)*
of which: contractual service margin	*21*		*21*	*23*		*23*	*(2)*		*(2)*
Total	**344**	**21**	**366**	**277**	**47**	**324**	**67**	**(25)**	**42**

This item relates to assets for outward reinsurance by Poste Vita Group companies. The € 42 million increase in assets recorded during the year is mainly attributable to the higher present value of cash flows, only partly mitigated by the decrease in receivables from reinsurers recognised as assets for incurred claims.

The following table presents the reconciliation of business by remaining cover and claims incurred related to outward reinsurance measured by the GMM model and are related to the Life business. This portion of the portfolio at 31 December 2025 amounted to € 243 million, an increase of € 56 million compared to € 187 million recorded at 31 December 2024.

A.3.2.2 Trend in carrying amount of outward reinsurance - GMM - asset for remaining coverage and for incurred claims - Life segment

Items/Carrying amount breakdown €m	Asset for remaining coverage (31.12.2025)		Asset for incurred claims (31.12.2025)	Total (31.12.2025)	Asset for remaining coverage (31.12.2024)		Asset for incurred claims (31.12.2024)	Total (31.12.2024)
	Net of loss recovery component	Loss recovery component			Net of loss recovery component	Loss recovery component		
A. Opening carrying amount								
1. Outward reinsurance constituting assets	181		7	187	133		9	142
2. Outward reinsurance constituting liabilities								
3. Net carrying amount at 1 January	**181**		**7**	**187**	**133**		**9**	**142**
B. Economic effects associated with outward reinsurance								
1. Cost of reinsurance	(46)			(46)	(33)			(33)
2. Claims and other recovered costs	0		30	30	(2)		25	22
3. Changes in the asset for incurred claims			1	1			0	0
4. Outward reinsurance covering onerous contracts								
5. Effects of changes in reinsurers' default risk					0			0
6. Total	**(46)**		**30**	**(15)**	**(35)**		**25**	**(10)**
C. Result from insurance services (Total B)	**(46)**		**30**	**(15)**	**(35)**		**25**	**(10)**
D. Net financial revenue/costs								
1. Relating to outward reinsurance	3			3	9			9
1.1. Recorded in the statement of profit or loss	5			5	6			6
1.2. Recorded in the statement of comprehensive income	(3)			(3)	3			3
2. Effects associated with exchange rate changes								
3. Total	**3**			**3**	**9**			**9**
E. Investment component								
F. Total amount recognised in the statement of profit or loss and statement of comprehensive income (C+D+E)	**(43)**		**30**	**(13)**	**(26)**		**25**	**(1)**
G. Other changes								
H. Cash movements								
1. Premiums paid net of amounts not related to claims recovered from reinsurers	95			95	74			74
2. Amount of claims recovered by reinsurers	2		(29)	(26)	(0)		(27)	(28)
3. Other changes								
4. Total	**97**		**(29)**	**68**	**73**		**(27)**	**46**
I. Net carrying amount at 31 December (A.3+F+G+H.3)	**235**		**8**	**243**	**181**		**7**	**187**
L. Closing carrying amount								
1. Outward reinsurance constituting assets	235		8	243	181		7	187
2. Outward reinsurance constituting liabilities								
3. Net carrying amount at 31 December	**235**		**8**	**243**	**181**		**7**	**187**

The following table presents the reconciliation of business by remaining cover and claims incurred related to outward reinsurance measured by the GMM model and are related to the Non-Life business. This portion of the portfolio at 31 December 2025 amounts to € 101 million, an increase of € 11 million compared to € 90 million at 31 December 2024.

A.3.2.3 Trend in carrying amount of outward reinsurance - GMM - asset for remaining coverage and for incurred claims - Non-Life segment

Items/Carrying amount breakdown €m	Asset for remaining coverage (31.12.2025)		Asset for incurred claims (31.12.2025)	Total (31.12.2025)	Asset for remaining coverage (31.12.2024)		Asset for incurred claims (31.12.2024)	Total (31.12.2024)
	Net of loss recovery component	Loss recovery component			Net of loss recovery component	Loss recovery component		
A. Opening carrying amount								
1. Outward reinsurance constituting assets	64	0	26	90	36	0	14	50
2. Outward reinsurance constituting liabilities								
3. Net carrying amount at 1 January	**64**	**0**	**26**	**90**	**36**	**0**	**14**	**50**
B. Economic effects associated with outward reinsurance								
1. Cost of reinsurance	(26)			(26)	(18)			(18)
2. Claims and other recovered costs		(0)	15	15			19	19
3. Changes in the asset for incurred claims			0	0			1	1
4. Outward reinsurance covering onerous contracts						(0)		(0)
4.1 Revenue from the registration of onerous underlying insurance contracts						(0)		(0)
4.2 Release of loss recovery component other than changes in cash flows of outward reinsurance contracts								
4.3 Changes in cash flows of outward reinsurance from onerous underlying insurance contracts						(0)		(0)
5. Effects of changes in reinsurers' default risk			(0)	(0)	0		0	0
6. Total	**(26)**	**(0)**	**15**	**(11)**	**(18)**	**(0)**	**20**	**2**
C. Result from insurance services (Total B)	**(26)**	**(0)**	**15**	**(11)**	**(18)**	**(0)**	**20**	**2**
D. Net financial revenue/costs								
1. Relating to outward reinsurance	2		0	2	3		0	3
1.1. Recorded in the statement of profit or loss	3		0	3	3		0	3
1.2. Recorded in the statement of comprehensive income	(1)		0	(1)	(0)		0	(0)
2. Effects associated with exchange rate changes								
3. Total	**2**		**0**	**2**	**3**		**0**	**3**
E. Investment component								
F. Total amount recognised in the statement of profit or loss and statement of comprehensive income (C+D+E)	**(24)**	**(0)**	**16**	**(9)**	**(16)**	**(0)**	**21**	**5**
G. Other changes								
H. Cash movements								
1. Premiums paid net of amounts not related to claims recovered from reinsurers	44			44	44			44
2. Amount of claims recovered by reinsurers			(24)	(24)			(9)	(9)
3. Other changes								
4. Total	**44**		**(24)**	**20**	**44**		**(9)**	**35**
I. Net carrying amount at 31 December (A.3+F+G+H.3)	**84**		**17**	**101**	**64**	**0**	**26**	**90**
L. Closing carrying amount								
1. Outward reinsurance constituting assets	84		17	101	64	0	26	90
2. Outward reinsurance constituting liabilities								
3. Net carrying amount at 31 December	**84**		**17**	**101**	**64**	**0**	**26**	**90**

A.3.2.4 Trend in carrying amount of outward reinsurance - PAA - asset for remaining coverage and for incurred claims

Items/Carrying amount breakdown €m	Asset for remaining coverage (31.12.2025)		Asset for incurred claims (31.12.2025)			Asset for remaining coverage (31.12.2024)		Asset for incurred claims (31.12.2024)		
	Net of loss recovery component	Loss recovery component	Present value of cash flows	Adjustment for non-financial risk	Total (31.12.2025)	Net of loss recovery component	Loss recovery component	Present value of cash flows	Adjustment for non-financial risk	Total (31.12.2024)
A. Opening carrying amount										
1. Outward reinsurance constituting assets	2	1	43	1	47	6	2	31	1	40
2. Outward reinsurance constituting liabilities										
3. Net carrying amount at 1 January	**2**	**1**	**43**	**1**	**47**	**6**	**2**	**31**	**1**	**40**
B. Economic effects associated with outward reinsurance										
1. Cost of reinsurance	(80)		0		(80)	(103)				(103)
2. Claims and other recovered costs	(4)		91		86	15		61		76
3. Changes in the asset for incurred claims			(17)	(1)	(17)			6	(0)	5
4. Outward reinsurance covering onerous contracts		(1)			(1)		(1)			(1)
4.1 Revenue from the registration of onerous underlying insurance contracts										
4.2 Release of loss recovery component other than changes in cash flows of outward reinsurance contracts										
4.3 Changes in cash flows of outward reinsurance from onerous underlying insurance contracts		(1)			(1)		(1)			(1)
5. Effects of changes in reinsurers' default risk								0		0
6. Total	**(85)**	**(1)**	**74**	**(1)**	**(12)**	**(89)**	**(1)**	**67**	**(0)**	**(23)**
C. Result from insurance services (Total B)	**(85)**	**(1)**	**74**	**(1)**	**(12)**	**(89)**	**(1)**	**67**	**(0)**	**(23)**
D. Net financial revenue/ costs										
1. Relating to outward reinsurance			0		0			1		1
1.1. Recorded in the statement of profit or loss			0		0			1		1
1.2. Recorded in the statement of comprehensive income			0		0			0		0
2. Effects associated with exchange rate changes										
3. Total			**0**		**0**			**1**		**1**
E. Investment component										
F. Total amount recognised in the statement of profit or loss and statement of comprehensive income (C+D+E)	**(85)**	**(1)**	**75**	**(1)**	**(11)**	**(89)**	**(1)**	**67**	**(0)**	**(23)**
G. Other changes										
H. Cash movements										
1. Premiums paid net of amounts not related to claims recovered from reinsurers	77				77	98				98

Items/Carrying amount breakdown €m	Asset for remaining coverage (31.12.2025)		Asset for incurred claims (31.12.2025)			Asset for remaining coverage (31.12.2024)		Asset for incurred claims (31.12.2024)		
	Net of loss recovery component	Loss recovery component	Present value of cash flows	Adjustment for non-financial risk	Total (31.12.2025)	Net of loss recovery component	Loss recovery component	Present value of cash flows	Adjustment for non-financial risk	Total (31.12.2024)
2. Amounts recovered from reinsurers			(91)		(91)	(14)		(55)		(69)
3. Other changes										
4. Total	**77**		**(91)**		**(14)**	**85**		**(55)**		**29**
I. Net carrying amount at 31 December (A.3+F+G+H.3)	**(6)**		**26**	**1**	**21**	**2**	**1**	**43**	**1**	**47**
L. Closing carrying amount										
1. Outward reinsurance constituting assets	(6)		26	1	21	2	1	43	1	47
2. Outward reinsurance constituting liabilities										
3. Net carrying amount at 31 December	**(6)**		**26**	**1**	**21**	**2**	**1**	**43**	**1**	**47**

As required by Reg. 7, the information set forth in par. 97 of IFRS 17 letters a), b) and c), also indicated in Part A “General preparation criteria and accounting standards adopted” of this document, is provided at the bottom of the table.

The Group has decided to consider the reinsurance business eligible for the PAA if the reinsurance coverage is proportional and if the underlying insurance contracts are in turn eligible for the PAA. In contrast, non-proportional business requires further analysis of eligibility for the PAA.

Since Risk Attaching treaties are generally proportional treaties and since Loss Occurring treaties generally have an annual duration, the Group has established the following criteria to define the applicability of the PAA to reinsurance contracts:

- Application of the PAA in the case of the following types of reinsurance coverage:
  - Loss Occurring treaties;
  - Risk-Attaching treaties, where the measurement model of the underlying Direct Business Group of Contracts is the Premium Allocation Approach.

It should be noted that the Group makes use of the option provided for in paragraph 56 of IFRS 17, not to adjust the LRC to reflect the time value of money and the effect of financial risk. On the other hand, the group does not make use of the option set forth in IFRS 17 paragraph 59 b), which provides, under specific conditions, for not adjusting the FCFs for the time value of money for the purpose of determining the LIC.

It should also be noted that the group does not make use of the option, provided for by Article 59 a) of IFRS 17, to recognise cash flows related to the acquisition of insurance contracts as costs when they are incurred. The economic burden of these acquisition costs is consequently transferred to the statement of profit or loss in line with the period in which the insurance services are provided.

In addition, with respect to outward reinsurance business measured using the GMM model, the following is a reconciliation relating to the Life business broken down by underlying elements of measurement: i) present value of cash flows; ii) adjustment for non-financial risks; and iii) contractual service margin. This portion of the portfolio at 31 December 2025 amounts to € 243 million, an increase of € 56 million compared to € 187 million at 31 December 2024.

A.3.2.7 Trend in carrying amount of outward reinsurance by elements underlying the measurement - Life segment

Items/Elements underlying the measurement €m	Elements underlying the measurement of the carrying amount of outward reinsurance							
	Present value of cash flows (31.12.2025)	Adjustment for non-financial risk (31.12.2025)	Contractual Service Margin (31.12.2025)	Total (31.12.2025)	Present value of cash flows (31.12.2024)	Adjustment for non-financial risk (31.12.2024)	Contractual Service Margin (31.12.2024)	Total (31.12.2024)
A. Opening carrying amount								
1. Outward reinsurance constituting assets	172	7	7	187	139	6	(3)	142
2. Outward reinsurance constituting liabilities								
3. Net carrying amount at 1 January	**172**	**7**	**7**	**187**	**139**	**6**	**(3)**	**142**
B. Changes in current services								
1. Contractual Service Margin recorded in the statement of profit or loss			(4)	(4)			(2)	(2)
2. Change for overdue non-financial risks		(2)		(2)		(2)		(2)
3. Experience-related changes	(11)		1	(10)	(5)		(2)	(7)
4. Total	**(11)**	**(2)**	**(3)**	**(16)**	**(5)**	**(2)**	**(4)**	**(10)**
C. Changes relating to future services								
1. Changes in estimates that alter the contractual service margin	(0)	3	(3)		(10)	(0)	10	
2. Effects of contracts entered into during the year	(10)	3	7		(7)	3	4	
3. Adjustment of contractual service margin related to recoveries on initial recognition of onerous underlying insurance contracts								
4. Release of loss recovery component other than changes in cash flows of outward reinsurance contracts								
5. Changes in cash flows of outward reinsurance from onerous underlying insurance contracts								
6. Total	**(10)**	**6**	**4**		**(17)**	**3**	**14**	
D. Changes related to past services								
1. adjustments to the asset for incurred claims	1			1	0			0
E. Effects of changes in reinsurers' default risk					**0**			**0**
F. Result from insurance services (B+C+D+E)	**(20)**	**4**	**1**	**(15)**	**(21)**	**1**	**10**	**(10)**
G. Net financial revenue/costs								
1. Relating to outward reinsurance	2	(0)	0	3	9	0	0	9
1.1. Recorded in the statement of profit or loss	5	(0)	0	5	6	0	0	6
1.2. Recorded in the statement of comprehensive income	(3)			(3)	3			3
2. Effects associated with exchange rate changes								
3. Total	**2**	**(0)**	**0**	**3**	**9**	**0**	**0**	**9**
H. Total amount recognised in the statement of profit or loss and statement of comprehensive income (F+G)	**(18)**	**4**	**1**	**(13)**	**(12)**	**2**	**10**	**(1)**
I. Other changes								
L. Cash movements								
1. Premiums paid net of amounts not related to claims recovered from reinsurers	95			95	74			74
2. Amounts recovered from reinsurers	(26)			(26)	(28)			(28)
3. Other changes								
4. Total	**68**			**68**	**46**			**46**
M. Net carrying amount at 31 December (A.3+H+I+L.4)	**223**	**12**	**9**	**243**	**172**	**7**	**7**	**187**
N. Closing carrying amount								
1. Outward reinsurance constituting assets	223	12	9	243	172	7	7	187
2. Outward reinsurance constituting liabilities								
3. Net carrying amount at 31 December 2025	**223**	**12**	**9**	**243**	**172**	**7**	**7**	**187**

In addition, with respect to outward reinsurance business measured using the GMM model, the following is a reconciliation relating to the Non-Life business broken down by underlying elements of measurement: i) present value of cash flows; ii) adjustment for non-financial risks; and iii) contractual service margin. This portion of the portfolio at 31 December 2025 amounted to € 101 million, up from € 90 million at 31 December 2024.

A.3.2.6 Trend in carrying amount of outward reinsurance by elements underlying the measurement - Non-Life segment

Items/Elements underlying the measurement €m	Elements underlying the measurement of the carrying amount of outward reinsurance							
	Present value of cash flows (31.12.2025)	Adjustment for non-financial risk (31.12.2025)	Contractual Service Margin (31.12.2025)	Total (31.12.2025)	Present value of cash flows (31.12.2024)	Adjustment for non-financial risk (31.12.2024)	Contractual Service Margin (31.12.2024)	Total (31.12.2024)
A. Opening carrying amount								
1. Outward reinsurance constituting assets	60	7	23	90	21	7	22	50
2. Outward reinsurance constituting liabilities								
3. Net carrying amount at 1 January	**60**	**7**	**23**	**90**	**21**	**7**	**22**	**50**
B. Changes in current services								
1. Contractual Service Margin recorded in the statement of profit or loss			(14)	(14)			(6)	(6)
2. Change for overdue non-financial risks		(2)		(2)		(2)		(2)
3. Experience-related changes	4		1	5	10		(1)	9
4. Total	**4**	**(2)**	**(13)**	**(11)**	**10**	**(2)**	**(7)**	**1**
C. Changes relating to future services								
1. Changes in estimates that alter the contractual service margin	(5)	(3)	8		(8)	(0)	8	
2. Effects of contracts entered into during the year	(6)	3	3	(0)	(2)	2	(0)	0
3. Adjustment of contractual service margin related to recoveries on initial recognition of onerous underlying insurance contracts							0	0
4. Release of loss recovery component other than changes in cash flows of outward reinsurance contracts								
5. Changes in cash flows of outward reinsurance from onerous underlying insurance contracts							(0)	(0)
6. Total	**(11)**	**0**	**11**	**(0)**	**(10)**	**2**	**7**	**0**
D. Changes related to past services								
1. adjustments to the asset for incurred claims	0	0		0	1	0		1
E. Effects of changes in reinsurers' default risk	**(0)**			**(0)**	**0**			**0**
F. Result from insurance services (B+C+D+E)	**(8)**	**(2)**	**(2)**	**(11)**	**1**	**0**	**0**	**2**
G. Net financial revenue/costs								
1. Relating to outward reinsurance	2		0	2	2		1	3
1.1. Recorded in the statement of profit or loss	3		0	3	3		1	3

Items/Elements underlying the measurement €m	Elements underlying the measurement of the carrying amount of outward reinsurance							
	Present value of cash flows (31.12.2025)	Adjustment for non-financial risk (31.12.2025)	Contractual Service Margin (31.12.2025)	Total (31.12.2025)	Present value of cash flows (31.12.2024)	Adjustment for non-financial risk (31.12.2024)	Contractual Service Margin (31.12.2024)	Total (31.12.2024)
1.2. Recorded in the statement of comprehensive income	(1)			(1)	(0)			(0)
2. Effects associated with exchange rate changes								
3. Total	**2**		**0**	**2**	**2**		**1**	**3**
H. Total amount recognised in the statement of profit or loss and statement of comprehensive income (F+G)	**(5)**	**(2)**	**(2)**	**(9)**	**4**	**0**	**1**	**5**
I. Other changes								
L. Cash movements								
1. Premiums paid net of amounts not related to claims recovered from reinsurers	44			44	44			44
2. Amounts recovered from reinsurers	(24)			(24)	(9)			(9)
3. Other changes								
4. Total	**20**			**20**	**35**			**35**
M. Net carrying amount at 31 December (A.3+H+I+L.4)	**74**	**6**	**21**	**101**	**60**	**7**	**23**	**90**
N. Closing carrying amount								
1. Outward reinsurance constituting assets	74	6	21	101	60	7	23	90
2. Outward reinsurance constituting liabilities								
3. Net carrying amount at 31 December 2025	**74**	**6**	**21**	**101**	**60**	**7**	**23**	**90**

The following table shows outward reinsurance issued and recognised at initial recognition in the reporting period with reference to the Life business.

A.3.2.9 Elements underlying the measurement of outward reinsurance recorded during the year - Life segment

Items/Contract Groups €m	Contracts originated (31.12.2025)			Contracts acquired under business combinations (31.12.2025)			Contracts transferred from third parties (31.12.2025)		
	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total
A. Estimate of the present value of future cash outflows	**109**		**109**						
of which: Cash flows related to the acquisition of insurance contracts									
B. Estimate of the present value of future cash inflows	**119**		**119**						
C. Estimate of the present net value of future cash flows (A-B)	**(10)**		**(10)**						
D. Estimate of the adjustment for non-financial risk	**3**		**3**						
E. Derecognition of already recorded cash flows									
F. Contractual Service Margin	**7**		**7**						
G. Increase in the asset for outward reinsurance recorded during the year due to the recognition of new contracts (C+D+E+F)	**0**		**0**						

A.3.2.9 Elements underlying the measurement of outward reinsurance recorded during the year - Life segment

Items/Contract Groups €m	Contracts originated (31.12.2024)			Contracts acquired under business combinations (31.12.2024)			Contracts transferred from third parties (31.12.2024)		
	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total
A. Estimate of the present value of future cash outflows	**113**		**113**						
of which: Cash flows related to the acquisition of insurance contracts	(0)		(0)						
B. Estimate of the present value of future cash inflows	**120**		**120**						
C. Estimate of the present net value of future cash flows (A-B)	**(7)**		**(7)**						
D. Estimate of the adjustment for non-financial risk	**3**		**3**						
E. Derecognition of already recorded cash flows									
F. Contractual Service Margin	**4**		**4**						
G. Increase in the asset for outward reinsurance recorded during the year due to the recognition of new contracts (C+D+E+F)									

The following table shows outward reinsurance issued and recognised at initial recognition in the reporting period with reference to the Non-Life business.

A.3.2.10 Elements underlying the measurement of outward reinsurance recorded during the year - Non-Life segment

Items/Contract Groups €m	Contracts originated (31.12.2025)			Contracts acquired under business combinations (31.12.2025)			Contracts transferred from third parties (31.12.2025)		
	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total
A. Estimate of the present value of future cash outflows	**26**		**26**						
of which: Cash flows related to the acquisition of insurance contracts	0		0						
B. Estimate of the present value of future cash inflows	**33**		**33**						
C. Estimate of the present net value of future cash flows (A-B)	**(6)**		**(6)**						
D. Estimate of the adjustment for non-financial risk	**3**		**3**						
E. Derecognition of already recorded cash flows									
F. Contractual Service Margin	**3**		**3**						
G. Increase in the asset for outward reinsurance recorded during the year due to the recognition of new contracts (C+D+E+F)	**(0)**		**(0)**						

A.3.2.10 Elements underlying the measurement of outward reinsurance recorded during the year - Non-Life segment

Items/Contract Groups €m	Contracts originated (31.12.2024)			Contracts acquired under business combinations (31.12.2024)			Contracts transferred from third parties (31.12.2024)		
	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total
A. Estimate of the present value of future cash outflows	**25**		**25**						
of which: Cash flows related to the acquisition of insurance contracts	(0)		(0)						
B. Estimate of the present value of future cash inflows	**27**		**27**						
C. Estimate of the present net value of future cash flows (A-B)	**(2)**		**(2)**						
D. Estimate of the adjustment for non-financial risk	**2**		**2**						
E. Derecognition of already recorded cash flows									
F. Contractual Service Margin	**(0)**		**(0)**						
G. Increase in the asset for outward reinsurance recorded during the year due to the recognition of new contracts (C+D+E+F)	**0**		**0**						

The following table shows the changes in the contractual service margin of outward reinsurance broken down by contracts existing at the time of transition to IFRS 17 for the Life business.

A.3.2.7 Trend in the contractual service margin of outward reinsurance broken down by existing contracts at the time of transition to IFRS 17 - Life segment

	31.12.2025				31.12.2024			
€m	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Total	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Total
Contractual service margin - Opening balances	**10**		**(2)**	**7**	**3**		**(6)**	**(3)**
Changes in current services	**(2)**		**(2)**	**(4)**	**(1)**		**(1)**	**(2)**
- Contractual Service Margin recorded in the statement of profit or loss for services received	(2)		(2)	(4)	(1)		(1)	(2)
Changes in future services	**6**		**(1)**	**5**	**7**		**4**	**12**
- Changes in estimates that alter the contractual service margin	(1)		(1)	(2)	3		4	7
- Effects of contracts initially recognised in the reporting year	7			7	4			4
Net financial revenue/costs								
1. Relating to outward reinsurance	0		0	0	0		(0)	0
2. Effects associated with exchange rate changes								
3. Total	**0**		**0**	**0**	**0**		**(0)**	**0**
Other changes	**(3)**		**3**	**0**				
Total changes recognised in the statement of profit or loss and statement of comprehensive income	**1**		**0**	**1**	**6**		**4**	**10**
Contractual service margin - Closing balances	**11**		**(2)**	**9**	**10**		**(2)**	**7**

The following table shows the trends in the contractual service margin of outward reinsurance contracts broken down by contracts existing at the time of transition to IFRS 17 with reference to the Non-Life business.

A.3.2.8 Trend in the contractual service margin of outward reinsurance broken down by existing contracts at the time of transition to IFRS 17 - Non-Life segment

	31.12.2025				31.12.2024			
€m	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Total	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Total
Contractual service margin - Opening balances	**0**		**23**	**23**	**3**		**19**	**22**
Changes in current services	**(3)**		**(12)**	**(14)**	**(1)**		**(6)**	**(6)**
- Contractual Service Margin recorded in the statement of profit or loss for services received	(3)		(12)	(14)	(1)		(6)	(6)
Changes in future services	**11**		**1**	**13**	**(2)**		**9**	**7**
- Changes in estimates that alter the contractual service margin	8		1	9	(2)		9	7
- Effects of contracts initially recognised in the reporting year	3			3	(0)			(0)
Net financial revenue/costs								
1. Relating to outward reinsurance			0	0	(0)		1	1
2. Effects associated with exchange rate changes								
3. Total			**0**	**0**	**(0)**		**1**	**1**
Other changes								
Total changes recognised in the statement of profit or loss and statement of comprehensive income	**9**		**(11)**	**(2)**	**(3)**		**4**	**1**
Contractual service margin - Closing balances	**9**		**12**	**21**	**0**		**23**	**23**

The table below shows the pattern of CSM release for the reinsurance business, broken down by timing of recognition in the statement of profit or loss, with a distinct representation for both the Non-Life and Life business segments.

A.3.2.11 Outward reinsurance - Contractual service margin broken down by expected timing of recognition in the profit and loss account

Bases of aggregation/ expected timeframe €m	Up to 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	5 - 10 years	10 - 20 years	Over 20 years	Total
Life segment	2	2	1	1	1	1	1	0	9
Non-Life segment	7	4	3	2	1	2	0	1	21

Overall, for the first three years after 31 December 2025, the CSM release for contracts related to outward reinsurance is 65%, for the following two years (fourth and fifth year) it is 18%, and for the remaining years it is 17%.

Other information

Since no contracts were acquired during the year as part of business combinations, the disclosures required by Reg. 7 and relating to: i) “outward reinsurance - assets associated with the acquisition of insurance contracts - trend in carrying amount” and ii) “outward reinsurance - assets associated with the acquisition of insurance contracts - expected times for derecognition”, were not prepared.

4. Investments

At 31 December 2025, financial investments totalled € 168,443 million (€ 163,245 million at the end of 2024).

Investments

€m	31.12.2025	31.12.2024	Change	
Investments in associates	114	113	1	1%
Financial assets measured at amortised cost	2,570	2,303	266	12%
Financial assets at fair value through other comprehensive income	110,316	107,496	2,820	3%
Financial assets measured at fair value through profit or loss	55,443	53,333	2,110	4%
Total Financial investments	**168,443**	**163,245**	**5,198**	**3%**

4.2 Investments in associates and joint ventures

The item **equity investments** amounting to € 114 million (€ 113 million at 31 December 2024), refers to investments measured under the equity method in the following associates: i) Europa Gestioni Immobiliari SpA (“EGI”) for € 112 million and ii) Eurizon Capital Real Asset SGR SpA (“ECRA”) for € 2 million.

The remainder refers for € 36.9 thousand to the cost of the stake, equal to 5% of the share capital, in the company Consorzio Logistica Pacchi S.c.p.a. (“the Consorzio Logistica Pacchi”) and, since 2024, it has included the investment made in the company Casina Poste for € 3.5 thousand.

The increase of € 1 million during the period refers mainly to the revaluation of the investments in EGI and ECRA, to the extent of the share of profits earned in 2025.

With reference to associates, it should be noted that Poste Vita holds a 45% interest in 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 interest, equal to 20% of the share capital, in the company ECRA. This is an asset management company to which Poste Vita has entrusted an alternative investment management mandate.

The following tables provide information on investments in associated companies:

A.4.2.1 Investments: information on equity relationships

Name	Country of operating office (1)	Country of registered office	Business (2)	Type of relationship (3)	% Direct interest	% Total interest (4)	% Availability of ACTUAL votes in the ordinary shareholders' meeting	% Availability of POTENTIAL votes in the ordinary shareholders' meeting
Associates								
Europa Gestioni Immobiliari SpA		086	10	b	45.0%	45.0%	45.0%	
EURIZON CAPITAL REAL ASSET SGR SpA		086	8	b	20.0%	20.0%	12.8%	
CLP- Consorzio Logistica Pacchi SCPA		086	11	b	5.0%	5.0%	5.0%	
Casina Poste		086	11	b	7.0%	7.0%	7.0%	

(1) This disclosure is required only if the country of the operating office is different from the country of the registered office.
(2) 1 = Italian ins.; 2 = EU ins.; 3 = Non-EU ins.; 4 = ins. holding; 4.1 = mixed holding company; 5 = EU reins.; 6 = Non-EU reins.; 7 = banks; 8 = asset mng. co.; 9 = other holding; 10 = real estate 11 = other .
(3) a = subsidiaries (only for separate financial statements); b = associates; c = joint ventures; indicate companies classified as held for sale, in compliance with IFRS 5, with an asterisk (*) and include the key under the table.
(4) This is the sum of the equity interests related to all the companies along the ownership chain standing between the reporting entity and the company in question. If a number of subsidiaries hold direct interests in the latter, it is necessary to report the sum of the individual interests.
(5) Availability of votes in the ordinary shareholders' meeting, distinguishing between actual and potential votes. The availability of votes should only be indicated if it differs from equity interest.

A.4.2.2 Significant investments: carrying amount, fair value and dividends received

Name €m	Type of relationship (1)	Carrying amount	*Fair Value*	Dividends received
Associates				
Europa Gestioni Immobiliari SpA	b	112	141	
Eurizon Capital Real Asset SGR SpA	b	2	2	
Total		**114**	**143**	

a= subsidiaries (only for IAS/IFRS financial statements); b= associates; c= joint ventures

A.4.2.3 Significant investments: accounting information

Name €m	Investments	Other assets	Cash and cash equivalents	Insurance liabilities
Europa Gestioni Immobiliari SpA	27	229	X	
Eurizon Capital Real Asset SGR SpA	7	3	X	

Name €m	Financial liabilities	Total revenue	Impairment losses/ (reversals of impairment losses) on tangible and intangible assets	Profit (loss) from continuing operations before tax
Europa Gestioni Immobiliari SpA	0	16	-	3
Eurizon Capital Real Asset SGR SpA	5	10	(0)	1

Name €m	Profit (loss) from continuing operations after tax	Profit (loss) from discontinued operations after tax	Profit/(loss) for the year (1)	Other income components after tax (2)	Statement of comprehensive income (3) = (1) + (2)
Europa Gestioni Immobiliari SpA	2		2	0	2
Eurizon Capital Real Asset SGR SpA	1		1		1

A.4.2.4 Significant investments: reconciliation of carrying amounts

	YEAR 2025				YEAR 2024			
Name €m	Carrying amount of the share at the beginning of the year	Total Group statement of comprehensive income (+/-)	Dividends received during the year (-)	Carrying amount of the investment at the end of the year	Carrying amount of the investment at the beginning of the year (T-1)	Total Group statement of comprehensive income (+/-) (T-1)	Dividends received during the year (-) (T-1)	Carrying amount of the investment at the end of the year (T-1)
Europa Gestioni Immobiliari SpA	111	1		112	108	0		111
Eurizon Capital Real Asset SGR SpA	2	0		2	2	0		2

Finally, the following non-significant investments are noted, recorded at cost:

- Consorzio Logistica Pacchi, a company in which the subsidiary Poste Assicura holds 5% of the share capital and which mainly carries out the instrumental activities of distribution, tracking and delivery in relation to the parcel service, which the ultimate parent Poste Italiane is engaged in;
- Casina Poste, a company in which the parent company Poste Vita holds a 7% stake, is primarily engaged in the organization, management, promotion, development, and dissemination of amateur sports.

The following table shows the main accounting information relating to the aforementioned equity investments:

A.4.2.5 Non-significant investments: accounting information

Name €k	Carrying amount of investments	Profit (loss) from continuing operations after tax	Profit (loss) from discontinued operations after tax	Profit/(loss) for the year (1)	Other income components after tax (2)	Statement of comprehensive income (3) = (1) + (2)
Consorzio Logistica Pacchi ScpA						
Year 2025	**36.9**					
Year 2024	**36.9**					
Casina Poste						
Year 2025	**3.5**	**60.7**		**60.6**	**0.1**	**60.7**
Year 2024	**3.5**	**16.2**		**16.1**	**0.0**	**16.2**

4.3 Financial assets measured at amortised cost

Financial instruments measured at amortised cost, amounted to € 2,570 million at 31 December 2025 and rose by € 267 million (of which € 150 million transferred by Cronos following the demerger) compared to the figure at the end of 2024, and related exclusively to free assets.

This category includes 1.5% (1.4% at 31 December 2024) of the Item Investments shown in the Statement of financial position. The following table details the balance sheet value and fair value hierarchy, by product breakdown of assets measured at amortised cost:

A.4.3.1 Financial assets measured at amortised cost: product breakdown, percentage breakdown and fair value hierarchy

	31.12.2025						31.12.2024					
Items/Values €m	Carrying amount	Comp %	L1	L2	L3	Total Fair value	Carrying amount	Comp %	L1	L2	L3	Total Fair value
1) Debt securities	**2,212**	**86%**	**1,702**	**347**	**2**	**2,052**	**2,160**	**94%**	**1,908**	**101**	**2**	**2,012**
Government bonds	2,194	85%	X	X	X	X	2,141	93%	X	X	X	X
a) listed	2,194	85%	X	X	X	X	2,141	93%	X	X	X	X
b) unlisted		0%	X	X	X	X		0%	X	X	X	X
Other debt securities	18	1%	X	X	X	X	19	1%	X	X	X	X
a) listed	16	1%	X	X	X	X	17	1%	X	X	X	X
b) unlisted	2	0%	X	X	X	X	2	0%	X	X	X	X
2) Loans and receivables	**358**	**14%**			**358**	**358**	**143**	**6%**			**143**	**143**
Total	**2,570**	**100%**	**1,702**	**347**	**361**	**2,410**	**2,303**	**100%**	**1,908**	**101**	**145**	**2,155**

Debt instruments at 31 December 2025 expressed a carrying amount of € 2,212 million (94% of financial assets measured at amortised cost, in line with the figure at the end of 2024). The increase recorded during the period amounted to € 51 million and is mainly attributable to the securities relating to the free assets received following the demerger of Cronos, net of the maturities that occurred during the period.

At 31 December 2025, the fair value of these instruments is € 2,052 million. In terms of the fair value hierarchy, which reflects the relevance of the sources used to conduct the measurements, € 1,702 million of the total amount qualifies for inclusion in Level 1, € 347 million for inclusion in Level 2 and € 2 million in Level 3.

Receivables and loans recognised in this category amounted to € 358 million at the end of 2025 (€ 143 million at the end of 2024) and represented 6% of financial assets measured at amortised cost (same value at 31 December 2024) mainly referring to: i) the balance of the correspondence current account with the parent company Poste Italiane in the amount of € 279 million and; ii) receivables for commissions on internal funds in the amount of € 74 million.

The following table shows the breakdown of financial assets measured at amortised cost by nature and level of credit risk.

A.4.3.2 Financial assets measured at amortised cost: product breakdown and credit risk stages

	Carrying amount 31.12.2025			Carrying amount 31.12.2024		
€m	First stage	Second stage	Third stage	First stage	Second stage	Third stage
Government bonds	2,194			2,141		
Other debt securities	18			19		
Loans and receivables:	358			143		
a) due from banks						
b) due from customers	358			143		
- mortgages						
- loans on policies						
- other loans and receivables	358			143		
Total 31.12.2025	**2,570**					
Total 31.12.2024				**2,303**		

The following table shows the breakdown of financial assets measured at amortised cost, showing the gross value and overall value adjustments:

A.4.3.3 Financial assets measured at amortised cost: gross amount and total impairment losses

	Gross amount				Total impairment losses					
€m	First stage	of which: Assets with low credit risk	Second stage	Third stage	First stage	of which: Assets with low credit risk	Second stage	Third stage	Total (31.12.2025)	Total (31.12.2024)
Government bonds	2,194				(1)				2,194	2,141
Other debt securities	18				(0)				18	19
Loans and receivables:	358				(0)				358	143
- due from banks										
- due from customers	358				(0)				358	143
Total (31.12.2025)	**2,571**				**(1)**				**2,570**	
Total (31.12.2024)	**2,304**		**0**		**(1)**		**(0)**			**2,303**

4.4 Financial assets measured at fair value through other comprehensive income

Financial assets measured at FVTOCI amounted to a total of € 110,316 million at the end of the reporting period and showed an increase of € 2,820 million compared to 31 December 2024, mainly due to the securities transferred following the demerger of Cronos for € 1,011 million and due to the net investments (amounting to € 2,207 million) made during the period.

The following table details the balance sheet value by composition of assets measured at fair value through comprehensive income:

A.4.4.1 Financial assets measured at fair value through other comprehensive income: product breakdown and percentage breakdown

	31.12.2025		31.12.2024	
€m	Carrying amount	Comp. %	Carrying amount	Comp. %
Equity instruments	7	0%	4	0%
a) listed		0%		0%
b) unlisted	7	0%	4	0%
Debt securities	110,310	100%	107,492	100%
Government bonds	90,312	82%	88,346	82%
a) listed	90,312	82%	88,346	82%
b) unlisted		0%		0%
Other debt securities	19,998	18%	19,146	18%
a) listed	19,990	18%	19,138	18%
b) unlisted	8	0%	8	0%
Other financial instruments		0%		0%
Total	**110,316**	**100%**	**107,496**	**100%**

At 31 December 2025, this category comprised 65.5% (65.8% at 31 December 2024) of the Item Investments represented in the Statement of financial position and consisted exclusively of debt instruments, 82% of which related to government securities (equal to the figure recognised at 31 December 2024).

These investments mainly represented by listed instruments issued by European countries and leading European companies, relate to: i) securities allocated to the separately managed accounts for € 106,204 million; ii) securities (specific assets) linked to Class I insurance investment products for € 348 million; iii) securities related to the Parent Company Poste Vita's free assets for € 2,678 million and iv) investments held by the subsidiaries Poste Assicura, Net Insurance, and Net Insurance Life for a total of € 1,131 million.

The following table shows the breakdown of financial assets measured at fair value through comprehensive income, showing the gross value and overall value adjustments:

A.4.4.2 Financial assets measured at fair value through other comprehensive income: gross amount and total impairment losses

	Gross amount				Total impairment losses					
€m	First stage	of which: Assets with low credit risk	Second stage	Third stage	First stage	of which: Assets with low credit risk	Second stage	Third stage	Total (31.12.2025)	Total (31.12.2024)
Government bonds	90,313		28		(28)		(0)		90,312	88,346
Other debt securities	19,907		101		(9)		(2)		19,998	19,146
Other financial instruments	7								7	4
Total (31.12.2025)	**110,226**		**129**		**(37)**		**(2)**		**110,316**	
Total (31.12.2024)	**107,382**		**153**		**(38)**		**(2)**			**107,496**

4.5 Financial assets at fair value through profit or loss

The following table details the balance sheet value by composition of assets measured at fair value through profit or loss:

A.4.5.1 Financial assets measured at fair value through profit or loss: product breakdown and percentage breakdown

	Financial assets held for trading				Financial assets designated at fair value				Other financial assets mandatorily measured at fair value			
	31.12.2025		31.12.2024		31.12.2025		31.12.2024		31.12.2025		31.12.2024	
Items/Values €m	Carrying amount	Comp. %	Carrying amount	Comp. %	Carrying amount	Comp. %	Carrying amount	Comp. %	Carrying amount	Comp. %	Carrying amount	Comp. %
Equity instruments	986	3%	1,675	5%					197	1%	177	1%
a) listed	983	3%	1,674	5%					196	1%	176	1%
b) unlisted	3	0%	1	0%					1	0%	1	0%
Treasury shares		0%		0%						0%		0%
Own financial liabilities		0%		0%						0%		0%
Debt securities	17,981	63%	22,848	68%					7,738	29%	5,203	27%
a) listed	17,894	63%	22,726	67%					7,734	29%	5,203	27%
b) unlisted	87	0%	122	0%					5	0%	0	0%
UCITS units	9,157	32%	8,409	25%					18,915	70%	14,132	72%
Non-hedging derivatives	152	1%	69	0%						0%		0%
Hedging derivatives		0%		0%						0%		0%
Other financial instruments	316	1%	809	2%						0%	11	0%
Total	**28,593**	**100%**	**33,809**	**100%**					**26,850**	**100%**	**19,523**	**100%**

The item at the end of the period totalled € 55,443 million compared to € 53,333 million at the end of 2024 and comprised 32.9% (32.7% at 31 December 2024) of the item Investments represented in the Statement of Financial Position and mainly consisted of debt securities and UCITS units, which at 31 December 2025 account for 46.4% (52.6% at 31 December 2024) and 50.6% (42.3% at 31 December 2024) of the category respectively.

The item recorded an overall positive change of € 2,110 million, mainly due, not only to the contribution from the demerger of Cronos of € 1,035 million, but to net investments made during the period of approximately € 1,168 million.

At 31 December 2025, debt securities amounted to € 25,720 million, of which: i) € 17,981 million held by the UCITS Funds and relating for € 10,217 million to corporate instruments and for € 7,765 million to government bonds; and ii) € 7,720 million held by the Parent Company Poste Vita and relating for € 1,019 million to government bonds, most of which are intended to cover Class III policies, and for € 6,701 million to corporate instruments issued by leading issuers and mainly used to cover products linked to separately managed accounts and Class III policies.

The UCITS units amount to € 28,072 million. These are mainly held by the Parent Company Poste Vita for a total value of € 27,909 million and are used to cover: (i) the Separately Managed Accounts[47] (€ 9,012 million), (ii) Class III policies (€ 18,893 million) and (iii) the free assets of the Parent Company Poste Vita (€ 4 million).

Equity securities amounted to € 1,183 million at the end of the period, of which: i) € 983 million held by UCITS funds and ii) € 200 million held by the Parent Company Poste Vita and mainly used to cover Class III products.

Trading derivatives amounted to € 152 million and were held entirely by the UCITS funds and related to currency forward transactions.

47. In addition to the amounts indicated above, the total covering the Separately Managed Accounts also includes the value of net assets held by UCITS funds (of which Poste Vita owns 100% of the units and which are consolidated on a line-by-line basis) totalling € 19,534 million (equal to the total NAV of the same).

5. Other financial assets

Other financial assets amounted to € 169 million at the end of the period, up € 21 million compared to 31 December 2024 (when the figure was € 148 million).

Other financial assets €m	31.12.2025	31.12.2024	Change	
Premiums receivable from agents	40	52	(12)	(23%)
Receivables from tax authorities for stamp duty	98	45	53	117%
Due from companies	8	17	(9)	(53%)
Current account interest receivables	12	20	(7)	(37%)
Due from Group companies	5	5	(0)	(1%)
Receivables for servicing fees	2	-	2	n/s
Other receivables	3	9	(6)	(70%)
Total	**169**	**148**	**21**	**14%**

The item refers to: i) receivables from intermediaries, amounting to € 40 million at the end of 2025, for premiums issued which, although already collected by the intermediary at 31 December 2025, were paid to the Poste Vita Group companies for the most part in January 2026; ii) stamp duty receivables relating to Class III and Class V policies amounting to € 98 million; this item refers for € 60 million to the amount resulting from the Cronos aggregation operation; iii) receivables from companies amounting to € 8 million, mainly relating to co-insurance relationships; iv) receivables for interest income on current accounts, amounting to € 12 million at the end of the period; v) receivables from Group companies amounting to € 5 million and mainly relating to receivables from Poste Italiane Group companies for secondment of personnel; and vi) receivables for servicing fees amounting to € 2 million and referring to receivables for fees to be paid on a quarterly basis to Poste Vita for activities carried out in favour of the banks distributing the Cronos portfolio.

6. Other assets

Other assets totalled € 2,993 million (€ 3,090 million at the end of 2024). The breakdown is as follows:

Other assets €m	31.12.2025	31.12.2024	Change	
Non-current assets or disposal groups held for sale	-	50	(50)	n.s.
Current tax assets	2,089	2,131	(42)	(2%)
Deferred tax assets	902	908	(6)	(1%)
Other assets	2	2	0	10%
Total	**2,993**	**3,090**	**(97)**	**(3%)**

Non-current assets or disposal groups held for sale amounted to € 50 million at 31 December 2024, and refers exclusively to the investment in Cronos Vita Assicurazioni, held 22.5% by Poste Vita and classified as held for sale (IFRS 5).

With reference to the investment in Cronos, it should be noted that, following the completion on 1 October 2025 of the total non-proportional demerger of Cronos, the Parent Company Poste Vita derecognised the investment and simultaneously recognised a capital gain of € 11 million (classified under the item “profit (loss) from discontinued operations”), equal to the difference between the fair value determined by an independent expert (€ 61 million) and the value of the investment recorded in the financial statements (€ 50 million).

Below is a summary showing the breakdown of the assets and liabilities transferred as a result of the aforementioned transaction:

(€m)	Carrying amount IFRS
Investments	2,197
of which measured at amortised cost	*150*
of which measured at fair value through other comprehensive income	*1,011*
of which measured at fair value through profit or loss	*1,035*
Cash and cash equivalents	**162**
Other assets	**58**
Insurance liabilities	**(1,046)**
of which PVFCF	*(1,032)*
of which CSM	*(8)*
of which RA	*(6)*
Financial liabilities	**(1,188)**
of which designated at fair value (IFRS 9 reserves)	*(723)*
of which measured at amortised cost (loans)	*(465)*
Other liabilities	**(122)**
EQUITY IAS/IFRS	**61**

It should be noted that, as required by IFRS 17 for insurance contracts acquired as part of a business combination, the initial recognition of such contracts is determined on the assumption that the consideration received or paid for the contracts is equal to the fair value of the contracts at the acquisition date. The difference between the fair value of the insurance assets and liabilities thus determined and the present value of the expected cash flows, adjusted for risk, resulted in the recognition of an initial CSM at the acquisition date of € 8 million. The values attributed to the assets acquired and liabilities assumed must be considered provisional and may be subject to restatement within the measurement period provided for by IFRS 3, which is twelve months from the date of acquisition.

The accounting for the acquisition of the former Cronos Vita business unit assigned to Poste Vita does not reveal any goodwill or any profit from a purchase on favourable terms (badwill).

Deferred tax assets, amounting to € 902 million (€ 908 million at the end of 2024), mainly comprise deferred tax assets calculated on the change in mathematical provisions and the amount determined by temporary differences between the carrying amount of assets and liabilities in the financial statements and their tax base in accordance with IAS 12 and to the extent that their recovery is probable.

Changes in deferred tax assets recognised at 31 December 2025 are shown below:

€m	31.12.2025
Deferred tax assets at 31 December 2024	**908**
- change accounted for in profit or loss	(2)
- change accounted for in equity	(4)
Deferred tax assets at 31 December 2025	**902**

Temporary differences with effect on profit loss mainly refer to the receivable with reference to the non-deductible portion pursuant to paragraph 1-bis of art. 111 of Presidential Decree no. 917/1986 (TUIR) of the change in compulsory technical provisions for the Life business.

Additional temporary differences that led to the recognition of deferred tax assets involve allocations made to provisions for risks, provisioning for employees and impairment recognised on shares recorded in the Parent Company Poste Vita's current assets, as well as other negative income components for which accrue for tax purposes in subsequent years, such as credit impairment and losses and the non-deductible excess of the change in the claims provision for Poste Assicura.

On the other hand, with reference to temporary differences with an effect on Equity, these mainly refer to the change in deferred tax assets recognised on the FTA reserve that arose upon the first-time application of the new accounting standard IFRS 17, as well as the stock of deferred tax assets pertaining to the subsidiaries Net Insurance and Net Insurance Life.

It should be noted that deferred tax assets and liabilities have been determined by applying the tax rates that are expected to apply in the year in which the asset will be realised, based on the information available at the end of the year.

Current tax assets, which amounted to € 2,089 million (€ 2,131 million at the end of 2024), mainly related to i) to: i) the tax receivable on mathematical provisions pursuant to Law 209/2002 of Poste Vita, amounting to € 1,952 million (equal to € 2,092 million at the end of 2024), representing the advance payment of withholding and substitute taxes on capital gains on life insurance policies; ii) current tax receivables of € 97 million (€ 3 million at the end of 2024) and iii) ii) Receivables from the tax authorities for the advance on insurance of € 39 million (equal to € 35 million at the end of the previous year).

Other assets of € 2 million at 31 December 2025 (€ 2 million at the end of 2024) mainly refer to prepaid expenses on costs of a commercial nature.

7. Cash and cash equivalents

Cash and cash equivalents at the end of the period totalled € 3,974 million (of which € 162 million derived from the consideration received by the Parent Company Poste Vita following the demerger of Cronos), compared to € 4,611 million recorded at the end of 2024. This item includes short-term bank and postal deposits, cash and revenue stamps. They refer to temporary available amounts, mainly relative to Separately Managed Accounts.

Equity and liabilities

1. Equity

Equity at 31 December 2025 amounted to € 6,530 million, down by € 453 million compared to € 6,983 million at year-end 2024, mainly due to the distribution of dividends by the Parent Company Poste Vita and revenue reserve from previous years to Poste Italiane for a total amount of € 1,500 million, as resolved by the Shareholders' Meeting of 30 April 2025, and interest expense paid on hybrid subordinated loans for € 43 million. These changes were partly offset by the profit for the period of € 1,092 million and the positive change in the reserve arising from the measurement of securities belonging to the FVOCI category (net of the mirroring effect) of € 5 million. Changes in equity during 2025 are shown below:

Equity €m	31.12.2024	Allocation of 2024 profit	dividends	distribution of previous profits	ECL reserve	FVOCI reserve	Mirroring	Other gains or losses recognised directly through equity	Tier 1 Perpetual Capital Instruments	Non-controlling interests	12 2025 profit	31.12.2025
Share capital	**1,217**											**1,217**
Other equity instruments	**800**											**800**
Revenue reserve and other equity reserves:	**3,930**	**1,029**	**(1,000)**	**(500)**				**4**	**(43)**			**3,419**
Legal reserve	243											243
Extraordinary reserve	1											1
Organisation fund	3											3
Consolidation reserve	(0)											(0)
Revenue reserve for previous years	4,421	1,029	(1,000)	(500)				4	(43)			3,910
FTA reserve	(737)											(737)
Valuation reserves	**(83)**				**(1)**	**(745)**	**741**	**9**				**(78)**
of which - AFS/FVOCI Reserve	(3,313)					(745)						(4,058)
of which ECL Reserve	39				(1)							39
of which Mirroring	3,180						741					3,921
of which Direct and Transferred OCI	9							10				19
other reserves	1							(0)				1
Net profit/(loss) attributable to the owners of the Parent	**1,029**	**(1,029)**									**1,078**	**1,078**
Net profit/(loss) attributable to non-controlling interests	**11**	**(11)**								**14**		**14**
Equity attributable to non-controlling interests	**80**	**11**	**(6)**	**(5)**				**0**				**80**
Total	**6,983**	**0**	**(1,006)**	**(505)**	**(1)**	**(745)**	**741**	**14**	**(43)**	**14**	**1,078**	**6,530**

The item **other equity instruments**, as mentioned above, includes the issue value of the two perpetual, non-convertible, fixed-rate regulatory capital instruments issued on 26 July 2021 and 3 August 2022 for a nominal value of € 300 million and € 500 million, respectively, and subscribed in full by the parent company Poste Italiane net of interest expenses (net of related taxation) already paid at 31 December 2025 in the amount of € 141 million (of which € 43 million paid during the Period).

The item **revenue reserves and other equity reserves** includes the negative impact of the first-time application of IFRS 17 in the amount of € 737 million (net of related taxation), mainly due to the increase, compared to IFRS 4 valuations, of the technical provisions of the direct business.

The item **valuation reserves** includes: i) capital losses/gains arising from the valuation of financial instruments measured at fair value through other comprehensive income almost exclusively related to the Separately Managed Accounts, which at 31 December 2025 showed a negative balance, including expected credit losses on financial instruments related to the Separately Managed Accounts, of € 4,019 million (negative € 3,274 million at 31 December 2024) and ii) the reserve for insurance contracts issued and outward reinsurance of € 3,940 million at 31 December 2025 (€ 3,190 million at 31 December 2024) which mainly includes the change in the fair value of instruments related to insurance contracts, attributable to policyholders and allocated to insurance liabilities following the adoption of the OCI option on the IFRS 17 liability portfolio, with the intention of aligning the financial and mirroring effects between the OCI reserve and the effects on the Statement of profit or loss.

In relation exclusively to the fair value reserve on financial instruments related to insurance contracts measured with the VFA model, said item showed a negative balance at 31 December 2025, gross of expected credit losses on financial instruments related to the Separately managed accounts of € 4,119 million (negative € 3,336 million at 31 December 2024). Changes in the reserve related to insurance contracts measured using the VFA method are shown below:

VFA Fair value reserve €m	31.12.2025
Balance at 1 January 2025	**(3,336)**
Net change in fair value	(1,136)
Net change in amounts reclassified to profit or loss	0
Effect related to market operations	4
Tax effect	349
Balance at 31 December 2025	**(4,119)**

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The following table shows the number of shares of the Parent Company Poste Vita and the related changes during the period.

Capital - Number of shares of the parent company: annual changes

Items/Typologies €m	Ordinary	Other
A. Shares existing at the beginning of the year	**1,217**	
- fully released	1,217	
- not fully released		
A.1 Treasury shares (-)		
A.2 Outstanding shares: opening balances	**1,217**	
Changes in opening balances		
B. Increases		
C. Decreases		
D. Outstanding shares: closing balances	**1,217**	
D.1 Treasury shares (+)		
D.2 Existing shares at the end of the year	1,217	
- fully released	1,217	
- not fully released		

2. Provisions for risks and charges

The **provision for risks and charges** at 31 December 2025, amounted to € 11 million (€ 12 million at the end of 2024) and included the amounts allocated to cover any probable liabilities, whether they exist and/or their quantity. The provision at 31 December 2025 mainly comprises:

- outstanding legal disputes amounting to € 4.4 million, most of which related to liquidation 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.);
- € 1.5 million allocated for certain cases of fraud involving mainly the liquidations 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;
- € 1 million pertaining to a potential dispute concerning lapsed policies for the years 2014-2015, including penalties, interest, and expenses;
- € 0.8 million related to the provision for future charges in respect of the product “Da Grande”;
- € 0.4 million pertaining to litigation with third parties for dormant pure risk policies (Term Life) relating to the former Cronos portfolio;
- € 1.2 million to provisions made for index-linked policies with a bond component that went into default relating to the former Cronos portfolio, whose policyholders have not yet joined the customer care initiatives and for which any individual settlement agreements may be defined in the future.

The decrease compared to the figure at the end of 2024 is mainly attributable to the utilisation of the provision for risks made during the Period for certain positions relating to fraud cases and the partial release of the provision for future charges in respect of the "Da Grande" product, partly offset by the dispute relating to the former Cronos portfolios and the increase in the provision for risks relating to the ongoing legal dispute.

3. Insurance liabilities

Insurance liabilities at 31 December 2025, including € 1,046 million deriving from Cronos following the demerger, amounted to € 166,251 million, an increase of € 4,285 million compared to the figure of € 161,966 million recorded at the end of 2024. The following summary table breaks down this item by business and by measurement model.

P.3.1.1 Insurance liabilities

	31.12.2025			31.12.2024			Change		
Items/Values €m	GMM-VFA	PAA	Total	GMM-VFA	PAA	Total	GMM-VFA	PAA	Total
Life segment	**164,739**		**164,739**	**160,606**		**160,606**	**4,132**		**4,132**
Liability for remaining coverage	835		835	759		759	77		77
Liability for incurred claims	165,574		165,574	161,365		161,365	4,209		4,209
Total Life business	**152,052**		**152,052**	**147,144**		**147,144**	**4,908**		**4,908**
of which: future cash flows	*1,976*		*1,976*	*2,357*		*2,357*	*-381*		*-381*
of which: adjustment for non-financial risk	*11,547*		*11,547*	*11,864*		*11,864*	*-317*		*-317*
of which: contractual service margin									
Non-Life segment	**268**	**36**	**304**	**271**	**0**	**271**	**-3**	**36**	**34**
Liability for remaining coverage	32	341	373	22	308	330	10	33	43
Liability for incurred claims	299	378	677	293	308	601	7	69	76
Total Non-Life business	**211**	**378**	**589**	**218**	**308**	**526**	**-7**	**69**	**62**
of which: future cash flows	*16*		*16*	*17*		*17*	*-1*		*-1*
of which: adjustment for non-financial risk	*73*		*73*	*58*		*58*	*15*		*15*
of which: contractual service margin	*165,873*	*378*	*166,251*	*161,658*	*308*	*161,966*	*4,216*	*69*	*4,285*
Total	**165.873**	**378**	**166.251**	**161.658**	**308**	**161.966**	**4.216**	**69**	**4.285**

Insurance liabilities include at the end of the period:

- the **Liability for remaining coverage** of € 165,043 million (of which € 164,739 million related to insurance contracts pertaining to the Life business and measured under the GMM-VFA models) and the residual € 304 million pertaining to the Non-Life business and referring to contracts measured with the GMM and PAA models. This Item includes the Contractual Service Margin (CSM) totalling € 11,620 million (of which € 11,547 million related to the Life business);
- the **Liability for incurred claims** amounted to € 1,208 million and related for € 867 million to insured contracts measured using the GMM and VFA models (of which € 835 million related to the Life business) and € 341 million to insured measured valued using the PAA model and related to the Non-Life business.

The two tables below show, respectively, the analysis of the movements (providing a reconciliation of the carrying amount at 31 December 2025 of the insurance contracts issued starting from the opening balances at 1 January 2025) of the insurance contracts issued measured under the VFA model (for contracts issued with direct participation features - aggregation basis 1) and GMM model (for contracts issued without direct participation features - aggregation basis 2) and relating to the Life business, showing the details of Liability for remaining coverage and Liability for incurred claims. This portion of the portfolio at 31 December 2025 amounts to a total of € 165,574 million (of which € 164,890 million relates to contracts measured under the VFA) and is up by € 4,209 million compared to € 161,365 million (of which € 160,709 million relates to contracts measured under the VFA) at 31 December 2024. It should be noted that in the change at 31 December 2025, the increase in insurance liabilities recorded under the item other changes, amounting to € 1,044 million (of which € 1,036 million related to aggregation basis 1 and € 8 million to aggregation basis 2), is attributable to the acquisition of the Cronos portfolio.

P.3.1.2 Trend in carrying amount of insurance contracts issued - GMM or VFA - liability for remaining coverage and for incurred claims

Insurance contracts issued with direct participation features - Life business (aggregation basis 1)

Items/Liabilities €m	Liability for remaining coverage (31.12.2025)		Liability for incurred claims (31.12.2025)	Total (31.12.2025)	Liability for remaining coverage (31.12.2024)		Liability for incurred claims (31.12.2024)	Total (31.12.2024)
	Net of loss	Loss			Net of loss	Loss		
A. Opening carrying amount								
1. Insurance contracts issued constituting liabilities	160,095		613	160,709	153,046		811	153,858
2. Insurance contracts issued constituting assets								
3. Net carrying amount at 1 January	**160,095**		**613**	**160,709**	**153,046**		**811**	**153,858**
B. Insurance revenue	**(2,254)**			**(2,254)**	**(2,025)**			**(2,025)**
C. Costs for insurance services								
1. Incurred claims and other directly attributable costs			562	562			702	702
2. Changes in the liability for incurred claims			16	16			(200)	(200)
3. Losses and related recoveries on onerous contracts		3		3				
4. Amortisation of acquisition costs of contracts	276			276	249			249
5. Total	**276**	**3**	**578**	**857**	**249**		**502**	**751**
E. Result from insurance services (B+C)	**(1,978)**	**3**	**578**	**(1,397)**	**(1,776)**		**502**	**(1,274)**
E. Net financial costs/revenue								
1. Related to insurance contracts issued	4,415			4,415	7,238			7,238
1.1 Recorded in the statement of profit or loss	5,489			5,489	6,333			6,333
1.2 Recorded in the statement of comprehensive income	(1,074)			(1,074)	905			905
2. Effects associated with exchange rate changes								
3. Total	**4,415**			**4,415**	**7,238**			**7,238**
F. Investment components	**(18,678)**		**18,678**		**(16,380)**		**16,380**	
G. Total amount recognised in the statement of profit or loss and statement of comprehensive income (D+E+F)	**(16,241)**	**3**	**19,256**	**3,018**	**(10,918)**		**16,882**	**5,965**
H. Other changes	**977**		**58**	**1,036**				
Increases								
Business combinations - external								
I. Cash movements								
1. Premiums received	19,612			19,612	18,267			18,267
2. Payments related to contract acquisition costs	(331)			(331)	(300)			(300)
3. Paid claims and other cash outflows			(19,153)	(19,153)			(17,080)	(17,080)
4. Other changes								
5. Total	**19,281**		**(19,153)**	**128**	**17,967**		**(17,080)**	**886**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**164,112**	**3**	**775**	**164,890**	**160,095**		**613**	**160,709**
M. Final carrying amount								
1. Insurance contracts issued constituting liabilities	164,112	3	775	164,890	160,095		613	160,709
2. Insurance contracts issued constituting assets								
3. Net carrying amount at 31 December	**164,112**	**3**	**775**	**164,890**	**160,095**		**613**	**160,709**

P.3.1.3 Trend in carrying amount of insurance contracts issued - GMM or VFA - liability for remaining coverage and for incurred claims

Insurance contracts issued without direct participation features - Life business (aggregation basis 2)

Items/Liabilities €m	Liability for remaining coverage (31.12.2025)		Liability for incurred claims (31.12.2025)	Total (31.12.2025)	Liability for remaining coverage (31.12.2024)		Liability for incurred claims (31.12.2024)	Total (31.12.2024)
	Net of loss	Loss			Net of loss	Loss		
A. Opening carrying amount								
1. Insurance contracts issued constituting liabilities	497	15	145	656	416	7	153	575
2. Insurance contracts issued constituting assets								
3. Net carrying amount at 1 January	**497**	**15**	**145**	**656**	**416**	**7**	**153**	**575**
B. Insurance revenue	**(218)**			**(218)**	**(170)**			**(170)**
C. Costs for insurance services								
1. Incurred claims and other directly attributable costs			122	122			105	105
2. Changes in the liability for incurred claims			2	2			(6)	(6)
3. Losses and related recoveries on onerous contracts		3		3		2		2
4. Amortisation of acquisition costs of contracts	17			17	14			14
5. Total	**17**	**3**	**123**	**144**	**14**	**2**	**99**	**115**
E. Result from insurance services (B+C)	**(201)**	**3**	**123**	**(74)**	**(156)**	**2**	**99**	**(56)**
E. Net financial costs/revenue								
1. Related to insurance contracts issued	(11)	12		1	14	6		19
1.1 Recorded in the statement of profit or loss	13	0		13	14	0		14
1.2 Recorded in the statement of comprehensive income	(24)	12		(12)	(1)	6		5
2. Effects associated with exchange rate changes								
3. Total	**(11)**	**12**		**1**	**14**	**6**		**19**
F. Investment components								
G. Total amount recognised in the statement of profit or loss and statement of comprehensive income (D+E+F)	**(212)**	**16**	**123**	**(73)**	**(143)**	**8**	**99**	**(36)**
H. Other changes	**8**		**1**	**8**	**(3)**			**(3)**
Increases	**9**		**1**	**10**				
Business combinations - external	9		1	10				
Decreases	**(2)**			**(2)**	**(3)**			**(3)**
- Other changes (-)	(2)			(2)	(3)			(3)
I. Cash movements								
1. Premiums received	354			354	278			278
2. Payments related to contract acquisition costs	(52)			(52)	(47)			(47)
3. Paid claims and other cash outflows			(210)	(210)	(4)		(107)	(111)
4. Other changes								
5. Total	**302**		**(210)**	**93**	**227**		**(107)**	**120**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**594**	**30**	**60**	**684**	**497**	**15**	**145**	**656**
M. Final carrying amount								
1. Insurance contracts issued constituting liabilities	594	30	60	684	497	15	145	656
2. Insurance contracts issued constituting assets								
3. Net carrying amount at 31 December	**594**	**30**	**60**	**684**	**497**	**15**	**145**	**656**

The following table shows the analysis of changes in carrying amount of insurance contracts issued measured under the GMM model and related to the Non-Motor Non-Life business segment (aggregation basis 4), showing the details of Liabilities for remaining coverage and Liabilities for incurred claims. This portion of the portfolio at 31 December 2025 amounted to € 299 million (€ 293 million at 31 December 2024).

P.3.1.4 Trend in carrying amount of insurance contracts issued - GMM or VFA - liability for remaining coverage and for incurred claims

Insurance contracts issued without direct participation features - Non-Motor Non-Life business (aggregation basis 4)

Items/Liabilities €m	Liability for remaining coverage (31.12.2025)		Liability for incurred claims (31.12.2025)	Total (31.12.2025)	Liability for remaining coverage (31.12.2024)		Liability for incurred claims (31.12.2024)	Total (31.12.2024)
	Net of loss	Loss			Net of loss	Loss		
A. Opening carrying amount								
1. Insurance contracts issued constituting liabilities	268	2	22	293	219	1	15	236
2. Insurance contracts issued constituting assets								
3. Net carrying amount at 1 January	**268**	**2**	**22**	**293**	**219**	**1**	**15**	**236**
B. Insurance revenue	**(127)**			**(127)**	**(103)**			**(103)**
C. Costs for insurance services								
1. Incurred claims and other directly attributable costs	(0)		45	44			46	46
2. Changes in the liability for incurred claims			11	11			8	8
3. Losses and related recoveries on onerous contracts		(0)		(0)		1		1
4. Amortisation of acquisition costs of contracts	31			31	21			21
5. Total	**30**	**(0)**	**56**	**86**	**21**	**1**	**54**	**76**
E. Result from insurance services (B+C)	**(96)**	**(0)**	**56**	**(41)**	**(82)**	**1**	**54**	**(27)**
E. Net financial costs/revenue								
1. Related to insurance contracts issued	4	0	2	6	9	0	2	11
1.1 Recorded in the statement of profit or loss	6	0	2	8	6	0	2	9
1.2 Recorded in the statement of comprehensive income	(2)		0	(2)	2		0	3
2. Effects associated with exchange rate changes								
3. Total	**4**	**0**	**2**	**6**	**9**	**0**	**2**	**11**
F. Investment components								
G. Total amount recognised in the statement of profit or loss and statement of comprehensive income (D+E+F)	**(92)**	**(0)**	**58**	**(35)**	**(73)**	**1**	**56**	**(16)**
H. Other changes								
Increases								
Business combinations - external								
I. Cash movements								
1. Premiums received	147			147	162			162
2. Payments related to contract acquisition costs	(57)			(57)	(40)			(40)
3. Paid claims and other cash outflows			(48)	(48)			(50)	(50)
4. Other changes								
5. Total	**90**		**(48)**	**42**	**122**		**(50)**	**73**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**266**	**2**	**32**	**299**	**268**	**2**	**22**	**293**
M. Final carrying amount								
1. Insurance contracts issued constituting liabilities	266	2	32	299	268	2	22	293
2. Insurance contracts issued constituting assets								
3. Net carrying amount at 31 December	**266**	**2**	**32**	**299**	**268**	**2**	**22**	**293**

Below is a reconciliation of the liability for remaining coverage and incurred claims of insurance contracts, exclusively belonging to the Non-Life business, measured under the PAA mode. With regard to the liability for insurance contracts measured using the PAA model (equal to € 378 million at 31 December 2025), the increase of € 70 million in the period is mainly attributable to the growth in premiums issued during the year, a portion of which will be attributable to the next financial year.

For the sake of full disclosure, details of the increase in liabilities arising from insurance contracts, broken down according to the type of event that generated them, are provided below.

P.3.1.5 Trend in carrying amount - PAA – of insurance contracts issued - liability for remaining coverage and for incurred claims (aggregation basis 3)

	Liability for remaining coverage (31.12.2025)		Liability for incurred claims (31.12.2025)			Liability for remaining coverage (31.12.2024)		Liability for incurred claims (31.12.2024)		
Items/Liabilities	Net of loss	Loss	Present value of cash flows	Adjustment for non-financial risk	Total (31.12.2025)	Net of loss	Loss	Present value of cash flows	Adjustment for non-financial risk	Total (31.12.2024)
A. Opening carrying amount										
1. Insurance contracts issued constituting liabilities	(18)	18	296	12	308	(26)	17	249	12	251
2. Insurance contracts issued constituting assets										
3. Net carrying amount at 1 January	**(18)**	**18**	**296**	**12**	**308**	**(26)**	**17**	**249**	**12**	**251**
B. Insurance revenue	**(607)**				**(607)**	**(516)**				**(516)**
C. Costs for insurance services										
1. Incurred claims and other directly attributable costs			412		412	23		308		331
2. Changes in the liability for incurred claims			30	(1)	29			43	(0)	43
3. Losses and related recoveries on onerous contracts		10			10		1			1
4. Amortisation of acquisition costs of contracts	67		14		81	70				70
5. Total	**67**	**10**	**455**	**(1)**	**531**	**93**	**1**	**351**	**(0)**	**445**
E. Result from insurance services (B+C)	**(539)**	**10**	**455**	**(1)**	**(76)**	**(423)**	**1**	**351**	**(0)**	**(71)**
E. Net financial costs/revenue										
1. Related to insurance contracts issued			4		4			4		4
1.1 Recorded in the statement of profit or loss			4		4			2		2
1.2 Recorded in the statement of comprehensive income			0		0			2		2
2. Effects associated with exchange rate changes										
3. Total			**4**		**4**			**4**		**4**
F. Investment components										
G. Total amount recognised in the statement of profit or loss and statement of comprehensive income (D+E+F)	**(539)**	**10**	**459**	**(1)**	**(71)**	**(423)**	**1**	**355**	**(0)**	**(67)**
H. Other changes										
I. Cash movements										
1. Premiums received	635				635	526				526
2. Payments related to contract acquisition costs	(68)		(14)		(82)	(72)				(72)
3. Paid claims and other cash outflows			(411)		(411)	(23)		(307)		(330)
4. Other changes										
5. Total	**566**		**(425)**		**141**	**431**		**(307)**		**124**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**9**	**27**	**330**	**11**	**378**	**(18)**	**18**	**296**	**12**	**308**
M. Final carrying amount										
1. Insurance contracts issued constituting liabilities	9	27	330	11	378	(18)	18	296	12	308
2. Insurance contracts issued constituting assets										
3. Net carrying amount at 31 December	**9**	**27**	**330**	**11**	**378**	**(18)**	**18**	**296**	**12**	**308**

As required by Reg. 7, the information set forth in par. 97 of IFRS 17 letters a), b) and c), also indicated in Part A "General preparation criteria and accounting standards adopted" of this document, is provided at the bottom of the table.

The Premium Allocation Approach (PAA) model is adopted exclusively for the Group's Non-Life business. It should be noted that this simplified model is used by the Group for contracts with a duration of 12 months or less and, exclusively in the event that these do not reach certain thresholds deemed reasonable from a materiality perspective, for the measurement of multi-year contracts. The Group has therefore constructed baseline scenarios as well as stressed scenarios (such as sensitivity of the Loss Ratio and the Discount Curve), in order to identify the features of multi-year contracts by virtue of which the measurement of the LRC measured with the PAA model does not differ significantly from the measurement carried out with the BBA.

Specifically, insurance contracts with at least one of the following characteristics are measured using this model:

- Annual duration: this category includes retail policies and group policies with an annual duration; in this case, criterion (b) of paragraph 53 of IFRS 17 is;
- Multi-year duration and membership of the Collective Business: this category includes multi-year collective policies; in this case, criterion (a) of paragraph 53 of IFRS 17 is applied;
- Multi-year duration and membership of a Portfolio where the weight of the Multi-year Business is less than or equal to 5% (in terms of gross premium revenue) in the last three financial years with reference to the contracts issued. Criterion (a) of paragraph 53 is applied to this category.

The PAA model is therefore applied to Non-life business, with the exception of the CPI, CQ and CVT products, which are measured through the adoption of the Building Block Approach (BBA) or General Model as they do not meet the conditions for the application of the simplified model.

It should be noted that the Group makes use of the option provided for in paragraph 56 of IFRS 17, not to adjust the LRC to reflect the time value of money and the effect of financial risk. On the other hand, the Group does not make use of the option set forth in IFRS 17 paragraph 59 b), which provides, under specific conditions, for not adjusting the FCFs for the time value of money for the purpose of determining the LIC.

It should also be noted that the Group does not make use of the option, provided for by Article 59 a) of IFRS 17, to recognise cash flows related to the acquisition of insurance contracts as costs when they are incurred. The economic burden of these acquisition costs is consequently transferred to the statement of profit or loss in line with the period in which the insurance services are provided. The following table breaks down the movements of insurance contracts issued with direct participation features, measured under the VFA model rules and pertaining to the Life business (aggregation basis 1), broken down by underlying measurement elements: (i) present value of cash flows; (ii) adjustment for non-financial risks; and (iii) contractual service margin. It should be noted that in the change at 31 December 2025, the increase in insurance liabilities recorded under the item other changes, amounting to € 1,044 million (of which € 1,036 million related to aggregation basis 1 and € 8 million to aggregation basis 2), is attributable to the acquisition of the Cronos portfolio.

P.3.1.6 Trend of the carrying amount of insurance contracts issued broken down by elements underlying the measurement

Insurance contracts issued with direct participation features - Life business (aggregation basis 1)

Items/Elements underlying the measurement €m	Elements underlying the measurement of the carrying amount of insurance contracts issued							
	Present value of cash flows (31.12.2025)	Adjustment for non-financial risk (31.12.2025)	Contractual Service Margin (31.2.2025)	Total (31.12.2025)	Present value of cash flows (31.12.2024)	Adjustment for non-financial risk (31.12.2024)	Contractual Service Margin (31.12.2024)	Total (31.12.2024)
A. Opening carrying amount								
1. Insurance contracts issued constituting liabilities	146.716	2.306	11.686	160.709	139.378	2.711	11.768	153.858
2. Insurance contracts issued constituting assets								
3. Net carrying amount at 1 January	**146.716**	**2.306**	**11.686**	**160.709**	**139.378**	**2.711**	**11.768**	**153.858**
B. Changes in current services								
1. Contractual Service Margin recorded in the statement of profit or loss			(1.301)	(1.301)			(1.229)	(1.229)
2. Change for overdue non-financial risks		(110)		(110)		(46)		(46)
3. Experience-related changes	5.931		(5.935)	(5)	680		(479)	202
4. Total	**5.931**	**(110)**	**(7.237)**	**(1.416)**	**680**	**(46)**	**(1.708)**	**(1.074)**
C. Changes relating to future services								
1. Changes in contractual service margin	(3.851)	(435)	4.286		929	(492)	(437)	0
2. Losses on groups of onerous contracts and related recoveries	3	(0)		3				
3. Effects of contracts initially recognised in the reporting year	(1.123)	148	975		(656)	133	523	
4. Total	**(4.971)**	**(287)**	**5.261**	**3**	**273**	**(359)**	**86**	**0**
D. Changes related to past services								
1. Adjustments to the liability for incurred claims	16			16	(200)			(200)
E. Result from insurance services (B+C+D)	**975**	**(397)**	**(1.975)**	**(1.397)**	**753**	**(405)**	**(1.622)**	**(1.274)**
F. Financial costs/revenue								
1. Related to insurance contracts issued	2.843		1.572	4.415	5.699		1.540	7.238
1.1 Recorded in the statement of profit or loss	3.513		1.976	5.489	5.058		1.275	6.333
1.2 Recorded in the statement of comprehensive income	(669)		(405)	(1.074)	641		264	905
2. Effects associated with exchange rate changes								
3. Total	2.843		1.572	4.415	5.699		1.540	7.238
G. Total amount of changes recognised in the statement of profit or loss and statement of comprehensive income (E+F)	**3.818**	**(397)**	**(404)**	**3.018**	**6.452**	**(405)**	**(82)**	**5.965**
H. Other changes	**1.025**	**5**	**6**	**1.036**				
I. Cash movements								
1. Premiums received	19.612			19.612	18.267			18.267
2. Payments related to contract acquisition costs	(331)			(331)	(300)			(300)
3. Paid claims and other cash outflows	(19.153)			(19.153)	(17.080)			(17.080)
4. Other changes								
5. Total	**128**			**128**	**886**			**886**
L. Net carrying amount at 31 December (A.3+G+H+I.5)	**151.687**	**1.914**	**11.288**	**164.890**	**146.716**	**2.306**	**11.686**	**160.709**
M. Final carrying amount								
1. Insurance contracts issued constituting liabilities	151.687	1.914	11.288	164.890	146.716	2.306	11.686	160.709
2. Insurance contracts issued constituting assets								
3. Net carrying amount at 31 December	**151.687**	**1.914**	**11.288**	**164.890**	**146.716**	**2.306**	**11.686**	**160.709**

The value of insurance liabilities relating to insurance contracts issued with direct participation features (measured under the VFA model) and relating to the Life business segment (aggregation basis 1) increased during the period by € 4,181 million, mainly due to: i) the increase in the present value of future cash flows by € 4,971 million; ii) the decrease in the adjustment for non-financial risk by € 392 million; and iii) the decrease in the CSM by € 398 million.

In particular, with reference to the quantities shown in the table, it is represented that:

The **present value of future cash flows** increased by € 4,971 million compared to 2024, mainly due to the result of financial operations and the trend in actual cash flows with respect to expected cash flows.

The **Adjustment for non-financial risk** decreased by € 392 million compared to 2024, mainly due to the release of this component for the period and the change in the Group's exposure to non-financial risks as a result of the lapses recorded in the period, which led to a revision of estimates for future services partially offset by the effect of new business.

The **contractual service margin** recorded a pre-release growth of € 903 million in 2025, mainly related to the contribution of new business and the positive impact of financial expenses and revenue (mirroring), only partially mitigated by negative operating changes mainly determined by the higher volume of lapses observed than expected and by the updating of technical assumptions. The release of the Contractual Service Margin recorded in the period was € 1,301 million.

The following table breaks down the movements of insured contracts issued without direct participation features, measured under the GMM model rules and pertaining to the Life business (aggregation basis 2), broken down by underlying measurement elements: i) present value of cash flows; ii) adjustment for non-financial risks; and iii) contractual service margin.

P.3.1.7 Trend of the carrying amount of insurance contracts issued broken down by elements underlying the measurement

Insurance contracts issued without direct participation features - Life business (aggregation basis 2)

Items/Elements underlying the measurement €m	Elements underlying the measurement of the carrying amount of insurance contracts issued							
	Present value of cash flows (31.12.2025)	Adjustment for non-financial risk (31.12.2025)	Contractual Service Margin (31.2.2025)	Total (31.12.2025)	Present value of cash flows (31.12.2024)	Adjustment for non-financial risk (31.12.2024)	Contractual Service Margin (31.12.2024)	Total (31.12.2024)
A. Opening carrying amount								
1. Insurance contracts issued constituting liabilities	428	51	178	656	406	39	131	575
2. Insurance contracts issued constituting assets								
3. Net carrying amount at 1 January	**428**	**51**	**178**	**656**	**406**	**39**	**131**	**575**
B. Changes in current services								
1. Contractual Service Margin recorded in the statement of profit or loss			(57)	(57)			(37)	(37)
2. Change for overdue non-financial risks		(11)		(11)		(11)		(11)
3. Experience-related changes	(10)		(7)	(16)	5		3	8
4. Total	**(10)**	**(11)**	**(64)**	**(85)**	**5**	**(11)**	**(34)**	**(40)**
C. Changes relating to future services								
1. Changes in contractual service margin	(25)	(3)	28		(11)	(1)	12	
2. Losses on groups of onerous contracts and related recoveries	6	(3)		3	2			2
3. Effects of contracts initially recognised in the reporting year	(132)	27	111	6	(91)	24	67	
4. Total	**(152)**	**21**	**139**	**9**	**(101)**	**23**	**79**	**2**
D. Changes related to past services								
1. Adjustments to the liability for incurred claims	2			2	(18)			(18)
E. Result from insurance services (B+C+D)	**(159)**	**10**	**75**	**(74)**	**(113)**	**12**	**45**	**(56)**
F. Financial costs/revenue								
1. Related to insurance contracts issued	**(5)**		**5**	**1**	**15**	**(1)**	**5**	**19**
1.1 Recorded in the statement of profit or loss	8		5	13	11	(1)	4	14
1.2 Recorded in the statement of comprehensive income	(12)			(12)	4		1	5
2. Effects associated with exchange rate changes								
3. Total	(5)		5	1	15	(1)	5	19
G. Total amount of changes recognised in the statement of profit or loss and statement of comprehensive income (E+F)	**(164)**	**10**	**80**	**(73)**	**(98)**	**12**	**50**	**(36)**
H. Other changes	**8**	**1**	**0**	**8**			**(3)**	**(3)**
I. Cash movements								
1. Premiums received	**354**			**354**	**278**			**278**
2. Payments related to contract acquisition costs	(52)			(52)	(47)			(47)
3. Paid claims and other cash outflows	**(210)**			**(210)**	**(111)**			**(111)**
4. Other changes								
5. Total	**93**			**93**	**120**			**120**
L. Net carrying amount at 31 December (A.3+G+H+I.5)	364	61	259	684	428	51	178	656
M. Final carrying amount								
1. Insurance contracts issued constituting liabilities	364	61	259	684	428	51	178	656
2. Insurance contracts issued constituting assets								
3. Net carrying amount at 31 December	**364**	**61**	**259**	**684**	**428**	**51**	**178**	**656**

The **present value of future cash flows** decreased by € 64 million compared to 2024, mainly due to the performance of new business.

The **adjustment for non-financial risk** increased by € 10 million, mainly due to the contribution of new business, partly offset by the release of the portion pertaining to the period.

The **contractual service margin** increased by € 81 million, mainly due to the contribution of new business on future margins, partly offset by the release of the portion pertaining to the period.

The following table breaks down the movements of insurance contracts issued, measured under the GMM measurement model rules, broken down by underlying measurement elements and relating to the Non-Motor Non-Life business (aggregation basis 4): i) present value of cash flows; ii) adjustment for non-financial risks; and iii) contractual service margin.

P.3.1.8 Insurance contracts issued without direct participation features - Non-Motor Non-Life business (aggregation basis 4)

	Elements underlying the measurement of the carrying amount of insurance contracts issued							
Items/Elements underlying the measurement €m	Present value of cash flows (31.12.2025)	Adjustment for non-financial risk (31.12.2025)	Contractual Service Margin (31.2.2025)	Total (31.12.2025)	Present value of cash flows (31.12.2024)	Adjustment for non-financial risk (31.12.2024)	Contractual Service Margin (31.12.2024)	Total (31.12.2024)
A. Opening carrying amount								
1. Insurance contracts issued constituting liabilities	218	17	58	293	154	15	67	236
2. Insurance contracts issued constituting assets								
3. Net carrying amount at 1 January	**218**	**17**	**58**	**293**	**154**	**15**	**67**	**236**
B. Changes in current services								
1. Contractual Service Margin recorded in the statement of profit or loss			(31)	(31)			(25)	(25)
2. Change for overdue non-financial risks		(7)		(7)		(7)		(7)
3. Experience-related changes	(12)	0	(3)	(15)	(2)		(4)	(6)
4. Total	**(12)**	**(7)**	**(34)**	**(53)**	**(2)**	**(7)**	**(29)**	**(38)**
C. Changes relating to future services								
1. Changes in contractual service margin	(26)	(3)	30		(3)	1	2	
2. Losses on groups of onerous contracts and related recoveries	(0)	(0)		(0)	(2)	0		(2)
3. Effects of contracts initially recognised in the reporting year	(25)	8	18	1	(17)	8	16	6
4. Total	**(52)**	**5**	**47**	**1**	**(22)**	**9**	**17**	**4**
D. Changes related to past services								
1. Adjustments to the liability for incurred claims	11	0		11	6	0		7
E. Result from insurance services (B+C+D)	**(53)**	**(1)**	**13**	**(41)**	**(18)**	**2**	**(12)**	**(27)**
F. Financial costs/revenue								
1. Related to insurance contracts issued	4		2	6	9		2	11
1.1 Recorded in the statement of profit or loss	6		2	8	6		2	9
1.2 Recorded in the statement of comprehensive income	(2)			(2)	3			3
2. Effects associated with exchange rate changes								
3. Total	4		2	6	9		2	11
G. Total amount of changes recognised in the statement of profit or loss and statement of comprehensive income (E+F)	**(49)**	**(1)**	**15**	**(35)**	**(9)**	**2**	**(9)**	**(16)**
H. Other changes								
I. Cash movements								
1. Premiums received	147			147	162			162
2. Payments related to contract acquisition costs	(57)			(57)	(40)			(40)
3. Paid claims and other cash outflows	**(48)**			**(48)**	**(50)**			**(50)**
4. Other changes								
5. Total	**42**			**42**	**73**			**73**
L. Net carrying amount at 31 December (A.3+G+H+I.5)	**211**	**16**	**73**	**299**	**218**	**17**	**58**	**293**
M. Final carrying amount								
1. Insurance contracts issued constituting liabilities	211	16	73	299	218	17	58	293
2. Insurance contracts issued constituting assets								
3. Net carrying amount at 31 December	**211**	**16**	**73**	**299**	**218**	**17**	**58**	**293**

The **present value of future cash flows** decreased by € 7 million compared to 2024, mainly due to the impact of new business.

The **adjustment for non-financial risk** decreased by € 1 million, due to the release of the portion pertaining to the period, largely offset by the contribution of new business.

The contractual service margin increased by € 15 million, mainly due to the contribution of new business on future margins, only partly offset by the release of the portion pertaining to the period.

Detailed information on insurance contracts - trends in insured revenue and CSM by transition method

Finally, the table below shows the dynamics of the Contractual Service Margin of insurance contracts issued broken down according to contracts existing at the time of transition to IFRS 17, and of insurance contracts issued and initially recognised in the reporting period and broken down, as required by Reg. ISVAP no. 7 of 13 July 2007, for the following aggregation bases:

- insurance contracts issued with direct participation features - Life business (aggregation basis 1);
- insurance contracts issued without direct participation features - Life business (aggregation basis 2);
- insurance contracts issued without direct participation features - Non-Motor Non-Life business (aggregation basis 4).

As provided for in the aforementioned Regulation, aggregation basis 1 also includes investment contracts issued with discretionary participation features.

For all products measured under the VFA model (i.e. separately managed accounts, specific assets, multi-class and unit-linked products) with the sole exception of standalone unit-linked contracts, the Poste Vita Group made use of the option provided for in EU Regulation 2021/2036 of 19 November 2021 of the European Commission, which makes it possible, for contracts characterised by mutuality of intergenerational cash flows[48], not to subdivide the Units of Account according to the annual cohort (the carve-out option) and therefore to aggregate these types of contracts with regard to the concept of similar risks and unitary management and belonging to the same profitability bucket.

With reference to aggregation basis 1, insurance revenue from contracts subject to carve-out amounted to € 2,253 million.

48. Groups of insurance contracts with direct participation features and groups of investment contracts with discretionary participation features whose cash flows affect or are affected by cash flows pertaining to policyholders of other contracts.

P.3.1.9 Trend of insurance revenue and contractual service margin of insurance contracts issued broken down by existing contracts at the time of transition to IFRS 17
Insurance contracts issued with direct participation features - Life business (aggregation basis 1)

	31.12.2025					31.12.2024				
€m	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Carve-out contracts	Total	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Carve-out contracts	Total
Insurance revenue	**1**			**2,253**	**2,254**				**2,025**	**2,025**
Contractual service margin - Opening balances				**11,686**	**11,686**				**11,768**	**11,768**
Changes in current services	**(0)**			**(1,301)**	**(1,301)**				**(1,229)**	**(1,229)**
- Contractual Service Margin recorded in the statement of profit or loss for services provided	(0)			(1,301)	(1,301)				(1,229)	(1,229)
Changes in future services	**17**			**(691)**	**(674)**				**(392)**	**(392)**
- Changes in estimates that alter the contractual service margin	14			(1,663)	(1,649)				(916)	(916)
- Effects of contracts initially recognised in the reporting year	3			972	975				523	523
Financial revenue/ costs										
1. Related to insurance contracts issued	2			1,570	1,572				1,540	1,540
2. Effects associated with exchange rate changes										
3. Total	**2**			**1,570**	**1,572**				**1,540**	**1,540**
Other changes	**6**				**6**					
Total changes recognised in the statement of profit or loss and statement of comprehensive income	**24**			**(422)**	**(398)**				**(82)**	**(82)**
Contractual service margin - Closing balances	**24**			**11,264**	**11,288**				**11,686**	**11,686**

With reference to aggregation basis 2, insurance revenue from contracts measured upon transition to IFRS 17 using the fair value approach amounted to € 66 million, while insurance revenue from new contracts placed in 2025 amounted to € 152 million. The contractual service margin for contracts measured upon transition to IFRS 17 using the fair value approach amounted to € 75 million, while that for new contracts placed in 2025 amounted to € 184 million.

P.3.1.10 Trend of insurance revenue and contractual service margin of insurance contracts issued broken down by existing contracts at the time of transition to IFRS 17

Insurance contracts issued without direct participation features - Life business (aggregation basis 2)

	31.12.2025					31.12.2024				
€m	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Carve-out contracts	Total	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Carve-out contracts	Total
Insurance revenue	**152**		**66**		**218**	**56**		**115**		**170**
Contractual service margin - Opening balances	**96**		**82**		**178**	**26**		**105**		**131**
Changes in current services	**(33)**		**(25)**		**(57)**	**(13)**		**(23)**		**(37)**
- Contractual Service Margin recorded in the statement of profit or loss for services provided	(33)		(25)		(57)	(13)		(23)		(37)
Changes in future services	**116**		**16**		**132**	**84**		**(2)**		**82**
- Changes in estimates that alter the contractual service margin	5		16		21	17		(2)		15
- Effects of contracts initially recognised in the reporting year	111				111	67				67
Financial revenue/ costs										
1. Related to insurance contracts issued	4		2		5	3		2		5
2. Effects associated with exchange rate changes										
3. Total	**4**		**2**		**5**	**3**		**2**		**5**
Other changes	**0**				**0**	**(3)**				**(3)**
Total changes recognised in the statement of profit or loss and statement of comprehensive income	**87**		**(7)**		**80**	**71**		**(23)**		**47**
Contractual service margin - Closing balances	**184**		**75**		**259**	**96**		**82**		**178**

With reference to aggregation basis 4, insurance revenue from contracts measured upon transition to IFRS 17 using the fair value approach amounted to € 46 million, while that relating to new contracts placed in 2025 amounted to € 81 million. The contractual service margin for contracts measured upon transition to IFRS 17 using the fair value approach amounted to € 21 million, while that relating to new contracts placed in 2025 amounted to € 52 million.

P.3.1.11 Trend of insurance revenue and contractual service margin of insurance contracts issued broken down by existing contracts at the time of transition to IFRS 17

Insurance contracts issued without direct participation features - Non-Motor Non-Life business Life segment (aggregation basis 4)

	31.12.2025					31.12.2024				
€m	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Carve-out contracts	Total	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Carve-out contracts	Total
Insurance revenue	**81**		**46**		**127**	**78**		**24**		**103**
Contractual service margin - Opening balances	**27**		**31**		**58**	**20**		**47**		**67**
Changes in current services	**(14)**		**(17)**		**(31)**	**(5)**		**(20)**		**(25)**
- Contractual Service Margin recorded in the statement of profit or loss for services provided	(14)		(17)		(31)	(5)		(20)		(25)
Changes in future services	**38**		**6**		**44**	**12**		**2**		**14**
- Changes in estimates that alter the contractual service margin	20		6		26	(4)		2		(2)
- Effects of contracts initially recognised in the reporting year	18				18	16		0		16
Financial revenue/ costs										
1. Related to insurance contracts issued	1		1		2	1		2		2
2. Effects associated with exchange rate changes										
3. Total	**1**		**1**		**2**	**1**		**2**		**2**
Other changes										
Total changes recognised in the statement of profit or loss and statement of comprehensive income	**25**		**(10)**		**15**	**7**		**(17)**		**(9)**
Contractual service margin - Closing balances	**52**		**21**		**73**	**27**		**31**		**58**

The following tables illustrate the **composition of new business by underlying measurement elements**, i.e. the present value of cash flows; (ii) adjustment for non-financial risks; and (iii) contractual service margin on issued insured contracts measured under the VFA model and GMM model at 31 December 2025 and 31 December 2024.

As required by Reg. ISVAP no. 7 of 13 July 2007, the tables below refer to the following aggregation bases:

- insurance contracts issued with direct participation features - Life business (aggregation basis 1);
- insurance contracts issued without direct participation features - Life business (aggregation basis 2);
- insurance contracts issued without direct participation features - Non-Motor Non-Life business (aggregation basis 4).

As provided for in the aforementioned Regulation, aggregation basis 1 also includes investment contracts issued with discretionary participation features. Furthermore, it should be noted that the tables referring to the financial year 2025 and the financial year 2024 have been reported separately.

P.3.1.12 Elements underlying the measurement of insurance contracts issued, recorded during the year Insurance contracts issued with direct participation features - Life business (aggregation basis 1)

	Contracts originated (31.12.2025)			Contracts acquired under business combinations (31.12.2025)			Contracts transferred from third parties (31.12.2025)		
Items/Contract Groups €m	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total
A. Estimate of the present value of future cash outflows									
1. Contract acquisition costs		276	276						
2. Amount of claims and other directly attributable costs		10,080	10,080		1,149	1,149			
3. Total		10,356	10,356		1,149	1,149			
B. Estimate of the present value of future cash inflows		**11,479**	**11,479**		**125**	**125**			
C. Estimate of the present net value of future cash flows (A-B)		**(1,123)**	**(1,123)**		**1,025**	**1,025**			
D. Estimate of the adjustment for non-financial risk		**148**	**148**		**5**	**5**			
E. Derecognition of assets/liabilities already recognised for cash flows related to insurance contracts issued									
F. Contractual Service Margin		**975**	**975**		**6**	**6**			
G. Increase included in liability for insurance contracts issued during the year (C+D+E+F)					**1,036**	**1,036**			

P.3.1.12 Elements underlying the measurement of insurance contracts issued, recorded during the year Insurance contracts issued with direct participation features - Life business (aggregation basis 1)

	Contracts originated (31.12.2025)			Contracts acquired under business combinations (31.12.2025)			Contracts transferred from third parties (31.12.2025)		
Items/Contract Groups €m	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total
A. Estimate of the present value of future cash outflows									
1. Contract acquisition costs		211	211						
2. Amount of claims and other directly attributable costs		16,112	16,112						
3. Total		16,322	16,322						
B. Estimate of the present value of future cash inflows		**16,978**	**16,978**						
C. Estimate of the present net value of future cash flows (A-B)		**(656)**	**(656)**						
D. Estimate of the adjustment for non-financial risk		**133**	**133**						
E. Derecognition of assets/liabilities already recognised for cash flows related to insurance contracts issued									
F. Contractual Service Margin		**523**	**523**						
G. Increase included in liability for insurance contracts issued during the year (C+D+E+F)									

P.3.1.13 Elements underlying the measurement of insurance contracts issued, recorded during the year
Insurance contracts issued without direct participation features - Life business (aggregation basis 2)

Items/Contract Groups €m	Contracts originated (31.12.2025)			Contracts acquired under business combinations (31.12.2025)			Contracts transferred from third parties (31.12.2025)		
	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total
A. Estimate of the present value of future cash outflows									
1. Contract acquisition costs		54	54						
2. Amount of claims and other directly attributable costs		349	349		9	9			
3. Total		403	403		9	9			
B. Estimate of the present value of future cash inflows		**536**	**536**		**2**	**2**			
C. Estimate of the present net value of future cash flows (A-B)		**(132)**	**(132)**		**8**	**8**			
D. Estimate of the adjustment for non-financial risk		**27**	**27**		**1**	**1**			
E. Derecognition of assets/liabilities already recognised for cash flows related to insurance contracts issued									
F. Contractual Service Margin		**111**	**111**		**2**	**2**			
G. Increase included in liability for insurance contracts issued during the year (C+D+E+F)		**6**	**6**		**10**	**10**			

P.3.1.13 Elements underlying the measurement of insurance contracts issued, recorded during the year
Insurance contracts issued without direct participation features - Life business (aggregation basis 2)

Items/Contract Groups €m	Contracts originated (31.12.2025)			Contracts acquired under business combinations (31.12.2025)			Contracts transferred from third parties (31.12.2025)		
	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total
A. Estimate of the present value of future cash outflows									
1. Contract acquisition costs	12	33	45						
2. Amount of claims and other directly attributable costs	138	288	426						
3. Total	151	321	471						
B. Estimate of the present value of future cash inflows	**186**	**377**	**562**						
C. Estimate of the present net value of future cash flows (A-B)	**(35)**	**(56)**	**(91)**						
D. Estimate of the adjustment for non-financial risk	**5**	**19**	**24**						
E. Derecognition of assets/liabilities already recognised for cash flows related to insurance contracts issued									
F. Contractual Service Margin	**30**	**37**	**67**						
G. Increase included in liability for insurance contracts issued during the year (C+D+E+F)									

P.3.1.14 Elements underlying the measurement of insurance contracts issued, recorded during the year Insurance contracts issued without direct participation features - Non-Motor Non-Life business (aggregation basis 4)

Items/Contract Groups €m	Contracts originated (31.12.2025)			Contracts acquired under business combinations (31.12.2025)			Contracts transferred from third parties (31.12.2025)		
	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total
A. Estimate of the present value of future cash outflows									
1. Contract acquisition costs	6	71	77						
2. Amount of claims and other directly attributable costs	5	63	68						
3. Total	11	133	145						
B. Estimate of the present value of future cash inflows	**11**	**159**	**169**						
C. Estimate of the present net value of future cash flows (A-B)	**1**	**(25)**	**(25)**						
D. Estimate of the adjustment for non-financial risk	**1**	**8**	**8**						
E. Derecognition of assets/liabilities already recognised for cash flows related to insurance contracts issued									
F. Contractual Service Margin		**18**	**18**						
G. Increase included in liability for insurance contracts issued during the year (C+D+E+F)	**1**	**(0)**	**1**						

P.3.1.14 Elements underlying the measurement of insurance contracts issued, recorded during the year Insurance contracts issued without direct participation features - Non-Motor Non-Life business (aggregation basis 4)

Items/Contract Groups €m	Contracts originated (31.12.2025)			Contracts acquired under business combinations (31.12.2025)			Contracts transferred from third parties (31.12.2025)		
	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total
A. Estimate of the present value of future cash outflows									
1. Contract acquisition costs		44	44						
2. Amount of claims and other directly attributable costs		46	46						
3. Total		91	91						
B. Estimate of the present value of future cash inflows		**108**	**108**						
C. Estimate of the present net value of future cash flows (A-B)		**(17)**	**(17)**						
D. Estimate of the adjustment for non-financial risk		**8**	**8**						
E. Derecognition of assets/liabilities already recognised for cash flows related to insurance contracts issued									
F. Contractual Service Margin		**16**	**16**						
G. Increase included in liability for insurance contracts issued during the year (C+D+E+F)		**6**	**6**						

Insurance contracts issued - Contractual Service Margin broken down by expected timing of recognition in profit or loss

The following table provides information on the timing with which the Poste Vita Group expects to recognise in profit or loss in future years the contractual service margin recognised in the Statement of financial position at 31 December 2025 in respect of direct business contracts and separated between the Life business and the Non-Life business segments.

P.3.1.15 Insurance contracts issued - Contractual Service Margin broken down by expected timing of recognition in profit or loss

Bases of aggregation/ expected timeframe €m	Up to 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	5 - 10 years	10 - 20 years	Over 20 years	Total
Life segment	1,167	1,089	1,022	965	909	3,218	2,237	940	11,547
Non-Life segment	28	14	10	7	5	7	1	0	73

Overall, for the first three years after 31 December 2025, the release of the CSM is 29%, for the following two years (fourth and fifth year) 16%, and for the remaining years 55%.

Detailed information on insurance and reinsurance contracts – Claims development

The tables below show the trends of cumulative paid claims and the ultimate (undiscounted) cost of claims by occurrence generation, gross and net of reinsurance, respectively, for the Non-Life business. The ultimate cost includes observed paid claims, liabilities for incurred claims and liquidation costs.

Cumulative paid claims, at 31 December 2025, amounted to € 1,813 million, of which 65% related to claims occurring between 2022 and 2025. Cumulative paid claims, including the ultimate cost estimate, amounted to € 2,190 million at 31 December 2025, of which 70% related to claims occurring between 2022 and 2025.

At the reporting date, approximately 83% of cumulative claims including the ultimate cost estimate had been settled. In fact, the closing balance of the undiscounted liability for remaining coverage at 31 December 2025 amounts to € 376[49] million. This amount remains set aside to support commitments to policyholders for future years and relates, for approximately 61%, to claims incurred during the financial year 2025. The discount effect on these expected future cash flows amounts to € 12 million, while the adjustment for non-financial risk amounts to approximately € 14 million.

49. This amount relates to the Liability for incurred claims by the subsidiaries Poste Assicura and Net Insurance in addition to the non-life business of the Parent Company Poste Vita, gross of the amounts attributable to flows related to receivables for amounts to be recovered on such claims incurred.

P.3.1.16 Insurance contracts issued - development of claims gross of reinsurance (Non-Life Segment)

Claims/Times €m	Year T-9	Year T-8	Year T-7	Year T-6	Year T-5	Year T-4	Year T-3	Year T-2	Year T-1	Year T	Total
A. Accumulated paid claims and other directly attributable costs paid											
1 At the end of the year of occurrence	20	16	19	13	13	101	122	174	216	284	
2. One year later	38	28	30	23	113	175	215	282	350	**X**	
3. Two years later	42	30	32	113	121	189	235	305	**X**	**X**	
4. Three years later	42	31	72	115	123	195	240	**X**	**X**	**X**	
5. Four years later	42	59	71	116	125	196	**X**	**X**	**X**	**X**	
6. Five years later	64	59	72	117	126	**X**	**X**	**X**	**X**	**X**	
7. Six years later	63	58	73	118	**X**	**X**	**X**	**X**	**X**	**X**	
8. Seven years later	63	59	73	**X**	**X**	**X**	**X**	**X**	**X**	**X**	
9. Eight years later	63	60	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	
10. Nine years later	63	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	
Total cumulative paid claims and other directly attributable costs paid (Total A)	**63**	**60**	**73**	**118**	**126**	**196**	**240**	**305**	**350**	**284**	**1,813**
B. Estimated ultimate cumulative claims cost (amount before outward reinsurance and not discounted)											
1 At the end of the year of occurrence	31	20	21	13	13	201	256	346	426	515	
2. One year later	52	32	32	23	143	217	271	349	418	**X**	
3. Two years later	54	34	34	129	137	211	267	342	**X**	**X**	
4. Three years later	52	33	79	124	133	206	261	**X**	**X**	**X**	
5. Four years later	47	65	75	121	132	206	**X**	**X**	**X**	**X**	
6. Five years later	69	61	74	121	132	**X**	**X**	**X**	**X**	**X**	
7. Six years later	66	60	74	121	**X**	**X**	**X**	**X**	**X**	**X**	
8. Seven years later	66	59	74	**X**	**X**	**X**	**X**	**X**	**X**	**X**	
9. Eight years later	63	60	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	
10. Nine years later	63	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	
Estimated undiscounted ultimate cumulative gross claims cost at the reporting date (Total B)	**63**	**60**	**74**	**121**	**132**	**206**	**261**	**342**	**418**	**515**	**2,190**
C. Gross undiscounted liability for incurred claims - accident year T to T-9 (Total B - Total A)	**(0)**	**(0)**	**1**	**3**	**6**	**10**	**21**	**37**	**69**	**231**	**376**
D. Gross undiscounted liability for incurred claims - years prior to T-9	X	X	X	X	X	X	X	X	X	X	(5)
E. Discount effect	X	X	X	X	X	X	X	X	X	X	(12)
F. Effect of adjustment for non-financial risks	X	X	X	X	X	X	X	X	X	X	14
G. Gross liability for incurred claims of insurance contracts issued	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**373**

P.3.1.17 Insurance contracts issued - development of claims net of reinsurance (Non-Life Segment)

Claims/Times €m	Year T-9	Year T-8	Year T-7	Year T-6	Year T-5	Year T-4	Year T-3	Year T-2	Year T-1	Year T	Total
A. Accumulated paid claims and other directly attributable costs paid											
1 At the end of the year of occurrence	7	5	10	1	5	86	111	155	158	214	
2. One year later	14	8	14	5	92	150	198	230	254	**X**	
3. Two years later	15	8	15	83	98	162	213	248	**X**	**X**	
4. Three years later	15	9	43	84	99	164	217	**X**	**X**	**X**	
5. Four years later	15	29	43	85	99	165	**X**	**X**	**X**	**X**	
6. Five years later	31	29	43	85	100	**X**	**X**	**X**	**X**	**X**	
7. Six years later	31	29	43	86	**X**	**X**	**X**	**X**	**X**	**X**	
8. Seven years later	31	29	43	**X**	**X**	**X**	**X**	**X**	**X**	**X**	
9. Eight years later	31	29	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	
10. Nine years later	31	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	
Total cumulative paid claims and other directly attributable costs paid (Total A)	**31**	**29**	**43**	**86**	**100**	**165**	**217**	**248**	**254**	**214**	**1,387**
B. Estimated ultimate cumulative claims cost (amount before outward reinsurance and not discounted)											
1 At the end of the year of occurrence	14	7	12	1	5	181	244	299	327	427	
2. One year later	23	10	15	5	118	189	253	290	310	**X**	
3. Two years later	21	10	16	95	112	183	243	281	**X**	**X**	
4. Three years later	17	10	48	91	108	175	237	**X**	**X**	**X**	
5. Four years later	15	32	45	89	105	174	**X**	**X**	**X**	**X**	
6. Five years later	33	30	44	88	105	**X**	**X**	**X**	**X**	**X**	
7. Six years later	32	29	43	88	**X**	**X**	**X**	**X**	**X**	**X**	
8. Seven years later	33	29	43	**X**	**X**	**X**	**X**	**X**	**X**	**X**	
9. Eight years later	31	29	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	
10. Nine years later	30		**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	
Estimated undiscounted ultimate cumulative gross claims cost at the reporting date (Total B)	**30**	**29**	**43**	**88**	**105**	**174**	**237**	**281**	**310**	**427**	**1,725**
C. Gross undiscounted liability for incurred claims - accident year T to T-9 (Total B - Total A)	**(0)**	**(0)**	**0**	**2**	**5**	**9**	**20**	**33**	**56**	**213**	**338**
D. Gross undiscounted liability for incurred claims - years prior to T-9	X	X	X	X	X	X	X	X	X	X	(5)
E. Discount effect	X	X	X	X	X	X	X	X	X	X	(11)
F. Effect of adjustment for non-financial risks	X	X	X	X	X	X	X	X	X	X	7
G. Gross liability for incurred claims of insurance contracts issued	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**329**

The following table aims to provide a reconciliation of the carrying amount at 31 December 2025 **of the assets related to the acquisition of the insurance contracts issued**, starting from the opening balance at 1 January 2025. Likewise, the comparative figures shown provide a reconciliation of the carrying amount at 31 December 2024 of the insurance contracts issued, starting from the opening balance at 1 January 2024. With reference to the Poste Vita Group, it is populated with reference to the Life business only.

P.3.1.18 Insurance contracts issued - assets associated with the acquisition of insurance contracts - trend in carrying amount

Items/Aggregation basis €m	Life segment	Non-Life segment	Total 31.12.2025	Total 31.12.2024
A. Opening carrying amount	**2.8**		**2.8**	**2.9**
B. Increases				
1. Cash flows recognised as an asset in the year				
2. Reversals of impairment losses				
3. Other increases				
4. Total				
C. Decreases				
1. Assets derecognised on recognition of outward reinsurance				
2. Impairment losses				(0.2)
3. Other decreases	(1.0)		(1.0)	
4. Total	**(1.0)**		**(1.0)**	**(0.2)**
D. Closing carrying amount	**1.7**		**1.7**	**2.8**

The following table provides information on the timing with which the Poste Group eliminates assets related to the acquisition of insurance contracts by recognising them within the measurement of insurance contracts issued. The balance of assets related to the acquisition of insurance contracts, which amounted to € 2 million at 31 December 2025, will be fully released by 31 December 2029.

P.3.1.19 Insurance contracts issued - Assets associated with the acquisition of insurance contracts - Expected times for derecognition

Expected Times/Aggregation basis €m	Life segment (31.12.2025)	Non-Life segment (31.12.2025)	Total (31.12.2025)	Life segment (31.12.2024)	Non-Life segment (31.12.2024)	Total (31.12.2024)
1. Up to 1 year	0.3		0.3			
2. 1 - 2 years	0.9		0.9	0.4		0.4
3. 2 - 3 years	0.4		0.4	0.4		0.4
4. For over 3 years	0.1		0.1	2.1		2.1

In line with the provisions of Reg. ISVAP no. 7 of 13 July 2007, the Company is exempt from preparing the table summarising the Technical Provisions, as it does not prepare IAS/IFRS Financial statements.

4. Financial liabilities

Financial liabilities at 31 December 2025 amounted to € 1,373 million (€ 894 million at the end of 2024), of which € 927 million related to financial liabilities measured at fair value through profit or loss and € 447 million to financial liabilities measured at amortised cost.

4.1 Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss of € 927 million (€ 617 million at 31 December 2024) mainly refer to liabilities related to investment contracts without discretionary participation features that are not within the scope of IFRS 1750, pertaining to the former Cronos portfolio for a total of € 731 million and relating to standalone unit-linked policies.

50. These are contracts that do not provide for a transfer of significant insurance risk and therefore cannot be considered insurance contracts under IFRS 17.

The following table shows the balance sheet value, by product breakdown, of financial liabilities measured at fair value recognised through profit or loss.

P.4.1.1 Financial liabilities measured at fair value through profit or loss: product breakdown and percentage breakdown

	Financial liabilities held for trading				Financial liabilities designated at fair value				Total			
	31.12.2025		31.12.2024		31.12.2025		31.12.2024		31.12.202		31.12.2024	
Items/Values €m	Carrying amount	Comp %	Carrying amount	Comp %	Carrying amount	Comp %	Carrying amount	Comp %	Carrying amount	Comp %	Carrying amount	Comp %
Investment contracts issued IFRS 9:					731	100%			731	79%		
a) contracts with benefits linked to indices and UCITS units					731	100%			731	79%		
b) pension funds												
c) other financial contracts issued												
Derivatives												
Hedging derivatives												
Other financial liabilities	195	100%	617	100%					195	21%	617	100%
Total	**195**	**100%**	**617**	**100%**	**731**	**100%**			**927**	**100%**	**617**	**100%**

4.2 Financial liabilities measured at amortised cost

Financial liabilities measured at amortised cost, amounting to € 447 million at 31 December 2025 (€ 278 million at 31 December 2024), mainly refer to: i) financial liabilities arising from the application of IFRS 16 amounting to € 10 million, a balance representing the remainder of the fees to be settled at the end of the period; ii) the subordinated bond issued in September 2021 by the subsidiary Net Insurance for € 10 million; iii) the 10-year subordinated bond issued in December 2025 by the subsidiary Net Insurance for a nominal value of € 20 million and subscribed 60% by the Parent Company Poste Vita Spa and 40% by the minority shareholder IBL; the bond is recognised only for the portion subscribed by the minority shareholder; and iv) loans granted to Cronos for € 412 million by the placement and system banks, as part of the system operation aimed at protecting Eurovita policyholders.

P.4.2.1 Financial liabilities measured at amortised cost: product breakdown, percentage breakdown and fair value hierarchy

	31.12.2025						31.12.2024					
Items/Values €m	Carrying amount	Comp. %	L1	L2	L3	Total Fair value	Carrying amount	Comp. %	L1	L2	L3	Total Fair value
Participating financial instruments		0%						0%				
Subordinated liabilities	18	4%			19	19	263	95%			276	276
Debt securities issued		0%										
Other loans	428	96%			418	418	15	5%			15	15
- from banks	412	92%	x	x	x	x			x	x	x	x
- from customers	16	4%	x	x	x	x	15	5%	x	x	x	x
Total	**447**	**100%**			**437**	**437**	**278**	**100%**			**291**	**291**

The following table presents the contractual maturity analysis at 31 December 2025 of financial lease liabilities (IFRS 16) mentioned above.

Lease payables

Description €m	Within 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	Over 5 years	Total
Financial lease liabilities	**1**	**2**	**2**	**1**	**1**	**4**	**10**
Property leases	0	1	1	1	1	4	9
Guest quarters	0	0	0				0
Vehicles for mixed use	0	0	1	0			2
Other (computer equipment)		0					0

5. Payables

Payables amounted to € 825 million at 31 December 2025 (€ 672 million at 31 December 2024). The breakdown of the item and changes with respect to the previous year can be seen in the following schedule:

Payables €m	31.12.2025	31.12.2024	Change	
Commissions payable to agents	485	402	84	21%
Due to suppliers	90	110	(19)	(18%)
Due to policyholders	30	16	14	85%
Due to employees	17	12	5	40%
of which TFR	*2*	*2*	*0*	*14%*
Financial payables	77	55	22	40%
Due to companies	29	27	2	8%
Due to Cronos beneficiaries	59	-	59	n.s.
Other payables	37	50	(13)	(26%)
Total	**825**	**672**	**153**	**23%**

The item “Commissions payable to agents”, totalling € 485 million, refers mainly to payables to the Ultimate Parent Poste Italiane, for commissions earned on the placement and maintenance of insurance products in late 2025 and to be settled in the first quarter of 2026.

Item “due to suppliers” of € 90 million refers to trade payables for services rendered.

Amounts due to policyholders, which amounted to € 30 million, mainly related to amounts collected and being reconciled at the end of the period.

Amounts due to employees of € 17 million mainly refer to variable compensation, contributions and employee termination benefits.

In accordance with the provisions of IVASS, contained in Regulation no. 7, the liability of € 2 million relating to employee termination benefits has been entered under “other payables”.

Relative to international accounting standards, and with respect to the indications provided by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretation Committee (IFRIC), employee termination benefits (TFR) are considered a defined-benefit plan.

The item “financial payables”, amounting to € 77 million, refers to payables for commissions to be paid to managers of internal funds and liabilities for fund units purchased and not yet settled at the end of 2025. This item includes payables for the share of servicing fees to be returned to the distributing banks, based on the provisions of the service contract signed by Cronos with the aforementioned banks, amounting to € 25 million. These payables will be settled during 2027.

Amounts due to companies, amounting to € 29 million, refer mainly to payables deriving from coinsurance relationships in effect at the end of the period.

Payables to the other beneficiaries of the Cronos demerger amount to approximately € 59 million following reallocation between the portfolios. This payable was already settled in January 2026.

The item "other payables" of € 37 million mainly relates to the payable still to be settled at the end of the period with reference to the premiums to be paid under the insurance contract on the coverage of mass lapse risk.

6. Other liabilities

Other liabilities amounted to € 1,128 million at the end of 2025, compared to € 1,062 million at the end of 2024. They are detailed in the table below:

Other liabilities €m	31.12.2025	31.12.2024	Change	
Liabilities included in disposal groups held for sale	-	-		
Current tax liabilities	504	546	(42)	(8%)
Deferred tax liabilities	531	439	91	21%
Other liabilities	94	76	17	23%
Total	**1,128**	**1,062**	**67**	**6%**

The item "Current tax liabilities" amounted to € 504 million at 31 December 2025 (€ 546 million at 31 December 2024) and refer mainly to:

- € 390 million due to the tax authorities for the advance payment of tax on mathematical provisions for the period;
- the amounts due to tax authorities for stamp duty at 31 December 2025 following the combinations of the Cronos portfolio, on financial policies for Life classes III and V, totalling € 33 million;
- the payable for withholdings and substitute taxes for capital paid relative to life and FIP policies recognised at 31 December 2025, for € 58 million, referring to taxes accruing in December which will be paid the next month.

Below are changes in deferred tax liabilities recognised at 31 December 2025:

€m	31.12.2025
Payable for deferred tax liabilities at 31 December 2024	**439**
- change accounted for in profit or loss	111
- change accounted for in equity	(20)
Payable for deferred tax liabilities at 31 December 2025	**531**

With regard to temporary differences with effect on profit or loss, these mainly relate to the higher finance income recognised in accordance with IAS/IFRS in the financial statements of Poste Vita, compared with as determined in accordance with tax regulations. By contrast, with regard to temporary differences recognised directly in Equity, these mainly relate to the fair value measurement of financial assets measured at fair value through other comprehensive income (FVOCI) of the Parent Company Poste Vita and its subsidiaries.

Other liabilities

Other liabilities amounted to € 94 million at 31 December 2025 (€ 76 million at 31 December 2024), and mainly related to the liability for the contribution to the guarantee fund allocated starting from 2024 in the amount of € 62 million and payables to personnel in the amount of € 11 million.

Part D – Information the consolidated statement of profit or loss

The items in the statement of profit or loss and the changes that occurred compared to the previous year are commented on below (the numbering recalls the numbering in the compulsory format required by Reg. 7).

1. Insurance revenue from insurance contracts issued and 2. Costs for insurance services arising from insurance contracts issued

Insurance revenue from insurance contracts issued amounted to € 3,205 million in 2025 (€ 2,813 million in 2024), of which € 2,472 million related to the Life business segment and the remaining € 733 million to the Non-Life business segment.

Costs for services arising from insurance contracts issued amounted to € 1,618 million in 2025 (€ 1,386 at the end of 2024), of which € 1,001 million related to Life business and the remainder of € 617 million to Non-Life business.

The following table shows the breakdown of revenue and costs arising from insurance contracts issued by aggregation basis, as defined by Reg. ISVAP no. 7 of 13 July 2007:

- insurance contracts issued with direct participation features - Life business (aggregation basis 1);
- insurance contracts issued without direct participation features - Life business (aggregation basis 2);
- insurance contracts issued without direct participation features - Motor Non-Life business (aggregation basis 3);
- insurance contracts issued without direct participation features - Non-Motor Non-Life business (aggregation basis 4);
- investment contracts issued with direct participation features - Life business (aggregation basis 5).

As provided for in ISVAP Regulation No. 7, aggregation basis 1 also includes investment contracts issued with discretionary participation features. Furthermore, it should be noted that aggregation bases 3 and 5 are not applicable at 31 December 2025 and 31 December 2024 for the Poste Vita Group and therefore the relevant columns have been omitted from the table.

Insurance costs and revenue from insurance contracts issued - Breakdown

Items/Aggregation basis €m	Basis A1 31.12.2025	Basis A2 31.12.2025	Basis A4 31.12.2025	Total 31.12.2025	Basis A1 31.12.2024	Basis A2 31.12.2024	Basis A4 31.12.2024	Total 31.12.2024
A. Insurance revenue from insurance contracts issued measured at GMM and VFA								
A.1 Amounts related to changes in the asset for remaining coverage	**1,978**	**201**	**96**	**2,274**	**1,776**	**158**	**82**	**2,015**
1. Incurred claims and other expected insurance service costs	567	132	59	758	10,504	110	52	10,666
2. Changes in the adjustment for non-financial risks	110	11	7	128	46	11	7	64
3. Contractual Service Margin recorded in the statement of profit or loss for services provided	1,301	57	31	1,390	1,229	37	25	1,291
4. Other amounts			(0)	(0)	(10,004)	0	(2)	(10,007)
A.2 Acquisition costs of recovered insurance contracts	**276**	**17**	**31**	**324**	**249**	**12**	**21**	**282**
A.3 Total insurance revenue from insurance contracts issued measured at GMM or VFA (A.1+A.2)	**2,254**	**218**	**127**	**2,599**	**2,025**	**170**	**103**	**2,298**
A.4 Total insurance revenue from insurance contracts issued measured at GMM and PAA				**607**				**516**
- Life segment	X	X	X		X	X	X	
- Non-Life segment - motor	X	X	X		X	X	X	
- Non-Life segment - non-motor	X	X	X	607	X	X	X	516
A.5 Total insurance revenue from insurance contracts issued (A.3+A.4)	**2,254**	**218**	**127**	**3,205**	**2,025**	**170**	**103**	**2,813**
B. Costs for insurance services arising from insurance contracts issued - GMM or VFA								
1. Incurred claims and other directly attributable costs	(562)	(122)	(44)	(728)	(705)	(107)	(42)	(854)
2. Changes in the liability for incurred claims	(16)	(2)	(11)	(29)	198	8	(8)	197
3. Losses on onerous contracts and recovery of such losses	(3)	(3)	0	(5)		(2)	(1)	(3)
4. Amortisation of acquisition costs of insurance contracts	(276)	(17)	(31)	(324)	(249)	(12)	(21)	(282)
5. Other amounts								
B.6 Total costs for insurance services arising from insurance contracts issued - GMM or VFA	**(857)**	**(144)**	**(86)**	**(1,087)**	**(756)**	**(114)**	**(72)**	**(942)**
B.7 Total costs for insurance services arising from insurance contracts issued measured at PAA				**(531)**				**(445)**
- Life segment	X	X	X		X	X	X	
- Non-Life segment - motor	X	X	X		X	X	X	
- Non-Life segment - non-motor	X	X	X	(531)	X	X	X	(445)
B.8 Total costs for insurance services arising from insurance contracts issued (+/-) (B.6+B.7)	**(857)**	**(144)**	**(86)**	**(1,618)**	**(756)**	**(114)**	**(72)**	**(1,386)**
C. Total net revenue/costs arising from insurance contracts issued (A.5+B.8)	**1,397**	**74**	**41**	**1,588**	**1,269**	**57**	**31**	**1,427**

Revenue from insurance services related to the Life business (basis 1 and 2) in the period amounted to € 2,472 million and were € 277 million higher than the € 2,195 million recognised in 2024, mainly due to: i) the higher release +€ 93 million) of the contractual service margin ("**CSM**") mainly attributable to a higher coverage unit; ii) the higher release of claims and expected expenses +€ 89 million; and iii) the higher release +€ 32 million of acquisition costs (recognised in the financial statements for disclosure purposes only and which are however offset by the impact of the related amortisation recognised in costs) and iv) the higher release of the risk adjustment (+€ 63 million).

Revenue from insurance contracts issued

Items/Values €m	31.12.2025	31.12.2024	Change
Life business (Basis 1 and Basis 2)			
Contracts measured according to GMM and VFA	**2,472**	**2,195**	**277**
Change in liability for remaining coverage	2,179	1,933	245
of which: incurred claims and other expected insurance service costs	*699*	*610*	*89*
of which: changes in the adjustment for non-financial risks	*121*	*57*	*63*
of which: Contractual Service Margin recorded in the statement of profit or loss for services provided	*1,359*	*1,266*	*93*
of which: other amounts			
Acquisition costs of recovered insurance contracts	294	261	32
Total Life business	**2,472**	**2,195**	**277**

Revenue from insurance services related to the Non-Life business (basis 4) amounted to € 733 million during the period, up € 115 million from € 618 million in 2024, mainly due to: i) the +€ 91 million change in revenue from contracts measured under the PAA model, given the growth in gross inflows; ii) the higher release of IACF (+€ 10 million) of acquisition costs related to the increase in volumes; and iii) the higher release of CSM (+€ 6 million).

Revenue from insurance contracts issued

Items/Values €m	31.12.2025	31.12.2024	Change
Non-Life business (Basis 4)			
Contracts measured according to GMM and VFA	**127**	**103**	**24**
Change in liability for remaining coverage	96	82	14
of which: incurred claims and other expected insurance service costs	*59*	*51*	*8*
of which: changes in the adjustment for non-financial risks	*7*	*7*	*(0)*
of which: Contractual Service Margin recorded in the statement of profit or loss for services provided	*31*	*25*	*6*
of which: other amounts	*(0)*	*(1)*	*0*
Acquisition costs of recovered insurance contracts	31	21	10
Contracts measured under PAA	**607**	**516**	**91**
Total Non-Life business	**733**	**618**	**115**

Costs for insurance services[51] related to the Life business (basis 1 and 2) for the Period amounted to € 1,001 million, up € 131 million from € 870 million in 2024, mainly due to: i) the change in the liabilities for incurred claims (+€ 223 million) and ii) higher costs (+€ 32 million) related to the amortisation of acquisition costs, which are however offset by the impact on gross revenue of the related release, as described above. Changes only partly offset by the decrease in claims and attributable expenses.

Costs arising from insurance contracts issued

Items/Values €m	31.12.2025	31.12.2024	Change
Life business (Basis 1 and Basis 2)			
Contracts measured according to GMM and VFA	**(1,001)**	**(870)**	**(131)**
Incurred claims and other directly attributable costs	(684)	(812)	128
Changes in the liability for incurred claims	(18)	205	(223)
Losses on onerous contracts and recovery of such losses	(6)	(2)	(4)
Amortisation of acquisition costs of insurance contracts	(294)	(261)	(32)
Other amounts			
Total Life business	**(1,001)**	**(870)**	**(131)**

Costs for insurance services related to the Non-Life business (basis 4) amounted to € 617 million in 2025, an increase of € 100 million compared to € 517 million recognised in 2024, mainly due to the increase (+€ 86 million) in costs for insurance services related to contracts measured with the PAA and mainly attributable to claims and expenses paid and the amortisation of IACF related to business development.

Costs arising from insurance contracts issued

Items/Values €m	31.12.2025	31.12.2024	Change
Non-Life business (Basis 4)			
Contracts measured according to GMM and VFA	**(86)**	**(72)**	**(14)**
Incurred claims and other directly attributable costs	(44)	(42)	(3)
Changes in the liability for incurred claims	(11)	(8)	(3)
Losses on onerous contracts and recovery of such losses	0	(1)	1
Amortisation of acquisition costs of insurance contracts	(31)	(21)	(10)
Other amounts			
Contracts measured under PAA	**(531)**	**(445)**	**(86)**
Total Non-Life business	**(617)**	**(517)**	**(100)**

3. Insurance revenue from outward reinsurance and 4. Costs for insurance services arising from outward reinsurance

Insurance revenue from outward reinsurance totalled € 114 million (€ 128 million in 2024), of which € 30 million related to the Life business segment and € 84 million to the Non-Life business segment.

Costs for insurance services from outward reinsurance totalled € 152 million (€ 160 million in 2024), of which € 46 million related to the Life business and € 107 million to the Non-Life business.

The balance of outward work is a loss of € 38 million in 2025 (a loss of € 32 million in 2024). The change is mainly attributable to the contribution of the subsidiaries Net Insurance and Net Insurance Life related to the evolution of technical experience and the structure of existing treaties.

51. Including costs directly attributable to insurance contracts and shown as a direct deduction from insured revenue. These costs also contribute to the determination of fulfilment cash flows and CSM in both the initial recognition and subsequent measurement phase and are released periodically in the statement of profit or loss (under net insurance income).

Below is the breakdown of this item by model and business as required by Reg. 7, for the following aggregation:

- Life business (Basis 1);
- Non-Life business (Basis 2).

Insurance costs and revenue from outward reinsurance - Breakdown

Items/Aggregation basis €m	Aggregation basis 1 31.12.2024	Aggregation basis 2 31.12.2024	Total 31.12.2024	Aggregation basis 1 31.12.2023	Aggregation basis 2 31.12.2023	Total 31.12.2023
A. Allocation of premiums paid related to outward reinsurance measured at GMM						
A.1 Amounts related to changes in the asset for remaining coverage						
1. Amount of claims and other expected recoverable costs	(39)	(10)	(50)	(32)	(13)	(45)
2. Changes in the adjustment for non-financial risks	(2)	(2)	(4)	(2)	(2)	(4)
3. Contractual Service Margin recorded in the statement of profit or loss for services received	(4)	(14)	(18)	(2)	(6)	(8)
4. Other amounts		0	0	0	0	1
5. Total	(45)	(26)	(71)	(35)	(21)	(56)
A.2 Other costs directly attributable to outward reinsurance	**(1)**		**(1)**			
A.3 Allocation of premiums paid related to outward reinsurance measured at PAA		**(80)**	**(80)**		**(103)**	**(103)**
B. Total costs arising from outward reinsurance (A.1+A.2+A.3)	**(46)**	**(107)**	**(152)**	**(35)**	**(125)**	**(160)**
C. Effects of changes in reinsurers' default risk		**(0)**	**(0)**		**0**	**0**
D. Amount of claims and other expenses recovered	**30**	**101**	**131**	**25**	**102**	**127**
E. Changes in assets due to incurred claims	**1**	**(17)**	**(16)**	**0**	**3**	**3**
F. Other recoveries		**(1)**	**(1)**	**(0)**	**(1)**	**(2)**
G. Total net costs/revenue from outward reinsurance (B+C+D+E+F)	**(15)**	**(23)**	**(38)**	**(10)**	**(22)**	**(32)**

The following table shows a breakdown of costs by type of insurance service costs relating to insurance contracts issued and other services recorded by the Group in the statement of profit or loss for the reporting period.

Breakdown of costs for insurance and other services

Costs /Aggregation basis €m	Basis A1 - with DPF 31.12.2025	Basis A2 - without DPF 31.12.2025	Basis A1 + Basis A2 31.12.2025	Basis A3 31.12.2025	Basis A4 31.12.2025	Basis A3 + Basis A4 31.12.2025	Other 31.12.2025	Basis A1 - with DPF 31.12.2024	Basis A2 - without DPF 31.12.2024	Basis A1 + Basis A2 31.12.2024	Basis A3 31.12.2024	Basis A4 31.12.2024	Basis A3 + Basis A4 31.12.2024	Other 31.12.2024
Costs attributed to the acquisition of insurance contracts	(332)	(39)	(371)		(81)	(81)	**X**	(301)	(49)	(350)		(102)	(102)	**X**
Other directly attributable costs	(69)	(12)	(81)		(139)	(139)	**X**	(337)	(3)	(341)		(32)	(32)	**X**
Investment management expenses	**X**	**X**	(75)	**X**	**X**		(10)	**X**	**X**	(54)	**X**	**X**		(21)
Other costs	**X**	**X**	(419)	**X**	**X**	(0)	(113)	**X**	**X**	(92)	**X**	**X**	(9)	(41)
Total	**(401)**	**(51)**	**(947)**		**(221)**	**(221)**	**(123)**	**(638)**	**(53)**	**(837)**	**X**	**(135)**	**(144)**	**(62)**

5. Result of insurance services

This macro-item includes insurance revenue and costs for insurance services arising from insurance contracts issued and outward reinsurance. It amounted to € 1,550 million during the period and shows an increase of € 155 million compared to the previous year.

6. Income/expenses from financial assets and liabilities measured at fair value through profit or loss

Net income from financial instruments at fair value through profit or loss amounted to a positive € 2,190 million in 2025, down € 814 million from 2024 mainly due to lower (-€ 996 million) net gains from valuation recognised in the period and lower net profits from sales (-€ 248 million) and less other income and expenses on securities (-€ 315 million). These changes were only partially mitigated by the increase (+€ 746 million) in fees related to portfolio growth.

31.12.2025 €m	Interest	Other income and expenses	Net gains from realisation	Net gains from valuation	Total income and expenses
Deriving from financial assets and liabilities measured at fair value through profit or loss	996	70	74	1,049	2,190
31.12.2024 €m					
Deriving from financial assets and liabilities measured at fair value through profit or loss	251	385	322	2,045	3,004
Change	**746**	**(315)**	**(248)**	**(996)**	**(814)**

7. Income/expenses from equity investments in associates and joint ventures

The item, amounting to € 1 million in 2025 (€ 2 million in 2024) mainly includes the accrued profit recorded by the associate EGI.

8. Income/expenses from other financial assets and liabilities and investment property

This item totalled € 3,445 million in the period, up from € 3,348 million recognised in 2024, and is broken down as follows:

31.12.2025 €m	Interest income	Interest expense	Other income and expenses	Total ordinary income	Gains/ (Losses) from realisation	Gains/ (Losses) from valuation	Total income and expenses
From financial assets and liabilities at FVOCI and CA	**3,455**	**(57)**	**(0)**	**3,398**	**52**	**(4)**	**3,445**
31.12.2024 €m							
From financial assets and liabilities at FVOCI and CA	**3,424**	**(61)**	**(0)**	**3,362**	**(30)**	**16**	**3,348**
Change	**31**	**5**	**0**	**36**	**82**	**(20)**	**97**

The € 97 million increase recorded in the period was due to higher ordinary income, mainly related to higher interest income on current accounts and greater net income from realisation.

The balance of value adjustments/reversals for credit risk achieved in 2025 was a negative € 4 million compared to a positive result of € 16 million in 2024, as shown in the table below:

Impairment losses/(reversals of impairment losses) due to credit risk: breakdown

	Impairment losses				Reversals of impairment losses			
€m	First stage	of which: Assets with low credit risk	Second stage	Third stage	First stage	of which: Assets with low credit risk	Second stage	Third stage
Government bonds	(6)		(0)					
Other debt securities			(0)		1			
Loans and receivables:	(0)							
- due from banks								
- due from customers	(0)							
Total (31.12.2025)	**(6)**		**(0)**		**1**			
Total (31.12.2024)	**(5)**		**(1)**		**22**		**0**	

9. Investment income and expenses

The item, which includes the balance of the previous items (6 to 8.5), amounted to € 5,636 million in 2025 (€ 6,354 million in 2024).

The following table summarises the net result of investments by Segment, detailing the amount recognised through profit or loss (€ 5,636 million in 2025 compared to € 6,354 million in 2024) and the amount recognised in the statement of other changes through other comprehensive income (-€ 1,077 million in 2025 compared to +€ 964 million in 2024).

Insurance operations - Net financial result of investments broken down by life and non-life segment

Items/Aggregation basis €m	Life segment (31.12.2025)	Of which: DPF	Non-Life segment (31.12.2025)	Total (31.12.2025)	Life segment (31.12.2024)	Of which: DPF	Non-Life segment (31.12.2024)	Total (31.12.2024)
A. NET FINANCIAL RESULT OF INVESTMENTS	**4,508**	**4,304**	**55**	**4,564**	**7,263**	**6,973**	**55**	**7,318**
A.1 Interest income from financial assets measured at amortised cost and at fair value through other comprehensive income	3,371	3,201	27	3,398	3,336	3,193	26	3,362
A.2 Net profit/loss from assets measured at fair value through profit or loss	2,194	2,084	1	2,195	3,003	2,875	1	3,004
A.3 Net impairment losses/(reversals of impairment losses) due to credit risk	(4)	(4)	(0)	(4)	16	15	0	16
A.4 Other income/expenses, net	27	48	26	53	(52)	(29)	24	(27)
A.5 Net gains or losses on financial assets at fair value through other comprehensive income	(1,078)	(1,024)	1	(1,077)	960	919	4	964
B. NET CHANGE IN INVESTMENT CONTRACTS ISSUED IFRS 9	**(5)**			**(5)**				
C. TOTAL NET FINANCIAL RESULT OF INVESTMENTS	**4,503**	**4,304**	**55**	**4,559**	**7,263**	**6,973**	**55**	**7,318**
of which: recorded in the statement of profit or loss	5,582	5,328	54	5,636	6,303	6,054	51	6,354
of which: recorded in the statement of comprehensive income	(1,078)	(1,024)	1	(1,077)	960	919	4	964

10. Net financial costs/revenue related to insurance contracts issued

Net financial costs and revenue related to insurance contracts issued showed a negative balance of € 5,514 million in 2025 (negative € 6,358 million in 2024).

Below is a breakdown of the item by aggregation basis, pursuant to the Regulation:
- Insurance contracts issued with direct participation features - Life business (basis A1);
- Insurance contracts issued without direct participation features - Life business (basis A2);
- Insurance contracts issued without direct participation features - Non-Life business (basis A3).

Net financial costs/revenue related to insurance contracts issued

Items/Aggregation basis €m	Basis A1 (31.12.2025)	Basis A2 (31.12.2025)	Basis A3 (31.12.2025)	Total (31.12.2025)	Basis A1 (31.12.2024)	Basis A2 (31.12.2024)	Basis A3 (31.12.2024)	Total (31.12.2024)
1. Accrued interest		(13)	(12)	(25)	(11)	(2)	(12)	(25)
2. Effects of changes in interest rates and other financial assumptions								
3. Changes in fair value of underlying assets of contracts measured under VFA	(5,489)			(5,489)	(6,333)			(6,333)
4. Effects of exchange rate changes								
5. Other								
6. Total net financial revenue/costs related to insurance contracts issued recorded in the statement of profit or loss	**(5,489)**	**(13)**	**(12)**	**(5,514)**	**(6,344)**	**(2)**	**(12)**	**(6,358)**

This item amounted to a negative € 5,514 million at the end of the period (negative € 6,358 million recorded in 2024) due to the effect of the retrocession to policyholders through the mirroring mechanism of the net gains from valuation mainly related to investments included in the Separately Managed Accounts. This effect is represented within the table in the item “change in fair value of underlying assets of contracts measured at fair value under the VFA” and is negative for € 5,489 million in 2025 (negative for € 6,333 million in 2024).

Total net financial costs and revenue related to insurance contracts issued recorded in the statement of comprehensive income amounted to € 1,088 million at 31 December 2025 (-€ 915 million at 31 December 2024).

11. Net financial revenue/costs related to outward reinsurance

Net financial revenue and costs related to outward reinsurance showed a positive balance of € 9 million in 2025 (€ 10 million in 2024).

Net financial revenue and costs related to outward reinsurance

Items/Aggregation basis €m	Life segment (31.12.2025)	Non-Life segment (31.12.2025)	Total (31.12.2025)	Life segment (31.12.2024)	Non-Life segment (31.12.2024)	Total (31.12.2024)
1. Accrued interest	5	3	9	6	4	10
2. Effects of changes in interest rates and other financial assumptions						
3. Effects of exchange rate changes						
4. Other						
5. Total net financial revenue/costs related to outward reinsurance	**5**	**3**	**9**	**6**	**4**	**10**

The amount of net financial costs and revenue related to outward reinsurance recognised in the statement of comprehensive income for the Poste Vita Group was -€ 4 million in 2025 and +€ 3 million in 2024.

The following table shows a summary of the results of operations broken down by Life business and Non-Life business.

Insurance operations - summary of economic results by life and non-life segment

Summary Results/Aggregation basis €m	31.12.2025			31.12.2024		
	Life segment	Non-Life segment	Total	Life segment	Non-Life segment	Total
A. Financial results						
A.1 Amounts recorded in the statement of profit or loss						
1. Total net financial result of investments	5,582	54	5,636	6,303	51	6,354
2. Net financial revenue/costs of insurance contracts issued	(5,497)	(8)	(5,505)	(6,340)	(8)	(6,348)
3. Total	**85**	**46**	**131**	**(37)**	**43**	**6**
A2. Amounts recorded in the statement of comprehensive income						
1. Total net financial result of investments	(1,078)	1	(1,077)	960	4	964
2. Net financial revenue/costs of insurance contracts issued	1,084	1	1,085	(910)	(2)	(912)
3. Total	**5**	**2**	**7**	**50**	**2**	**52**
B. Net insurance and financial result						
1. Net result of insurance services	1,456	94	1,550	1,298	97	1,395
2. Total net financial result of investments	4,503	55	4,559	7,263	55	7,318
3. Net financial result from insurance contracts	(4,413)	(8)	(4,421)	(7,250)	(10)	(7,260)
4. Total	**1,546**	**141**	**1,688**	**1,311**	**142**	**1,453**

For contracts with direct participation features, the breakdown of the underlying elements and the corresponding fair value is shown below.

Type €m	fair value 31.12.2025	weight %
Securities in separately managed accounts and specific assets	**138,616**	**86%**
of which Fixed income instruments	*128,049*	*79%*
of which Shares	*985*	*1%*
of which Investment funds	*9,114*	*6%*
of which other financial instruments	*469*	*0%*
Class D securities	**23,224**	**14%**
of which Fixed income instruments	*4,134*	*3%*
of which Shares	*196*	*0%*
of which Investment funds	*18,893*	*12%*
Total	**161,839**	**100%**

The underlying assets of contracts with direct participation features are assets that determine amounts payable to policyholders and may include a specific asset portfolio or a subset of the Group's assets.

It should be noted that at 31 December 2025, the fair value of the underlying elements of contracts with direct participation features amounted to € 161,839 million and relate to:

- € 138,616 million (equal to 86% of the total fair value of the underlying investments) to securities linked to separately managed accounts and specific assets; of which 79% is represented by fixed-income securities; 1% by equity securities, 6% by mutual investment funds;
- € 23,224 million (14% of the total fair value of the underlying investments) to portfolios where the risk is borne by policyholders and represented mainly (€ 18,893 million) by units in investment funds and the remainder of € 4,330 million by fixed-income securities (€ 4,134 million) and shares (€ 196 million).

It should be noted that the Poste Vita Group did not make use of the option provided for in paragraph B115, which makes it possible, for contracts with direct participation features, not to adjust the contractual service margin for certain changes in fulfilment cash flows (e.g. changes in the time value of money and financial risk).

It should also be noted that for contracts with direct participation features, the Poste Vita Group has adopted the OCI option (provided for in paragraph 89 point b of IFRS17) without changes compared to the choice made in the previous period.

12. Net financial result

The macro-item, which includes the balance of items (9 to 11), amounted to € 131 million in 2025 and shows an increase of € 125 million compared to the previous year.

13. Other revenue/costs

The item amounts to -€ 7 million in 2025 (€ 182 million in 2024) and mainly relates to: i) premiums to be paid under an insurance contract on the coverage of mass lapse risk for -€ 17 million; ii) commission income due to the subsidiary PIB for brokerage activities (€ 3 million); the recovery of the amounts paid to INPS under the CUAF with regard to the penalties and interest component (€ 3 million).

14. Operating expenses

Operating expenses amounted to € 123 million in 2025, an increase of € 5 million compared to € 118 million recognised in 2024, and include: i) investment management expenses of € 10 million, which are included in the estimate of insurance liabilities, and ii) other administrative expenses of € 113 million. The latter mainly include: i) general expenses (€ 29 million) not included in the calculation of insurance liabilities and therefore not allocated to acquisition costs of insurance contracts and investment management expenses; ii) general expenses of the subsidiaries (Poste Insurance Broker and Multi-Asset Funds) that do not engage in insurance business in the amount of € 15 million; and iii) the amount of € 62 million allocated as a contribution to the guarantee fund established by the 2024 Budget Law[52].

15. Net provisions for risks and charges

The item provisions for risks and charges amounted to € 3 million in 2025 (€ 4 million in 2024) and mainly related to utilisation during the period for fraud cases and for the partial release of the provision for future charges in respect of the “Da Grande” product.

16. Net impairment losses/(reversals of impairment losses) on tangible assets

Net impairment losses/reversals of impairment losses on tangible assets amounted to € 0.2 million in 2025 (€ 0.2 million in 2024).

18. Other operating income/expenses

Other operating income/expenses show a positive balance of € 9 million in 2025 (positive € 2 million in 2024) and mainly refer to interest income accrued on cash and cash equivalents held by the FMA at the custodian banks.

19. Profit (loss) for the year before tax

The profit for the year before tax achieved by the Poste Vita Group in 2025 was € 1,563 million, compared to € 1,471 million recorded in 2024.

52. Law no. 213 of 30 December 2023. “State budget for the financial year 2024 and multi-year budget for the three-year period 2024-2026” published in Official Journal no. 303 of 30 December 2023.

20. Taxes

The total taxes for the year recognised in profit of loss amounted to € 483 million in 2025 (€ 431 million in 2024). They consist of current IRES and IRAP taxes of € 370 million, in addition to net income related to the net change in deferred tax assets and liabilities totalling € 113 million.

Taxes €m	31.12.2025
Current taxes	**(370)**
- IRES	(299)
- IRAP	(71)
Deferred tax liabilities:	**(113)**
- deferred tax liabilities arising during the year	(100)
- deferred tax liabilities used during the year	0
- deferred tax assets arising during the year	14
- deferred tax assets used during the year	(27)
Total	**(483)**

The table below provides a reconciliation between taxes recognised in the financial statements and the theoretical tax burden, calculated using the IRES nominal rate of 24%. The effects of IRAP were not included, given that the taxable base for this tax uses criteria that are different from those established for IRES in the tax laws.

	31.12.2025	
(€m)		**Rate**
Profit/(Loss) before tax	**1,563**	
Income tax based on statutory tax rate (only IRES at 24%)	375	24.0%
Non-deductible interest expenses	1	0.0%
Non-deductible extraordinary expenses	1	0.1%
Tax free dividends	(3)	-0.2%
IRAP deduction from IRES	(2)	-0.1%
PEX capital gains	(8)	-0.5%
Other	26	1.7%
IRES accrual taxes	**392**	**25.0%**
IRAP accrual taxes	**91**	**5.8%**
Income tax for the year	**483**	**30.9%**

21. Profit (loss) for the year after tax

The profit for the year after tax achieved by the Poste Vita Group in 2025 was € 1,080 million, compared to € 1,040 million recorded in 2024.

22. Profit (loss) from discontinued operations

The balance of this item in 2025 amounted to € 12 million (not recognised in 2024), attributable exclusively to the recognition, following the completion of the total, non-proportional demerger of Cronos on 1 October 2025, of a capital gain equal to the difference between the fair value and the value of the investment recognised in the financial statements.

23. Consolidated net profit (loss)

The balance of the item amounted to € 1,092 million in 2025 (€ 1,040 million in 2024), of which € 1,078 million related to the portion attributable to the Parent Company and the remainder of € 14 million to the portion attributable to non-controlling interests.

Part E – Other information

Details of other comprehensive income

Details of other comprehensive income

Items €m	31.12.2025	31.12.2024
1 Profit/(loss) for the year	**1,092**	**1,040**
2. Other income components not be reclassified to profit or loss	**(0)**	**1**
2.1 Share of valuation reserves of equity-accounted investments	(0)	0
2.2 Valuation reserve for intangible assets		
2.3 Valuation reserve for tangible assets		
2.4 Financial revenue or costs relating to insurance contracts issued		
2.5 Profits or losses for non-current assets or disposal groups held for sale		
2.6 Actuarial gains/(losses) and adjustments to defined benefit plans	0	(0)
2.7 Gains or losses on equity instruments designated at fair value through other comprehensive income:		0
a) change in fair value		0
b) transfers to other components of equity		
2.8 Reserve from changes in own credit rating for financial liabilities measured at fair value through profit or loss:		
2.9 Other elements:		
2.10 Income taxes on other income components not be reclassified to profit or loss		
3 Other comprehensive income to be reclassified to profit or loss	**5**	**52**
3.1 Reserve for currency translation differences:		
3.2 Gains or losses on financial assets (other than equity instruments) measured at fair value through other comprehensive income:	(1,077)	964
a) change in fair value	(985)	909
b) reclassification to statement of profit or loss	(92)	55
credit risk adjustments	15	(22)
gains/losses from realisation	(107)	77
c) other changes		
3.3 Gains or losses on cash flow hedges		
3.4 Gains or losses on hedges of a net investment in a foreign operation:		
3.5 Share of valuation reserves of equity-accounted investments:		
3.6 Financial revenue or costs relating to insurance contracts issued	1,088	(915)
a) change in fair value	1,088	(915)
3.7 Financial revenue or costs related to outward reinsurance	(3)	3
a) change in fair value	(3)	3
3.8 Profits or losses for non-current assets or disposal groups held for sale:		
3.9 Other elements:		0
3.10 Income taxes on other income components to be reclassified to profit or loss	(2)	
4 TOTAL OTHER COMPREHENSIVE INCOME (Sum of items 2.1 to 3.10)	**5**	**53**
5. TOTAL CONSOLIDATED COMPREHENSIVE INCOME (Items 1 + 4)	**1,096**	**1,093**
5.1 of which: attributable to owners of the Parent	**1,083**	**1,079**
5.2 of which: attributable to non-controlling interests	**14**	**14**

Operating segments

The reporting of operating segments complies with the provisions of ISVAP Regulation No. 7/2007, as amended, and is structured according to the significant business segments in which the Group operated during the year covered by these Consolidated Financial Statements or the previous year: Non-Life Insurance Business and Life Insurance Business. Segment information is prepared by separately consolidating the accounting data for individual subsidiaries and associates belonging to each of the identified segments, eliminating intercompany balances between companies belonging to the same segment, and eliminating, where applicable, the carrying amount of equity investments against the corresponding share of equity. In the column "Intersegment eliminations", intercompany balances between companies belonging to different segments are eliminated in order to reconcile the operating segment reporting with consolidated reporting.

The statement of financial position and statement of profit or loss by business segment are shown below.

Statement of financial position by operating segment

Items/Sectors €m		Non-Life business		Life business		Cross-sector eliminations		Total	
		31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
1	**INTANGIBLE ASSETS**	**11**	**10**	**3**	**1**	**134**	**134**	**148**	**146**
2	**TANGIBLE ASSETS**	**7**	**8**	**18**	**18**			**26**	**25**
3	**INSURANCE ASSETS**	**123**	**137**	**243**	**187**			**366**	**324**
3.1	Insurance contracts issued constituting assets								
3.2	Outward reinsurance constituting assets	123	137	243	187			366	324
4	**INVESTMENTS**	**1,147**	**967**	**167,524**	**162,554**	**(228)**	**(276)**	**168,443**	**163,245**
4.1	Investment property								
4.2	Investments in associates and joint ventures	40	31	285	353	(211)	(271)	114	113
4.3	Financial assets measured at amortised cost	239	228	2,336	2,080	(5)	(5)	2,570	2,303
4.4	Financial assets measured at fair value through other comprehensive income	840	689	109,476	106,807			110,316	107,496
4.5	Financial assets measured at fair value through profit or loss	28	18	55,427	53,315	(12)		55,443	53,333
5	**OTHER FINANCIAL ASSETS**	**24**	**37**	**174**	**89**	**(29)**	**22**	**169**	**148**
6	**OTHER ASSETS**	**53**	**57**	**2,941**	**3,033**	**(1)**		**2,993**	**3,090**
7	**CASH AND CASH EQUIVALENTS**	**120**	**49**	**3,854**	**4,562**			**3,974**	**4,611**
TOTAL ASSETS		**1,484**	**1,264**	**174,757**	**170,445**	**(123)**	**(120)**	**176,118**	**171,589**
1	**EQUITY**	**594**	**471**	**6,048**	**6,650**	**(112)**	**(137)**	**6,530**	**6,983**
2	**PROVISIONS FOR RISKS AND CHARGES**	**2**	**2**	**9**	**10**			**11**	**12**
3	**INSURANCE LIABILITIES**	**677**	**601**	**165,576**	**161,365**	**(2)**		**166,251**	**161,966**
3.1	Insurance contracts issued constituting liabilities	677	601	165,576	161,365	(2)		166,251	161,966
3.2	Outward reinsurance constituting liabilities								
4	**FINANCIAL LIABILITIES**	**33**	**12**	**1,357**	**887**	**(17)**	**(5)**	**1,373**	**894**
4.1	Financial liabilities measured at fair value through profit or loss			927	617			927	617
4.2	Financial liabilities measured at amortised cost	33	12	431	271	(17)	(5)	447	278
5	**PAYABLES**	**141**	**155**	**717**	**517**	**(34)**		**825**	**672**
6	**OTHER LIABILITIES**	**38**	**23**	**1,050**	**1,039**	**41**		**1,128**	**1,062**
TOTAL EQUITY AND LIABILITIES		**1,484**	**1,264**	**174,757**	**170,467**	**(123)**	**(142)**	**176,118**	**171,589**

Statement of profit or loss by operating segment

	Items/Sectors €m	Non-Life business		Life business		Cross-sector eliminations		Total	
		31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
1	Insurance revenue from insurance contracts issued	766	618	2,473	2,195	(33)		3,205	2,813
2	Costs for insurance services arising from insurance contracts issued	(621)	(524)	(996)	(863)	(1)		(1,618)	(1,386)
3	Insurance revenue from outward reinsurance	84	103	30	25			114	128
4	Costs for insurance services arising from outward reinsurance	(107)	(125)	(46)	(35)			(152)	(160)
5	Result of insurance services	122	73	1,462	1,322	(34)		1,550	1,395
6	Income/expenses from financial assets and liabilities measured at fair value through profit or loss	1	1	2,189	3,003			2,190	3,004
7	Income/expenses from investments in subsidiaries, associates and joint ventures	25	24	36	32	(60)	(53)	1	2
8	Income/expenses from other financial assets and liabilities and from investment property	28	27	3,417	3,321	0		3,445	3,348
9	Investment income and expenses	54	51	5,642	6,356	(60)	(53)	5,636	6,354
10	Net financial costs/revenue related to insurance contracts issued	(12)	(12)	(5,502)	(6,347)			(5,514)	(6,358)
11	Financial revenue/costs related to outward reinsurance	3	4	5	6			9	10
12	Net financial result	46	43	145	16	(60)	(53)	131	6
13	Other revenue/costs	3	3	(10)	179			(7)	182
14	Operating expenses:	(23)	(21)	(134)	(97)	34		(123)	(118)
15	Other operating income/expenses	(1)	(2)	13	9			12	6
16	**Profit (loss) for the year before tax**	**147**	**96**	**1,476**	**1,428**	**(61)**	**(53)**	**1,563**	**1,471**

Liquidity risk insurance contracts Cash flows from the fulfilment of insurance contracts issued and outward reinsurance constituting liabilities: time distribution

The table below shows the expected undiscounted net cash flows considered in the valuation of the cash flows from fulfilling the insurance contracts issued and the outward reinsurance that constitute liabilities, relating to the Life and Non-Life segments and broken down by expected time bands of occurrence, in compliance with the requirements of IFRS 17. Liabilities for remaining coverage valued by applying the “Premium Allocation Model” are excluded. Investment contracts issued with discretionary participation features have been reclassified as insurance contracts issued with direct participation features, as provided for in Reg. 7.

For the Life business, the net flows relating to the LRC (limited to the Present Value of Future Cash Flows component) at 31 December 2025 have been reported, broken down between the flows relating to insurance contracts issued with direct participation features (i.e. contracts measured under the VFA) and the flows relating to insurance contracts issued without direct participation features (i.e. contracts measured under the GMM), while the row relating to outward reinsurance is not valued in the absence of flows relating to outward reinsurance constituting liabilities.

Undiscounted net cash flows from insurance contracts issued and outward reinsurance constituting liabilities: time distribution

Items/Time-to-maturity (€m)	Up to 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	Over 5 years	Total
Life segment							
1. Insurance contracts issued with direct participation features - Undiscounted net cash flows	11,161	8,710	7,847	6,214	7,070	172,579	213,582
2. Investment contracts issued with discretionary participation features - Undiscounted net cash flows							
3. Insurance contracts issued without direct participation features - Undiscounted net cash flows	91	72	59	42	21	131	417
4. Outward reinsurance - Undiscounted net cash flows							
Non-Life segment							
1. Insurance contracts issued - Undiscounted net cash flows	279	126	79	52	33	59	627
2. Outward reinsurance - Undiscounted net cash flows							

The following table shows the liquidity risk associated with insurance contracts issued and outward reinsurance constituting liabilities and that provide for lapse or early redemption clauses. The amounts payable on request are determined by considering the lapse values net of any penalties at 31 December 2025. Investment contracts with discretionary participation features have been reclassified as insurance contracts issued with direct participation features, while no values are reported for outward reinsurance in a liability position, as they are not present.

It should be noted that, with reference to insurance contracts issued with direct participation features (contracts measured under the VFA method), the amounts payable on demand are calculated as capital revalued at the beginning of the period, net of any penalties, while the related balance sheet value is equal to the amount of the LRC (including the effect of discounting future cash flows).

For insurance contracts issued without direct participation features, the amounts payable on request are equal, for contracts relating to the Life segment, to the amount of the benefit granted to policyholders in the event of early redemption, while for contracts relating to the Non-Life segment, to the amount of the reserve for premium splitting. For both segments, the related carrying amount is equal to the amount of the LRC (including the effect of discounting future cash flows).

Insurance contracts issued and outward reinsurance that constitute liabilities with lapse clauses: amounts payable on demand and carrying amount

Items/Values €m	Amounts payable on request	Carrying amount
1. Insurance contracts issued with direct participation features	166,201	164,110
2. Investment contracts issued with discretionary participation features		
3. Insurance contracts issued without direct participation features	284	252
4. Outward reinsurance		

The following table provides, as required by IFRS 7, information on liquidity risk with reference to financial assets and liabilities.

Undiscounted contractual cash flows, comprising both principal and interest, have been allocated to the relevant remaining contractual life bands, understood as the time interval between the reporting date and the contractual maturity date of each financial asset and liability.

The table has been prepared in accordance with the following general criteria:

- Cash flows relating to assets and liabilities that have an amortisation schedule have been allocated based on the maturities resulting from the contractual amortisation schedule.
- Non-redeemable financial instruments (such as, for example, shares and UCITS units) have been allocated to the "indefinite term" time band assuming the relevant carrying amount.
- Assets and liabilities that include a prepayment option exercisable by the counterparty have been allocated to the time band in which the repayment is expected to take place.

Liquidity risk of financial instruments. Distribution of contractual time-to-maturity of financial assets and liabilities

Description (€m)	Up to 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	5 - 10 years	Over 10 years	Open-ended
A. On-balance sheet assets	**20,065**	**17,358**	**15,330**	**11,795**	**14,677**	**66,108**	**85,471**	**28,649**
A.1 Connected with insurance contracts issued with direct participation features	**18,435**	**16,036**	**14,346**	**11,323**	**13,758**	**62,283**	**83,941**	**28,642**
A.1.1 Government securities	11,022	8,949	7,920	5,112	8,837	44,795	67,555	2,912
A.1.2 Other debt securities	4,966	4,815	4,680	3,934	3,158	9,145	1,649	28
A.1.3 Other financial assets	2,447	2,272	1,746	2,277	1,764	8,343	14,737	25,703
A.2 Other on-balance sheet assets	**1,630**	**1,322**	**984**	**472**	**919**	**3,825**	**1,530**	**6**
A.2.1 Government securities	943	918	730	281	860	1,750	1,530	5
A.2.2 Other debt securities	328	367	255	192	59	122		
A.2.3 Loans		37						
A.2.4 Other financial assets	359					1,952		2
B. On-balance sheet liabilities	**97**	**26**	**20**	**19**	**22**	**430**		
B.1 - Participating financial instruments								
B.2 Subordinated liabilities	1	1	1	1	1	22		
B.3 Debt securities								
B.4 Other financial liabilities	96	25	18	18	21	408		
C.1 Financial derivatives								
- Long positions								
- Short positions								
Total	**19,967**	**17,332**	**15,311**	**11,776**	**14,655**	**65,678**	**85,471**	**28,649**
- Long position	20,065	17,358	15,330	11,795	14,677	66,108	85,471	28,649
- Short position	97	26	20	19	22	430		

As required by Reg. 7/2007, a qualitative and quantitative disclosure is provided below with reference to investment contracts issued that fall within the scope of application of the accounting standard IFRS 9.

In this regard, it is specified that the Poste Vita Group, following the completion on 1 October 2025 of the demerger of Cronos, holds financial liabilities amounting to € 731 million at 31 December 2025, linked to investment contracts without discretionary participation features relating to the former Cronos portfolio.

These contracts refer exclusively to standalone Unit-Linked policies to which no additional ancillary insurance coverage and/or death benefit increases deemed significant are linked, and are attributable for € 693 million to whole-life products and for the remainder (equal to € 38 million) to products maturing on 31 December 2050.

Information on related party transactions

Transactions between the Parent Company, Poste Vita, and its subsidiaries Poste Assicura, Net Holding, Net Insurance and Net Insurance Life, as well as transactions with Poste Insurance Broker, have been eliminated from the consolidated financial statements as part of the elimination of intercompany transactions and, therefore, are not shown in this section.

These transactions mainly involve:
- personnel secondment and transfer;
- operational organisation and use of equipment necessary to carry out business;
- collective policies covering critical illness and injuries;
- operational procedures relating to compliance with occupational health and safety regulations;
- operation and management of data protection procedures;
- operating management;
- management of Supervisory Reporting;
- centralisation of internal control, actuarial, organisation, legal and corporate affairs, investments and treasury, tax compliance, training and network support functions.

Below are the balances of commercial and financial operations carried out between Group companies, including the Parent Company, and the internal and external entities related to the same.

Internal related parties

Counterparty (€m)	31.12.2025		31.12.2024	
	Assets	Liabilities	Assets	Liabilities
Associate	112	0	111	0
Other related parties	1,142	1,352	988	1,598
Total	**1,253**	**1,352**	**1,099**	**1,598**

Internal related parties

Counterparty (€m)	31.12.2025		31.12.2024	
	Income	Costs	Income	Costs
Associate	0	0	0	2
Other related parties	23	1,046	35	923
Total	**23**	**1,047**	**35**	**925**

With reference to internal related parties (i.e., the companies that are part of the Poste Italiane Group), the item "assets from associates", the balance of which was € 112 million at 31 December 2025, includes the value of the investment held in the associate EGI. The item "Assets from other related parties", which at 31 December 2025 amounted to € 1,142 million, in addition to the investment in the company ECRA for € 2 million, mainly includes the balance of postal deposits for € 733 million and the balance of the correspondent current account with the ultimate parent Poste Italiane for € 280 million.

Liabilities totalling € 1,352 million mainly refer for € 800 million to the nominal value of subordinated loans to the Ultimate Parent Poste Italiane remunerated at market conditions and € 456 million to payables to the Ultimate Parent Poste Italiane for commissions.

Expenses, the balance of which at 31 December 2025 was € 1,047 million, mainly include: i) interest expenses accrued on subordinated loans to Poste Italiane and commission expenses on Ancillary Own Funds due to the Ultimate Parent Poste Italiane in the amount of € 111 million and ii) costs related to acquisition and maintenance commissions to Poste Italiane in the amount of € 771 million. The remaining portion, equal to € 165 million, mainly refers to costs for services provided by the Ultimate Parent Poste Italiane and other Poste Italiane Group companies.

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

Relations with the Ultimate Parent Poste Italiane, which holds all the shares, are governed by written contracts, regulated on an arm's length basis and regard mainly:

- the sale and distribution of insurance products at Post Offices and related activities;
- Post Office current accounts;
- the secondment of personnel from and to the Ultimate Parent Poste Italiane;
- support in organising the business and in the recruitment and management of personnel;
- the pick-up, packaging and shipping of ordinary mail;
- call centre services;
- office lease report;
- service of the purchasing, human resources, communication, anti-money laundering, IT, welfare, fraud management, administration and accounting functions.

In addition to relations with the Ultimate Parent Poste Italiane, Poste Vita Group companies also have operating relations with other Poste Italiane Group companies, with particular reference to:

- management of free capital and part of the investments in the portfolio of the Separately Managed Accounts (BancoPosta Fondi SGR, Anima SGR, ECRA);
- printing, enveloping and delivery of mail via information systems, management of incoming mail, dematerialisation and archiving of paper documents (Postel);
- shipping services (SDA Express Courier);

- policies relating to the Injuries class (BancoPosta Fondi SGR), the General Liability class (PostePay) and the All Risk policies (Consorzio Logistica Pacchi and Europa Gestioni Immobiliari);
- services involving e-Procurement of forms, consumables, stationery and related services (Consorzio Logistica Pacchi);
- mobile phone services (PostePay);
- car rental contract (Postego);
- corporate event management contract (Casina Poste);
- management of liquidations and personnel-related services (Poste Welfare Servizi).

Below is a table summarising relations with external related parties at 31 December 2025:

External related parties

Counterparty €m	31.12.2025		31.12.2024	
	Assets	Liabilities	Assets	Liabilities
Other related parties	23	1	22	2
Total	**23**	**1**	**22**	**2**

With regard to “external related parties”, assets totalling € 23 million at the end of 2025 mainly include the unlisted security issued by the Cassa Depositi e Prestiti Group.

Liabilities, which amounted to € 1 million at the end of 2025, include the amount due to the Ministry of Economy and Finance (MEF) for dormant policies.

Income, totalling € 6 million in 2025, mainly includes: i) financial income related to Cassa Depositi e Prestiti securities (€ 1 million) and ii) premiums received from the Fondo di Assistenza Sanitaria Integrativa Poste Vita, i.e. Poste Vita Supplementary Health Care Fund (€ 5 million).

External related parties

Counterparty €m	31.12.2025		31.12.2024	
	Assets	Liabilities	Assets	Liabilities
Other related parties	6	0	3	0
Total	**6**	**0**	**3**	**0**

Human resources

The number of direct employees at 31 December 2025 was 750 (expressed in full time equivalent), compared to 677 at 31 December 2024. Below is a breakdown of staff, divided by contract type and the relative changes with respect to the previous year:

Workforce Breakdown expressed in FTE	31.12.2025	31.12.2024	Change
Executives	51	47	4
Middle managers	415	361	53
Operational staff	279	259	20
Fixed-term contracts	6	10	(4)
Direct workforce	**750**	**677**	**73**

Disclosure of statutory audit fees and non-audit services

In compliance with that established in Article 149-duodecies of the CONSOB Issuers Regulation, the fees accruing during the year for independent auditing of the Poste Vita Group consolidated financial statements, carried out by Deloitte & Touche SpA, amounted to € 2,012 thousand in 2025, of which:

- € 919 thousand related to the audit of the Parent Company Poste Vita (of which € 248 thousand for the Solvency II financial statements);
- € 539 thousand for auditing relative to the Subsidiaries (of which € 150 thousand for the Solvency II financial statements);
- € 554 thousand referred to attestation services.

Risk management

This section provides information on the Poste Vita Group's exposure to risks of various kinds and includes a discussion of financial risks (pursuant to IFRS 7 -Financial Instruments: Disclosures), risks of an insurance nature (pursuant to the new IFRS 17 - Insurance Contracts) as well as other risks for which it is deemed appropriate/necessary to provide disclosure.

Qualitative information on the Group's objectives, policies and processes for risk measurement and management is provided in a single section, while the quantitative information required by the aforementioned principles is provided in separate paragraphs within this note, unless otherwise indicated.

Financial risks

Financial instruments held by the companies in the Poste Vita Group primarily relate to investments designed to cover its contractual obligations to policyholders on traditional life policies that can be revalued and unit-linked products. For these types of products, therefore, the financial results recorded not only change the value of financial assets, but also have an impact on insurance liabilities. Other investments in financial instruments regard investment of the insurance companies' free capital.

As regards the Life business, in particular for the Parent Company Poste Vita, traditional life policies, classified under Class I and V, primarily include products whose benefits are revalued based on the return generated through the management of pools of financial assets, which are separately identifiable in accounting terms only, within the company's assets (Separately Managed Accounts). In the case of policies sold in previous years, the Parent Company Poste Vita has guaranteed a minimum return payable at maturity on such products (at 31 December 2025, this minimum return at maturity on existing policies ranged between 0% and 2%). Gains and losses from valuation are retroceded to policyholders and recognised in the statement of profit or loss and/or in a special reserve recognised in the statement of comprehensive income, net of the over-coverage component. The recognition technique, referred to as mirroring, sets forth that the component to be passed on to policyholders is identified by analysing the income generated by the securities portfolio related to the Separately Managed Accounts.

As anticipated, the economic effect of financial risks on investments impacts both the pure investment component, i.e. the financial assets backing the insurance liabilities, and the insurance liability itself, as there is a financial component in the valuation. These effects may be partly passed on to the policyholders. This absorption is generally based on the level and structure of guarantees of minimum returns and the profit-sharing mechanisms of Separately Managed Accounts for the policyholder. The company determines the sustainability of minimum returns through periodic analyses using an internal financial-actuarial (Asset-Liability Management) model which simulates, for each Separately Managed Account, the change in value of the financial assets and the expected returns, as well as the relevant impacts on insurance liabilities, under a "central scenario" (based on current financial and commercial assumptions) and under stress and other scenarios based on different sets of assumptions. This model makes it possible to manage the risks assumed by Poste Vita on a quantitative basis, thereby fostering reduced earnings volatility and optimal allocation of financial resources.

Unit-linked products regard policies where the premium is invested in mutual investment funds. The Parent Company Poste Vita constantly monitors developments in the risk profiles of individual products.

The investment policies of the subsidiaries Poste Assicura, Net Insurance and Net Insurance Life, which are characterised by businesses that do not envisage a direct correlation between the products placed and the financial investments, are aimed at preserving the Group's capital solidity, as outlined in the framework resolution approved by Poste Vita's Board of Directors on 25 March 2026. Regular analyses of the macroeconomic context and market trends for the different asset classes, with the relevant effects on integrated asset-liability management, are conducted, targeted at optimal management to meet compensation claims.

Within the above context, balanced financial management and monitoring of the main risk/return profiles are carried out and ensured by dedicated organisational structures that operate separately and independently. In addition, specific processes are in place governing the assumption and management of and control over financial risks, including the progressive introduction of appropriate information systems.

From an organisational viewpoint, the model consists of:

- the Investment Committee established at the Parent Company Poste Vita, based on analyses by the relevant company functions, which provides advice to senior management on the definition, implementation and oversight of the investment strategy;
- appropriate functions established within the Parent Company and at the investee companies that perform risk measurement and control activities, in compliance with the principle of organisational separation of structures with risk control functions from those with management responsibilities; the results of these activities are examined by the relevant advisory Committees, which are responsible for carrying out an integrated assessment of the main risk profiles;
- the Investment Committee of the subsidiaries Poste Assicura, Net Insurance and Net Insurance Life, which is entrusted with investment-related tasks, as well as the verification and monitoring of the companies' compliance with investment policies, guidelines and recommendations;
- the Internal Control, Risks and Related Party Transactions Committee of the Parent Company Poste Vita and of the subsidiaries Poste Assicura, Net Insurance and Net Insurance Life, set up in order to strengthen the control and risk management system, assists the respective boards of directors in evaluating and deciding on the internal control and risk management system.

The financial risks to which the Group as a whole is exposed are broken down into the following types of risk.

- **Market risk**, defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Market risk comprises three types of risk:
  - **Fair value interest rate risk**: the risk that the value of a financial instrument fluctuates as a result of movements in market interest rates. The analyses on this type of risk refers primarily to the effects of changes in interest rates on the price of fixed-rate financial instruments or variable-rate financial instruments converted to fixed rate via cash flow hedges and, to a lesser degree, the effects of changes in interest rates on the fixed components of variable-rate financial instruments or fixed-rate financial instruments converted to variable rate via fair value hedges. The impact of these effects is directly related to the financial instrument's duration. The sensitivity analysis to the interest rate risk of the positions concerned was calculated as a result of a hypothetical parallel shift in the market rate curve of +/- 100 bps, providing a baseline reference that can be used to appreciate potential changes in fair value in the event of interest rate fluctuations.
  - **Price risk**: the risk that the value of a financial instrument fluctuates as a result of market price movements, deriving from factors specific to the individual instrument or the issuer, and factors that influence all instruments traded on the market. Price risk relates to financial assets classified as measured at fair value through other comprehensive income ("FVTOCI") or measured at fair value through profit or loss ("FVTPL"), and certain derivative financial instruments where changes in value are recognised in profit or loss. The sensitivity analysis took into account positions potentially exposed to the highest fluctuations in value. Financial statement balances have been subjected to a stress test, based on actual volatility during the year, considered to be representative of potential market movements. In the context of its insurance operations, the Group considered a sensitivity analysis represented by a parallel shift in the price curve of +/-25% to be more representative of its risk exposure.
  - **Currency risk**: this is the risk that the value of a financial instrument will fluctuate as a result of changes in the exchange rates of currencies other than the accounting currency. Sensitivity analysis of the items subject to foreign exchange risk was based on the most significant positions, assuming a stress scenario determined by the levels of exchange rate volatility applicable to each foreign currency position. The test applies an exchange rate movement based on volatility during the year, which was considered to be representative of potential market movements.
- **Spread risk or country risk**: the risk relates to the potential fall in the value of bonds held in the portfolio, following a deterioration in the creditworthiness of issuers. This is due to the importance that the impact of the spread of returns on government securities had on the fair value of eurozone government and corporate securities, reflecting the market's perception of the credit rating of issuers. The value of the portfolio of bonds issued or guaranteed by the Italian government is much more sensitive to the credit risk associated with the Italian Republic than to changes in so-called risk-free interest rates. This is due to the fact that changes in credit spreads are not hedged and regard the entire investment portfolio, meaning both the fixed and floating rate components. In this latter case, in fact, fair value derivatives, used to convert variable-rate

instruments, hedge only the risk-free interest rate risk and not credit risk. Therefore, a change in the credit spread has an equal impact on both fixed rate and floating rate securities. In terms of potential impact on results, only a worsening scenario of the stress conditions, i.e. a parallel shift in the yield curve of Italian government bonds of +100 bps, was deemed more significant. In addition, since the portfolio is also diversified over securities belonging to the corporate sector, stresses are applied and evaluated separately between the purely government and private issue portfolios.

- **Credit risk**: defined as the risk of default of one of the counterparties to which there is an exposure, with the exception of equities and units of mutual investment funds.
- **Liquidity risk**: it represents the risk of not fulfilling obligations towards policyholders and other creditors, or of being able to meet them only by resorting to penalising market and/or credit conditions or by liquidating investments at a value lower than their purchase or carrying amount, incurring significant capital losses, with negative effects on the economic, equity and financial situation of the Poste Vita Group. For these reasons, the Poste Vita Group has defined a clear governance system for effective monitoring and management of liquidity risk, which includes the definition of the limits of the aforementioned risk and an escalation process to be followed in the event of violations of the limits or the emergence of liquidity-related problems. The principles for liquidity risk management provided at Group level are fully integrated into strategic planning as well as into business processes through:
  - specific periodic reports, at least on a quarterly basis, on the monitoring of liquidity management methods and on analyses of current/prospective liquidity needs in accordance with the applicable business processes;
  - the preparation and monitoring of the annual budget and the business plan, which assesses the adequacy of the overall liquidity profile, preparing a forward-looking financial planning analysis (liquidity plan) on the expected evolution of deposits, including new products/new business, expected lapses and maturities of policies in the portfolio, and any other foreseeable cash inflows or outflows, in order to allow the construction of an asset portfolio to cover reserves and cash outflows consistent with operations;
  - monitoring on a quarterly basis of the value of liquidable assets with the aim of assessing the ability to divest assets in the short term. In this context, a haircut is applied to the financial instruments held by the Poste Vita Group, which represents the discount to be applied with respect to the market value, assuming the need for a disposal within a time horizon of one month under stress conditions. These haircuts express the potential costs or financial losses arising from a possible forced realisation;
  - liquidity lines for managing unforeseen contingencies.

  In this area, with a view to liquidity management, the Poste Vita Group ensures that:
  - assets covering the technical provisions are invested in a manner appropriate to the nature and duration of the liabilities;
  - a level of overall short and medium-term liquidity is maintained that is capable of mitigating any liquidity risk, the latter measured through specific analyses of cash flows and matching between the characteristics of assets and liabilities (where applicable), even in a stress situation;
  - the Parent Company Poste Vita and the subsidiaries monitor the level of their liquid assets through analysis of the securities portfolio and liquidity holdings with banks.
- **Cash flow interest rate risk**: this is defined as the uncertainty related to the achievement of future cash flows following fluctuations of interest rates on the market. Such risk may arise from the mismatch – in terms of interest rate, interest rate resets and maturities – of financial assets and liabilities until their contractual maturity and/or expected maturity (banking book), with effects in terms of interest spreads and, as such, an impact on future results. The analyses conducted refer to the uncertainty over future cash flows generated by floating rate instruments and floating rate instruments created through fair value hedges following fluctuations in market interest rates. Sensitivity to cash flow interest rate risk relating to these instruments is calculated by assuming a parallel shift in the market yield curve of +/- 100 bps.
- **Cash flows inflation rate risk**: this is defined as the uncertainty related to the generation of future cash flows, due to fluctuations in inflation rates recorded on the market.

Insurance risks

This type of risk emerges as a consequence of the placement, by insurance companies belonging to the Group, of products that fall under the definition of insurance contracts. These contracts have conditions, such as technical bases adopted, premium calculation, lapse conditions, etc., which bring out risks typical of the insurance business.

In order to combine strategic and business objectives with those of profitability and quality of the risks assumed, as well as mitigating the exposure to said typical risks, in the process of assuming risks, the Group has defined an underwriting policy which provides for the following:

- the development of products consistent with the needs and characteristics of the various customer segments;
- taking on risks to manage for which adequate skills and resources are available;
- the assumption of risks consistent with the Risk Strategy and Risk Appetite;

- the elimination or non-renewal, where possible, of "accepted" risks that are not consistent with the Risk Appetite Framework and/or that imply exceeding the limits established by the specific guidelines of the Group;
- the underwriting of risks that ensure adequate mitigation techniques, in particular consistency between reinsurance treaties underwritten, product characteristics (e.g. guarantees covered, contract duration) and portfolio mix;
- the adequacy of procedures and control systems to ensure the completeness, relevance and accuracy of the accounting and statistical data used for risk pricing/analysis purposes;
- the evaluation, when designing a new product and/or a new commercial initiative, of the following aspects:
- adequate reinsurance structures;
- assumption limits;
- contractual clauses (possibility to split the premium, possibility of tacit renewal, withdrawal in the case of claims, etc.);
- expenses (for the acquisition, management and administration of contracts including claims liquidation expenses, etc.);
- changes (in terms of risk and concentration) to the portfolio mix that the issuance of the new product may entail;
- assessment of the impact of non-payment of premiums (e.g. impossibility of recovering expenses and commissions) with relative repercussions on solvency.

In the risk assuming phase, the Group must therefore undertake to guarantee the sufficiency of the premiums collected with respect to the future commitments made to policyholders and the costs of managing and acquiring contracts, developing the skills and professionalism of the parties involved in product definition, assumption of risks and, more generally, of all parties involved in the underwriting process.

The Group must also guarantee ever-increasing quality standards in the management of underwriting activities in order to avoid reputational losses and anti-selection phenomena.

The underwriting policy is aimed at strengthening the Group's market position, increasing its share in the various insurance lines in which it operates by developing a profitable risk portfolio.

As a result of the assumption of risks typical of the insurance business, types of exposures emerge that are significant for the Group and for which specific monitoring and containment activities need to be implemented. Specifically:

- **Lapse risk**: insurance contracts may theoretically contain implicit options such as lapse options, guaranteed minimum return options and/or annuity conversion options. These options give the policyholder the right or the ability to obtain profits or changes in the relationship that result in a risk being borne by the company, assuming a risk other than the insurance risk associated with taking out the contract. In the specific case of the Poste Vita Group, for almost all the products in the portfolio, no penalties are envisaged in the event of lapse by the policyholder, so that this risk becomes significant in the event of mass lapse, which cannot be foreseen and are concentrated in specific, excessively short periods of time that would not allow for easy management of the potential divestments in the portfolio. This would entail a significant monetary outlay for the companies belonging to the Group, which would find themselves in the situation of having to dispose of assets to cover their liabilities, with the possible realisation of potential capital losses in the event of unfavourable market situations, as well as to use their cash and cash equivalents to cover the contractually guaranteed minimum levels. It is stressed that, considering the historical trend observed to date, the probability of this hypothesis occurring is considered remote (lapse rate for 2025 of approximately 8.3%), and furthermore, any adverse event would be covered by specific insurance contracts to cover mass lapse phenomena. The aforementioned phenomenon has a greater impact on the portfolios associated with the Separately Managed Accounts, for which any impairment of securities would entail a loss in the current year and a carry-over effect on future returns, resulting in a significant reduction that could compromise the sound and prudent management of the company, as well as the dynamics of short- and medium-term funding. In the current context of economic uncertainty, an increase in the rate at which customers are exercising the policy lapse option can be observed in the Italian market. This phenomenon in the Parent Company Poste Vita's policy portfolio, although on the rise compared to previous years, nevertheless remains below the level observed in the market. In light of this consideration, the risk related to lapse dynamics was still considered significant by the Group, and a sensitivity analysis was performed on this risk equal to an instantaneous shift of +10% in the lapse rate of investment products. Considering the portfolio structure of the Poste Vita Group's companies, the decision was taken to apply only an incremental lapse stress scenario, i.e. only the worst-case scenario for the Group;
- **Provisioning risk**: linked to the quantification of inadequate technical provisions with respect to the commitments made to policyholders and damaged parties. This insufficiency may be due to incorrect estimates by the Company and/or changes in the general environment. This risk was considered significant for the Non-life business managed by the Group, and a sensitivity analysis was performed to measure exposure under scenarios involving a +/-2% change in the loss ratio.
- **Concentration risk**: represents the risk that the business is excessively concentrated only on certain types of risk, products, customers and geographical areas and is therefore not adequately diversified. The Group assesses its exposure to this risk differentially between Life and Non-life business, evaluating the concentration based on the types of products placed.

The expected evolution of the portfolio and the different degree of risk of the products distributed required the adoption of a careful reinsurance policy, aimed at mitigating the risks to which the Group is exposed.

The reinsurance strategy adopted by the subsidiary **Poste Assicura**, based mainly on a non-proportional approach, makes it possible to:

- mitigate risks, stabilising the variability of insurance business results and ensuring the technical balance of the portfolio;
- mitigate risks arising from peak exposures or catastrophic events;
- support the development of underwriting activities;
- Strengthen the Company's financial soundness, in terms of capital allocation and optimisation.

In particular, reinsurance treaties were entered into with market operators of primary standing, with non-proportional cover in the form of "excess loss" (per risk and/or per event) separately for the various ministerial lines, to cover the main Poste Assicura risks (Retail and Employee Benefits) such as: risks included in the injuries, health, fire and other property damage, third-party liability (excluding cyber risks), and "catastrophic risks" such as earthquake or pandemic.

In addition, proportional treaties are provided for all risks relating to the legal protection class and for risks relating to the cyber personal line component of the modular product, and a number of expired or non-renewed proportional treaties on a risk-attaching basis remain in run-off.

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 and/or special acceptance is used.

Poste Assicura defines, on a case-by-case basis, the share of risk and the reinsurance structure deemed most appropriate in relation to the characteristics of the risk in question.

With regard to the subsidiaries Net Insurance and Net Insurance Life, the expected evolution of the portfolio and the different degree of risk of the products distributed required the adoption of a careful reinsurance policy. The reinsurance strategy, based mainly on a proportional approach, but also on some non-proportional covers (especially for hail, suretyship and, to a lesser extent, other insurance lines), makes it possible to:

- mitigate unfavourable technical trends and risks arising from peak exposures;
- optimise reinsurance structures with a view to risk transfer and, if possible, also improve overall costs in economic and capital allocation terms;
- streamline reinsurance structures from a management point of view;
- mitigate risks, stabilising the variability of insurance business results.

The Group assesses the exposure of the insurance business under stress scenarios in order to verify the solvency of companies even under adverse market conditions, also in line with the Solvency II regulatory framework.

Other non-significant insurance risks

From a technical point of view, one of the main risk factors characterising life underwriting risk is **mortality risk**, i.e. any risk related to the randomness of the life span of policyholders. Particular attention is paid in selling pure life insurance policies, an area where procedures set underwriting limits to the capital and the age of the policyholder. In terms of "term life" insured amounts the Group's insurance companies transfer their risks to reinsurers in keeping with the nature of the products sold and conservation levels adequate to the Group companies' capital structure.

For products with the capital sum subject to positive risk, such as term life insurance, this risk has negative consequences if the actual frequency of death exceeds the death probabilities realistically calculated (second order technical bases).

For products with the capital sum subject to negative risk, such as annuities, there are negative consequences when actual death frequencies are lower than the death probabilities realistically calculated (longevity risk).

That said, at 31 December 2025, mortality risk is considered to be of modest significance for the Group, considering the characteristics of the products offered, although this risk represents almost the entire life underwriting risk for Net Insurance Life. 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 actual deaths and those predicted by the demographic bases adopted for pricing. Moreover, mortality risk is mitigated through reinsurance and by setting limits on both the capital and the age of the policyholder when policies are sold.

On the basis of the above, for risk management purposes, it was decided not to subject mortality risk to sensitivity analysis, but to continuous monitoring over time in order to identify any changes in its significance in the context of the Poste Italiane Group.

The **longevity risk** is also limited, being represented by a small share of insurance exposures to class IV (Long Term Care policies). In fact, for most Life insurance products the probability of annuity conversion is very close to zero, as historical experience shows that policyholders never use the annuity conversion option. Pension products, in particular, still account for a limited share of insurance liabilities. For these products, the Group may also, if certain conditions materialise, change the demographic base and the composition by sex used to calculate the annuity rates.

With regard to **pricing risk**, it is defined as the risk of incurring losses due to inappropriate pricing of the insurance products sold, for example: inappropriate choice of technical bases (demographic or financial), incorrect valuation of the options implicit in the products, and/or incorrect valuation of the parameters for calculating loadings for expenses. Since the products placed by the Group mostly relate to insurance contracts issued by the Parent Company Poste Vita, i.e. build-up products of mixed or whole-life type, with a predominantly financial character, in cases with a technical rate of zero, the technical basis adopted does not affect the calculation of the premium (and/or the insured capital). There is nearly no pricing risk associated with the choice between technical bases in the Poste Vita Group's portfolio, except for the term life insurance products discussed above.

Insurance risks in the Non-life business include:

- **Underwriting risk**: this is the risk arising from the commitments entered into by the underwriting of insurance contracts, taking into account all the risks covered and the procedures used in the conduct of business. This risk can be subdivided into provisioning risk, already mentioned in the previous paragraph, **pricing risk** arising from the underwriting of insurance contracts and associated with the events covered, the processes followed for underwriting and selecting risks, the processes followed for pricing, and the unfavourable trend in the actual loss ratio compared to the estimated one and the **Provisioning risk** linked to the quantification of insufficient technical provisions with respect to the commitments undertaken to policyholders and damaged parties.

Early termination risk: this risk refers to the possibility of the policyholder's early termination of the contract resulting in a claim for reimbursement of the premium (understood as expected loss of profit). This dynamic, unlike what is shown above for the lapse risk, does not depend directly on economic dynamics and the dynamic behaviour of policyholders, and is therefore less related to the current economic condition. The specific risk of early repayment is not assessed at the Poste Vita Group level as a significant risk because:

- it depends solely on the willingness to pay off insurance policies on mortgages and loans early, and does not depend directly on market income dynamics;
- it is limited to a portfolio considered non-material, as this business is residual for the Group.

Finally, **catastrophe risk**, which represents the risk of loss or an unfavourable change in the value of insurance liabilities, resulting from extreme or exceptional events, including major epidemics covered by insurance, is considered by the Group as not significant.

Quantitative information

It is noted that the sensitivity analyses performed on individual financial and insurance risks at the reporting date of this document do not show any changes in the methods and assumptions used compared with the previous year. Furthermore, it should be noted that the quantitative information is based on information communicated internally to key management personnel.

In relation to insurance liabilities, it should be noted that the Units of Account (UoA) of the Poste Vita Group mainly relate to insurance products (such as separately managed accounts) that have mutuality features (sharing of risks and returns between the various insurance contracts) such that it is difficult to isolate and precisely allocate specific risks. For this reason, the Group has chosen to illustrate the effects of the sensitivity analyses on the entire amount of insurance liabilities, assessing their overall impacts.

In addition, following the line-by-line consolidation of the Multi-Asset Funds, the risk exposure of these investments is presented in line with how the Group manages these investments and how the information is provided internally to senior management, i.e., based on the fair value of the net risk exposure corresponding to the NAV of the Funds. Therefore, the information on the Funds' exposure to risks is provided, consistent with the previous year, considering the group of assets and liabilities as a whole.

It should be noted that the Group has performed sensitivity analyses aimed at demonstrating the effect of changes in risk variables also on quantities (such as the CSM) other than those specified in paragraph 128 of IFRS 17, which is considered relevant in terms of both information to be provided to the market and for company management, also given the characteristics of the Group's business (prevalence of products measured using the VFA method that are more impacted by the market variables that influence the CSM).

The Poste Vita Group's exposures **to fair value interest rate ris**k are shown below, together with the results of the sensitivity analysis.

Fair value interest rate risk

Description (€m)	31 December 2025	
	Nominal	Fair value
Financial assets	**119,897**	**156,821**
Financial assets at FVTOCI	119,897	110,309
Financial assets at FVTPL		46,512
Insurance liabilities		**166,251**

In terms of **financial assets recognised at fair value through other comprehensive income**, the risk in question primarily relates to:

- fixed income government bonds held by the Parent Company Poste Vita, totalling € 89,481 million; of this amount, € 87,299 million is used to cover Class I and V policies linked to Separately Managed Accounts, € 1,981 million relates to the company's free capital and € 201 million to securities linked to Class I insurance investment products (specific assets);
- non-government debt securities held by the Parent Company Poste Vita for a total fair value of € 19,748 million, used mainly to meet obligations towards policyholders;
- the remainder relates to approximately € 1,080 million in investments in fixed income instruments, both government and corporate exposures made by the other Group companies.

Financial assets at fair value through profit or loss, which are relevant to the risk in question, are primarily used to cover commitments to policyholders. They relate to a portion of investments totalling € 46,512 million, of which € 46,472 million is held by the Parent Company Poste Vita and relates to: i) € 7,697 million in fixed income securities; ii) € 38,775 million relating to the position in Other investments consisting mainly of units in Class III funds and multi-asset funds linked to the Separately Managed Accounts of Poste Vita; and iii) € 23 million from the bond issued by Cassa Depositi e Prestiti as a private placement.

The **Insurance liabilities** relevant to the risk in question relate to commitments for insurance contracts placed by companies belonging to the sector, amounting to € 166,251 million.

With respect to Class I and Class V policies issued by the Parent Company Poste Vita, the duration of the hedging assets went from 6.39 at 31 December 2024 to 6.34 at 31 December 2025, whilst the duration of the liabilities went from 7.29 to 6.45 (assessment of the duration was carried out using the new Coherent Duration method[53]). Financial instruments covering the technical provisions for Class III have maturities which coincide with those of the liabilities.

Below is the result of the sensitivity analysis performed at 31 December 2025 on the assets and liabilities exposed to the risk in question.

Fair value interest rate stress effects

Description (€m)	Delta value	
	+100bps	-100bps
Contractual Service Margin	(787)	654
Profit/(Loss) before tax	(68)	66
Equity reserves before tax	(144)	165

The results of the sensitivities[54] in summary show that:

- as a result of the increase in the interest rate curve, a negative change in the Contractual Service Margin of € 787 million would be generated due to a reduction in assets, only partly offset by the decline in liabilities; a decrease in the profit/(loss) before tax of € 68 million arising from the lower release of the Contractual Service Margin due to the reduction in the stock of CSM, only partly offset by the increase in the coverage unit and the contraction in the financial result[55]; and finally, a negative change in Equity Reserves of € 144 million generated by the decrease in the fair value of FVOCI securities not retroceded to policyholders;
- as a result of the decrease in the interest rate curve, a positive change of € 654 million in the contractual service margin would be generated due to an increase in the value of assets, only partly offset by the rise in liabilities; a positive impact of € 66 million on the profit/(loss) before tax determined by the higher release of the Contractual Service Margin due to the increase in the CSM stock, only partly offset by the reduction in the coverage unit and the greater contribution of the financial result; and finally a positive change of € 165 million in Equity Reserves generated by the increase in the fair value of FVOCI securities not retroceded to policyholders.

53. The Coherent Duration of assets and liabilities is defined as changes in the value of assets and liabilities, in proportion to the total amount of assets exposed to interest rate risk, following parallel shocks raising and lowering interest rates by 10 basis points.
54. For sensitivity purposes, the swap component was stressed by the end-2025 risk-free curve as published by EIOPA.
55. IFRS9 income from FVTPL securities not retroceded to policyholders.

The Poste Vita Group's exposures to **price risk** are shown below, together with the results of the sensitivity analysis.

Price risk

Description (€m)	31.12.2025
Financial assets	**46,965**
Financial assets at FVTPL	46,965
Insurance liabilities	**165,121**

Financial assets at fair value through profit or loss, exposed to the risk in question refer to:

- investments in units of mutual funds held by the Parent Company Poste Vita, with a fair value of € 46,765 million, mainly relating to products linked to Separately Managed Accounts and Class III products;
- equities held by the Parent Company Poste Vita, totalling € 200 million, used to cover almost exclusively Class III policies.

Insurance liabilities exposed to the risk in question refer exclusively to insurance contracts placed by Poste Vita for a total amount of € 165,121 million.

Below is the result of the sensitivity analysis performed at 31 December 2025 on the instruments exposed to the risk in question:

Price risk stress effects

Description (€m)	Delta value	
	+25%	(25%)
Contractual Service Margin	241	(260)
Profit/(Loss) before tax	40	(43)
Equity reserves before tax	-	-

The results of the sensitivities show that:

- in the scenario characterised by the increase in the value of market prices, the sensitivity results show an increase in the contractual service margin of about € 241 million as a result of the increase in income generated by assets, only partially offset by the higher value of liabilities, as well as an increase in profit/(loss) before tax of about € 40 million as a result of the combined effect of the higher release of the contractual service margin (due to the increase in stock) and the increase in the fair value of FVOCI securities for the portion not retroceded to policyholders;
- the opposite scenario, i.e. characterised by a decrease in the value of market prices, would entail a decrease in the contractual service margin of approximately € 260 million as a result of the simultaneous decrease in income generated by assets, only partially offset by the reduction in value observed on liabilities, and a decrease in profit/(loss) before tax of approximately € 43 million as a result of the combined effect of the lower release of the contractual service margin (due to the reduction in stock) and the decrease in the fair value of FVOCI securities for the portion not retroceded to policyholders.

The Poste Vita Group's exposures to **currency risk** are shown below, together with the results of the sensitivity analysis on the profit/(loss) before tax.

Description (€m)	31 December 2025			
	Position in USD	Position in Euro	Profit (loss) before tax	
			+ Vol 260days	- Vol 260days
Financial assets				
Financial assets at FVTPL	132	113	9	(9)
Total	**132**	**113**	**9**	**(9)**

In the context of insurance operations, the financial assets exposed to the risk in question refer exclusively to units of US dollar-denominated mutual funds held by the Parent Company Poste Vita.

Below are the Poste Vita Group's exposures to **spread risk on government bonds**, as well as the results of the sensitivity analysis.

Since the portfolio is diversified between government and corporate securities, the spread risk analysis for insurance operations was performed separately between securities related to government issuers and securities related to private issues.

Description (€m)	31 December 2025	
	Nominal	Fair value
Financial assets	99,459	113,650
Financial assets at FVTOCI	99,459	90,312
Financial assets at FVTPL		23,338
Insurance liabilities		166,251

In the period under review, the portfolio of Financial assets at fair value through other comprehensive income exposed to this risk, referring exclusively to fixed-income government bonds, amounted to € 90,312 million.

Financial assets at fair value through profit or loss exposed to the risk in question, amounting to a fair value of about € 23,338 million, mainly refer to units of mutual funds held by the Parent Company Poste Vita.

Insurance liabilities exposed to risk amounted to approximately € 166,251 million.

Below is the result of the sensitivity analysis performed at 31 December 2025 on the assets and liabilities exposed to the risk in question.

Description (€m)	Delta value
	+100bps
Contractual Service Margin	(422)
Profit/(Loss) before tax	(37)
Equity reserves before tax	(77)

The results of the sensitivity analyses show a negative change in the contractual service margin of about € 422 million due to capital losses impacting the returns of the underlying assets related to the portfolios of the Separately Managed Accounts, only partly offset by the reduction in liabilities, to which an illiquidity premium is applied that only partially reflects the expansion in the spread; a negative effect on the profit/(loss) before tax of € 37 million, mainly due to the lower release of the contractual service margin determined by the decrease in the CSM stock and, lastly, a negative change in Equity Reserves of € 77 million, generated by the reduction of the fair value of FVOCI instruments not retroceded to policyholders, which represent the majority of securities under stress.

Below are the Poste Vita Group's exposures to **spread risk on corporate bonds**, as well as the results of the sensitivity analysis.

Fair value corporate spread risk

Description (€m)	31 December 2025	
	Nominal	Fair value
Financial assets	**20,438**	**66,510**
Financial assets at FVTOCI	20,438	19,998
Financial assets at FVTPL		46,513
Insurance liabilities		**166,251**

The portfolio of *financial assets at fair value through other comprehensive* income exposed to this risk amounted to approximately € 19,998 million, exclusively related to corporate bond exposures.

Financial assets at fair value through profit or loss exposed to risk amounted to about € 46,513 million, of which € 39,772 million related to mutual funds held by the Parent Company Poste Vita, € 6,678 million to exposures in debt securities issued by corporate counterparties, and € 23 million to bonds issued by Cassa Depositi e Prestiti.

Insurance liabilities exposed to risk amounted to approximately € 166,251 million.

Below is the result of the sensitivity analysis performed at 31 December 2025 on the assets and liabilities exposed to the risk in question.

Fair value corporate spread risk

Description (€m)	
Contractual Service Margin	(118)
Profit/(Loss) before tax	(13)
Equity reserves before tax	(15)

The results of the sensitivities lead to a negative change in the contractual service margin of approximately € 118 million, due to the reduction in the value of the assets underlying the insurance contracts, only partially offset by the reduction in liabilities, to which an illiquidity premium is applied that only partially reflects the widening of the spread; a negative effect on the profit/(loss) before tax of € 13 million, mainly attributable to the contraction of the financial result and, secondly, to the lower release of the contractual service margin determined by the decrease in the CSM stock and increase in the Loss Component; and, finally, a negative change in Equity Reserves of € 15 million, generated by the reduction in the fair value of FVOCI instruments not retroceded to policyholders, which represent the majority of securities under stress.

Credit risk

Information on credit risk exposure is presented in the following section for financial assets only.

Exposure to credit risk

The following table presents an analysis of the risk exposure at 31 December 2025 of **Financial assets** belonging to the insurance segment for which the general deterioration model is used. The analysis shows the exposure by financial asset class by stages. The amounts refer to the gross (amortised cost before ECL), if not otherwise indicated, and do not consider guarantees or other instruments which attenuate credit risk.

Credit risk - Rating

Description (€m)	from AAA to AA		from A+ to BBB-		from BB+ to C		Not rated	Hedge accounting effects	Total
	Stage 1	Stage 2	Stage 1	Stage 2	Stage 1	Stage 2			
Financial assets at amortised cost									
Gross carrying amount	242		2,327	-	2	-			2,571
Provision to cover expected losses	0		-1	-	0	-			-1
Total amortised cost at 31 December 2025	**242**		**2,326**	**-**	**2**	**-**			**2,570**
Financial assets at FVTOCI									
Gross carrying amount	14,177		100,005	42	1,858	91			116,174
Provision to cover expected losses - OCI	0		-33	0	-4	-2			-39
Fair value at 31 December 2025	**13,702**		**94,646**	**39**	**1,834**	**88**			**110,309**

Financial assets at amortised cost, which are relevant to the risk in question, amount to € 2,571 million and refer mainly to fixed income instruments in the free assets held by Group companies with a gross carrying amount of € 2,291 million, decreased by a total of € 1 million to account for the related impairment provision.

Financial assets at fair value through other comprehensive income that are relevant to the risk under comment relate exclusively to fixed income instruments with a gross carrying amount of € 116,174 million, decreased by a total of € 39 million to account for the related impairment provision.

The following is an analysis of credit risk concentration by financial asset class on the basis of counterparty. The amounts representing the maximum exposure to credit risk shown in the following table and equal to the gross carrying amount total € 118,745 million (equal to € 118,705 million net of the related provision to cover expected losses). Of the provision to cover expected losses (€ 40 million) on financial instruments at fair value through other comprehensive income, an amount of € 37 million was retroceded to policyholders.

Credit risk - Concentration of credit risk

Description (€m)	31.12.2025	
	Gross carrying amount	Provision to cover expected losses
Financial assets at amortised cost	**2,571**	**(1)**
Sovereign	2,118	(1)
Corporate	441	0
Banking	12	0
Financial assets at FVTOCI	**116,174**	**(38)**
Sovereign	91,283	(28)
Corporate	18,540	(9)
Banking	6,351	(1)
Total	**118,745**	**(40)**

Exposure to credit risk - insurance components

The following table presents an analysis of the risk exposure in question at 31 December 2025, by counterparty rating class, generated as a result of the placement of outstanding insurance and reinsurance contracts.

Credit risk - Rating

Description (€m)	from AAA to AA-	from A+ to BBB-	from BB+ to C	Not rated	Total
2025	**-**	**-**	**-**	**-**	**-**
Assets for outward reinsurance					366
of which net receivables from reinsurers	**10**	**1**	**0**	**-**	**11**
Insurance liabilities				-	166,251
of which receivables from policyholders	**-**			**105**	**105**

Assets for outward reinsurance that are relevant to the risk in question refer to the component of the item relating to the net exposure to reinsurers, which is included in the valuation. These receivables are not subject to impairment as the credit or debit balance is used to offset the payment or collection of reinsurance items. The reinsurance structure has very tight deadlines, annual at most, so the possibility of balances remaining unpaid for a period longer than 12 months is remote. Moreover, since these receivables are related to contracts falling under IFRS 17, they are not to be impaired as required by IFRS 9. At 31 December 2025, the balance of these net receivables was € 11 million.

The **insurance liabilities** that are taken into account in the valuation of this risk refer to the component relating to receivables from policyholders. Receivables from policyholders relate to contracts issued at the reporting date for which the customer has not yet paid the premium. As with net receivables from reinsurers, this type of receivable also arises as a result of insurance contracts, and therefore does not have to be subject to impairment testing as required by IFRS 9. In any case, the Group performs recoverability analyses of the receivable in question, and in fact a full write-down of the receivable is made if it is more than 6 months old.

Guarantees and other credit risk mitigation instruments

In order to mitigate the exposure to credit risk, the Poste Vita Group invests in, among other things, corporate bonds that are guaranteed in order to mitigate the overall exposure to credit risk.

At 31 December 2025, the Group does not hold financial instruments secured by guarantees or other credit risk mitigation instruments for which a loss coverage provision has been recognised.

With reference to the Poste Vita Group, the main types of financial instruments backed by guarantees or other credit risk mitigation instruments are primarily bonds held by the Group, with a nominal amount of € 6,754 million at 31 December 2025. In these cases, the guarantee covers 100% of the nominal value of the securities. The guarantees backing the financial instruments under review are as follows:

- corporate bonds backed by personal guarantees, amounting to a nominal value of € 6,004 million;
- covered bonds backed by property mortgages, primarily property mortgages, amounting to a nominal value of € 169 million;
- bonds guaranteed by sovereign states, amounting to a nominal value of € 581 million.

For instruments backed by a personal guarantee provided by the sovereign state or one or more companies, the rating of the guarantor entity was taken into account in calculating expected losses. With regard to covered securities, the determination of the provision to cover expected losses was made taking into account not only the rating of the issuing institution, but also the type of underlying security.

Cash flow interest rate risk

Cash flow interest rate risk

Description (€m)	31 December 2025		
	Risk exposure	Profit (loss) before tax	
	Nominal	+100bps	-100bps
Financial assets			
Financial assets at FVTOCI	269	1	1
Financial assets at FVTPL	144		
Cash and cash equivalents	3,187	7	(7)
Total	**3,600**	**8**	**(6)**

Within Financial assets, interest rate risk on cash flows mainly relates to fixed income instruments at fair value in other comprehensive income and variable-rate bank deposits held by companies:

- a portion of the investment portfolio held by the Parent Company Poste Vita, with a total nominal value of € 213 million;
- a portion of the securities portfolio held by the subsidiaries Poste Assicura, Net Insurance and Net Insurance Life for a total nominal value of € 56 million.

With regard to insurance liabilities, the risk exposure is not deemed to be significant.

The Poste Vita Group's exposures **to inflation rate risk** are shown below, together with the results of the sensitivity analysis on the profit/(loss) before tax.

Cash flow inflation risk

Description (€m)	31 December 2025			
	Risk exposure		Profit (loss) before tax	
	Nominal	Carrying amount	+100bps	-100bps
Financial assets				
Financial assets at amortised cost	72	95		
Financial assets at FVTOCI	5,304	6,798	(1)	(1)
Total	**5,376**	**6,893**	**(1)**	**(1)**

At 31 December 2025, the inflation rate risk on cash flows relates to inflation-indexed government bonds. Of the total nominal value, € 5,323 million is held by the Parent Company Poste Vita and € 37 million is held by the subsidiary Poste Assicura.

With regard to insurance liabilities, the risk exposure is not deemed to be significant.

Lapse risk

For the purpose of the sensitivity analysis at 31 December 2025 on the lapse risk, insurance liabilities exposed to value fluctuations were taken into account and subjected to a stress of a 10% increase in the lapse rate. The exposures to this risk are shown below:

Lapse risk

	31 December 2025							
	Risk exposure		Contractual Service Margin		Profit/(Loss) before tax		Equity reserves before tax	
	Nominal	Fair value	+10%		+10%		+10%	
Description (€m)			Gross reinsurance	Net reinsurance	Gross reinsurance	Net reinsurance	Gross reinsurance	Net reinsurance
Insurance liabilities		**165,121**	**(407)**	**(407)**	**(11)**	**(11)**	**-**	**-**

The sensitivity analysis shows that a possible 10% increase in the lapse rate would generate a negative change in the Contractual Service Margin of € 407 million, mainly attributable to the reduction in the future fees of contracts that exit the portfolio early and a negative change in the profit/(loss) before tax of € 11 million, mainly attributable to the lower release of the CSM resulting from the reduction in stock, albeit the increase in coverage units helps to mitigate the impact in profit or loss.

With regard to the effects net of reinsurance mitigation, these are substantially in line with what is presented in the table since the existing cover is not activated in the event of a 10% increase in the lapse rate.

Provisioning risk

The sensitivity analysis at 31 December 2025 took into consideration insurance liabilities exposed to fluctuations in value and subjected to a variability stress test, calculated with reference to the possible variations in the loss ratio (increase/decrease of 2%). Below are the exposures to this risk both gross and net of the mitigation effect related to reinsurance:

Gross reinsurance provisioning risk

	31 December 2025							
	Risk exposure		Contractual Service Margin		Profit/(Loss) before tax		Equity reserves before tax	
Description (€m)	Nominal	Fair value	+2%	(2%)	+2%	(2%)	+2%	(2%)
Insurance liabilities		677	(2)	2	(2)	2	0	(0)

Net reinsurance provisioning risk

	31 December 2025							
	Risk exposure		Contractual Service Margin		Profit/(Loss) before tax		Equity reserves before tax	
Description (€m)	Nominal	Fair value	+2%	(2%)	+2%	(2%)	+2%	(2%)
Insurance liabilities		555	(1)	1	(3)	3	0	(0)

Concentration risk

As regards Life business, the products currently placed have fairly standardised characteristics and relatively low minimum guarantees for the majority of the portfolio. The geographic distribution of these products (in terms of gross written premiums) is homogeneous throughout Italy due to the extensive nature of the distribution network and is in line with the distribution of the population by region, as shown in the following table:

	Life segment	
Region	**% Gross premium revenue by region**	**% Number of inhabitants by Region**
LOMBARDY	15%	17%
CAMPANIA	10%	9%
LAZIO	10%	10%
SICILY	9%	8%
PIEDMONT	9%	7%
PUGLIA	7%	7%
VENETO	7%	8%
TUSCANY	6%	6%
EMILIA ROMAGNA	6%	8%
CALABRIA	4%	3%
LIGURIA	3%	3%
ABRUZZO	3%	2%
MARCHE	3%	3%
SARDINIA	2%	3%
UMBRIA	2%	1%
BASILICATA	1%	1%
FRIULI VENEZIA GIULIA	1%	2%
MOLISE	1%	0%
TRENTINO ALTO ADIGE	0%	2%
AOSTA VALLEY	0%	0%
Total	**100%**	**100%**

Furthermore, the representation of the concentration by currency is not significant, given the type of Group customers (exclusively domestic).

Below is a representation of the concentration of Life business at 31 December 2025 by product type (based on the volumes of mathematical provisions), where it can be seen that the Poste Vita Group's product portfolio is still particularly concentrated in traditional build-up products (separately managed accounts).

Concentration risk - Life segment

Product type	**31 December 2025**
Products linked to Separately Managed Accounts	86%
Protection products	0%
Index/Unit-linked products	14%

On the basis of these considerations, the risk of Life business concentration is medium.

Finally, taking into account the high degree of standardisation of the products placed at 31 December 2025 and the low number of contracts with guaranteed minimum returns and consolidation guarantees[56], the representation of the concentration of financial risks is not considered significant.

With regard to the Non-Life Segment, a breakdown of gross inflows at 31 December 2025 by Solvency Line of Business (LoB) is provided, which shows that the product portfolio is mainly concentrated on the following lines of business (Medical Expenses Insurance and Income Protection Insurance LoB) as shown below:

Concentration risk - Non-life segment

LOB Solvency	31 December 2025 %
Medical expense insurance	40%
Income protection insurance	26%
Other motor insurance	5%
Fire and other damage to property insurance	15%
General liability insurance	4%
Credit and suretyship insurance	7%
Legal expenses insurance	1%
Assistance	0%
Miscellaneous financial loss	3%

Furthermore, below is a breakdown of gross inflows by product type, from which it can be seen that the highest concentration of risks relates to products belonging to the “modular” line and the “Welfare” segment, the latter referring to collective policies taken out with corporate customers (Employee Benefits).

Concentration risk - Non-life segment

Product type	31 December 2025 %
Modular line	31%
Third-party networks	18%
Payment protection line	6%
Salary-backed loans	7%
Life/Non-life integration	4%
Welfare and other management	35%

56. Interest rate guarantees that are activated at the same level for a large number of contracts.

With regard to Non-life business, the products currently placed by the Group therefore have fairly standardised characteristics. The geographic distribution of these products (in terms of gross written premiums) is homogeneous throughout Italy due to the extensive nature of the distribution network and is in line with the distribution of the population by region, as shown in the following table:

	Non-life business	
Region	**% Gross premium revenue by region**	**% Number of inhabitants by Region**
LOMBARDY	29%	17%
CAMPANIA	4%	9%
LAZIO	27%	10%
SICILY	2%	8%
PIEDMONT	6%	7%
PUGLIA	3%	7%
VENETO	6%	8%
TUSCANY	4%	6%
EMILIA ROMAGNA	4%	8%
CALABRIA	1%	3%
LIGURIA	2%	3%
ABRUZZO	2%	2%
MARCHE	1%	3%
SARDINIA	3%	3%
UMBRIA	1%	1%
BASILICATA	1%	1%
FRIULI VENEZIA GIULIA	1%	2%
MOLISE	0%	0%
TRENTINO ALTO ADIGE	2%	2%
AOSTA VALLEY	0%	0%
Total	**100%**	**100%**

On the basis of these considerations, the risk of Non-life business concentration is medium.

Furthermore, the representation of the concentration by currency is not significant, given the type of Group customers (exclusively domestic).

Management and coordination

The Parent Company Poste Vita is wholly-owned by Poste Italiane, which directs and coordinates the Group. The following schedule provides the key figures from the most recently approved financial statements of Poste Italiane (31 December 2024). Reference should be made to the financial statements of Poste Italiane which, together with the independent auditors' report, are available in the forms and manner required by law. For the sake of completeness, it should be noted that the Ultimate Parent Poste Italiane also prepares the Consolidated Financial Statements.

Poste Italiane SpA

Statement of financial position

ASSETS (€/000)	31 December 2024	31 December 2023
Non-current assets	**82,719,896**	**82,708,948**
Current assets	**25,565,884**	**27,392,551**
Non-current assets held for sale	**0**	**0**
TOTAL ASSETS	**108,285,780**	**110,101,499**

EQUITY AND LIABILITIES	31 December 2024	31 December 2023
Equity		
Share capital	1,306,110	1,306,110
Treasury shares	(109,113)	(94,096)
Reserves	1,941,783	1,549,303
Retained earnings	3,607,169	2,891,589
Total	**6,745,949**	**5,652,906**
Non-current liabilities	**11,445,979**	**13,311,747**
Current liabilities	**90,093,852**	**91,136,846**
TOTAL LIABILITIES AND EQUITY	**108,285,780**	**110,101,499**

Poste Italiane SpA

Statement of profit or loss for the year

(€/000)	FY 2024	FY 2023
Revenue from sales and services	10,503,829	9,880,029
Other income from financial activities	247,153	271,363
Other operating income	1,453,313	1,003,329
Total revenue	**12,204,295**	**11,154,721**
Cost of goods and services	2,918,147	2,640,542
Other expenses from financial activities	683,231	633,159
Personnel expenses	5,317,769	5,347,874
Depreciation, amortisation and impairments	809,943	773,455
Capitalised costs and expenses	(44,983)	(41,070)
Other operating costs	238,278	222,661
Impairment losses/(reversals of impairment losses) on debt instruments, receivables and other assets	403,446	49,635
Operating profit/(loss)	**1,878,464**	**1,528,465**
Financial expenses	135,796	110,852
Finance income	186,414	175,932
Impairment losses/(reversals of impairment losses) on financial assets	(13,083)	(25,116)
Profit/(Loss) before tax	**1,942,165**	**1,618,661**
Income tax expense	59,815	229,154
PROFIT FOR THE YEAR	**1,882,350**	**1,389,507**

Glossary

ASSET ALLOCATION
It is a strategy implemented by the investor and aimed at diversifying his or her portfolio across different asset classes, based on his or her time and expected return objectives.

ASSET CLASS
Investment category, i.e. set of financial instruments with similar characteristics and similar behaviour in the markets, e.g. bond (short-term, medium/long-term, government, corporate, high yield, etc.), equity (Europe, America, emerging countries, etc.), real estate. The choice of asset classes is crucial for portfolio construction because they are the individual components that are evaluated in the asset allocation process.

COMBINED RATIO (NET REINSURANCE)
Technical indicator of Protection business, determined as the ratio of total costs incurred (claims and claims adjustment expenses, net reinsurance expenses, attributable/non-attributable operating expenses and other technical expenses and income) to gross insurance revenue.

CONTRACT BOUNDARY
Contract Boundary refers to the contract limits, i.e. the cash flows to be considered in the cash flow projection of an insurance contract.

CONTRACTUAL SERVICE MARGIN (CSM)
It represents the expected profit from valuation to be recognised by the entity in the statement of profit or loss over the life of the contract.

COHORTS
Cohort means the division of contracts according to the year of signing.

COVERAGE UNIT
This is the quantity by which the contractual service margin (CSM) release pattern is defined.

INSURANCE CONTRACTS WITH DIRECT PARTICIPATION FEATURES
Insurance contract for which, at the time of conclusion:
- the contractual terms specify that the policyholder has an interest in a share of a clearly defined pool of underlying elements;
- the entity expects to pay the policyholder an amount equal to a substantial portion of the returns arising from the fair value of the underlying items; and
- the entity expects that a significant percentage of any change in the amounts payable to the policyholder will depend on the change in the fair value of the underlying items.

INVESTMENT CONTRACTS WITH DISCRETIONARY PARTICIPATION FEATURES
Contracts that contractually grant a specific investor the right to receive, in addition to an amount not subject to the issuer's discretion, additional amounts:
- which are expected to represent a significant portion of the total contractual benefits;
- the timing or amount of which is contractually subject to the issuer's discretion; and
- contractually based:
  - the performance of a specific pool of contracts or a specific type of contract;
  - on the realised and/or unrealised return on the investment in a specific pool of assets held by the issuer;
  - on the profit or loss of the entity or fund issuing the contract.

INVESTMENT CONTRACTS
Contracts that have the legal form of an insurance contract but, as they do not substantially expose the insurer to insurance risk (such as, for example, mortality risk or similar insurance risks), cannot be classified as such. These contracts are classified as financial liabilities.

TRANSITION DATE
Date of first-time adoption of IFRS 17 for the insurance portfolio

EXPECTED CREDIT LOSS (ECL)
Estimated expected loss based on the amount of receivables assessed as unlikely to be due within one year for IFRS9 purposes.

FAIR VALUE APPROACH (FVA)
IFRS17 transition approach, whereby the insurance liability is measured at the transition date without the need to retrieve historical data.

FULFILMENT CASH FLOW (FCF)
The Fulfilment cash flow consists of:
- an estimate of future cash flows that will arise when the insurer fulfils its contractual obligations;
- an adjustment to reflect the time value of money - i.e. the discount - and the financial risks related to future cash flows (to the extent not already included in estimates of future cash flows);
- an adjustment for non-financial risks (risk adjustment).

FULL RETROSPECTIVE APPROACH (FRA)
IFRS17 transition approach, whereby the insurance liability is measured at the transition date as if the standard had always been applied.

GENERAL MEASUREMENT MODEL (GMM) OR BUILDING BLOCK APPROACH (BBA)
The General Measurement Model is a methodology for the measurement of insurance contracts based on the discounting of expected cash flows, on the explication of the Risk Adjustment (adjustment of cash flows for non-financial variables) and a Contractual Service Margin (expected profit).

SEPARATELY MANAGED ACCOUNT
In life insurance, a fund specifically created by the insurance undertaking and managed separately from the overall business of the undertaking. Separately managed accounts are used in Class I contracts and are characterised by a typically conservative investment composition. The return obtained by the separately managed account and retroceded to the members is used to revalue the benefits under the contract.

INFLATION LINKED
These are government bonds that provide investors with protection against rising price levels: both the principal repaid at maturity and the coupons paid are, in fact, revalued on the basis of inflation.

INVESTMENT COMPONENT
The investment component is defined as the cash flow related to an insurance contract that an entity must return to a policyholder under all circumstances and is “undistinguished” when accounted for together with the other components of the insurance contract.

LIABILITY FOR REMAINING COVERAGE (LRC)
Liability that quantifies the issuer’s obligation to provide cover for insured events that have not yet occurred.

LIABILITY FOR INCURRED CLAIMS (LIC)
Liability that quantifies the issuer’s obligation to compensate for insured events that have already occurred (incurred claims).

LOB SOLVENCY
Areas of activity defined by the Solvency II Directive.

LOSS-ABSORBING CAPACITY OF TECHINCAL PROVISIONS (LAC TP)
Adjustment to reflect the loss-absorbing capacity of technical provisions under Solvency II.

LOSS COMPONENT
The loss component is the loss that is recognised in the statement of profit or loss upon initial recognition of “onerous” contracts if the sum of the present value of future cash flows, adjusted for risk, is negative.

NEW BUSINESS MARGIN (NBM)
It is a profitability indicator equal to the ratio of NBV to PVNBP. The margin on PVNBP is to be understood as the prospective ratio of profits to premiums.

MIRRORING
A technique introduced by IFRS17 in the VFA context through which it is possible to retrocede to policyholders IFRS9 income that does not exceed the over-coverage, i.e. the returns generated by the financial assets backing the policyholders' liabilities.

MODIFIED RETROSPECTIVE APPROACH (MRA)
Transition approach to IFRS17, which allows for some simplifications compared to the full retrospective approach.

ONEROUS CONTRACT TEST (OCT)
Onerousness test aimed at measuring the profitability class of groups of contracts.

HYBRID POLICY- MULTI-CLASS
In multi-class products, a part of the premium is invested in separately managed accounts and determines the guaranteed capital share, while a part is invested in unit-linked funds, which are characterised by diversified asset allocations that aim to seize return opportunities by investing in funds linked to financial market trends.

INDEX-LINKED POLICY
A life policy for which the investment risk is borne by the policyholder and whose benefits are directly linked to stock market indices or other reference values identified in the contract (stock indices, bond indices, inflation, exchange rates, etc.).

UNIT-LINKED POLICY
A life policy for which the investment risk is borne by the policyholder and whose benefits are directly linked to units in collective investment undertakings or to the value of assets held in an internal fund.

GROSS PREMIUM REVENUE
Amount accrued during the reporting period for insurance contracts, irrespective of whether these amounts have been collected or whether they relate in whole or in part to subsequent periods.

PREMIUMS WRITTEN
Gross premium revenue net of the change in premium reserve.

PREMIUM ALLOCATION APPROACH (PAA)
The PAA is a methodology for evaluating insurance contracts and is used to simplify the measurement of certain types of contracts (e.g. one-year contracts). This model is used for the following types of contracts:
- Short-term damage insurance;
- Some multi-year contracts giving the same result as the General Model.

NET INFLOWS
This is an indicator of cash flow generation, equal to the amount of premiums collected net of claims expenses for the period.

REINSURANCE
Transaction whereby an insurer (the reinsured) - for a fee - reduces its economic exposure, either on a single risk (optional reinsurance) or on a large number of risks (compulsory or treaty reinsurance), by ceding to another insurer (the reinsurer) part of its liabilities arising from insurance contracts.

CSM RELEASE
Represents the component of insurance liabilities represented by the CSM recognised in the statement of profit or loss in line with the service provided during the accounting period.

LAPSE
The policyholder's right to terminate the contract early by requesting payment of the benefit resulting at the time of the request and determined in accordance with the terms of the contract.

PREMIUM RESERVE
It is equal to the sum of the reserve for unearned premiums, which comprises the amounts of gross premium revenue pertaining to subsequent years, and the reserve for unexpired risks, which comprises the provisions to cover claims and expenses that exceed the reserve for unearned premiums.

RISK ADJUSTMENT
This refers to the adjustment that reflects the uncertainty of cash flows due to non-financial risks.

SOLVENCY CAPITAL REQUIREMENT (SCR)
Capital to be held to meet expected losses during the 12 months following the measurement date according to a 99.5% probability for Solvency II purposes.

SOLVENCY RATIO
The Solvency Ratio is calculated as the ratio between the own funds eligible to cover the capital requirement and the regulatory minimum level calculated on the basis of the Solvency II regulation.

UNBUNDLING
Separation of the non-insurance components of the insurance contract (e.g. investment, embedded derivatives and service).

UNIT OF ACCOUNT (UoA)
Set of insurance contracts managed as a single entity and with similar risks, belonging to the same underwriting year (cohort) and with similar levels of expense/profitability.

PRESENT VALUE OF FUTURE CASH FLOWS (PVCFCF)
The discounted value weighted by the probability of occurrence of future cash flows.

PRESENT VALUE OF NEW BUSINESS PREMIUMS (PVNBP)
This is the present value of future new business premiums, taking into account lapses and other outflows, discounted at the time of issue using the reference rates.

PRESENT VALUE OF NEW BUSINESS PREMIUMS (PVNBP)
Represents the expected value created by the groups of insurance and investment contracts of new business issued in the accounting period.

VARIABLE FEE APPROACH (VFA)
The VFA is a measurement methodology that applies to insurance contracts with direct profit participation features, such as insurance pension funds, separately managed accounts and unit-linked insurance schemes.

Rome, 10 April 2026
The Board of Directors






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REPORTS AND ATTESTATIONS

3. Reports and attestations

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Certification of the Consolidated Financial Statements at 31 December 2025

1. The undersigned Laura Furlan, as Chief Executive Officer, and Monica Montelatici, as Financial Reporting Manager of Poste Vita SpA, (hereinafter, "**Poste Vita**", the "**Company**"), also taking into account the provisions of Art. 20-bis, paragraph 8, of the Company's Articles of Association, attest to

   - the adequacy, in relation to the characteristics of the company, and
   - the effective application

   of the administrative and accounting procedures for the formation of the Consolidated financial statements for the period 1 January 2025 - 31 December 2025.

2. In this regard, the following is noted:

2.1 The evaluation of the adequacy of the administrative and accounting procedures was performed on the basis of a process defined by Poste Vita, taking as a reference the criteria laid out in the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission (CoSO), which represents the generally accepted international reference framework for internal control. As highlighted in said model, an internal control system, however well designed and implemented, can only provide reasonable, not absolute, assurance about the achievement of corporate objectives, including the correctness and truthfulness of financial reporting.

2.2 During the year 2025, activities aimed at updating the main administrative and accounting procedures continued and the appropriate checks were carried out to ensure their effective application. No significant aspects emerged from the overall evaluation of the control system on financial reporting internal that need to be highlighted.

3. It is also attested that:

3.1 The consolidated financial statements:

a. have been prepared in compliance with the International Financial Reporting Standards endorsed by the European Union through Regulation (EC) 1606/2002, issued by the European Parliament and by the Council on 19 July 2002, as well as Legislative Decree no. 173/1997, Legislative Decree no. 209/2005, ISVAP Regulation no. 7/2007 and other applicable IVASS provisions, regulations and circulars;

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Partita IVA 05927271006 • Codice Fiscale 07066630638, Capitale Sociale Euro 1.216.607.898,00 i.v. • Registro Imprese di Roma n. 07066630638, REA n. 934547 • Iscritta alla Sezione I dell'Albo delle imprese di assicurazione al n. 1.00133 • Autorizzata all'esercizio dell'attività assicurativa in base alle delibere ISVAP n. 1144/1999, n. 1735/2000, n. 2462/2006 e n. 2987/2012 • Società capogruppo del gruppo assicurativo Poste Vita, iscritto all'albo dei gruppi assicurativi al n. 043 • Società con socio unico, Poste Italiane S.p.A., soggetta all'attività di direzione e coordinamento di quest'ultima.

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b. correspond to the information contained in the accounting ledgers and records;
c. provide a true and fair representation of the equity, economic and financial situation of the Company and the whole of the companies included in the scope of consolidation.

3.2 The report on operations includes a reliable analysis of the operating and financial performance and the situation of the Company and the companies included in the scope of consolidation, together with a description of the main risks and uncertainties to which they are exposed.

Rome, 10 April 2026

The Chief Executive Officer

Laura Furlan

The Financial Reporting Manager

Monica Montelatici

Digitally signed by FURLAN LAURA
C=IT
O=POSTE VITA SPA

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INDEPENDENT AUDITORS' REPORT PURSUANT TO ART. 14 OF LEGISLATIVE DECREE NO. 39 OF 27 JANUARY 2010, ART. 10 OF REGULATION (EU) NO. 537/2014 AND ART. 102 OF LEGISLATIVE DECREE NO. NO. 209 OF 7 SEPTEMBER 2005

To the Sole Shareholder of
Poste Vita SpA

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of the Poste Vita Group (the "Group"), consisting of the statement of financial position at 31 December 2025, the statement of profit or loss for the year, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year ended on that date, and the explanatory notes, which include the relevant information on the accounting standards applied.

In our opinion, the consolidated financial statements provide a true and fair view of the financial position of the Group at 31 December 2025 and of the results of operations and cash flows for the year then ended, in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board and adopted by the European Union, as well as the Regulation issued in implementation of Art. 90 of Legislative Decree no. 209 of 7 September 2005.

Elements underlying the opinion

We performed the audit in compliance with international standards on auditing (ISA Italy). Our responsibilities pursuant to such standards are further described in the section *Responsibility of the independent auditors for the audit of the consolidated financial statements* in this report.

We are independent of the company in compliance with standards and regulations on ethics and independence applicable in the Italian legal system to the auditing of financial statements.
We believe we have obtained sufficient and appropriate evidence on which to base our opinion.

Key audit matters

The key audit matters are those matters that, in our professional opinion, were most significant in the audit of the consolidated financial statements for the year under review. These issues have been addressed by us in the audit and in the preparation of our opinion on the consolidated financial statements as a whole; therefore, we do not express a separate opinion on these issues.

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Measurement of Insurance Liabilities

Description of the key matter of the audit

At 31 December 2025, the Group recognised a total amount of € 166,251 million in the consolidated financial statements under the item "Insurance Liabilities", of which € 165,873 million related to insurance liabilities measured on the basis of the "General Model or Building Block Approach" and "Variable Fee Approach" measurement models, and € 378 million related to insurance liabilities measured on the basis of the "Premium Allocation Approach" measurement model. These measurement models are required by the international accounting standard IFRS 17 "Insurance Contracts", which is applicable to the item in question.

"Part A – General preparation criteria and accounting standards adopted" of the explanatory notes sets out the criteria followed and the methodologies applied in the determination of Insurance Liabilities by the Group. In line with IFRS 17, when an insurance contract, or an investment contract with discretionary participation features, is entered into, an insurance liability or asset is recognised, the amount of which is based on discounting the expected cash flows required to fulfil the contract, determining a non-financial risk adjustment, and the Contractual Service Margin that will be released over the life of the insurance contract.

The determination of Insurance Liabilities is based on an estimation process and requires the use of assumptions and hypotheses of a technical, demographic, actuarial and financial nature that concern, among other things, the forecast of future cash flows related to the performance of contracts falling within the scope of IFRS 17, the determination of the discount rate to be applied in discounting them to present value, the change in the amount of the Group's share of the fair value of the underlying items and the component relating to the non-financial risk adjustment, as well as the quantification of the portion of the contractual service margin to be released to the statement of profit or loss.

"Part A – General preparation criteria and accounting standards adopted" of the explanatory notes contains information on the aspects described above.

In view of the significance of the amount of Insurance Liabilities recognised in the Consolidated Financial Statements and the complexity inherent in the process of determining them, including with reference to the contractual service margin, we considered the measurement of Insurance Liabilities to be a key aspect of the audit of the Group's consolidated financial statements at 31 December 2025.

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Audit procedures performed	The audit procedures, which were also carried out with the support of actuarial specialists belonging to the Deloitte network, where deemed appropriate, included, among others, the following: • understanding of the main measurement models adopted by the Group in the measurement of Insurance Liabilities by obtaining and analysing the methodological notes and interviews with the competent corporate functions; • understanding the process of forming Insurance Liabilities, which included knowledge of the management, underwriting and actuarial guidelines as well as the processes for defining the hypotheses and assumptions used by Management; • identification and verification of the operation of the relevant controls put in place by the Group on the process of measurement and determination of Insurance Liabilities; • carrying out verification procedures in relation to the completeness and adequacy of the portfolios taken as a reference and the related basic data; • understanding the methodologies for calculating Insurance Liabilities and verifying the application of these methodologies in the actuarial calculation and projection models, which included, among others, the following main procedures: - verification of the reasonableness of the assumptions and technical hypotheses used in the estimation of expected cash flows; - analysis of the economic scenarios used and verification of the correctness of the discount curve applied and the determination of the component relating to the illiquidity premium; - verification of the correctness of the calculation of the present value of expected cash flows; - verification of the correctness of the calculation of the Risk Adjustment percentage, by groups of insurance contracts, and of consistency with what is defined in the methodological notes; - analysis of the consistency, with respect to the provisions of the standard, of the criterion identified for the release of the contractual service margin and verification of the correct determination of the coverage units for the purpose of using them to define the release to the statement of profit or loss; - verification of the reasonableness of the amount of the Group's share of the fair value of the underlying items; - verification of the correct recognition of the impact on profit or loss and financial position related to Insurance Liabilities; • verification of the completeness and compliance of the information provided by the Company in the consolidated financial statements with respect to the provisions of the applicable IFRS accounting standards.

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Responsibility of the Directors and the Board of Statutory Auditors for the consolidated financial statements

The Directors are responsible for preparing consolidated financial statements that provide a true and fair view in accordance with the IFRS issued by the International Accounting Standards Board and adopted by the European Union, as well as with the Regulation issued in implementation of Art. 90 of Legislative Decree no. 209 of 7 September 2005 and, within the terms laid out by law, for that part of internal control that they themselves deem necessary to make it possible to draft financial statements that do not contain material errors due to fraud or unintentional conduct or events.

The Directors are responsible for evaluating the Group's capacity to continue to operate as a going concern and, in drafting the consolidated financial statements, for the appropriateness of the use of the going concern assumption, as well as for providing adequate disclosure on this matter.

The Directors use the going concern assumption in drafting the consolidated financial statements unless they believe that the conditions are in place for the liquidation of the Parent Company Poste Vita SpA or for the interruption of its activity or they have no realistic alternative to that decision.

The Board of Statutory Auditors is responsible for overseeing, within the terms laid out by law, the process of preparing the Group's financial reporting.

Responsibility of the independent auditors for the audit of the consolidated financial statements

Our objectives are to acquire reasonable certainty that the consolidated financial statements as a whole do not contain material errors, due to fraud or unintentional conduct or events, and to issue an audit report containing our opinion.

Reasonable certainty refers to a high level of certainty, which however does not provide a guarantee that an audit conducted in compliance with the international standards on auditing (ISA Italy) will always identify a significant error, should there be one. Errors may derive from fraud or unintentional conduct or events and are deemed material if it can be reasonably expected that, individually or as a whole, they will be capable of influencing the economic decisions of users taken on the basis of the consolidated financial statements.

As part of the audit conducted in compliance with international standards on auditing (ISA Italy), we used our professional judgement and maintained professional scepticism for the entire duration of the audit. Furthermore:

- We identified and evaluated the risks of material errors in the consolidated financial statements, due to fraud or unintentional conduct or events; we defined and conducted auditing procedures in response to such risks; we obtained sufficient and appropriate evidence on which to base our opinion. The risk of not identifying a material error due to fraud is higher than the risk of not identifying a material error due to unintentional conduct or events, as fraud may entail the existence of collusion, falsification, intentional omissions, misleading statements or overriding internal controls.

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- We obtained an understanding of the relevant internal controls for auditing purposes in order to define appropriate auditing procedures for the circumstances, and not to express an opinion on the effectiveness of the Group's internal controls.
- We evaluated the appropriateness of the accounting standards used as well as the reasonableness of the accounting estimates made by the Directors and the relative disclosure.
- We have reached a conclusion on the appropriateness of the use by the Directors of the going concern assumption and, on the basis of the evidence obtained, on any existence of significant uncertainty with respect to events or circumstances that could give rise to significant doubts as to the Group's capacity to continue to operate as a going concern. In the presence of significant uncertainty, in the audit report we are required to direct the reader's attention to the relative disclosure in the financial statements or, if such disclosure is inadequate, to reflect that circumstance in the formulation of our opinion. Our conclusions are based on the evidence obtained until the date of this report. However, subsequent events or circumstances may require the Group to cease operating as a going concern.
- We evaluated the presentation, structure and content of the consolidated financial statements as a whole, including the disclosure, and whether the consolidated financial statements represent the underlying transactions and events so as to provide an accurate representation.
- We have obtained sufficient and appropriate evidence on the financial information of the companies or the different economic activities carried out within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We are solely responsible for the audit opinion on the consolidated financial statements.

We notified those responsible for governance activities, identified at an appropriate level as required by the ISA Italy, inter alia, of the planned extent and timing of the audit and the significant results that emerged, including any significant gaps in internal controls identified in the course of the audit.

We also provided those responsible for governance activities with a statement that we have complied with the standards and regulations on ethics and independence applicable in the Italian legal system, and we notified them of any situation that could reasonably be expected to have an effect on our independence and, where applicable, the steps taken to eliminate the related risks or the related safeguards.

Among the aspects notified to those responsible for governance activities, we identified those that were most relevant in the context of the audit of the consolidated financial statements for the year under review, which therefore constituted the key aspects of the audit. We have described these matters in the audit report.

Other information disclosed pursuant to Art. 10 of Regulation (EU) 537/2014

On 28 November 2019, the Shareholders' Meeting of Poste Vita SpA appointed us to audit the Company's separate and consolidated financial statements for the financial years from 31 December 2020 to 31 December 2028.

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We declare that no services other than auditing prohibited pursuant to Art. 5, paragraph 1 of Regulation (EU) 537/2014 were carried out and that we have remained independent of the Company in the performance of the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is in line with the contents of the supplementary report for the Board of Statutory Auditors in its role as committee responsible for internal and statutory auditing, prepared pursuant to Art. 11 of the above Regulation.

REPORT ON OTHER PROVISIONS OF LAW AND REGULATIONS

Opinions and declarations pursuant to Art. 14, paragraph 2, letters e), e-bis), and e-ter) of Legislative Decree no. 39 of 27 January 2010

The Directors of Poste Vita SpA are responsible for preparing the report on operations of the Poste Vita Group at 31 December 2025, and for its consistency with the relative consolidated financial statements and its compliance with provisions of law.

We have performed the audit procedures required under auditing standard (SA Italy) no. 720B in order to:

- express an opinion on the consistency of the report on operations with the consolidated financial statements;
- express an opinion on the compliance with legal requirements of the report on operations;
- issue a statement on any material misstatements in the report on operations.

In our opinion, the report on operations is consistent with the consolidated financial statements of the Poste Vita Group at 31 December 2025.

Furthermore, in our opinion, the report on operations has been drawn up in compliance with provisions of law.

With regard to the declaration pursuant to Art. 14, paragraph 2, letter e-ter) of Legislative Decree no. 39 of 27 January 2010, issued on the basis of our knowledge and understanding of the company and the relative context obtained in the course of the audit activities, we have nothing to report.

DELOITTE C TOUCHE SpA



Carlo Pilli
Shareholder

Rome, 24 April 2026

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Poste Vita SpA

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• 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
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
Poste Vita Insurance Group entered on the Register of Italian Insurance Group under n.043
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Jule 2026

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