

SINGLE SOLVENCY AND
FINANCIAL CONDITION REPORT
OF THE POSTE VITA GROUP
AT 31 DECEMBER **2023**

 **Postenibilità**

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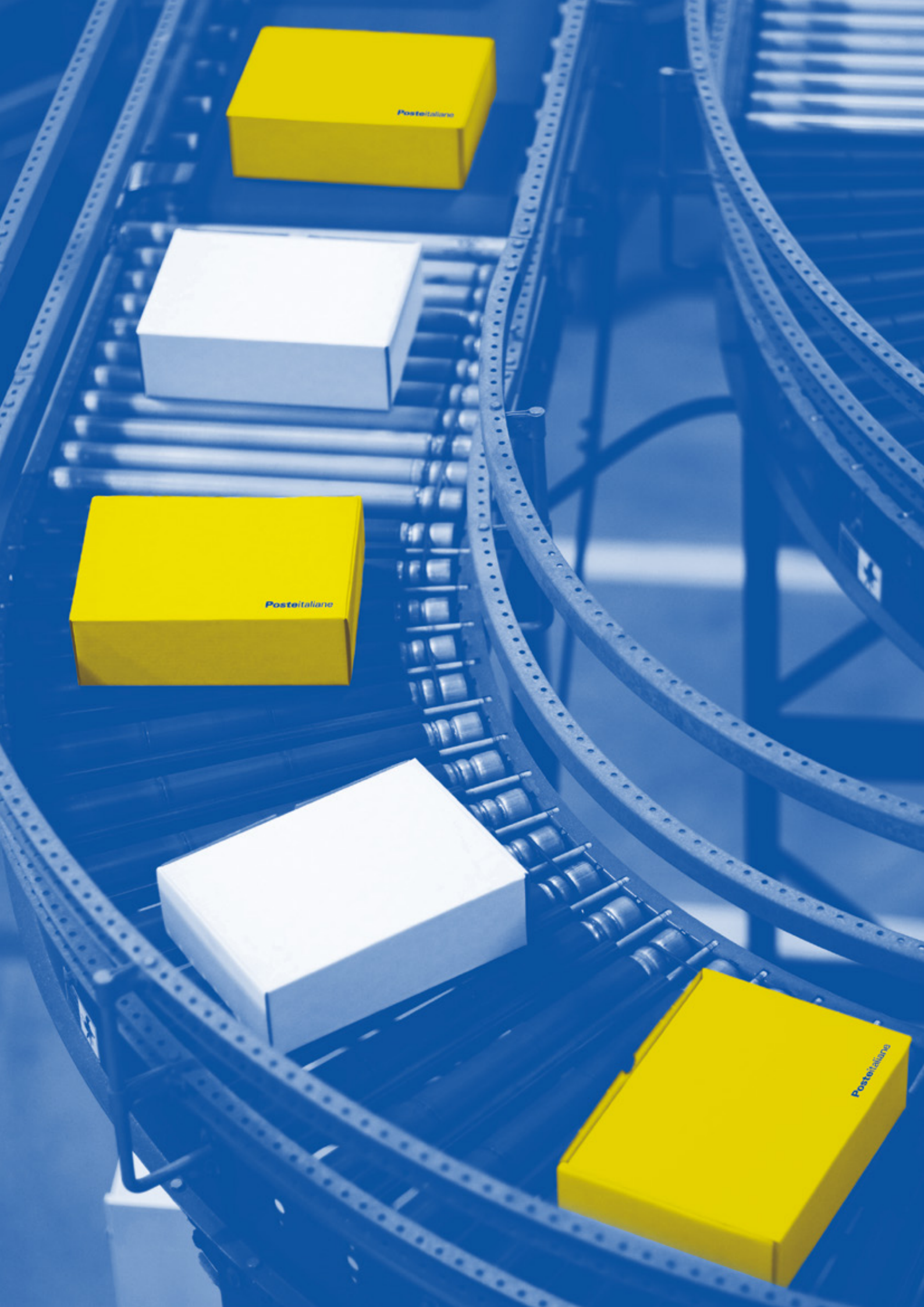
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Single Solvency and Financial Condition Report of the Poste Vita Group

at 31 December **2023**

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Document summary and goals

This "Single Solvency and Financial Condition Report" (hereinafter also the "Report") constitutes the annual market disclosure of the Poste Vita Group ("the Group") and the insurance companies Poste Vita SpA ("Poste Vita" or the "Parent Company"), Poste Assicura SpA ("Poste Assicura"), Net Insurance SpA ("Net Insurance") and Net Insurance Life SpA ("Net Insurance Life") for the financial year 2023, drafted on the basis of the requirements of Chapter XII of Delegated Regulation (EU) no. 2015/35 and Implementing Regulation (EU) 2023/895 - supplementing the provisions of Directive no. 2009/138/EC on Solvency II. The Report also contains the additional information, with regard to European legislation, envisaged by Regulation no. 33 of 2016.

The Group has availed itself of the option to prepare a Group Single Report, as provided for in Article 216-novies, paragraph 2 of Legislative Decree no. 209/2005 and Article 36, paragraph 1 of IVASS Regulation no. 33 of 6 December 2016. The Report was approved by the Board of Directors of the Parent Company, Poste Vita, on 19 April 2024.

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

Pursuant to IVASS Regulation no. 42/2018 laying down provisions for the external audit of Public Disclosures, the document is accompanied by the independent auditors' reports on the following information contained in this Report, and relating to the Poste Vita Group, the Parent Company Poste Vita, and the subsidiaries Poste Assicura, Net Insurance e Net Insurance Life:

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

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

- Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR), included in the templates "S.25.01.21 - Solvency Capital Requirement for undertakings on Standard Formula" (individual SCR), "S.25.01.22 - Solvency capital requirement for groups on Standard Formula" (group SCR) and "S.28.02.01 - Minimum capital requirement in the case of joint company" (MCR of Poste Vita SpA) "S.28.01.01 - Minimum capital requirement" (MCR of Poste Assicura, Net Insurance e Net Insurance Life) and the disclosure contained in section "E.2. - Solvency Capital Requirement and Minimum Capital Requirement".

For financial year 2023, the audit was performed by Deloitte & Touche SpA, the Group auditor selected following a single tender launched by Poste Italiane SpA (hereinafter also "Poste Italiane" or the "Ultimate Parent") in compliance with the provisions of Regulation (EU) no. 573 of 16 April 2014 and Legislative Decree no. 39 of 17 January 2010, as amended by Legislative Decree no. 135/2016.

Finally, all the Quantitative Reporting Templates required by Articles 3 and 4 of the Implementing Regulation (EU) 2023/895 are annexed to this report, respectively for individual companies and for the Poste Vita Group.

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

- Section A provides information on the Group's business, its structure and the results of underwriting and investment during the year for the Group and the individual companies.
- Section B provides an overview of the governance system, including the requirements for the administration and control bodies, as well as a description of the Control Functions of the Group and the individual companies.
- Section C analyses the risks to which the Poste Vita Group is exposed and the relative methods used to measure them, indicating the main techniques used to attenuate risk and the results of stress tests.

- Section D illustrates the methods used to measure assets and liabilities for Solvency II purposes (including BEL and Risk Margin), with respect to the Local GAAP.
- Section E is focussed on the Group's solvency position and provides information on the composition and classification of own funds and individual risk sub-modules of the Solvency Capital Requirement (SCR).

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

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

Executive Summary

During the period from 1 January 2023 to 31 December 2023 (hereinafter also referred to as the "**Period**"), the management of the Poste Vita Insurance Group was performed in line with budget forecasts and strategic guidelines on the development of the insurance offer approved by the Parent Company's Board of Directors, and was mainly aimed at:

- consolidating the leadership in investment insurance products;
- achieving growth in the protection and welfare segment.

In addition, in April 2023, the acquisition of control of Net Insurance was finalised through the subsidiary Net Holding and the consequent entry of Net Insurance and the subsidiary Net Insurance Life into the Poste Vita Group scope, enabling the Group to achieve significant growth in the protection business.

Premiums from the Life business during the Period amounted € 18 billion, an increase of 4.8% (+€ 0.8 billion) compared to the figure in 2022. In particular, an increase was recorded in traditional build-up products, which grew by € 4.4 billion during the period. This trend was only partially offset by the decrease in production from multi-class products, which recorded a decrease of € 3.6 billion in the Period. The subsidiary Net Insurance Life contributed € 106.4 million to the figure for 2023¹.

Outflows for payments relating to the Life business amounted to € 14.4 billion in the Period and increased by € 4.8 billion (+50.4%) compared to 2022, mainly due to the growth in maturities (+€ 3.1 billion) and, to a lesser extent, lapses (+€ 1.7 billion). The frequency² of lapses with respect to average reserves was 4.4% (3.5% in 2022), figure remains well below the average market figure of 10.6%³ at 31 December 2023.

In relation to this, net inflows for the period in the Life segment were positive at € 3.6 billion, contributing to the growth in assets under management, albeit down on 2022 (€ 7.6 billion) given the aforementioned trend in payments.

Gross inflows in the Non-Life business amounted to € 581.1 million in the Period (of which € 85 million related to the subsidiary Net Insurance), up sharply (+48.5%) compared to 2022 (€ 392.1 million) due mainly to i) a 18.4% increase in premiums pertaining to the property & personal & modular protection line; ii) the development of collective policies in the welfare segment, with an increase in inflows of € 65.7 million (+42.5% compared to the previous year); iii) the increase in the payment protection line and asset and personal protection products on third-party networks, respectively of € 38.8 million and € 45.7 million, due to the consolidation of Net Insurance.

As far as the Non-Life business is concerned, payments in the period amounted to € 300.8 million (including the contribution of Net Insurance for € 55.6 million), up 71.4% on the figure in 2022 (€ 175.5 million), mainly due to the development of the Illness business in the Corporate domain.

1. Consolidated as of 1 April 2023.

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

3. Source: Ania Trends - Life flows and provisions - Publication no. 4, 21 February 2024.

The reclassified statement of profit or loss at 31 December 2023, distinguishing the results achieved in life and non-life management, compared with the same period of 2022, is shown below.

STATEMENT OF PROFIT OR LOSS (€m)	31/12/2023			31/12/2022		
	Life business	Non-life business	Total	Life business	Non-life business	Total
Insurance revenue from insurance contracts issued	2,015.7	511.8	2,527.5	2,094.6	339.8	2,434.4
- CSM release	1,111.8	23.0	1,134.8	1,376.9	6.9	1,383.8
- Risk Adjustment release	112.3	7.9	120.2	86.7	2.2	88.9
- Release of PVFCF Expense and Claims Flows	552.5	50.8	603.3	422.5	9.0	431.5
- IACF release	239.0	13.9	252.9	208.5	1.8	210.3
- Other	0.0	1.0	1.0	-	0.3	0.3
#NOME?	0.0	415.3	415.3	-	319.6	319.6
Insurance costs from insurance contracts issued	(758.2)	(430.4)	(1,188.6)	(634.9)	(281.0)	(915.9)
- Loss component	2.4	1.1	3.5	(0.1)	-	(0.1)
- Attributable Expenses and Claims (excl. Inv. Component)	(378.6)	(55.4)	(434.0)	(400.0)	(4.6)	(404.6)
- Change in liability for incurred claims	(142.9)	(3.3)	(146.2)	(26.3)	1.1	(25.3)
- IACF depreciation	(239.0)	(13.9)	(252.9)	(208.5)	(1.8)	(210.3)
- Other	0.0	0.0	0.0	-	-	-
- Contracts measured under PAA	0.0	(359.0)	(359.0)	-	(275.7)	(275.7)
Insurance revenue from outward reinsurance	11.8	61.9	73.8	0.0	(1.2)	(1.2)
Insurance costs from outward reinsurance	(16.9)	(71.9)	(88.8)	0.5	(7.4)	(6.8)
Result of insurance services	1,252.5	71.5	1,324.0	1,460.3	50.1	1,510.4
Income/expenses from financial assets measured at the FVTPL	3,246.2	0.5	3,246.7	(4,902.2)	(0.3)	(4,902.6)
Income/expenses from other financial assets	3,210.5	21.3	3,231.8	3,360.3	12.9	3,373.3
Investment income/expenses	6,456.6	21.8	6,478.4	(1,541.9)	12.6	(1,529.3)
Net financial costs/revenue related to insurance contracts issued	(6,367.1)	(5.7)	(6,372.7)	1,538.7	0.0	1,538.7
Net financial revenue/costs related to outward reinsurance	2.5	2.6	5.0	(0.0)	0.0	(0.0)
Net financial result	92.1	18.6	110.7	(3.2)	12.6	9.4
Net insurance revenue	1,344.6	90.1	1,434.7	1,457.1	62.7	1,519.8
Other revenue/costs	(1.0)	0.7	(0.3)	(2.9)	(1.3)	(4.2)
Operating expenses:	(35.2)	(19.9)	(55.1)	(31.2)	(13.3)	(44.4)
EBIT	1,308.4	70.9	1,379.3	1,423.1	48.1	1,471.2
Net financial income from Poste Vita's free capital	128.1	0.0	128.1	111.9	0.0	111.9
Interest and commission payable	(77.6)	0.0	(77.6)	(69.2)	0.0	(69.2)
Profit (loss) for the year before tax	1,358.9	70.9	1,429.8	1,465.7	48.1	1,513.8
Taxes	(390.3)	(25.3)	(415.5)	(433.0)	(16.6)	(449.6)
Profit (loss) for the year after tax	968.7	45.6	1,014.3	1,032.7	31.5	1,064.2

Revenue from insurance contracts amounted to € 2,527.5 million at the end of the Period (of which € 2,015.7 million related to the Life business and € 511.8 million to the Non-Life business), up € 93.2 million compared to 2022, mainly due to: i) higher release of expected claims and expenses (+€ 171.9 million); ii) higher release of risk adjustment (+€ 31.3 million); iii) increase in the change in LRC (Liability for Remaining Coverage) (+€ 95.7 million) related to products valued using the PAA (Premium Allocation Approach) measurement model and iv) greater release of IACF (Insurance Acquisition Cash Flows) (+€ 42.6 million) related to the increase in gross inflows. This increase was only partly mitigated by the lower release of the CSM (Contractual Service Margin) recorded in the Period for € 249 million.

Costs arising from insurance contracts issued⁴, amounted in the Period to € 1,188.6 million (of which € 758.2 million relating to the Life business and € 430.4 million to the Non-Life business) and increased by € 272.2 million with respect to 2022 mainly due to (i) the increase in claims paid and attributable costs, including the change in the liability for incurred claims of € 150.3 million due to the increase in volumes (ii) the increase in amortisation of IACF (+€ 42.6 million) due to higher commissions related to the increased business, and (iii) the increase in costs for insurance services related to contracts measured using the PAA method (+€ 83.3 thousand).

The result deriving from outward reinsurance in the Period was negative for € 15 million and worsened compared to the result achieved in 2022 (negative for € 8 million) mainly due to the integration in the Period of the subsidiaries Net Insurance and Net Insurance Life.

In relation to the aforementioned dynamics, the result from insurance services amounted to € 1,324 million at the end of the Period, down € 186.5 million compared to the figure recorded at the end of 2022. The financial market dynamics recorded in the Period, which improved compared to 2022 (heavily influenced by the rise in interest rates), resulted in the recognition of unrealised capital losses on investments, for € 7 billion, down compared to € 14.5 billion at 31 December 2022.

As is known, the investments held by the company were already measured at fair value even before the application of IFRS 17. Since unrealised capital losses refer largely to investments included in the Separately managed accounts, they do not affect the statement of profit or loss directly, but are included, at capital level, in the changes in the CSM for the Period.

In this sense, net financial result that takes into account the mirroring effect (i.e. the attribution, as required by IFRS 17, of the change in the aforementioned capital losses to policyholders, net of the investments that are "over-covered" with respect to the amount of the reserves) shows a positive balance for the Period of € 110.7 million, compared to a positive result of € 9.4 million recorded in the previous year.

Non-attributable operating expenses⁵ in the Period totalled € 55.1 million (€ 44.4 million recognised in 2022) and mainly related to personnel expenses, IT service costs and consulting/professional services.

Given the dynamics described, EBIT for the Period was € 1,379.3 million, down € 91.9 million (-6%) from 2022.

On the other hand, with regard to the management of the Parent Company Poste Vita's free capital, the result continues to be positive (€ 128.1 million) and up (+€ 16.2 million) compared to the figure recognised in 2022, mainly due to the recognition in the Period of unrealised gains of € 5.6 million against the recognition of unrealised losses of € 18.3 million recognised in 2022, given the improvement in financial market conditions.

Interest and commission expense amounted to € 77.6 million, up € 8.3 million from € 69.2 million in 2022, mainly due to higher interest expense paid on the subordinated liability subscribed by the Ultimate Parent Poste Italiane.

By virtue of the trends mentioned, gross profit for the period was € 1,429.8 million, down by € 84.1 million (-6%) compared to € 1,513.8 million reported in 2022. Considering the tax burden, determined with an estimated tax rate of 29%, the Poste Vita Group closed the period with a net profit of € 1,014.3 million, a decrease of € 49.9 million (-5%) on the € 1,022.3 million recorded in 2022.

Equity at 31 December 2023 amounted to € 6,687.7 million, an increase of € 701.1 million compared to the figure at the end of 2022, mainly due to profit for the Period net of the dividend paid and the positive change in the reserve arising from the measurement of securities in the FVOCI category (net of the mirroring effect for the Parent Company Poste Vita).

With reference to the main Solvency II indicators, the Insurance Group's solvency position at 31 December 2023 showed eligible own funds amounting to € 14,099 million, an increase of € 1,294 million compared to € 12,805 million at the end of 2022. In contrast, capital requirements decreased in 2023 by approximately € 464 million (from € 5,056 million at the end of 2022 to € 4,592 million at 31 December 2023). These dynamics led to an increase in the Solvency Ratio compared to 31.12.2022 from 253% to 307% in December 2023.

4. 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).

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.

MAIN KPI SOLVENCY II (€k)	31/12/2023	31/12/2022	Delta
SCR-eligible Own Funds	14,098,823	12,804,895	1,293,929
MCR-eligible Own Funds	12,348,823	11,054,895	1,293,929
Solvency Capital Requirement (SCR)	4,591,654	5,055,992	(464,338)
Minimum Capital Requirement (MCR)	2,066,245	2,290,855	(224,610)
<i>Solvency Ratio</i>	307.05%	253.26%	53.79%
Ratio between Eligible Own Funds and MCR	597.65%	482.57%	115.08%

The Poste Vita Group's Solvency Ratio at 31 December 2023 was up compared to the figure at the end of 2022, as a result of an increase in own funds and a decrease in the capital requirement.

Specifically, the increase of approximately € 1,580 million in own funds at 31 December 2023, compared to 31 December 2022, is attributable to:

- for +€ 1,580 million to the increase in Solvency II equity (excess of assets over liabilities);
- for +€ 43 million to the increase in the value of subordinated liabilities;
- for -€ 29 million to the deduction for minority interests not available at Group level;
- for -€ 300 million to the higher amount of foreseeable dividends to be deducted from own funds (compared to 31 December 2022), in line with the proposed dividend distribution to be submitted to the Shareholders' Meeting of the Parent Company.

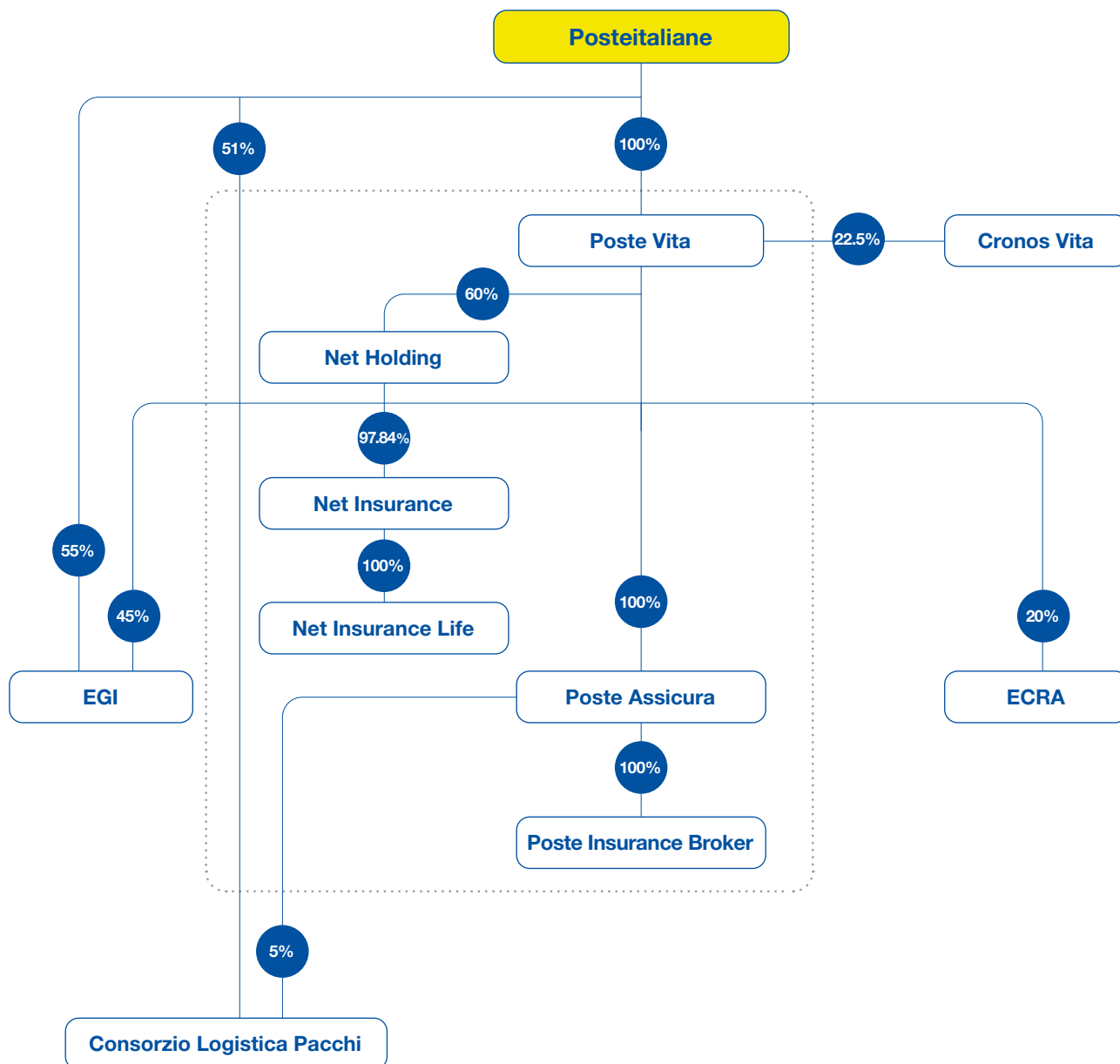
With reference to the capital requirement, there was a reduction of approximately € 464 million compared to 31 December 2022, mainly due to:

- reduction in underwriting risk of approximately € 536 million and, specifically, from mass lapse risk;
- reduction in market risk, amounting to approximately € 266 million;
- increase in counterparty risk by approximately € 140 million and operational risk by approximately € 50 million;
- decrease in Capital Add-On related to Poste Assicura, which amounted to approximately € 54 million.

The Poste Vita Group's Solvency Ratio, at 31 December 2023, continues to remain well above the regulatory constraints and the risk appetite threshold approved by the Board of Directors.

A – Business and performance

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



The Poste Vita Insurance Group operates in the Life and Non-Life insurance segment with a leading position in the Life segment and a growth strategy in the Non-Life segment.

The scope of consolidation includes:

1. Poste Assicura SpA ("Poste Assicura"), an insurance company operating in Non-Life insurance, excluding motor insurance, wholly owned by the Parent Company Poste Vita;
2. Poste Insurance Broker S.r.l. ("Poste Insurance Broker"), 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;

3. Net Holding SpA ("Net Holding"), a 60% subsidiary of Poste Vita, is the special purpose vehicle through which the Parent Company acquired control of Net Insurance;
4. Net Insurance SpA ("Net Insurance") is an insurance company authorised to practise non-life insurance and reinsurance that offers protection solutions dedicated to individuals, families and small and medium-sized enterprises. The company's offer is dedicated to (i) insurance coverage related to the world of credit and, in particular, salary or pension-backed loans ('CQ'), (ii) protection, in particular with distribution through banking networks and, to a lesser extent, (iii) insurtech, thanks to agreements with technology partners. Net insurance 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 parent company Net Insurance.

It should be noted that Net Insurance and Net Insurance Life became part of the Poste Vita Group as of 1 April 2023 and that at 31 December 2023, the Parent Company Poste Vita held a controlling interest in Net Insurance of 58.70% through Net Holding, the latter in turn holding a 100% interest in Net Insurance Life.

The subsidiaries have relations with the Parent Company, Poste Vita, which are governed by specific contracts, written and regulated at market conditions.

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.

Cronos Vita Assicurazioni SpA ("Cronos") was established on 3 August 2023 by 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 policy portfolio following the latter's crisis. The company's share capital amounts to € 220 million, of which Poste Vita has subscribed and paid up a total of € 49.5 million, representing a 22.5% stake.

It should be noted that this equity investment, at 31 December 2023, was classified as an available-for-sale asset in accordance with IFRS 5 in consideration of the intention to hold the investment for a limited period of time and the agreements made at the conclusion of the transaction regarding the stipulation of a firm purchase commitment within 12 months for the transfer of the business units between the insurance companies involved in the transaction.

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

Performance of Poste Vita Group's companies

With regard to Poste Vita, the gross profit for the period came to € 1,172 million (€ 657 million in 2022). Taking into account the related taxation, the company closed the Period with a net profit of € 833.5 million, an increase of € 352 million compared to the € 482 million achieved in 2022. At 31 December 2023, the company's equity amounted to € 5,438 million, up € 383.5 million compared to the figure at the end of 2022 (€ 5,055 million) due to the profit for the period net of the dividend paid to the Ultimate Parent Poste Italiane.

With reference to the main Solvency II indicators, the Parent Company's solvency position at 31 December 2023 showed eligible own funds of € 14,079 million, up € 1,274 million from € 12,805 million at the end of 2022. On the other hand, capital requirements decreased in 2023 by approximately € 435 million (from € 4,967 million at the end of 2022 to € 4,532 million at 31 December 2023). These dynamics led to a decrease in the Solvency Ratio with respect to 31.12.2022, going from 258% to 311% in December 2023.

Main KPI Solvency II (€k)	31/12/2023	31/12/2022	Delta
SCR-eligible Own Funds	14,079,290	12,804,895	1,274,395
MCR-eligible Own Funds	12,329,290	11,054,895	1,274,395
Solvency Capital Requirement (SCR)	4,532,196	4,967,417	(435,221)
Minimum Capital Requirement (MCR)	2,039,488	2,235,338	(195,849)
<i>Solvency Ratio</i>	310.65%	257.78%	52.87%
Ratio between Eligible Own Funds and MCR	604.53%	494.55%	109.98%

The Solvency Ratio of the Parent Company Poste Vita, at 31 December 2023, increased compared to the figure at the end of 2022, as a result of an increase in own funds and a decrease in the capital requirement.

Specifically, the increase of approximately € 1,274 million in own funds can be attributed:

- for approximately € 1,154 million to the increase in the reconciliation reserve, mainly due to the positive developments of the financial markets compared to December 2022;
- for approximately € 383 million to the increase in Poste Vita's statutory equity compared to 31 December 2022, net of the distribution of € 450 million in dividends during the year;
- for approximately € 37 million to the increase in the market value of Tier 1 subordinated liabilities due to the reduction in discount rates;
- -€ 300 million equal to the change in foreseeable dividends.

With reference to the Capital Requirement, there was a decrease of about € 435 million compared to 31 December 2023, mainly due to:

- decrease in underwriting risk -€ 585 million and, specifically, mass lapse risk;
- decrease in market risk by approximately € 196 million and increased counterparty risk (by approximately € 132 million) compared to 31 December 2022.

With reference to the application of the Transitional Measures on Technical Provisions (MTRT - *Misure Transitorie sulle Riserve Tecniche*), it should be noted that the value of the transitional deduction, determined as the share of the difference between the Technical Provisions calculated according to the Solvency II regime, pertaining to the portfolio of contracts in force at 31 December 2015 and still in force at the valuation date ("old business"), and the Solvency I Technical Provisions pertaining to the same portfolio, is negative for each Line of Business, therefore, the value of the transitional measure at 31.12.2023 is € 0.

Poste Vita applied the Volatility Adjustment (hereinafter VA) the maturity structure of risk-free interest rates for 2023 for the purpose of calculating the best estimate of technical provisions (pursuant to Article 77 quinquies, paragraph 1, of Directive 2009/138/EC).

With regard to the subsidiary Poste Assicura, the gross result for the period was € 65.5 million (+€ 39.5 million), up from € 26 million in the corresponding period of 2022. Taking into account the related taxation, determined with a tax rate of 28.7%, the net result amounted to € 46.7 million, an increase of € 17.3 million compared with the figure of 2022.

Poste Assicura's equity at 31 December 2023 amounted to € 310.3 million, an increase of € 46.7 million compared to the end of 2022, due to the profit for the Period.

With reference to Solvency II data, the company's solvency position at 31 December 2023, shows eligible own funds of € 371.4 million (€ 298.8 million at the end of 2022), a capital requirement of € 158.3 million (€ 177.7 million at the end of 2022) and an increasing solvency ratio from 168.12% at the end of 2022 to 234.58% at the end of December 2023.

Main KPI Solvency II (€k)	31/12/2023	31/12/2022	Delta
SCR-eligible Own Funds	371,389	298,820	72,569
MCR-eligible Own Funds	371,389	298,820	72,569
Solvency Capital Requirement (SCR)	158,321	177,747	(19,426)
Minimum Capital Requirement (MCR)	65,193	55,709	9,484
<i>Solvency Ratio</i>	234.58%	168.12%	66.46%
Ratio between Eligible Own Funds and MCR	569.68%	536.39%	33.29%

The company's Solvency Ratio increased by approximately 66 percentage points compared to 31 December 2022, due to an increase in own funds more than proportional to the growth in Capital Requirement.

Specifically, the company's own funds increased compared to the figure as of 31 December 2022 by about € 72.6 million, mainly due to the statutory profit for the year of about € 46.7 million and the increase in the reconciliation reserve of about € 25.9 million.

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

At the same time, there was a decrease in the total capital requirement of about € 19.4 million, mainly attributable to the annual update and simultaneous methodological revision of the add-on (-€ 37.9 million).

With regard to Net Insurance, the figures at 31 December 2023 show equity of € 98.4 million and a positive net result for the Period of € 11 thousand. As the results show, the company has a SCR coverage ratio of 202%, in line with the December 2022 figure. There was, in fact, an increase in Own Funds of € 9.9 million offset by an increase in the solvency capital requirement (+€ 4.7 million).

Main KPI Solvency II (€k)	31/12/2023	31/12/2022	Delta
SCR-eligible Own Funds	101,628	91,812	9,816
MCR-eligible Own Funds	89,959	75,224	14,735
Solvency Capital Requirement (SCR)	50,345	45,661	4,684
Minimum Capital Requirement (MCR)	18,735	16,765	1,970
<i>Solvency Ratio</i>	201.86%	201.07%	0.79%
Ratio between Eligible Own Funds and MCR	480.16%	448.69%	31.47%

Specifically, the increase of approximately € 9.9 million in own funds at 31 December 2023, compared to 31 December 2022, is attributable to:

- for +€ 15.9 million to the increase in Solvency II equity (excess of assets over liabilities);
- for -€ 1.9 million to the decrease in the value of subordinated liabilities, also following the partial repayment (€ 3.2 million) of the Tier 2 convertible loan with a ten-year term and a fixed rate of 4.60% on an annual basis, issued in 2021, with a nominal value of € 200 thousand;
- for -€ 6.3 million to the higher amount of foreseeable dividends to be deducted from own funds (compared to the amount expected at 31 December 2022), in line with the dividends policy set forth in the current business plan;
- reduction of uncovered DTAs in the amount of € 2.2 million.

The Capital Requirement increased by € 4.6 million compared to the figure recorded at 31 December 2022. This increase is mainly driven by the trend in Non-Life underwriting risk (+€ 3.6 million) and, more specifically, by the trend in Cat risk and Premium risk. Health underwriting risk also increased (+€ 3 million).

Net Insurance applied the volatility adjustment to the maturity structure of risk-free interest rates for 2023 for the purpose of calculating the best estimate of technical provisions (pursuant to Article 77 quinquies, paragraph 1, of Directive 2009/138/EC).

Net Insurance Life showed equity of € 34.6 million and a positive net result for the period of € 4.7 million at 31 December 2023. As shown in the table below, the company has a SCR coverage ratio of 235%, up from the December 2022 figure. In fact, there was an increase in Own Funds of € 14.7 million, partially offset by an increase in the solvency capital requirement (+€ 1.4 million).

Main KPI Solvency II (€k)	31/12/2023	31/12/2022	Delta
SCR-eligible Own Funds	47,909	33,217	14,692
MCR-eligible Own Funds	44,144	28,088	16,056
Solvency Capital Requirement (SCR)	20,357	18,940	1,417
Minimum Capital Requirement (MCR)	5,089	4,735	354
<i>Solvency Ratio</i>	235.34%	175.38%	59.96%
Ratio between Eligible Own Funds and MCR	867.40%	593.21%	274.19%

Specifically, the increase of approximately € 14.7 million in own funds at 31 December 2023, compared to 31 December 2022, is attributable to:

- for +€ 12.3 million to the increase in Solvency II equity (excess of assets over liabilities);
- for +€ 175 thousand to the increase in the value of subordinated liabilities, as a result of the valuation at fair value, and
- for +€ 2.2 million for the lower amount of foreseeable dividends to be deducted from own funds (compared to 31 December 2022).

The capital requirement increased by € 1.4 million compared to the figure recorded at 31 December 2022. This increase is driven by the trend in Life underwriting risk (approx. +€ 3.5 million compared to 31 December 2022) and, more specifically, by the trend in mortality risk and lapse risk. The counterparty risk also increased (+€ 1.5 million). These changes are partially offset by the decrease in market risk (-€ 4.5 million), particularly spread risk.

Net Insurance Life applied the Volatility Adjustment to the maturity structure of risk-free interest rates for 2023 for the purpose of calculating the best estimate of technical provisions (pursuant to Article 77 quinquies, paragraph 1, of Directive 2009/138/EC).

Poste Insurance Broker (a wholly-owned subsidiary of Poste Assicura), a company that handles the placement of standardised insurance policies in the third-party motor liability segment and ancillary guarantees for Poste Italiane Group customers, recorded a loss for the Period of € 288.4 thousand, gross of tax effects, mainly attributable to structural costs against revenue that, although growing, is not yet at full capacity.

Net of the related deferred taxes, the company closed the Period with a net loss of € 219 thousand (€ 423 thousand in the corresponding period of 2022) and equity at 31 December 2023 of approximately € 377 thousand. The loss of the Period will be offset through a planned capital strengthening in the new financial year.

Europa Gestioni Immobiliari SpA, a company owned 45% by Poste Vita and 55% by Poste Italiane, which mainly operates in the real estate sector for the management and enhancement of Poste Italiane's non-instrumental real estate assets, reported a positive result for the Period of € 1.1 million and equity of € 239.8 million at 31 December 2023.

Eurizon Capital Real Asset SGR SpA, a company in which the company holds 20% of the share capital and 12.25% of the voting rights, and whose corporate purpose is investment management, closed the Period with equity of € 7.6 million and a net profit for the period of € 0.4 million.

Net Holding recorded in the Period a net profit of € 12.3 million and equity of € 195.6 million at 31 December 2023.

Cronos Vita Assicurazioni SpA was established on 3 August 2023 by 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 policy portfolio following the latter's crisis.

The company's share capital amounts to € 220 million, of which Poste Vita has subscribed and paid up a total of € 49.5 million, representing a 22.5% stake.

Qualitative and quantitative information on significant infragroup operations

With reference to the infragroup operations put in place in 2023, on 9 November 2023, Poste Italiane signed a new unconditional and irrevocable commitment with Poste Vita to subscribe future ordinary shares of Poste Vita for a maximum amount of € 1,750 million for a term of 5 years from the effective date (15 November 2023). This amount is counted among Poste Vita's Level 2 ancillary own funds, as qualified under Article 74, paragraph 1, letter i) of the Delegated Regulation, and authorised by the Supervisory Authority on 30 October 2023.

The main remaining infragroup operations, which are of a material nature at 31.12.2023, pursuant to Articles 9 and 10 of Regulation 30/2016, refer to agreements already in place with infragroup counterparties and mainly relate to:

- the ownership of 100% of the shares of Poste Assicura, 45% of the shares of EGI, 22.5% of Cronos and 58.7% of Net Insurance through Net Holding;
- bank deposits with the Ultimate Parent Poste Italiane;
- restricted Tier 2 subordinated liability with indefinite maturity, subscribed by the Ultimate Parent Poste Italiane for a total of € 250 million, expressed on market conditions, issued on 18 April 2008;
- non-convertible, restricted Tier 1 subordinated liabilities fully allocated to Poste Italiane, amounting to € 300 million and € 500 million, respectively, and the related annual interest paid;
- payables due to Poste Italiane, relating to acquisition commissions for the sales network, payment of IT service and tax consolidation.

(€k)	Transaction Balance	Significance in relation to SCR
Poste Italiane SpA		
Tier 1 subordinated liability 2021	266,601	>5%
Tier 1 subordinated liability 2022	498,725	>5%
Tier 2 subordinated liability	262,530	>5%
Bank deposits	925,540	>5%
Dividend distribution	450,000	>5%
Commission payables	304,394	>5%
Payables to PI for IT services	51,481	>1%
Tax consolidation payables	103,924	>1%
Interest expense on subordinated liabilities	72,683	>1%
Acquisition commissions	599,893	>5%
EGI SpA		
Shares and Units	107,910	>1%
Cronos Vita SpA		
Shares and Units	116,708	>1%
Poste Assicura SpA		
Shares and Units	368,294	>5%

Active relations with the subsidiary Poste Assicura, all concluded on market terms, are governed by service contracts and mainly relate to the secondment of staff to and from the subsidiary, centralisation of functions. During 2023, these transactions remained below the materiality threshold.

In addition to its relations with the Ultimate Parent and its subsidiary Poste Assicura, Poste Vita also has operating relations with other companies of the Poste Italiane Group with particular reference to:

- management of free capital and part of the investments of the Separately Managed Account portfolio, as well as recoveries relating to the secondment of staff (Bancoposta Fondi SGR);
- printing, enveloping and delivery of mail via information systems, management of incoming mail, dematerialisation and archiving of paper documents and staff transfer relations (Postel);
- mobile telephony services and transactions involving the transfer and secondment of staff (Postepay);
- TCM policies to Poste Air Cargo;
- national forwarding services (SDA);
- services relating to the use of electricity and recoveries relating to the secondment of staff (EGI);
- reports on the cost recovery of seconded staff and the CDA (Poste Insurance Broker);
- services involving e-Procurement of forms, consumables, stationery and related services (Consorzio Logistica Pacchi).

These types of relations are also regulated at market conditions and the related operations did not generate significant balances in 2023.

With reference to the subsidiary Poste Assicura, intragroup operations, which are of a material nature at 31.12.2023, pursuant to Articles 9 and 10 of Regulation no. 30/2016, refer to agreements already in place with intragroup counterparties. With reference to the Ultimate Parent Poste Italiane, outstanding operations mainly concern:

- post office current accounts;
- supply payables due to Poste Italiane;
- costs related to acquisition commissions;
- costs arising from the outsourcing of IT, staff and administrative management services.

(€k)	Transaction Balance	Significance in relation to SCR
Poste Italiane SpA		
Payables to PI for IT services	3,814	>1%
Bank deposits	6,075	>1%
Invoices to be received	3,871	>1%
Call centre services	1,825	>1%
Acquisition commissions	55,885	>5%
Cost of outsourcing IT, personnel, administrative services	15,121	>5%
Poste Vita SpA		
Payables for CPI premiums	1,998	>1%
Invoices to be received	13,051	>5%
Costs for outsourcing of activities	4,917	>1%
Policy premium to Poste Vita SpA	20,188	>5%
Consorzio Logistica Pacchi S.c.p.a.		
Policy premium issued	2,092	>1%
Poste Welfare e Servizi Srl		
Payables for invoices to be received	3,736	>1%
Liquidation management charges	10,157	>5%

Poste Assicura's relations with its Parent Company Poste Vita, all concluded at market conditions, are governed by service contracts and generated intragroup operations of a significant nature mainly related to:

- operational organisation and use of the equipment necessary to carry out the activities, operational marketing and communication and administrative-accounting activities;
- centralisation of key functions, excluding Risk Management, legal and corporate affairs, purchasing and general services, investment and treasury, tax compliance, training and network support;
- collective indemnity policy in the event of serious illness combined with Poste Vita's investment products.

In addition, Poste Assicura has operational relationships with other companies of the Poste Italiane Group that have resulted in significant operations with reference to:

- premium of € 2.1 million to Consorzio Logistica Pacchi related to the "All Risks" policy;
- claims handling costs (Poste Welfare e Servizi Srl).

Poste Assicura also has operating relations with other companies of the Poste Italiane Group with particular reference to:

- partial secondment of staff used and Call Center service (Poste Italiane);
- mailing, printing and information services (Postel);
- securities portfolio management and accident policy (Banco Posta Fondi SGR);
- mobile phone services, staff secondment reports and general liability policy (PostePay);
- national shipments (SDA);
- "All Risks" policies (EGI and CLP);
- claims management, staff secondment relations and recovery of compensation of corporate bodies (PWS);
- services involving e-Procurement of forms, consumables, stationery and related services, and consortium contributions (Consorzio Logistica Pacchi);

Each of the above-mentioned types of relations is governed by written contracts and regulated at market conditions.

Finally, Poste Assicura holds:

- 100% of Poste Insurance Broker, a company engaged in insurance brokerage, incorporated on 12 April 2019;
- 5% of the shares of the company Consorzio Logistica Pacchi, acquired on 30 June 2020.

At 31.12.2023, the aforementioned operations were not significant pursuant to Regulation 30/2016.

Lastly, with reference to the subsidiaries Net Insurance and Net Insurance Life, at 31 December 2023, infragroup operations were recorded in respect of:

- Tier 2 subordinated liability issued by Net Insurance Life and fully subscribed by Net Insurance, in the amount of € 4,783 thousand;
- infragroup costs between the two companies totalling € 1,873 thousand.

A.1 Business

Poste Vita SpA has been authorised to carry out insurance and reinsurance business under ISVAP measures no. 1144 of 12/03/1999, no. 1735 of 20/11/2000, no. 2462 of 14/09/2006 and no. 2987 of 27/06/2012 and is registered in section I of the Register of insurance companies with no. 1.00133. The company is the Parent Company of the "Poste Vita Insurance Group", enrolled in the Register of Insurance Groups with no. 043. Poste Vita is wholly owned by Poste Italiane SpA, a company issuing securities listed on the Electronic Stock Exchange (MTA) organised and managed by Borsa Italiana SpA, with registered office at Viale Europa 190, 00144 - Rome, tax ID and Rome Register of Companies no. 97103880585, REA (Economic Administrative Index) registration number 842633 and VAT 01114601006.

The subsidiary, Poste Assicura SpA, a joint-stock company with Sole Shareholder, is an Italian insurance company, with registered office at Viale Europa 190 - 00144 Rome, Tax ID, VAT and registration number with the Rome Register of Companies 07140521001, REA (Economic Administrative Index) no. 1013058.

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

Net Holding SpA (a 60% subsidiary of Poste Vita) was incorporated on 12 October 2022 and is subject to the management and coordination of Poste Vita SpA. The purpose of Net Holding SpA is the purchase, holding and management of company shareholding and, in particular, the direct purchase, holding and management of the shareholding in Net Insurance as well as

the technical and financial coordination of said company, also through the provision of administrative, financial, commercial and technical services.

The subsidiary Net Insurance SpA is an Italian insurance company, with its registered office at Via Giuseppe Antonio Guattani no. 4 - 00161 Rome, tax ID, VAT, and Rome Companies Register registration no. 06130881003, REA (Economic and Administrative Index) RM948019.

Net Insurance is authorised to conduct insurance and reinsurance business in Non-Life classes and is registered in Section I of the IVASS Register of Insurance Companies under no. 1.00136.

Net Insurance belongs to the Poste Vita insurance group, which is listed in the Register of Insurance Groups under no. 043, is subject to the management and coordination of Poste Vita and is also subject to the supervision of IVASS, the Insurance Regulator.

Net Insurance Life is an Italian insurance company, with its registered office at Via Giuseppe Antonio Guattani no. 4 - 00161 Rome, tax ID, VAT, and Rome Companies Register registration no. 09645901001, REA (Economic and Administrative Index) RM1178765.

Net Insurance Life is authorised to conduct insurance and reinsurance activities in Life Class I, limited to the risk of predecease, and in Class IV and is registered in Section I of the IVASS Register of Insurance Companies under no. 1.00164.

Net Insurance Life belongs to the Poste Vita insurance group, which is listed in the Register of Insurance Groups under no. 043, is subject to the management and coordination of Poste Vita and is also subject to the supervision of IVASS, the Insurance Regulator.

Poste Vita SpA, Poste Assicura SpA, Net Holding SpA (as a member of the Poste Vita Insurance Group), Net Insurance SpA and Net Insurance Life SpA are subject to the supervision of IVASS, the Insurance Regulator.

With regard to audit appointments, for the Parent Company Poste Vita, the company's Ordinary Shareholders' Meeting held on 28 November 2019 has approved the early consensual termination of the engagement of BDO Italia SpA to audit the accounts for the years 2014-2022, effective from the date of Board approval of the company's financial statements at 31 December 2019 and, at the same time, the assignment, for the nine-year period 2020-2028, of the engagement for the statutory audit of the financial statements and consolidated financial statements of Poste Vita, to Deloitte & Touche SpA, Auditing Firm of the Poste Italiane Group, selected following a single tender called by Poste Italiane SpA in compliance with the provisions of Regulation (EU) no. 573 of 16 April 2014 and Legislative Decree no. 39 of 17 January 2010, as amended by Legislative Decree no. 135/2016.

The Company Deloitte & Touche SpA, with registered office at Via Tortona 25, Milan, share capital of € 10,328,220.00 fully paid-up, VAT no. IT03049560166, tax ID and Milan Monza Brianza Lodi Companies Register no. 03049560166 - R.E.A. (Economic and Administrative Index) Milan 1720239, registered in the Register of Statutory Auditors with no. 132587 with Ministerial Decree of 15/03/2013 OJ no. 26 of 02/04/2013.

With regard to the subsidiary Poste Assicura, on 28 November 2019, the Shareholders' Meeting resolved to appoint Deloitte & Touche SpA as independent auditors for each year of the nine-year period 2020-2028.

For Net Holding, in the deed of incorporation of 12 October 2022, the same company Deloitte & Touche SpA was entrusted with the legal audit for three financial years.

Also for the subsidiaries Net Insurance and Net Insurance Life, the respective Shareholders' Meetings on 12 May 2023 appointed the same company Deloitte & Touche SpA to perform the statutory audit for the nine-year period 2023-2031.

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

Life business:

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

Non-Life business:

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

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

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

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

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

Net Insurance is an insurance company specialising in non-life products and is authorised to carry out the following insurance businesses:

- Class 1 - Accidents;
- Class 2 - Illness;
- Class 3 - Land Vehicles Hulls excluding Railway Vehicles;
- Class 8 - Fire and natural disaster;
- Class 9 - Other damage to property;
- Class 13 - General liability;
- Class 15 - Suretyship;
- Class 14 - Credit (excluding export credit and agricultural credit);
- Class 16 - Financial losses of various kinds;
- Class 17 - Legal protection;
- Class 18 - Assistance.

Net Insurance Life, whose offer is focused on the development of insurance coverage related to Salary-backed loans, to protection - through non-motor damage bancassurance and the area of retail brokers - and to the Insurtech area, thanks to agreements with the main technological partners, has been authorised to carry out insurance and reinsurance activities in Life Class I, limited to the risk of predecease, and in Class IV.

With reference to the significant events that occurred during the reporting period, please refer to what is reported in section A.5 - Other information.

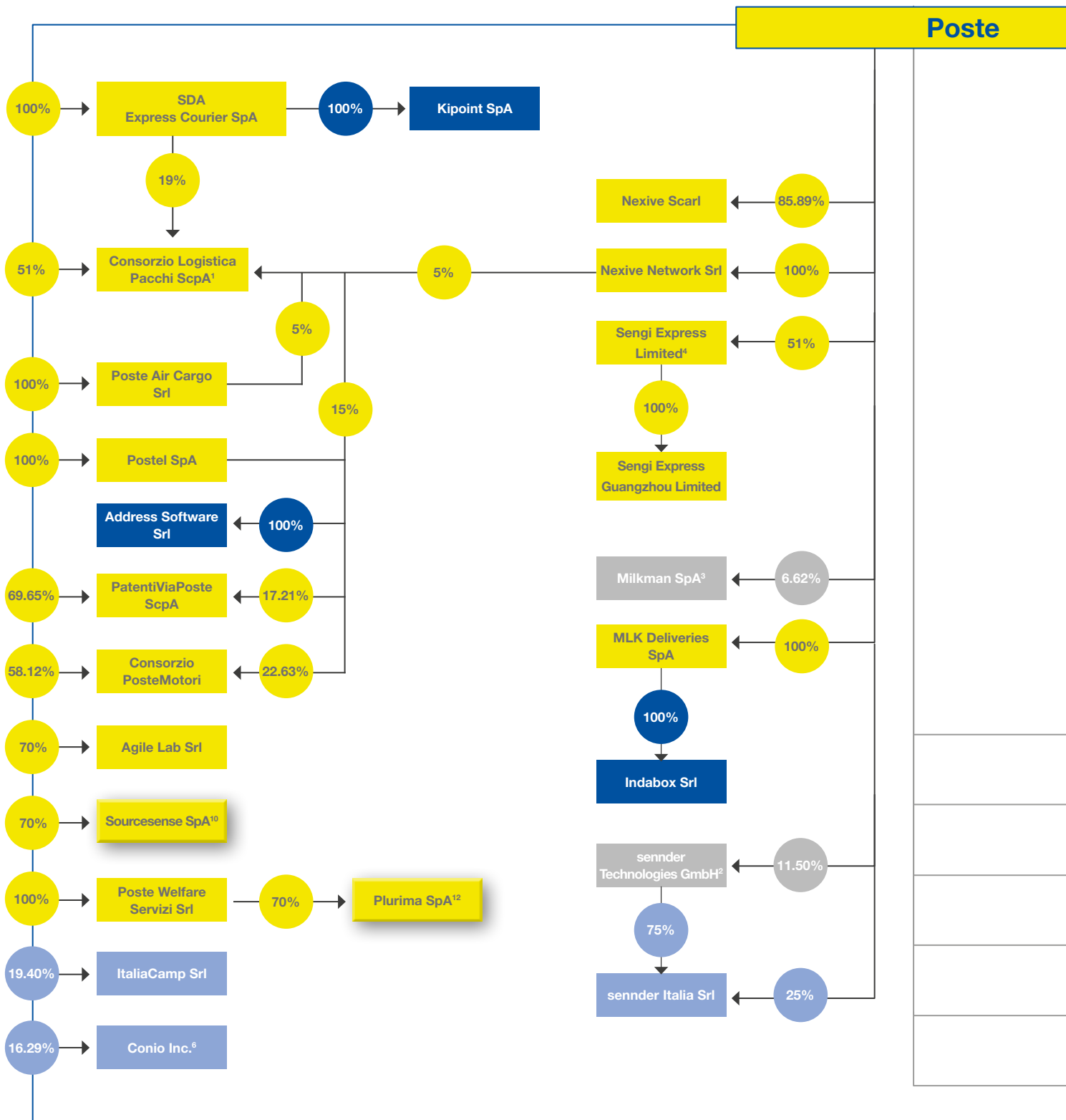
Group structure

At 31 December 2023, the Parent Company Poste Vita is 100% owned by Poste Italiane and

- as the Parent Company of the Poste Vita Insurance Group, it wholly controls the insurance company Poste Assicura SpA with registered office in Italy;
- holds 45% of the capital of the company Europa Gestioni Immobiliari SpA - the remaining 55% of which is held by Poste Italiane - which has its registered office in Italy and manages and develops non-instrumental real estate transferred to it by Poste Italiane in 2001;
- holds 60% of the share capital of Net Holding SpA, a company with its registered office in Rome, whose corporate purpose is the purchase, holding and management of company shareholdings and, in particular, the purchase, holding and direct management of the shareholding in Net Insurance SpA, as well as the technical and financial coordination of said company, also through the provision of administrative, financial, commercial and technical services;
- through the company Net Holding SpA, holds 97.84% of Net Insurance SpA, which in turn owns 100% Net Insurance Life SpA, both with registered offices in Italy;
- holds 22.5% of the capital of Cronos Assicurazioni Vita SpA, with registered office in Italy;
- holds, together with Banco Posta Fondi SGR, a total equity investment (to be split equally between the two) equal to 40% of the share capital of ECRA and 24.5% of the voting rights.

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

Below is the organisational structure deemed significant for the Poste Italiane Group at 31 December 2023:

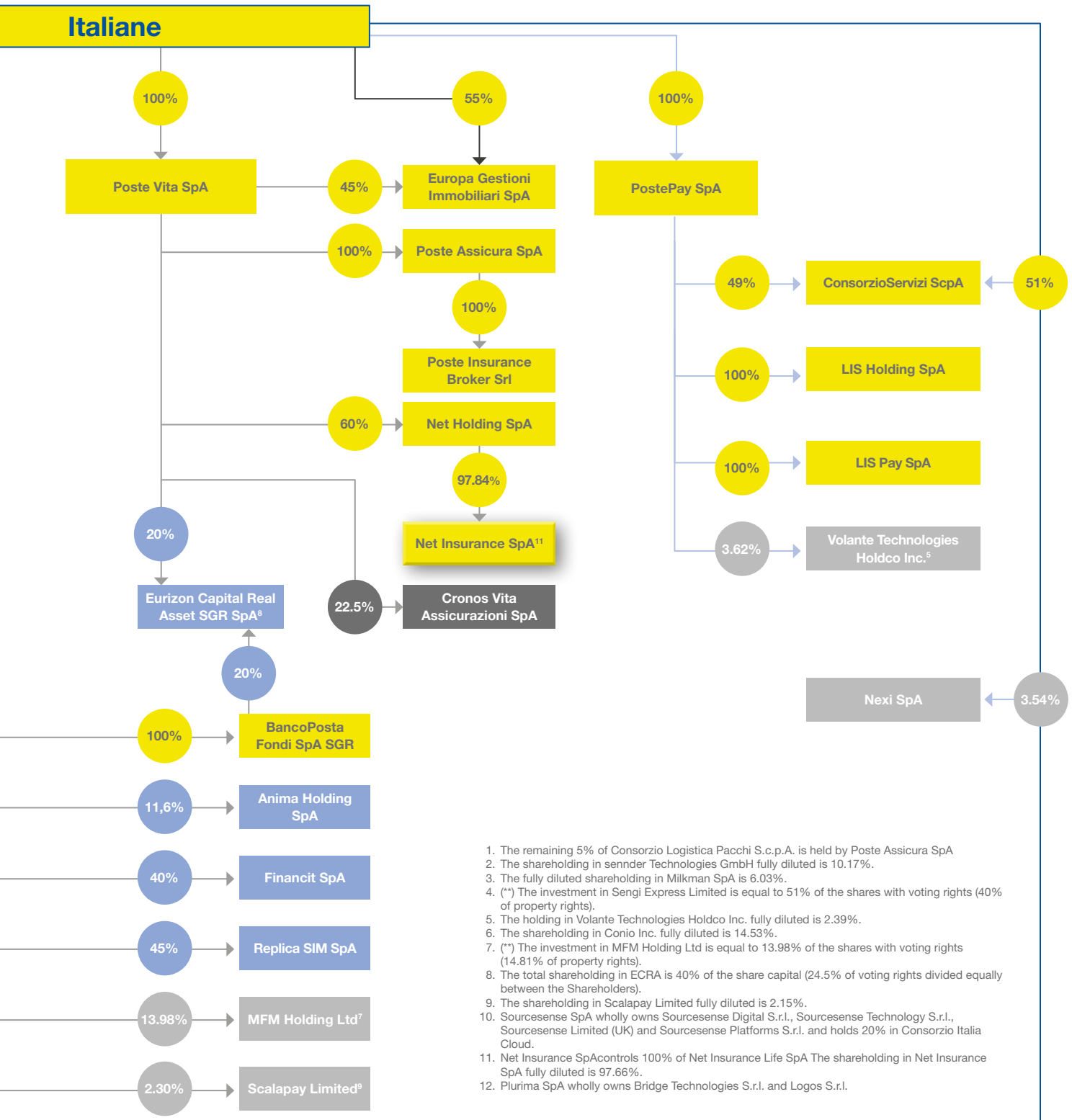


Key to Business Units

- Mail, Parcels and Distribution
- Financial and insurance services
- Payments and Mobile

Key to Investments

- Consolidated on a line-by-line basis
- Subsidiary accounted for at equity
- Associate accounted for at equity
- Minority stakes
- Associate classified



1. The remaining 5% of Consorzio Logistica Pacchi S.c.p.A. is held by Poste Assicura SpA
2. The shareholding in sennder Technologies GmbH fully diluted is 10.17%.
3. The fully diluted shareholding in Milkman SpA is 6.03%.
4. (**) The investment in Sengi Express Limited is equal to 51% of the shares with voting rights (40% of property rights).
5. The holding in Volante Technologies Holdco Inc. fully diluted is 2.39%.
6. The shareholding in Conio Inc. fully diluted is 14.53%.
7. (**) The investment in MFM Holding Ltd is equal to 13.98% of the shares with voting rights (14.81% of property rights).
8. The total shareholding in ECRA is 40% of the share capital (24.5% of voting rights divided equally between the Shareholders).
9. The shareholding in Scalapay Limited fully diluted is 2.15%.
10. Sourcesense SpA wholly owns Sourcesense Digital S.r.l., Sourcesense Technology S.r.l., Sourcesense Limited (UK) and Sourcesense Platforms S.r.l. and holds 20% in Consorzio Italia Cloud.
11. Net Insurance SpA controls 100% of Net Insurance Life SpA. The shareholding in Net Insurance SpA fully diluted is 97.66%.
12. Plurima SpA wholly owns Bridge Technologies S.r.l. and Logos S.r.l.

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

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

Finally, it should be noted that the scope of consolidation considered for the purposes of the consolidated financial statements prepared in accordance with Article 95 of the CAP is the same as that used for the purposes of the Group Solvency calculation.

A.2 Underwriting Performance

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

Underwriting Performance - Life business

During 2023, the Parent Company Poste Vita launched the following Class I investment products:

- i. in April 2023 the "Poste Domani Insieme" policy with a duration of 10 years and with the main feature of the new Separately Managed Account called "Poste Vita Valore Solidità"⁶. The policy includes as ancillary cover the free serious illness policy "Poste protezione Mia"⁷;
- ii. in June 2023 the policy named "Orizzonte 5", with a duration of 5 years with the Separately Managed Account named "Posta ValorePiù" and underwritten only for the potential reinvestment, as part of advisory services, of expired or expiring policies;
- iii. in November, a new Class I insurance investment product was placed, "Poste Prospettiva Valore Gold", with a single premium that, for the first 5 years, provides for the annual revaluation of the invested capital linked to a specific asset pool.

While in the area of multi-class investment products:

- iv. from July 2023, "Poste Progetto Integrazione Programmata", a mixed-form life insurance contract (build-up component and unit-linked component) with a duration of 15 years, is being placed on the market. It is characterised by the provision for decumulation: the customer has access to a plan of automatic and scheduled periodic redemptions of the invested capital;
- v. from November 2023, "Poste Progetto Bonus 4in4", a mixed-form life insurance contract with a duration of 15 years, which provides for the payment of two bonuses of 2% of the premium in the first and fourth year, is being placed on the market. The policy includes as ancillary cover the free serious illness policy "Poste protezione Mia".

In addition, in order to reduce the country's under-insurance by raising customers' awareness of the importance of protection needs, as envisaged in the budget, 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, which during the period recorded total volumes of € 20.1 million (€ 14.5 million in 2022).

For the subsidiary Net Insurance Life (consolidated as from 1 April 2023), the business relating to insurance coverage related to salary or pension-backed loans was confirmed as the most significant business in terms of volume of inflows also for the year

6. The main feature of the new separately managed account is the presence of the "profit fund": a fund that is established by setting aside net capital gains realised on the sale of assets under the separately managed account.

7. "Poste Domani Insieme" subscribers aged between 18 and 69 are offered "Poste Protezione Mia", a free serious illness policy provided by Poste Assicura, designed to protect their investment. In the event of the first diagnosis of a serious illness, Poste Assicura shall in fact pay the policyholder an indemnity equal to 25% of the life premiums paid into the insurance investment product, non-revalued and resulting at the time of the first diagnosis of a serious illness, net of any partial lapses and exits for other causes.

2023, hence consolidating the company's role of leading operator in the offer of insurance solutions to cover salary or pension-backed loans. In addition, Net Insurance Life continued the process of innovation of its product catalogue, both through the introduction of new insurance solutions and the revision of existing products.

In relation to the aforementioned trends, premiums collected in the Life business during the period totalled € 18 billion, up 4.8% (+€ 0.8 billion) compared to 2022 due to the increase in premiums from traditional build-up products, which grew by € 4.4 billion in the Period. This trend was only partially offset by the decrease in production from multi-class products, which recorded a decrease of € 3.7 billion in the Period.

The following table shows the breakdown of the portfolio by product type, where we can see: i) a significant contribution of premium revenue from traditional build-up products (70.5% of total business) and ii) an incidence on total premium revenue of multi-class products that continues to be significant (21.8%), although down from the 44.1% recorded in the same period of 2022.

Line of Business (€k)	31/12/2023	31/12/2022	Delta
Insurance with profit participation	17,328,022	16,309,852	6.2%
Index-linked and unit-linked insurance	439,772	755,576	(41.8%)
Other life insurance	217,405	104,626	107.8%
Health insurance (direct business)	10,384	9,426	10.2%
Total	17,995,583	17,179,479	4.8%

In 2023, there is an increase in pure risk products (+107.8% compared to 2022), mainly driven by the entry of Net Insurance Life into the Poste Vita Group and a decrease in unit-linked products (-41.8% compared to 2022). At the same both illness products (+10.2% compared to 2022) and savings products (+6.2% compared to 2022) were up compared to the 2022 figure.

Claims expenses, gross of outwards reinsurance, related to insurance benefits in 2023 totalled € 14.4 billion, a substantial increase over the approximately € 9.6 billion recorded in the same period of 2022, and are detailed in the following table:

Line of Business (€k)	31/12/2023	31/12/2022	Delta
Insurance with profit participation	13,424,025	9,143,212	46.8%
Index-linked and unit-linked insurance	900,366	371,519	142.3%
Other life insurance	66,586	50,308	32.4%
Health insurance (direct business)	2,355	3,277	(28.1%)
Total	14,393,332	9,568,315	50.4%

In 2023, claims trend for pure risk products decreased by about -32.4% compared to 2022, while it increased substantially for unit-linked products (+142.3%) and savings products (+46.8%).

Finally, there was a decrease in claims expenses for illness products (-28.1% from 2022).

The total expenses incurred by in 2023, also with reference to the data contained in QRT S.05.01, net of reinsurance, are reported below by line of business and are up compared with the figure at the end of 2022.

Line of Business (€k)	31/12/2023	31/12/2022	Delta
Insurance with profit participation	515,505	469,112	9.9%
Index-linked and unit-linked insurance	27,966	27,272	2.5%
Other life insurance	28,423	29,202	(2.7%)
Health insurance (direct business)	1,017	1,040	(2.1%)
Total	572,912	526,626	8.8%

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

Line of Business (€k)	31/12/2023	31/12/2022	Delta
Administrative expenses	88,714	78,186	13.5%
Investment management expenses	71,100	63,739	11.5%
Claims management expenses	9,197	6,249	47.2%
Acquisition expenses	365,213	339,634	7.5%
Overhead expenses	38,686	38,817	(0.3%)
Total	572,912	526,626	8.8%

For distribution and collection activities, commissions totalling € 324.3 million were paid, with an accrual of € 329.1 million (€ 292.8 million in 2022) due to the amortisation of "prepaid" commissions paid for the placement of "pension" policies.

Net Insurance Life SpA

With specific reference to the underwriting results of the subsidiary Net Insurance, premium inflows amounted to € 131,146 thousand in 2023, of which € 130,197 related to LoB Other Life Insurance, which includes salary- and pension-backed loans, an increase of 46.1% compared to the 2022 figures.

Inflows from Bancassurance and Brokers were almost in line with the previous period.

Claims expenses, gross of outwards reinsurance, for insurance benefits, totalled € 32,241 thousand in 2023, an increase compared to the figure (11.3%) recorded in the same period of 2022, and related entirely to the Other Life Insurance business.

Finally, the total expenses incurred per Line of Business in 2023, again with reference to the data contained in QRT S.05.01, net of reinsurance quotas, are shown below.

Line of Business (€k)	31/12/2023	31/12/2022	Delta
Administrative expenses	11,243	10,083	11.5%
Investment management expenses			
Claims management expenses	185	252	(26.5%)
Acquisition expenses	(19,125)	(11,746)	62.8%
Overhead expenses	2,157	932	131.3%
Total	(5,540)	(479)	n.s

Underwriting Performance - Non-Life business

With regard to Non-Life business, also during 2023, through the subsidiary Poste Assicura, the Poste Vita Group continued to develop its modular offering, in order to make it more responsive to the needs of its customers, while also encouraging them to take up business through discount campaigns.

The Group has also carried out a restyling of the VivereProtetti personal protection line, in order to enrich and improve the offer for customers, developed a new advisory model capable of better guiding customers in their search for the most suitable healthcare facilities for their specific needs, and in general able to make the policy "easier to use", and simplified the process of reporting claims.

The subsidiary Net Insurance (consolidated as of 1 April 2023), during the Period, continued the process of innovating its product catalogue, both through the introduction of new insurance solutions and the revision of existing products. In the salary-backed loans segment, pricing was updated to strengthen balance and profitability.

With regard to the products distributed by the subsidiary Net Insurance, through the channel of banks and brokers/agents, during 2023, the marketing of various multi-risk products concerning personal, asset and payment protection was launched.

In relation to the above-mentioned trends, gross premiums recognised during the Period with reference to Non-Life business amounted to around € 581.1 million, up sharply (+48.2%) with respect to the same period the previous year (€ 392.1 million). In particular, as illustrated by the table below, the following should be noted:

- a 18.4% increase in premiums for the asset, personal and modular protection line thanks to the initiatives implemented with regard to the modular offer by the subsidiary Poste Assicura;
- the development of collective policies in the "Welfare" segment continued, with an increase in inflows of € 65.7 million (+42.5% compared to the previous year);
- an increase of € 5.7 million in inflows relating to the integrated life and non-life offer, mainly due to the expansion of the perimeter of products concerned by the coverage;
- the significant growth (+€ 38.8 million) in volumes related to the payments line, thanks mainly to the contribution of the subsidiary Net Insurance during the period;
- the contribution of the subsidiary Net Insurance during the period for € 45.7 million with reference to products placed through third-party networks (banking channel and brokers).

Gross premium revenue (€m)	31/12/23	Impact%	31/12/22	Impact%	Delta	Delta %
Asset and personal protection on the Poste Italiane network	212.2	36.5%	179.1	45.7%	33.0	18.4%
Payments (CPI and salary-backed loans)	82.6	14.2%	43.9	11.2%	38.8	88.5%
Integration of Life and Non-Life	20.1	3.5%	14.5	3.7%	5.7	39.2%
Welfare	220.4	37.9%	154.7	39.5%	65.7	42.5%
Asset and personal protection on third-party networks	45.7	7.9%	-	0.0%	45.7	n.s.
Total	581.1	100.0%	392.1	100.0%	188.9	48.2%

The following table shows the distribution of premiums by line of business, which shows the prevalence of the line of business Medical Expenses (41.3%) and Income protection (31.0%) with respect to the total premiums; this phenomenon is attributable, as mentioned, also to the development of the employee benefits business. It is noted that the increase in premiums is generalised across all lines of business, with particular reference to Income protection, Medical expenses, and Fire and other damage.

The significant growth in the Legal expenses line of business is attributable to the marketing of the legal protection module sold with the Credit Protection products of "Posteprotezione Prestito".

Line of Business (€k)	31/12/2023	Dist. %	31/12/22	Dist. %	Delta	Delta %
1. Medical expense insurance	240,018	41.3%	161,035	41.1%	78,984	49.0%
2. Income protection	180,326	31.0%	154,515	39.5%	25,811	16.7%
7. Fire and other damage	67,916	11.7%	28,263	7.2%	39,653	140.3%
8. General liability	26,386	4.5%	23,051	5.9%	3,335	14.5%
9. Credit and suretyship insurance	35,729	6.1%	3,468	0.9%	32,262	n.s
10. Legal expenses	8,067	1.4%	136	0.0%	7,931	n.s
11. Assistance	552	0.1%	20,979	5.4%	(20,427)	(97.4%)
12. Miscellaneous	22,071	3.8%	(1)	(0.0%)	22,072	n.s
Total	581,066	100.0%	391,445	100.0%	189,620	48.4%

For distribution and collection activities, commissions amounting to approximately € 84.9 million were paid, which, together with other acquisition expenses, determined the amount of the item Acquisition expenses of approximately € 95.1 million, up 39.5% compared to the figure for the same period of 2022.

Line of Business (€k)	31/12/2023	31/12/2022	Delta	Delta %
1. Medical expense insurance	22,259	14,669	7,590	51.7%
2. Income protection	40,160	33,625	6,535	19.4%
7. Fire and other damage	11,095	5,886	5,209	88.5%
8. General liability	5,851	5,058	792	15.7%
9. Credit and suretyship insurance	4,679	20	4,658	n.s
10. Legal expenses	2,511	756	1,755	n.s
11. Assistance	59	16	44	n.s
12. Miscellaneous	8,511	8,176	334	4.1%
Total	95,124	68,206	26,917	39.5%

Finally, with regard to claims development, claims expenses, including costs for settling claims, amounted to approximately € 340.9 million, compared to € 222.0 million in 2022.

Poste Assicura SpA

With specific reference to Poste Assicura, at 31 December 2023 the company's gross premium revenue totalled approximately € 496.0 million (+26% compared to the same period of the previous year) and are broken down, at segment level, as shown in the table below:

Gross premium revenue (€k)	31/12/23	Impact%	31/12/22	Impact%	Delta	Delta %
Goods, personal and modular protection line	212,154	43%	179,122	46%	33,032	18%
Payment protection line	43,349	9%	43,851	11%	(501)	(1%)
Corporate	240,530	48%	169,163	43%	71,367	42%
Total	496,034	100%	392,136	100%	103,898	26%

It should be noted that premium volume for the Goods & Personal & Modular line increased by 18% year-on-year, due to the modular offering. With reference to the Payment Protection line, there was a slight decrease compared to the previous year; there was also significant growth in the employee benefits business, relative to the sale of collective policies to cover death and permanent disability from Accident/Illness and Reimbursement of medical expenses.

The following table shows the distribution of premiums by lines of business, which shows the prevalence of the line of business Medical Expenses (47.7%) and Income protection (34.7%) with respect to the total premiums; this phenomenon is attributable, as mentioned, also to the development of the employee benefits business. It is noted that the increase in premiums is generalised across all lines of business, with particular reference to the lines of business Income protection, Medical expenses, and Fire and other damage.

The significant growth in the Legal expenses line of business is attributable to the marketing of the legal protection module sold with the Credit Protection products of "Posteprotezione Prestito".

Line of Business (€k)	31/12/2023	Dist. %	31/12/2022	Dist. %	Delta	Delta %
1. Medical expense insurance	236,668	47.7%	161,035	41.1%	75,633	47.0%
2. Income protection	172,012	34.7%	154,515	39.4%	17,496	11.3%
3. Workers' compensation						
7. Fire and other damage	33,507	6.8%	28,263	7.2%	5,244	18.6%
8. General liability	24,760	5.0%	23,051	5.9%	1,710	7.4%
9. Credit and suretyship insurance	663	0.1%	690	0.9%	(2,805)	(80.9%)
10. Legal expenses	7,635	1.5%	3,468	0.0%	7,499	n.s
11. Assistance	95	0.0%	136	5.3%	(20,884)	(99.5%)
12. Miscellaneous	20,695	4.2%	20,979	100.0%	(371,442)	(94.7%)
Total	496,034	100.0%	392,136	100.0%	103,897	26.5%

For distribution and collection activities, commissions amounting to approximately € 70.1 million were paid, which, together with other acquisition expenses, determined the amount of the item Acquisition expenses of approximately € 85.1 million, up by 24.8% compared to the figure for the same period of 2022.

Line of Business (€k)	31/12/2023	31/12/2022	Delta	Delta %
1. Medical expense insurance	21,952	14,669	7,284	49.7%
2. Income protection	39,080	33,625	5,456	16.2%
3. Workers' compensation				
7. Fire and other damage	7,656	5,886	1,770	30.1%
8. General liability	5,675	5,058	617	12.2%
9. Credit and suretyship insurance		20	(20)	(100.0%)
10. Legal expenses	2,462	756	1,707	n.s
11. Assistance	11	16	(5)	(29.6%)
12. Miscellaneous	8,312	8,176	136	1.7%
Total	85,149	68,206	16,943	24.8%

In relation to claim trends, claim expenses, including costs for settling claims, amounted to around € 318.5 million, compared to € 222.0 million in 2022. This growth (+€ 96.5 million), accompanied by an increase in earned premiums compared to December 2022 (+€ 108.3 million), resulted in a claims-to-premiums ratio for the year of 66.7%, up compared to the similar figure recorded in December 2022 by about 6.6 percentage points (60.1%). Below is the detail by lines of business:

Line of Business (€k)	31/12/2023		31/12/2022	
	Claim expense	Claim (CY+PY)/Premium accrued ratio	Claim expense	Claim (CY+PY)/Premium accrued ratio
1. Medical expenses	214,976	91.8%	145,808	92.9%
2. Income protection	75,047	45.2%	65,799	45.5%
3. Workers' compensation	0	0.0%	0	0.0%
7. Fire and other damage	18,493	69.8%	5,300	24.0%
8. General Liab	6,853	28.4%	5,399	23.8%
9. Credit and suretyship	41	30.8%	38	73.9%
10. Legal expenses	678	12.1%	321	9.7%
11. Assistance	17	15.8%	19	12.5%
12. Miscellaneous	2,429	11.6%	-682	-3.5%
Total	318,534	66.7%	222,003	60.1%

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

Net Insurance SpA

At 31 December 2023, the company's gross premium revenue amounted to around € 109,875 thousand (+15.6% compared to the same period of the previous year) and are broken down, at segment level, as shown in the table below:

Gross premium revenue (€k)	31/12/2023	Distr. %	31/12/2022	Distr. %	Delta	Delta %
Goods personal and modular line	15,393	14%	10,505	11%	4,888	46.5%
Payment protection line	50,199	46%	43,254	46%	6,945	16.1%
Corporate policies	44,284	40%	41,303	43%	2,980	7.2%
Total	109,875	100%	95,062	100%	14,813	15.6%

With regard to the Payment Protection line, there was an increase of € 6.9 million (+16.1%) related to increased volumes on salary-backed loan products.

The Goods & Personal & Modular line showed an increase of € 4.9 million (+46.5%), mainly due to the increase in Health products linked to the Medical expense insurance line of business.

With regard to Corporate policies, the increase of € 3.0 million (+7.2%) is mainly attributable to the increase in business related to Hail.

The following table shows the distribution of premiums by Line of Business, which shows the prevalence of the lines of business Credit and suretyship insurance (40.6%) and Fire and other damage (39.2%) in relation to total premiums, where the salary-backed loan products and Hail Campaigns respectively converge. It can be seen that the increase in premiums is generalised across all lines of business apart from the Income Protection line, where a physiological drop in sales is observed due to the reduction in mortgage applications following the rise in interest rates.

Line of Business (€k)	31/12/2023	31/12/2022	Delta	Delta %
1. Medical expense insurance	3,652	954	2,698	n/s
2. Income protection	12,852	13,270	(418)	(3.1%)
3. Workers' compensation				
7. Fire and other damage	42,747	39,654	3,094	7.8%
8. General liability	2,176	1,832	344	18.8%
9. Credit and suretyship insurance	44,306	35,763	8,543	23.9%
10. Legal expenses	598	527	71	13.6%
11. Assistance	601	438	163	37.3%
12. Miscellaneous	2,148	2,144	4	0.2%
Total	109,080	94,581	14,500	15.3%

For distribution and collection activities, commissions amounting to approximately € 14.8 million were paid, which, together with other acquisition expenses of about € 10.5 million (net of commissions received from reinsurers) determined a 90.7% increase in the item "Acquisition expenses" (€ 25.3 million) compared to the figure for the same period in 2022. This increase is justified by the investments made also in 2023 with the aim of further strengthening the "operating machine" serving the business.

Line of Business (€k)	31/12/2023	31/12/2022	Delta	Delta %
1. Medical expense insurance	2,206	144	2,062	n/s
2. Income protection	6,932	2,006	4,926	n/s
3. Workers' compensation				
7. Fire and other damage	10,534	(2,614)	13,148	n/s
8. General liability	1,290	1,451	(161)	(11.1%)
9. Credit and suretyship insurance	1,742	1,520	222	14.6%
10. Legal expenses	153	1,076	(923)	(85.8%)
11. Assistance	599	933	(334)	(35.8%)
12. Miscellaneous	1,833	8,745	(6,912)	(79.0%)
Total	25,289	13,261	12,027	90.7%

Insurance covers combined with salary- and pension-backed loans still represent Net Insurance's core business and are issued in compliance with Article 54 of Presidential Decree no. 180 of 5 January 1950 pursuant to which salary- and pension-backed loans must have an employment risk insurance guarantee to ensure the recovery of the residual debt in cases where, due to termination or reduction of salary or liquidation of an insufficient retirement benefit, the continuation of amortisation is not possible.

Guarantees are issued in favour of banking/financial institutions granting personal loans repayable by salary assignment. Cover for financial losses suffered by the policyholder as a result of the failure to repay the loan granted to the transferor/debtor following the termination of the transferor/debtor's right to salary due to the definitive termination, for whatever reason, of the relative employment relationship with the transferee/delegate - termination occurring during the term of the insurance policy, when it is not possible to continue to amortise the loan or recover the residual credit - is allocated to the Credit Balance Sheet Class (LoB 9) in accordance with the contractual scheme referred to in Article 14, paragraph 1 of ISVAP Regulation no. 29/2009, on the basis of which the banking/financial institutions shall indicate the "Policyholder", "Insured" and "Beneficiary" of the policy, thus assuming the cost of the guarantee.

Insurance protection intervenes during the amortisation of the loan to guarantee the bank/financial institution against the risk of non-performance of the payment obligation by the borrower.

Details on substantial techniques used to attenuate risk

The companies of the Poste Vita Group, with a view to sound and prudent business management and risk governance, as it has already done in recent years, have chosen to refer to the reinsurance policy also for 2024. In particular, the choice was to use Treaty Reinsurance.

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

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

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

With reference to the Parent Company Poste Vita, a sufficiently wide and homogeneous risk portfolio allowed the company again in 2024, as in 2023, to not sign proportional "quota share" treaties in the Retail market.

On the other hand, the specificity of the Corporate portfolio requires flexibility in terms of possible reinsurance choices based on the risk insured. The substantial homogeneity of the insured capital in the individual group contracts has often allowed the company to move independently in sectors, such as Group TCM and IPT, where the availability of the company's own technical bases allows managing risk within common and well-known areas, assessed with the confidence intervals with which the technical bases have been developed. Nevertheless, to mitigate the risk associated with the Group term life and disability guarantees and specifically to reduce any random fluctuations caused by claims with very high capital in relation to the expected margins on the portfolio of collective policies, following stress test analyses, Poste Vita confirmed its decision to maintain a proportional treaty, introducing already in 2021, thanks to the discount applied by the reinsurer on the premium rates of the previous surplus treaty, a transfer of a portion of the insured capital, maintaining a surplus, intended to transfer the insured capital that, on the individual covered parties of the collective policies, exceeded € 300 thousand. This decision was confirmed in 2024.

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

- *Catastrophe Term Life Treaty*: for Temporanea Caso Morte Affetti Protetti and Protezione Affetti 360 - Term Life products - (Retail market) and Group products (which include, for some policies, Permanent Disability coverage), Poste Vita has signed a Catastrophe treaty for simultaneous coverage of multiple deaths linked to a single catastrophic event, effective as of 1 January 2024 and with a one-year term;
- *Quota plus Surplus Treaty*: for the Group's Temporanea Caso Morte products (where Permanent Disability coverage is included), a reinsurance treaty was signed for part quota and part surplus where 10% of the capital below € 300 thousand (the layer) and 100% of the amounts of insured capital greater than the layer are transferred to a risk premium, with a profit sharing clause in favour of the transferring company for 50% of the profit. The treaty takes effect on 1 January 2022 and has no established expiration. Either party can withdraw from the contract by 30 September of each year.

As a result of the above, in terms of the size and homogeneity of the portfolio, the proportional treaty for TCM Affetti Protetti (Retail Market) was terminated in January 2016. This treaty provided for the transfer of premiums and claims at 50% for insured capital up to € 100 thousand and 100% for higher amounts. As these are annual premium policies, Poste Vita will continue to transfer the premiums, also in 2024, from the policies underwritten before the termination of the treaty.

At the end of 2017, the reinsurance treaties were terminated regarding CPI Loans and Mortgages at single premium for which the reinsurer will continue to participate for claims and returns of premiums not used in the event of early termination; moreover, those regarding LTC retail and Da Grande product death guarantees were not renewed, for which, similarly to TCM, the company will continue to transfer the recurring premiums of policies underwritten before the expiry of the treaties.

Moreover, on 14 March 2023, Poste Vita signed an insurance treaty with some primary reinsurers, effective from 31 December 2022, aimed at partially insuring the risk of early mass extinction of Life policies (mass lapse risk), relevant for the calculation of the Solvency II requirement.

The residual duration of the treaty, at 31 December 2023, is 2 years, with the option for Poste Vita to withdraw without conditions or penalty at the end of the 2024.

The impact of the transaction on the Parent Company's Solvency ratio at 31 December 2023 is 41 percentage points.

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

Lastly, it should be noted that Poste Vita, in 2021, entered into an optional ten-year reinsurance agreement for two TCM policies with a constant capital and annual premium, customised according to smoking habits with an insured capital of € 1 million and an insured capital of € 500 thousand.

With regard to Net Insurance Life, the company signed proportional "quota share" treaties for 2023 on all lines of business in particular:

For the Salary-backed loan products for the financial year 2023, four separate proportional pure quota treaties were concluded.

For the Pension-backed loan products for the financial year 2023, two separate proportional pure quota treaties were concluded.

For production other than salary- and pension-backed loans, Net Insurance:

- with respect to CPI products, it renewed a proportional pure quota treaty for premium transfer for 2023;
- renewed a proportional risk premium treaty - referring to stand-alone TCM and LTC products;

All of the above proportional treaties are formulated by underwriting year. Therefore, reinsurance protection will follow the entire underwriting period of each security issued in 2023, according to the Risk Attaching principle.

In view of the nature of the portfolio, which is characterised by an extreme fragmentation of risks, the proportional reinsurance covers in place were deemed adequate and Net Insurance Life did not use optional reinsurance.

With regard to Poste Assicura, the company's reinsurance policy is mainly characterised by non-proportional structures:

- for all retained Accident and Illness risks an Excess of loss cover on a Loss Occurring basis, on a per-risk and per-event basis, aimed at protecting against peak and catastrophe losses;
- for all retained risks Fire, Other Damage to Property and General Liability an Excess of loss cover on a Loss Occurring basis, on a per-risk and per-event basis, aimed at protecting against peak and catastrophe losses;
- for certain accident risks underwritten prior to 2013 and Credit Protection risks prior to 2018, the quota share treaties with risk attaching basis remain valid in run-off;
- for all Illness risks (excluding those arising from the Credit Protection line), with effect from 01.10.2023, a proportional transfer. Quota share reinsurance structure with differentiated transferring rates and scaled-up reinsurance commission on a risk attaching basis;
- for risks related to the cyber personal line component of the modular product a proportionate transfer: a quota share reinsurance structure, with fixed reinsurance commission and profit sharing on a Loss Occurring basis;
- for risks related to legal protection, a proportional transfer: a quota share reinsurance structure, 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 is used.

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

With regard to Net Insurance, the reinsurance policy was structured as follows:

- with reference to Credit class, with regard to the salary-backed loan sector, four separate proportional pure quota treaties were concluded. The treaties were all formulated by underwriting year and, therefore, reinsurance protection followed the entire underwriting period of each security issued in 2023, according to the risk attaching principle;
- with regard to CAT risks, a proportional treaty has been renewed with an international operator: the treaty covers Earthquake and Flood guarantees allocated to multi-risk or stand-alone products;
- with regard to cyber risks, a proportional pure quota treaty was renewed with an international operator: the treaty covers the Financial Losses and General Liability covers allocated on a multi-risk product for SMEs related to damages resulting from cyber attacks;
- with respect to the Suretyships Class, a proportional pure quota treaty was renewed on a risk attaching basis with an international operator;
- with respect to Accidents, General Liability and Fire insurance, "excess of loss" treaties have been entered into with the aim of reducing the net retention on individual claims. These treaties have been addressed to cover retained risks and operate for 2023 on all claims with an event date of 2023, regardless of the effective date of the affected policies;
- with regard to the Legal Protection Class, the relationship with a specialised international operator was renewed through a proportional pure quota treaty;
- with regard to the Assistance Class, the relationship with a specialised international operator was renewed through a proportional risk premium treaty. This treaty is extended, limited to "Travel" products, to the Illness class;
- with respect to the Assistance and Financial Losses classes, risk premium and pure quota treaties have been entered into;
- with reference to agricultural hail and other adverse weather risks - a reinsurance programme has been set up for 2023, which is divided into separate proportional and non-proportional treaties, depending on the portfolio lots.

A.3 Investment Performance

The investment strategies and guidelines are defined by the companies' Board of Directors with special "framework resolutions", which identify both the essential characteristics, in qualitative and quantitative terms, of the investment sectors for long-term and short-term use, and the strategies for trading in derivative instruments. The investment process involves a governance system that includes management committees (Investment Committee) and board committees (Internal Control and Risks and Related Party Transactions Committee).

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

With reference to Class C, on an annual basis, the medium-long term composition is subject to review when defining the asset allocation; the latter defines:

- a short-term portfolio composition, in which a target value and fluctuation brackets are set for each asset class, valid over a short-term time period, i.e. referring - as a rule - to the end of the calendar year following the year of approval;
- a composition of the medium to long-term investment portfolio, towards which the companies intend to aim, over a time period that, as a rule, coincides with the end of the last calendar year of the business plan in force from time to time;
- the portfolio's absolute return targets, defined in terms of current income and as a percentage of the portfolio's average carrying amount.

The Group defines the composition of assets consistent with the nature, average duration and level of commitments to policyholders.

On the other hand, with reference to the investment policies in instruments to be allocated to Class D, the obligation to implement investment policies inspired by the principle of close matching is confirmed, consisting in the best replication, by the assets held, of the performance of the reference value of the insurance contracts. In general terms, investments are managed not only in accordance with the regulatory constraints, but also in accordance with the investment limits set out in the regulations of the individual internal insurance funds (approved by the Board of Directors) or in the product's contractual documentation.

As a result of the aforementioned developments, the Group's portfolio continues to be invested mainly in government and corporate bonds, whose overall exposure, at market values, represents 76.5% of the entire Class C portfolio.

At 31 December 2023, the Poste Vita Group's financial assets totalled € 155,900 million, an increase of approximately € 14,196 million compared to € 141,704 million in 2022 as a result of growth in assets and financial market dynamics.

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

Below is a schedule showing the composition of financial assets, excluding equity investments, at 31 December 2023 with a comparison with the figures at the end of 2022:

(€k)	31/12/2023	31/12/2022	Delta
Equities	322,508	103,666	218,841
Government Bonds	88,535,811	79,576,592	8,959,219
Corporate Bonds	21,422,255	20,248,782	1,173,473
Structured notes	46,833	545,310	(498,477)
Collective Investments Undertakings	33,190,612	31,621,867	1,568,745
Assets held for index-linked and unit-linked contracts	12,381,389	9,608,163	2,773,225
Deposits other than cash equivalents	802		802
Total	155,900,209	141,704,381	14,195,828

There was an increase in the value of shares, amounting to € 322,508 thousand at 31 December 2023, compared to the December 2022 figure (€ 103,666 thousand), due to the investments made in this asset class during the reporting period.

Government bonds, amounting to € 88,535,811 thousand (€ 79,576,592 thousand at 31 December 2022), mainly refer to listed fixed income bonds issued by European countries of which approximately 76% are government bonds issued by the Italian government.

Corporate bonds amounting to € 21,422,255 thousand (€ 20,248,782 thousand at the end of 2022), mainly refer to listed fixed income bonds issued by leading European companies.

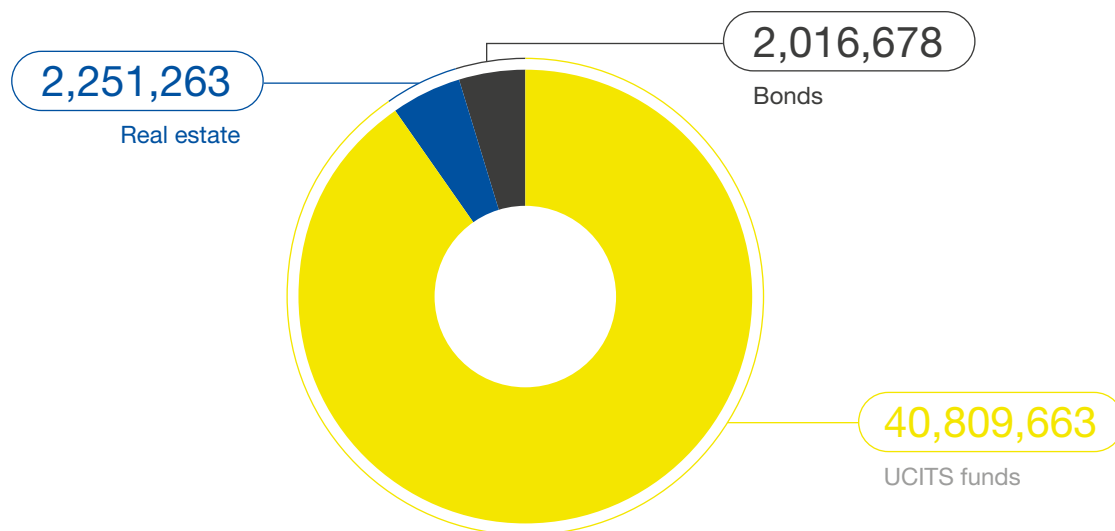
Structured bonds, equal to € 46,833 thousand at the end of the period (€ 545,310 thousand at 31 December 2022), refer to bonds issued by Cassa Depositi e Prestiti SpA as private placements, acquired under market conditions.

With regard to mutual investment funds, amounting at the end of the period to € 33,190,612 thousand (€ 31,621,867 thousand at 31 December 2022), the incidence on the Group's entire portfolio decreased from 24.0% to the current 23.1%.

More specifically, total mutual investment funds, including the Class D component, held by the Group at 31.12.2023, amounted to € 45,089,136 thousand, of which € 11,883 thousand were held by Net Insurance and Net Insurance Life.

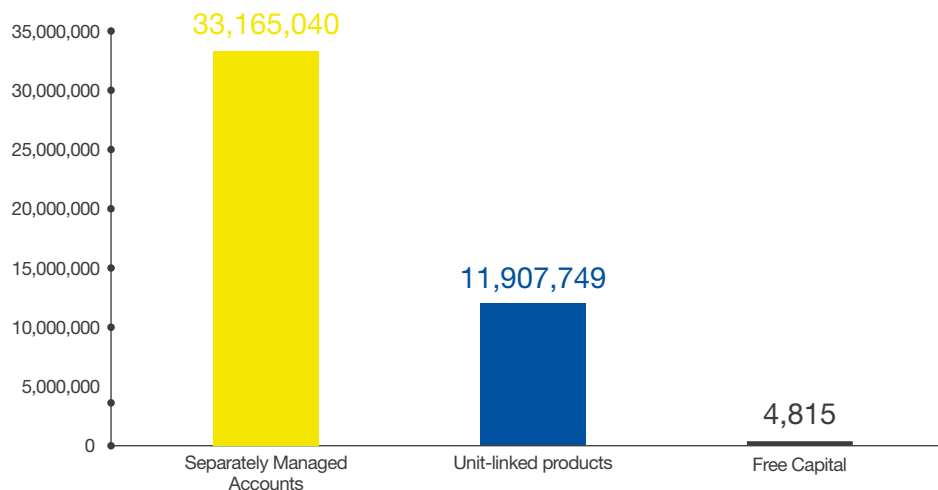
With regard to mutual investment funds held by the Parent Company Poste Vita, at the end of the period investments in UCIT funds (including multi-asset funds) amounted to € 40,809,663 thousand, units in mutual real estate investment funds amounted to € 2,251,263 thousand, and investments in mutual funds that primarily invest in bonds amounted to € 2,016,678 thousand.

COMPOSITION OF MUTUAL INVESTMENT FUNDS



Mutual investment funds refer to the separately managed accounts for around € 33,165,040 thousand, of which € 11,907,749 thousand relate to unit-linked products and the remainder (amounting to € 4,815 thousand) included in Poste Vita's free capital.

MUTUAL INVESTMENT FUNDS



The purpose of these investments made by the Parent Company is to diversify the financial instruments portfolio used to cover Class I products (Separately Managed Accounts), with the objective of mitigating exposure to Italian government bonds and corporate bonds denominated in euros.

The financial instruments acquired to cover unit-linked policies are measured at the value on the last trading day of the year and at the end of the year in question amounted € 12,381,389 thousand (€ 9,608,163 thousand at 31 December 2022). This item consists of investments in financial instruments used to hedge specific contracts whose value is linked to the performance of particular market indices. At the end of the period, they consisted exclusively of units of mutual funds and internal funds used to hedge unit-linked products, which increased by € 2,773 million compared to year-end 2022, thanks to improved financial market trends.

The Group held no derivative instruments at 31 December 2023.

Given the increase in invested assets and the more favourable financial market trends compared to the previous year, the Poste Vita Group's investments saw their market value increase by a total of € 8,874,458 thousand and generated ordinary income totalling € 3,169,186 thousand during the Period.

(€k)	31/12/2023		
	Net gains and losses	Interest / Dividends	Net Unrealised Gains
Equities	38,103	25,292	176,902
Government Bonds	42,717	2,178,073	5,057,735
Corporate Bonds	35,154	494,282	1,258,266
Structured notes	(1,480)	19,285	3,015
Collective Investments Undertakings	76,780	452,254	2,378,540
Total	191,275	3,169,186	8,874,458

Finally, equity investments held by Group companies and not consolidated on a line-by-line basis amounted to € 226,011 thousand at 31 December 2023, and refer to:

- for € 107,910 thousand to Europa Gestioni Immobiliare SpA, a company 45% owned by Poste Vita and 55% owned by Poste Italiane, operating mainly in the real estate sector for the management and development of real estate assets no longer used by Poste Italiane;
- for € 1,355 thousand to Eurizon Capital Real Asset SGR S.p.A, a company in which Poste Vita holds a 20% stake in share capital and 12.25% of voting rights, acquired for € 1.7 million on 31 January 2022;
- € 116,707 thousand to Cronos Vita Assicurazioni SpA, in which Poste Vita held a 22.5% stake at 31 December 2023;
- € 39 thousand to Consorzio Logistica Pacchi S.c.p.a., in which Poste Assicura holds 5% of the share capital.

Investment Performance - Poste Vita

It should be noted that with reference to the Local GAAP measurement (Statutory column of the Market Value Balance Sheet), the figure for 31 December 2023, as well as the figure for 31 December 2022, benefits from the application of IVASS Regulation no. 52 of 30 August 2022, as amended by IVASS provision no. 143 of 2024, which allowed the company to suspend value adjustments totalling € 2.7 billion (or € 5.2 billion at 31 December 2022) related to class C investments at the end of the period.

As a result, the value of Solvency II financial assets was lower than the value of financial instruments under Local GAAP, and, net of equity investments, amounted at 31 December 2023 to € 154,884,733 thousand, an increase of € 13,724,358 thousand compared to 2022 as a result of financial market dynamics during the year.

Below is a schedule showing the composition of financial assets at 31 December 2023, equity investments excluded, with a comparison with the figures indicated in the Local GAAP financial statements and the amounts at the end of 2022:

(€k)	31/12/2023			31/12/2022		
	Solvency II value	Statutory accounts value	Delta	Solvency II value	Statutory accounts value	Delta
Equities	317,261	281,046	36,216	103,666	102,267	1,399
Government Bonds	87,750,380	92,411,819	(4,661,439)	79,110,257	88,534,227	(9,423,971)
Corporate Bonds	21,219,014	22,280,196	(1,061,182)	20,171,112	22,310,895	(2,139,783)
Structured notes	46,833	47,642	(809)	545,310	547,654	(2,344)
Collective Investments Undertakings	33,169,856	33,309,095	(139,239)	31,621,867	33,270,252	(1,648,385)
Assets held for index-linked and unit-linked contracts	12,381,389	12,381,389		9,608,163	9,608,163	
Total	154,884,733	160,711,187	(5,826,454)	141,160,375	154,373,458	(13,213,084)

Given the increase in assets and the more favourable financial market trends compared to the previous year, Poste Vita's investments generated Solvency II market value growth totalling € 8,920,339 thousand and ordinary income totalling € 3,147,981 thousand during the Period.

(€k)	31/12/2023		
	Net gains and losses	Interest / Dividends	Net Unrealised Gains
Equities	37,949	25,238	261,018
Government Bonds	40,884	2,162,108	5,025,693
Corporate Bonds	34,440	489,636	1,251,855
Structured notes	(1,480)	19,285	3,015
Collective Investments Undertakings	75,316	451,714	2,378,758
Total	187,109	3,147,981	8,920,339

Investment Performance - Poste Assicura SpA

The financial portfolio, measured at *fair value*, excluding equity investments, amounted to € 732,332 thousand at the end of 2023, an increase of € 188,326 thousand compared to the figure recorded at the end of 2022 (€ 544,006 thousand), mainly due to inflows and financial trends recorded in the period.

Due to changes in interest rates and spreads, the company's invested assets at 31 December 2023 showed a value for Solvency purposes of € 732,332 thousand, with a negative difference of approximately (€ 4,284) thousand compared to the statutory figure, showing a reduction in the value gap compared to the previous period.

(€k)	31/12/2023			31/12/2022		
	Solvency II value	Statutory accounts value	Delta	Solvency II value	Statutory accounts value	Delta
Government Bonds	623,706	628,562	(4,856)	466,336	489,762	(23,426)
Corporate Bonds	108,626	108,054	572	77,670	77,653	17
Total	732,332	736,616	(4,284)	544,006	567,415	(23,409)

With reference to equity investments, at 31 December 2023, Poste Assicura held the entire share capital of Poste Insurance Broker S.r.l., which recorded a net loss of € 219 thousand (€ 423 thousand in the same period of 2022). Equity at 31 December 2023 amounted to approximately € 377 thousand. The loss of the Period will be offset through a planned capital strengthening in the new financial year.

In addition, Poste Assicura holds 5% of the capital of Consorzio Logistica Pacchi S.c.p.a., acquired on 30 June 2020, whose equity is € 787.9 thousand at 31 December 2023. The Solvency II value of the units held by the company at 31 December 2023 was € 39 thousand.

The aforementioned investments generated an increase of approximately € 30,882 thousand in the Solvency II value of securities portfolio, while ordinary income accrued increased by € 15,812 thousand in the period, as shown in the following table:

(€k)	31/12/2023		
	Net gains and losses	Interest / Dividends	Unrealised gains and losses
Government Bonds	330	14,186	27,372
Corporate Bonds	170	1,626	3,732
Equities			(222)
Total	499	15,812	30,882

It should be noted that the Equities category only includes equity investments held.

Investment Performance - Net Insurance SpA

The financial portfolio, measured at fair value, excluding equity investments, was € 122,596 thousand at the end of 2023, an increase of € 25,028 thousand with respect to year-end 2022 (€ 97,568 thousand), mainly due to inflows (net of claims and expenses) and a decrease of € 1,135 thousand with respect to the statutory balance due to changes in interest rates and spreads during the reporting period.

(€k)	31/12/2023			31/12/2022		
	Solvency II value	Statutory accounts value	Delta	Solvency II value	Statutory accounts value	Delta
Equities	5.209	5.340	(131)	4.056	4.054	2
Government Bonds	62.916	64.459	(1.543)	36.996	40.227	(3.231)
Corporate Bonds	45.598	45.630	(32)	21.403	23.363	(1.960)
Collective Investments Undertakings	8.872	8.751	122	35.113	34.931	183
Total	122.596	124.180	(1.584)	97.568	102.575	(5.006)

With reference to equity investments, at 31 December 2023, Net Insurance held the entire share capital of Net Insurance Life SpA, whose Solvency II value in the assets was € 44,526 thousand.

Furthermore, with reference to corporate securities, it should be noted that Net Insurance wholly owns the subordinated bond issued by the subsidiary Net Insurance Life, whose market value at 31 December 2023 was € 4,783 thousand. This security is eliminated at the level of the Solvency II consolidated financial statements calculation, resulting in no impact on the Group's balance sheet.

The aforementioned investments generated an increase of approximately € 14,648 thousand in the Solvency II value of securities, while ordinary income accrued increased by € 6,194 thousand in the period, as shown in the following table:

(€k)	31/12/2023		
	Net gains and losses	Interest /Dividends	Net Unrealised Gains
Equities	50	3,550	11,841
Government Bonds	617	818	1,611
Corporate Bonds	229	1,555	1,208
Collective Investments Undertakings	715	270	(12)
Total	1,610	6,194	14,648

Investment Performance - Net Insurance Life SpA

The financial portfolio, measured at fair value was € 164,529 thousand at the end of 2023, an increase of € 43,047 thousand with respect to year-end 2022 (€ 121,483 thousand), mainly due to inflows (net of claims and expenses) and a decrease of € 3,119 thousand with respect to the statutory balance due to changes in interest rates and spreads during the reporting period.

(€k)	31/12/2023			31/12/2022		
	Solvency II value	Statutory accounts value	Delta	Solvency II value	Statutory accounts value	Delta
Equities	37	37		223	223	
Government Bonds	98,809	101,707	(2,899)	58,217	64,281	(6,064)
Corporate Bonds	53,800	53,939	(139)	27,159	29,687	(2,528)
Collateralised securities						
Collective Investments Undertakings	11,884	11,965	(81)	35,885	35,732	152
Total	164,529	167,649	(3,119)	121,483	129,923	(8,440)

The aforementioned investments generated an increase of approximately € 4,320 thousand in the Solvency II value of securities, while ordinary income accrued increased by € 2,699 thousand in the period, as shown in the following table:

(€k)	31/12/2023		
	Net gains and losses	Interest /Dividends	Net Unrealised Gains
Equities	104	4	(3)
Government Bonds	887	960	3,059
Corporate Bonds	315	1,465	1,470
Collective Investments Undertakings	750	270	(206)
Total	2,056	2,699	4,320

Additionally, pursuant to Article 124-sexies of the Consolidated Law on Finance, as referenced in Article 5 of IVASS Regulation 46 of 2020, note that it is held appropriate to differentiate the description of the share investment strategy and agreements with asset managers, on the basis of the type of portfolio - either separately managed accounts or internal insurance fund.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

With respect to that required in IVASS Regulation 46 in relation to information regarding management agreements, note first of all that the management mandate between the individual company and the delegated manager calls for the investment strategy to be aligned with the characteristics of the liabilities, as it requires compliance with the aforementioned Internal Fund regulations, which represent the individual company's commitment to its investor-contractors.

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

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

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

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

A.4 Performance of other activities

Poste Vita

With reference to organisational aspects, operating costs at 31 December 2023, mainly referring to personnel expenses, IT services costs and professional consulting/services, amounted to approximately € 133.6 million, up by € 13 million compared to the figure recorded in 2022 (equal to € 120.6 million) due to higher infragroup costs with Poste Italiane Group companies.

In addition, Poste Vita recorded extraordinary income in the Period of € 4,288 thousand (€ 56,131 thousand in 2022), of which € 2,936 thousand related to contingent assets arising from higher costs accrued in the previous year and € 1,352 thousand related to capital gains on the sale of investment securities. The 2022 figure of € 56,131 thousand related mainly to capital gains from the sale during the period of the investments held in Poste Welfare Servizi and FSI for a total of € 50,382 thousand.

With regard to extraordinary expenses, the figure recorded in 2023 amounts to € 6,947 thousand (€ 1,791 thousand in 2022) and mainly relates to contingent liabilities arising from higher costs not recognised at the end of the previous year.

Pursuant to Article 9, paragraph 1 of the Delegated Regulation (EU) 2015/35, with specific regard to the application of IFRS 16 - Leases, in force since 1 January 2019, note should be taken of the following economic effects in 2023:

- the straight line amortisation of assets which are the subject of leasing contracts, equal to € 1,068 thousand at the end of the period;
- the recognition, upon payment of the periodic fee, of finance costs calculated on the basis of the internal rate of the contracts, falling within the scope of application of the above standard, with a corresponding reduction of the financial liability for a value equal to € 48 thousand at the end of the period.

Poste Assicura SpA

During the period, in continuity with the previous years, design activities continued to support industrial development and the continuous functional/infrastructural improvement of the most important business support systems.

In relation to this, operating costs at the end of the reporting period are approximately € 38.2 million, up 13.3% from € 33.7 million in 2022 due to the initiatives to develop the business and consisted mainly of personnel expenses, commercial/advertising costs, IT services costs and professional consulting/services.

In addition, Poste Assicura recorded extraordinary income during the year of € 606 thousand (compared to € 457 thousand for 2022) and related exclusively to higher costs accrued in the previous year.

With reference to extraordinary expenses, the figure recorded in 2023 was € 219 thousand (€ 493 thousand in 2021) referring entirely to contingent liabilities related to costs not accrued in the previous year.

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

- i. the straight line amortisation of assets which are the subject of leasing contracts, equal to € 305 thousand at the end of the period;
- ii. the recognition, upon payment of the periodic fee, of finance costs calculated on the basis of the internal rate of the contracts, falling within the scope of application of the above standard, with a corresponding reduction of the financial liability for a value equal to € 16 thousand at the end of the period.

Net Insurance SpA

There are currently no other substantial revenue or costs other than underwriting or investment revenue and costs incurred during the period of planning the company's activities, with the exception of interest on the Subordinated liability and costs incurred for activities related to the takeover bid (OPA - Offerta Pubblica d'Acquisto) and costs related to the integration with the Poste Vita Group.

The balance of extraordinary income and expenses, in fact, had a negative impact on the statement of profit or loss of € 2,003 thousand, mainly due to the increase in items of an extraordinary nature, including costs incurred in connection with the takeover bid and integration costs.

It should be noted that in other income also for 2023, the effects arising from the assignment of a portfolio of irrecoverable receivables, deriving from salary-backed financing contracts, were recorded for € 1,104 thousand (€ 977 thousand at 31 December 2023). The sale was concluded following a traditional auction mechanism activated to collect the various bids.

The Tangible Assets in the Solvency Financial Statements also incorporate the measurements dictated by IFRS 16 "Leases", which became effective, pursuant to Commission Regulation (EU) 2017/1986 of 31 October 2017, on 1 January 2019.

This valuation shows a difference between the Solvency II financial statements and the statutory financial statements of € 286 thousand in assets and € 426 thousand in financial liabilities (-€ 18 thousand compared to the previous period). Rights of use recorded under Assets refer to guest quarters (€ 57 thousand), mixed-use vehicles (€ 87 thousand) and computer equipment (€ 142 thousand).

Net Insurance Life SpA

It should be noted that the item Tangible Assets in the Solvency Financial Statements also incorporates the measurements dictated by IFRS 16 "Leases", which became effective, pursuant to Commission Regulation (EU) 2017/1986 of 31 October 2017, on 1 January 2019.

This valuation shows a difference between the Solvency II financial statements and the statutory financial statements of € 24 thousand in assets and € 24 thousand in financial liabilities. Rights of use recorded under Assets refer exclusively to computer equipment.

A.5 Other information

Information on own shares and/or shares of the Parent Company held, purchased or sold in the period

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

Related party transactions

Related parties, in addition to the Poste Italiane Group companies whose transactions are described in the previous paragraph, include, in accordance with IAS 24 (paragraph 9), the Ministry of Economy and Finance ("MEF"), Cassa Depositi e Prestiti SpA, the entities under the control of the MEF and the Key Management Personnel. The Government and public bodies other than the MEF and its subsidiaries are not considered related parties; moreover, related party transactions 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 2023, the Parent Company Poste Vita held a bond issued by Cassa Depositi e Prestiti SpA as private placement for a nominal value of € 22 million and a total market value of € 22 million, acquired under market conditions.

Research and Development Activities

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

Legal disputes

Poste Vita SpA

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

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

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

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

Poste Assicura SpA

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

With regard to criminal positions, 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 a supplier concerning financial claims against the company. This last position concerns the injunction notified to Poste Assicura on 14 October 2022 by an intermediary with financial claims for a total of around € 0.6 million as commissions allegedly referring to activities performed for business referred to third-party customers of the company. The injunction was opposed by the company, which considers the other party's claims to be unfounded, and the case is still pending. With reference to the latter case, in compliance with the provisions of IAS 37, given this liability is "possible" but not probable, the company did not deem it appropriate to make a provision for risks in these financial statements, but limited itself, as required by the aforementioned standard, to providing adequate information.

Management of Fondazione Enasarco Policy Claims

With reference to the policy underwritten by Fondazione Enasarco, as a result of delays encountered in the management of claims, the subsidiary Poste Assicura has made/shall make payment of some penalties, pursuant to Article 32 of the aforementioned policy, which the company has taken into account in determining the provision for risks at 31 December 2023.

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 respect of this phenomenon, at the end of the previous year, the company had set aside an amount of € 1 million (of which € 0.3 million had already been released in 2023) to the provision for risks as a result of the portfolio remediation activities, which are still in progress for the remaining positions, and which have resulted/will result in the reimbursement, in respect of the positions concerned, of the amounts due to the policyholders.

"Poste Vita Valore Solidità" Separately Managed Account

By means of a resolution of the Board of Directors dated 31 January 2023, the Parent Company established the new separately managed account called "Poste Vita Valore Solidità".

The start of marketing of the product linked to this management took place in April 2023.

Specific provisioning of assets

In November, the Parent Company Poste Vita placed a new Class I insurance investment product, "Poste Prospettiva Valore Gold", with a single premium that, for the first 5 years, provides for the annual revaluation of the invested capital on the basis of the guaranteed return according to the revaluation of a Specific Asset Reserve.

Renewal of Ancillary Own Funds

On 9 November 2023, following the completion of the respective preliminary and deliberative processes and the obtaining of the necessary authorisation from IVASS, the Parent Company Poste Vita and the Ultimate Parent Poste Italiane signed a letter of commitment to renew the Ancillary Own Funds in favour of Poste Vita for a maximum amount of € 1,750 million.

Subsequently, on 15 November 2023, Poste Vita's Shareholders' Meeting authorised the Board of Directors to increase, in one or more tranches, the share capital up to the above-mentioned amount.

Renewal of corporate officers

The Ordinary Shareholders' Meeting of the Parent Company Poste Vita, held on 26 June, renewed the members of the Board of Directors and the Board of Statutory Auditors; subsequently, at the Board meeting held on 28 June, the Board of Directors appointed Mr. Andrea Novelli as Chief Executive Officer and General Manager of the company.

Authorisation Class 3 (Land vehicle hulls)

By Measure no. 0297134 of 22 December 2023 the IVASS authorised, following the application for authorisation submitted by the subsidiary Net Insurance on 27 July, lastly supplemented on 15 December, the company to extend the insurance business to class 3 (Land vehicle hulls) as per Article 2, paragraph 3, of Legislative Decree no. 209 of 7 September 2005 and approved the amendment of Article 5 of the Company's Articles of Association.

Principal proceedings pending and relations with the Authorities

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

With regard to the sanction proceedings arising from objections by the Supervisory Authority, it should be noted, with respect to the notice of objection served by IVASS on 23 February 2023 for the alleged breach of Article 183, paragraph 1, lett. "a", of the Private Insurance Code deriving from the alleged lateness of the settlement of insurance benefits beyond the contractually established deadline and the subsequent "Proposal for the imposition of administrative sanctions" notified on 24 August 2023 for the amount of € 30,000 equal to the minimum amount prescribed by law, its settlement is confirmed following the receipt of the sanctioning measure and the payment of the sanction imposed therein and confirmed for an amount of € 30,000 made within the terms provided for by the reference legislation.

Moreover, with reference to the notice of objection served on 20 July 2023 referred to in the previous information notice, it should be noted that on 24 January 2024 the Parent Company Poste Vita received the "Proposal for the imposition of administrative sanctions" in which the "Sanctions and Settlements Service" of the Supervisory Authority requested the "Integrated Directorate" of the same institute, which is attributed the decision-making function in the proceedings in question, to apply to the company the minimum administrative sanction prescribed by law of € 30,000. We are therefore waiting for the reasoned decision with which the sanctioning procedure in question will be defined.

b) Bank of Italy

With regard to the investigations conducted between 2015 and 2016 by the Bank of Italy's Financial Intelligence Unit (FIU) against Poste Vita on the subject of anti-money laundering pursuant to Articles 47 and 53(4) of Legislative Decree no. 231 of 2007, on 8 July 2016, the FIU notified the Parent Company Poste Vita of a "Formal notice of investigation and dispute" for breach of the obligation to promptly report suspicious transactions in relation to transactions relating to an individual policy pursuant to Article 41 of Legislative Decree no. 231/2007. On 29 May 2019, the Ministry of Economy and Finance served an injunction order on the Parent Company Poste Vita for the payment of an administrative penalty of € 101.4 thousand. 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.

Inspections

IVASS - Istituto per la Vigilanza sulle Assicurazioni (the insurance regulator): verification of the management process of dormant life insurance policies

Following the inspection initiated by IVASS on 7 March 2023 on Poste Vita and concerning the verification of the management process of dormant policies, the company prepared a plan of managerial actions aimed at strengthening the monitoring of the management of dormant policies and increasing the effectiveness and efficiency of the settlement process of these policies.

At the same time, the Internal Auditing Function and the Compliance Function drew up a plan of audits both on the execution of the aforesaid plan and on certain operational areas adjacent or ancillary to the sphere of dormant policies (e.g. contractual conditions set out in the general conditions of insurance, communications to claimants).

For the sake of full disclosure, it should be noted that the findings of the inspection, which were completed on 21 April 2023, were presented by IVASS officials at the board meeting of 28 September 2023. The action plan drawn up by the company during the inspection was supplemented in order to adapt it to the findings of the supervisory authority and was approved by the Board of Directors at its meeting on 26 October 2023 and also endorsed at that meeting by the Board of Statutory Auditors. Specifically, the integrated action plan consists of a total of 39 actions grouped into three macro areas, some of which have already been implemented as of today and the remainder to be implemented by 30 June 2024.

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

With regard to the IVASS inspection of the Parent Company Poste Vita concerning the governance, management and control of investments and financial risks, which was completed on 7 May 2021, discussions continued with IVASS during the period, and on 25 July 2023 the decision-making phase was concluded by the Supervisory Authority, which notified the company of the imposition of a fine of € 1.8 million. The sanction was imposed as a result of violations of the applicable regulations found by IVASS with particular reference to:

- alleged failures in the governance and management of financial risks as well as in the protection of policyholders' rights for investments made through "multi-asset" funds;
- alleged deficiencies in the process of defining the Risk Appetite Framework.

Exemption from the preparation of the Non-Financial Statement

The Directors of the Parent Company Poste Vita have availed themselves of the exemption from preparing the non-financial statement pursuant to Article 6, paragraphs 1 and 2 of Legislative Decree no. 254 of 30 December 2016.

Extraordinary transactions

Net Insurance

On 28 September 2022, the Board of Directors of the Parent Company Poste Vita approved the promotion of a voluntary total cash takeover bid for ordinary shares and warrants of Net Insurance, in agreement with certain shareholders.

As a result of the takeover bid and squeeze-out procedure, in April 2023, Net Holding came to hold a controlling 97.8% shareholding in Net Insurance (which in turn holds 100% of Net Insurance Life), and the current Chief Executive Officer of Net Insurance, who acted in concert in the takeover bid, holds a minority interest of around 2.2%. The total outlay paid by Net Holding for the acquisition of the stake amounted to approximately € 180.8 million. On 21 April 2023, IBL Banca SpA, pursuant to its commitment in the event of a successful bid, acquired a 40% stake in Net Holding for a consideration of € 73.1 million. The net outlay for the Poste Vita Group for the acquisition of the stake amounted to around € 108.5 million.

Cronos Vita Assicurazioni

On 3 August 2023, as part of a system-wide transaction to take over the policy portfolio of Eurovita SpA ("Eurovita") following the latter's crisis, Poste Vita contributed to the establishment of the corporate vehicle Cronos Vita SpA ("Cronos"), invested in by, in addition to Poste Vita itself, Allianz, Generali Italia, Intesa Sanpaolo Vita and UnipolSai Assicurazioni, with the purpose of acquiring a business unit consisting essentially of the assets and liabilities relating to the Eurovita insurance business, following the latter's admission to compulsory liquidation proceedings.

In September 2023, the insurance companies involved, Cronos, the banks distributing Eurovita products and certain system banks signed the final agreements within their respective competences to regulate their rights and obligations in relation to the transaction.

On 17 October 2023, IVASS authorised Cronos to carry out insurance business (resulting in a change of company name from "Cronos Vita SpA" to "Cronos Vita Assicurazioni SpA"). To complete the transaction, on 30 October 2023 IVASS authorised the sale of the business unit from Eurovita to Cronos, effective from 27 October 2023.

The stake in Cronos was classified as an asset held for sale (IFRS 5) in consideration of the intention to hold the investment for a limited period of time and the agreements made at the conclusion of the transaction regarding the stipulation of a firm purchase commitment within 12 months for the transfer of the business units between the insurance companies involved in the transaction and Cronos.

B – Governance System

B.1 General Information about the Governance System

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

First of all, it should be noted that, as of April 2023, the company Net Holding (60% owned by Poste Vita and 40% owned by IBL Istituto Bancario del Lavoro SpA) belongs to the Poste Vita Insurance Group. It was incorporated on 12 October 2022, is subject to the management and coordination of Poste Vita and its purpose is the acquisition, holding and management of corporate equity investments and, in particular, the direct acquisition, holding and management of the equity investment in Net Insurance, as well as the technical and financial coordination of said company including through the provision of administrative, financial, commercial and technical services.

In addition, Net Insurance and Net Insurance Life became part of the Poste Vita Insurance Group as of April 2023, upon completion of the takeover bid (hereinafter also "OPA").

This being said, Poste Vita's Board of Directors, as the Italian ultimate holding company (UHC)⁸ of a group subject to supervision by IVASS, the Board of Directors of Poste Assicura, the Board of Directors of Net Insurance and the Board of Directors of Net Insurance Life (hereinafter also "the Boards of Directors") hold the most ample powers for the ordinary and extraordinary management of the same, without limitations, with the power to carry out all the acts deemed necessary and useful for the achievement of the corporate purpose, with the exception of those that by law are expressly reserved for the Shareholders' Meeting.

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

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

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

- approves the organisational macro-structure and the assignment of tasks and responsibilities to operating units, monitoring their adequacy over time so as to promptly adjust them to changes in strategic objectives, operations and the context in which the company operates, informing the Supervisory Authorities of any significant changes made to the organisational structure, as well as the internal or external causes that made the changes necessary. In this context, each Board is responsible, among other things, for:
 - establishing the Key Functions and defining their responsibilities, tasks, operating methods and the nature and frequency of their reporting to the corporate bodies and other relevant functions, consistent with the Group and individual company's "Guidelines on the Internal Control and Risk Management System";
 - appointing and dismissing the Heads of the Key Functions, consistent with the requirements established under internal and external regulations (including, among other things, assessment of whether the fit and proper requirements for office are met);
 - ensuring: i) the adoption and formalisation of adequate decision-making processes, ii) appropriate separation of functions is implemented and iii) that tasks and responsibilities are adequately assigned, distinct and coordinated in line with company policies and reflected in the descriptions of tasks and responsibilities. In this context, they ensure that all relevant positions are assigned and that unnecessary overlapping is avoided;

8. Poste Vita's Board of Directors, 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 Article 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.

- approving the "Guidelines on the Internal Control and Risk Management System," to be disseminated to all relevant structures;
- approving, consistent with regulatory requirements and monitoring adequacy over time, the system used to delegate powers and responsibilities, establishing tools to verify the use of delegated powers (with the consequent possibility to establish adequate measures, when the decision is made to give themselves delegated powers);
- ensuring appropriate and continuous dialogue between all board committees, Senior Management and the Key Functions, also through proactive steps to guarantee efficacy;
- representing to the Authority, with the context of the reporting required under the law and regulations in effect, the reasons that make the companies' organisational structure able to guarantee the completeness, functioning and efficacy of the corporate governance system;
- with specific reference to the Corporate Governance System, they are also responsible for:
 - defining directives, reviewing them at least once per year and monitoring adaptation to changes in company operations and external conditions; in this context, they approve the company policies identified under the regulations, ensuring consistency between these and the company's strategy, as well as with Group policies;
 - promoting a culture of integrity within internal control, such as to raise overall staff awareness of the importance and utility of internal control to protect against risks;
 - approving the "Policy to identify and measure the fit and proper requirements for office", in terms of integrity, fairness, professionalism and independence, in line with the provisions of the reference regulations, and assessing, at least once per year, the existence of said requirements for the persons identified by the policy as well as for the administrative body as a whole;
 - ensuring, through appropriate measures, continuous professional training for employees and members of the administrative bodies of the companies, preparing specific training/informational plans;
 - carrying out, at least once per year, a self-assessment regarding the size, composition and effective functioning of the administrative body of each company, as a whole, in line with current regulations;
 - ensuring an internal review, at least once per year, of the Corporate Governance Systems of the companies, in line with current regulations, verifying the alignment of these systems with strategic objectives, risk appetite and risk ceilings established, and receiving the results of this review, highlighting any corrective measures taken;
- with specific reference to the Risk Management System (hereafter, also "RMS"), each Board of Directors is responsible for:
 - determining the system of risk objectives ("Risk Appetite Framework" or "RAF"); in said area: i) it defines, based on relevant assessments (including ORSA), the risk appetite of the undertaking in line with its overall solvency requirement, ii) it identifies the types of risk considered appropriate to take and iii) it sets in a coherent manner the risk tolerance limits, which it reviews at least once per year to ensure their efficacy over time. In determining the nature and level of risks deemed compatible with the identified strategic objectives, the Boards of Directors also include in their assessments those elements that may be relevant to the sustainable success of the Company;
 - approving strategies (including medium/long term), the risk management guidelines and, in line with the above, the guidelines on underwriting, reservation, reinsurance and management of operational risk, while also approving the risk tolerance levels and principles underlying the related processes;
 - approving, for the major sources of risk identified, the "Contingency Plan" to ensure the regular nature and ability to continue as a going concern, to be reviewed annually and made accessible to personnel as per regulation;
 - defining ORSA directives, including the relative Policy and the criteria and methods used to assess risk, especially the most significant risks;
 - approving the results of periodic ORSA evaluations, sending them to Senior Management together with the relevant conclusions;
 - carrying out all tasks required under the regulations if an internal model or specific parameters are used to determine the Solvency Capital Requirement;
- defining, when appropriate, the directives and criteria for the circulation and collection of data and information needed for Group supervision, as well as internal control directives to ensure the completeness and timeliness of the relative information flows;
- ensuring the tasks required relative to the "Reporting Guideline" are carried out (regarding reporting to be provided to IVASS and the public);
- defining and periodically revising the Remuneration Policy, to be approved by the Shareholders' Meeting, with the responsibility for ensuring it is applied in line with the requirements under the law;
- approving the policy on outsourcing and selection of suppliers, defining the strategy and relative strategies for the duration of the same;
- approving the Capital Management Policy and the Medium-Term Capital Management Plan, in line with regulatory requirements;

- approving the strategic plan on information and communications technology ("ICT"), including corporate cyber security, in line with regulations;
- receiving specific flows of information to verify that Senior Management implements the internal control and risk management system in accordance with directives and that it evaluates the functionality and adequacy of the same;
- requesting that any significant problems identified are promptly reported (by Senior Management, the Key Functions or personnel in general), with the aim of issuing directives for the adoption of corrective measures, to be subsequently assessed for effectiveness, and identifying and special events or circumstances that require immediate action by Senior Management;
- approving the Code of Ethics and the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001, as well as the documents required in cases of certification according to international standards, in order to foster the dissemination of an appropriate internal control culture;
- assigning the supervisory functions pursuant to Article 6, paragraph 1, letter b) of Italian Legislative Decree no. 231/2001 to a body established for that purpose (the Supervisory Board), the members of which are appointed by the same Board of Directors as defined by the Organisation, Management and Control Model adopted by the company;
- promoting dialogue with the company's relevant stakeholders, in line with the guidelines and strategies defined and with the initiatives carried out, for the Group, by the Ultimate Parent Poste Italiane.

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

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

This said, on the basis of the results of the process for self-assessment of complexity/risk levels as required by the applicable regulations (Letter to the Market dated 5 July 2018), **Poste Vita** identified the applicability of a "strengthened" corporate governance system, which it adopted at company level and as UHC of the Poste Vita Group and which is still consistent for Poste Vita in light of its size, and proportionate to the nature, scale and complexity of the activities carried out and therefore to its risk profile. With regard to **Poste Assicura**, it has assessed an "Ordinary" governance model as adequate, and has also decided to apply, on a voluntary basis, certain additional corporate governance mechanisms as discussed below.

With reference to **Net Insurance**, the company's Board of Directors decided, on a voluntary basis and in continuity with the previous year, to confirm the adoption of a "Strengthened" governance model, although the risk profile and corporate complexity would have led, pursuant to IVASS Regulation no. 38/2018 and the Letter to the Market of 5 July 2018, to assess an "Ordinary" governance system as adequate as well.

On 13 June 2023, the Board of Directors of **Net Insurance Life** resolved - in view of the change in the group to which it belongs as well as due to the risk profile and complexity of the company - to switch from the ordinary corporate governance regime to the simplified regime.

In line with the findings of the aforementioned process of self-assessment of its complexity/riskiness, Poste Vita's Board of Directors has therefore set up specific internal board committees, composed of non-executive directors, 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, Poste Vita's Board of Directors is supported by the following Committees:

- Remuneration Committee;
- Internal Control and Risks and Related Party Transactions Committee.

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

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

The **Appointments and Remuneration Committee** is composed of non-executive Directors, the majority of whom are independent pursuant to Article 2387 of the Italian Civil Code. They have the necessary skills and act with independence of judgement in order to carry out investigative, consultative and propositional tasks regarding appointments and remuneration, and to formulate assessments on the adequacy of the Remuneration and Incentive Policies and their implications on the assumption and management of risks, holding the right to access - within the limits of the tasks assigned - the information and data relevant to the performance of their duties.

In particular, the Appointments and Remuneration Committee, consistent also with the provisions of the reference legislation, internal policies, guidelines and procedures of the Group, performs, *inter alia*, the following tasks:

A) Appointments Section:

- a. assists the Board of Directors in defining guidelines on the fit and proper requirements and criteria of corporate officers and other material risk takers of the company;
- b. offers opinions to the Board of Directors on the size and composition of the Board and its committees, and makes recommendations on the professional figures whose presence on the Board is deemed appropriate. Supports the Chair of the Board of Directors in his/her task of ensuring the adequacy and transparency of the annual self-assessment process of the Board and its committees, and assists the Board in the preliminary investigation and assessment of the results of this process;
- c. assists the Board of Directors in identifying the requirements applied to the candidates for the office of director if one or more directors leave office during the year (Article 2386, paragraph 1, of the Italian Civil Code);
- d. instructs the Board of Directors on the activities relating to the verification of the fit and proper requirements and criteria of corporate officers and other relevant personnel of the company, with the exception of those whose verification is the responsibility of the Internal Control and Risks and Related Party Transactions Committee.

Moreover, the Appointments and Remuneration Committee, in support of the Chief Executive Officer, on the occasion of the renewal of the administrative and control bodies of Poste Vita's subsidiaries, expresses its opinion, based on the analysis carried out in advance, on the candidates for the office of members of the administrative and control bodies, to be submitted to the Shareholders' Meeting of the subsidiaries, with particular reference to the fit and proper requirements and criteria that the candidates must meet.

B) Remuneration Section:

- a. performs advisory and proposal functions in the definition of the Remuneration and Incentive Policies and offers proposals on the remuneration for each of the Directors holding special offices, as well as the General Manager, where appointed, assisting the Board of Directors in determining and establishing the objectives assigned to them and those assigned to the Heads of Key Functions, to the Head of Anti-Money Laundering and the Head of Risk Office, as well as in determining the relevant allowances;
- b. periodically reviews the remuneration and incentive policies in order to ensure their adequacy also in the event of changes to the company's operations or the market context in which it operates;
- c. verifies the congruence of the overall remuneration structure and the proportionality of remunerations for executive directors with respect to key employees of the company, taking into account the risk profile thereof;
- d. identifies potential conflicts of interest and measures adopted to manage them;
- e. ascertains the fulfilment of the conditions for the recognition and payment of the incentives of the company's relevant personnel as determined in the applicable remuneration policies;
- f. provides adequate information to the Board of Directors on the effectiveness of the remuneration and incentive policies;
- g. expresses an opinion on Related Party Transactions concerning the remuneration and economic benefits, in any form whatsoever, of those who perform administrative, management and control functions, of Senior Management, of the heads of Key Functions, and of Key Managers of Poste Vita or of its subsidiaries, in compliance with the relevant Company Guidelines.

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

Moreover, this committee, where the conditions are met, also performs its functions in the area of internal control and risk management with regard to those subsidiaries that have exercised the option to make use of the Group committee, as provided for in the IVASS Letter to the Market of 5 July 2018 and in application of the principle of proportionality set out therein. In this regard, it should be noted that, as of 31 July 2023, in the area of internal control and risk management, the subsidiary Poste Assicura set up its own Internal Control and Risks and Related Party Transactions Committee, superseding the previous arrangement whereby Poste Assicura relied on the committee set up at the Parent Company Poste Vita.

With regard to Poste Assicura, at the outcome of the self-assessment process conducted in July 2023 and in line with the provisions of IVASS Regulation no. 38/2018 and the IVASS letter to the Market of 5 July 2018, the Board of Directors, while adopting an "ordinary" governance model insofar as it is consistent in light of Poste Assicura's size, as well as proportionate to the nature, scope and complexity of the activities carried out and therefore to its risk profile, has approved a new governance structure providing for the establishment of specific board committees, composed of non-executive directors, with investigative, consultative and propositional duties, in order to increase the efficiency and effectiveness of its work as well as to facilitate decision-making in business sectors where the risk of conflict of interest situations is high.

Specifically, Poste Assicura's Board of Directors is supported by the following Committees:

- Appointments and Remuneration Committee;
- Internal Control and Risks and Related Party Transactions Committee.

The composition, the tasks of a propositional and consultative nature assigned to them, and the powers and functioning of each committee are governed by the respective regulations, which were approved by the Board of Directors at its meeting on 31 July 2023.

The **Appointments and Remuneration Committee** is composed of non-executive Directors, the majority of whom are independent pursuant to Article 2387 of the Italian Civil Code. They have the necessary skills and act with independence of judgement in order to carry out investigative, consultative and propositional tasks regarding appointments and remuneration, and to formulate assessments on the adequacy of Poste Assicura's Remuneration and Incentive Policies and their implications on the assumption and management of risks, holding the right to access - within the limits of the tasks assigned - the information and data relevant to the performance of their duties.

In particular, the Appointments and Remuneration Committee, consistent also with the provisions of the reference legislation, internal policies, guidelines and procedures, performs, *inter alia*, the following tasks:

A) Appointments Section:

- a. assists the Board of Directors in defining guidelines on the fit and proper requirements and criteria of corporate officers and other material risk takers;
- b. offers opinions to the Board of Directors regarding the size and composition of the Board and its committees, and makes recommendations concerning the kind of professionals whose presence on the Board is considered advisable. In particular, with reference to the annual self-assessment activity of the Board and its committees, the committee supports the Chair of the Board of Directors in the task, assigned to it, of ensuring the adequacy and transparency of the self-assessment process of the Board of Directors, and assists the Board in assessing the results of the process. On the basis of the results of the self-assessment, the committee assists the Board in defining the optimal composition of the Board and its committees, as well as the professional expertise and the managerial and professional background of the Board or committees members that are deemed appropriate in light of the Company's sectoral characteristics, also considering diversity criteria and the guidelines issued by the Board on the maximum number of positions held in other companies, so that the Board can express its guidance to the shareholders prior to the appointment of the new Board;

- c. assists the Board of Directors in identifying the requirements applied to the candidates for the office of director if one or more directors leave office during the year (Article 2386, paragraph 1, of the Italian Civil Code), ensuring compliance with the provisions on the minimum number of independent directors and the quotas reserved for the less represented gender, as well as compliance with the provisions of current legislation, the Articles of Association and internal policies and procedures on the matter;
- d. instructs the Board of Directors on the activities related to the verification of the fit and proper requirements and criteria to be fulfilled pursuant to current legislation, the Articles of Association and the relevant internal policies and procedures of (i) persons performing administration and management functions and (ii) additional persons indicated in corporate policies and guidelines, with the exception of those persons whose assessment is the responsibility of the Internal Control and Risks and Related Party Transactions Committee.

B) Remuneration Section:

- a. provides consultation and proposals in the context of defining the remuneration policies and offers proposals on fees for each of the Directors with special roles, as well as the General Manager, if appointed. In this context, it also assists the Board of Directors in the determination and set up of the objectives assigned to the Chief Executive Officer and the General Manager, if appointed, to the Heads of Key Functions, as well as in the determination of the relevant allowances;
- b. verifies the congruence of the overall remuneration structure and the proportionality of remuneration for the executive director with respect to key employees of the company;
- c. periodically reviews the remuneration policies in order to ensure their adequacy also in the event of changes to the company's operations or the market context in which it operates;
- d. identifies potential conflicts of interest and the measures adopted to avoid and manage them. To this end, it analyses the information flows of the Risk Management and Compliance Functions at the outcome of the ex-ante analyses carried out with reference to the objectives assigned to the material risk takers, in order to highlight the absence or presence of conflicts of interest, even if only potential, as well as proposing the organisational measures necessary to manage any identified conflicts of interest;
- e. ascertains the fulfilment of the conditions established by the company for the recognition and payment of incentives to the Chief Executive Officer and material risk takers, as set forth in the applicable remuneration policies;
- f. provides adequate information to the Board of Directors on the effectiveness of the remuneration policies.

The Appointments and Remuneration Committee is also entrusted with the task of providing the Board of Directors with an opinion on Related Party Transactions concerning the remuneration and economic benefits, in any form, of those who perform administrative and control functions and of the company's Key Managers, in accordance with the provisions of the Poste Vita Group's Guidelines for Operations with Related and Connected Parties.

The **Internal Control and Risks and Related Party Transactions Committee** is composed of non-executive directors, the majority of whom are independent and is responsible for assisting the Administrative Body in determining guidelines for the internal control system and identifying and managing the main company risks, with the periodic assessment of its adequacy and functioning and in identifying and managing the main company risks, in preparing and defining the policies connected with investment management, taking into account their consistency with the risk policies adopted by the company.

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

Finally, the committee - without prejudice to the assignments given to the Appointments and Remuneration Committee - is entrusted with specific tasks concerning the related party transactions (as defined in accounting standard IAS 24), better identified in the Single Scope of Related and Connected Parties of the Ultimate Parent Poste Italiane SpA.

In line with the adopted governance system and, thus, the strengthened model, Net Insurance made use - until June 2023 - of the following Net Insurance group-wide Board Committees:

- Internal Control, Risks and Related Parties Committee
- Appointments and Remuneration Committee
- Investment Committee
- ESG Committee

Following the successful conclusion of the takeover bid launched by Poste Vita, through Net Holding, on Net Insurance as reported in the preceding paragraphs, the following Board committees were set up on 13 June 2023:

- Internal Control, Risks and Related Parties Committee
- Appointments and Remuneration Committee
- Strategic Committee

The Investment Committee is now managerial in nature.

The Net Insurance's **Internal Control, Risks and Related Parties Committee**, established since the 2019 financial year by the Board of Directors, is responsible for assisting it in determining the guidelines of the Internal Control and Risk Management System, in periodically verifying its adequacy and effectiveness and in identifying and managing the main corporate risks. It is also assigned (without prejudice to the powers given to the Appointments and Remuneration Committee) specific responsibilities in the field of Related Party Transactions.

In addition, this committee performs its functions in the area of Related Party Transactions with regard to the subsidiary Net Insurance Life, if the conditions are met. This Committee is composed of non-executive Directors, the majority of whom are independent, pursuant to Article 2387 of the Italian Civil Code.

With regard to the **Appointments and Remuneration Committee**, the Board of Directors of Net Insurance has confirmed (in application of IVASS regulation no. 38/2018) the Appointments and Remuneration Committee, composed of non-executive Directors, the majority of whom are independent pursuant to Article 2387 of the Italian Civil Code. They have the necessary skills and act with independence of judgement in order to carry out investigative, consultative and propositional tasks regarding appointments and remuneration, and to formulate assessments on the adequacy of the company's Remuneration and Incentive Policies and their implications on the assumption and management of risks, holding the right to access - within the limits of the tasks assigned - the information and data relevant to the performance of their duties.

In particular, the Appointments and Remuneration Committee, consistent also with the provisions of the reference legislation, internal policies, guidelines and procedures of Net Insurance, performs, *inter alia*, the following tasks:

A) Appointments Section:

- a. assists the Board of Directors in defining guidelines on the fit and proper requirements and criteria of corporate officers and other material risk takers of the company;
- b. provides opinions to the Board of Directors on the size and composition of the Board and its committees, and makes recommendations on the professional figures whose presence on the Board is deemed appropriate. Supports the Chair of the Board of Directors in his/her task of ensuring the adequacy and transparency of the annual self-assessment process of the Board and its committees, and assists the Board in the preliminary investigation and assessment of the results of this process;
- c. assists the Board in defining the optimal composition of the Board and its committees, as well as the professional expertise and the managerial and professional background of the Board or Committees members that are deemed appropriate in light of the Company's sectoral characteristics, also considering diversity criteria and the guidelines issued by the Board on the maximum number of positions held in other companies, so that the Board can express its guidance to the shareholders prior to the appointment of the new Board;
- d. instructs the Company's Board of Directors on the activities relating to the verification of the fit and proper requirements and criteria of corporate officers and other relevant personnel of the Company;
- e. proposes the appointment and dismissal of the Secretary of the Board;
- f. proposes the appointment, with the cooperation of the Internal Control, Risks and Related Parties Committee, of the heads of key functions.

B) Remuneration Section:

- a. performs advisory and proposal functions in the definition of the remuneration policies and offers proposals on the remuneration for each of the Directors holding special offices, as well as the General Manager, where appointed, assisting the Board of Directors in determining and establishing the objectives assigned to them and those assigned to the Heads of Key Functions, as well as in determining the relevant allowances;
- b. verifies the congruence of the overall remuneration structure and the proportionality of remuneration for executive director with respect to material risk takers of the company;
- c. periodically reviews the remuneration policies in order to ensure their adequacy also in the event of changes to the company's operations or the market context in which it operates;

- d. identifies potential conflicts of interest and measures adopted to manage them;
- e. ascertains the fulfilment of the conditions for the recognition and payment of the incentives of the key employees of the company as determined in the applicable remuneration policies;
- f. provides adequate information to the Board of Directors on the effectiveness of the company's remuneration policies;
- g. proposes the definition of the LTI long-term variable component, monitoring the implementation of the decisions adopted by the Shareholders' Meeting and the Board and verifying the achievement of the relevant objectives;
- h. expresses an opinion on Related Party Transactions concerning the remuneration and economic benefits, in any form, of those who perform administrative and control functions and of the company's Key Managers, in accordance with the provisions of the Guidelines for Operations with Related and Connected Parties.

In addition, the Chair of the Committee periodically reports to the Board of Directors on the Committee's activities and makes recommendations.

The **Strategic Committee** was established by the Board of Directors (in application of the provisions of the Articles of Association): it is a board committee composed of three members appointed by the Board of Directors, specifically, the Chair, the Chief Executive Officer and another Director.

The Strategic Committee has the task of reviewing in advance:

- a. the proposal, presented to the Board of Directors, of the company's business plan and yearly budget, periodically analysing any possible deviations;
- b. any related party transactions of the company, including Directors and shareholders.

The opinions expressed by the Strategic Committee on the above-mentioned matters are non-binding.

Until June 2023, **Net Insurance Life** has availed itself of the following board committees set up by Net Insurance at the Net Insurance group level:

- Internal Control, Risks and Related Parties Committee
- Appointments and Remuneration Committee
- Investment Committee
- ESG Committee

Following the successful conclusion of the takeover bid as described in the previous paragraphs, the Board of Directors of Net Insurance Life has set up the Strategic Committee (as provided for by the Articles of Association) and appointed, in line with the simplified corporate governance regime as well as in line with the internal control and risk management areas of responsibility, a Director in charge of the adequacy and effectiveness of the risk management system (the "Director in charge"). In addition, the Board of Directors is responsible for appointments and remuneration, while in the area of related party transactions, Net Insurance Life makes use of the Internal Control, Risks and Related Parties Committee set up within Net Insurance, as it is able to adequately oversee the subsidiary's specific risk profile.

Therefore, with reference to the description of the Internal Control, Risks and Related Parties Committee - for the area of interest - please refer to the description for Net Insurance.

The Director in charge is responsible for monitoring the activities, adequacy and effectiveness of the risk management system and to report its findings to the Board of Directors, which is ultimately responsible therefor.

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

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

- at the beginning of its term, acquires information about the company's organisational structure and examines the work of the Independent Auditors to evaluate the internal control system and administrative/accounting system;
- verifies the appropriateness of delegations, as well as adequacy of the organisational structure, with special attention paid to separation of responsibilities in tasks and functions;
- assesses the efficiency and efficacy of the Corporate Governance System, especially with regards to the work of the Internal Audit function, for which it also verifies the existence of the necessary autonomy, independence and functioning;
- maintains appropriate connections with the Internal Audit function;
- monitors prompt exchanging of significant data and information with the Independent Auditors to carry out their tasks, also examining the periodic reports of the Company;
- informs the Board of Directors of each company of any anomalies or weaknesses in the organisational structure and Corporate Governance System, indicating and promoting appropriate corrective measures;
- plans and carries out, also in coordination with the Independent Auditors, periodic audit's aimed at ascertaining whether issues/anomalies identified have been resolved and if, with respect to that determined at the beginning of the term, any changes have occurred in the companies' operations such as to require an adjustment in the organisational structure and/or Corporate Governance System;
- keeps adequate evidence of the observations and proposals made and of subsequent verification activities regarding implementation of any corrective measures;
- validates the report on the completion of the procedure to select the Independent Auditors, presenting it to the Board of Directors with the relevant recommendation;
- expresses its opinion on the appointment and revocation of the Financial Reporting Manager (with reference to Poste Vita only) and the Head of the Internal Audit Function (of Poste Vita and Poste Assicura) as well as on the appointment of a director by co-optation pursuant to Article 2386, paragraph 1, of the Italian Civil Code.

The Board of Statutory Auditors of Poste Vita, Poste Assicura, Net Insurance and Net Insurance Life also report any deficiencies in the system to the Senior Management of the companies, subsequently verifying that the actions taken have achieved the result of eliminating the above deficiencies.

Key Functions:

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

Information about remuneration policies and practices

At the meetings of April 2023 (for Poste Vita and Poste Assicura) and May 2023 (for Net Insurance and Net Insurance Life) the remuneration and incentive policies for the year 2023 were approved by the shareholders' meetings of the individual companies.

In particular, within the framework of these policies, the following are established for certain persons (executive and non-executive directors, members of the Board of Statutory Auditors and ("Material Risk Takers"⁹), a set of remuneration schemes are established functional to sound and prudent risk management. More specifically, the policy in question establishes that the remuneration of the above individuals may consist of 3 components:

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

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

- balance between fixed and variable components (so-called "bonus") of the total remuneration;
- threshold parameters for the distribution of bonuses commensurate with performance and the level of risk (the latter based on Solvency II regulations) to which the company and the insurance group in general are exposed;
- objectives, assigned to the material risk takers, which include, as a whole, performance measurement indicators, appropriately incorporating the risks, also prospective ones, associated with the results achieved by the company and the Group and the related expenses, taking into proper account the different roles and responsibilities assumed by the persons in question within the insurance company;
- role indemnities for Heads of Key Functions and, where envisaged for Poste Vita, other Heads of Control Functions, as a fixed component of remuneration, linked exclusively to tenure in the specific role and based on pre-established, non-discretionary criteria, which do not provide incentives for risk-taking and do not depend on business results;
- mechanisms to defer the payment of the variable remuneration;
- for the sums paid in the event of early termination of employment, determination of maximum limits, the relevant payment methods and the cases that exclude the payment of the aforesaid sums in line with the principle of sound and prudent risk management;
- application of incentive correction mechanisms both for the component accrued but not yet paid ("malus" systems and other adjustment provisions) and the entire component already paid ("claw-back" systems) for the purpose of taking account of the performance over time of the risks assumed by the company and the Group and the results effectively achieved.

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

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

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

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

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

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

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

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

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

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

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

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

- cooperation and, when possible and expedient, coordination when identifying and updating individual annual activity plans, to guarantee adequate monitoring of the main risks to which the companies are exposed and to allow, when possible, synergistic work as well as the identification and effective management of overlapping areas, avoiding redundancies and diseconomies;
- periodic updates on risk assessment/measurement and on the adequacy of controls, through exchanges of information on the results of individual activity and assessments of weaknesses in the internal control and risk management system. In this context, the sharing of possible corrective actions makes it possible to avoid redundancies and inefficiencies, creating synergies by responding to the needs identified by the various Key Functions and/or other functions and individuals responsible for corporate control, better calibrating control efforts.

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

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

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

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

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

In the most recent self-assessment conducted in 2023 by the companies of the Poste Vita Insurance Group according to the process and criteria set out in the Letter itself, it emerged that:

- Poste Vita, on the basis of the analysis of the qualitative-quantitative "presumptive" parameters, assessed an "strengthened" governance model as appropriate;
- Although the analysis of the qualitative-quantitative parameters of a "presumptive" type led Poste Assicura to assess a "simplified" governance model as adequate, in perspective and taking into account the dimensional growth expected in the next few years, it assessed an "ordinary" governance model as consistent, because it is proportionate to the nature, scope and complexity of the activities carried out and therefore to its own risk profile. Additionally, considering the governance structures present in Poste Assicura and those within the Insurance Group, in addition to adopting the aspects associated with the "ordinary" regime, the company also decided to keep, on a voluntary basis, certain more detailed and stringent organisational aspects typical of the "strengthened" model, also making use of the governance structures implemented by Poste Vita as the UHC (e.g. the establishment within Poste Vita of Key Functions established as specific and separate organisational units);
- Net Insurance resolved, on a voluntary basis and in continuity with the previous year, to confirm the adoption of a "Strengthened" governance model, although the risk profile and corporate complexity would have led, pursuant to IVASS Regulation no. 38/2018 and the Letter to the Market of 5 July 2018, to assess an "Ordinary" governance system as adequate as well;
- Net Insurance Life resolved, in view of the change in the group to which it belongs during the year as well as the risk profile and complexity of the company, to switch from the "Ordinary" to the "Simplified" corporate governance regime.

Consequently, the UHC Poste Vita adopted a "Strengthened" governance model.

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

In order to ensure that the risk management and internal control system and the reporting procedures are implemented consistently at all companies under Group supervision, and in line with the principles established by the regulations of reference, Poste Vita, in the exercise of the powers and responsibilities assigned by legislation¹⁰ to the Italian Ultimate Holding Company (hereinafter also "UHC") of a group subject to the supervision of IVASS and the Poste Vita Group (hereinafter also "the Group"), has defined the "Guidelines for the Internal Control and Risk Management System" of the Poste Vita Group. These Guidelines apply to the Poste Vita Group as a whole and to the individual companies of which it consists.

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

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

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

Relative to Group level documents, we note the main ones listed here below, approved by the Board of Directors of the Parent Company Poste Vita as UHC.

That said, the main Group Policies/Guidelines issued by Poste Vita in its capacity as UHC are listed below, which provide for their transposition into the analogous documents of individual companies by the Boards of Directors of the subsidiaries:

- Guidelines on the Internal Control and Risk Management System;
- Internal Audit Function Guidelines;
- Risk Management Function Guidelines;
- Compliance Function Guidelines;
- Actuarial Function Guidelines;
- Guidelines of the Anti-Money Laundering Function (with reference to Net Insurance Life only);
- Guidelines for Outsourcing and Supplier Choice;
- Guidelines for assessing the possession of the requirements and criteria for suitability for office;
- Risk Management System Guidelines (including the UHC's specialist Guidelines);
- Risk Appetite Framework (RAF);
- Investment policies pursuant to IVASS Regulation no. 24 of 6 June 2016 (Investment Framework Resolution);
- Reporting Guidelines;
- Guidelines for the Own Risk and Solvency Assessment (ORSA);
- Capital Management Guidelines;
- Emergency Plan;
- Business Continuity Plan (COP);
- Remuneration and incentive policies;
- Guidelines on Product Governance and Control (POG);
- Guidelines for Data Quality Governance;
- Guidelines for System of Delegation of Powers and Responsibilities;
- Risk Concentration Management Guidelines;
- Guidelines on the governance of outsourced activities at the Parent Company Poste Vita;
- Guidelines on Intragroup Operations;

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

- Fair Value Policy and Additional Guidelines for the Fair Value Policy;
- Guidelines for Related (RPT) and Connected Party Transactions;
- Guidelines on Measuring Assets and Liabilities other than Technical Provisions;
- Guidelines on materiality in Pillar I solvency assessments;
- Guidelines on the methodology for the Identification of Risk Appetite Framework Threshold;
- Guidelines for Stress and Scenario Testing Framework.

It should be noted that Poste Assicura's Board of Directors has implemented all the above-mentioned Guidelines. With regard to 2023, Poste Assicura has transposed the guidelines updated by the UHC, except for the Guidelines on materiality in Pillar I solvency assessments and the Guidelines for the Own Risk and Solvency Assessment (ORSA), both of which were approved by the UHC in December 2023 - the transposition of which is already planned for 2024.

With reference to Net Insurance and Net Insurance Life, these companies implemented in 2023 the Guidelines assessed as priorities on the basis of applicable industry regulations and/or specific business and/or strategic needs, planning further implementation for 2024.

The individual companies define and approve, on the basis of the guidelines provided by the UHC within the aforementioned Group Guidelines, similar documents, consistently with the peculiarities thereof and taking into account the regulatory framework applicable to them, in application of the principle of proportionality. In addition, Poste Vita ensures coordination at Group level on further corporate documents (e.g. procedures) that help to ensure the implementation of corporate directives and to verify compliance with them.

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

B.2 Fit and Proper Requirements

Since 2015, the Poste Vita Group has adopted a policy aimed at ensuring that those who perform administrative, management and control functions as well as, also in the event of outsourcing or sub-outsourcing, that the heads and those who perform key functions and, in general, other personnel capable of significantly affecting the risk profile of the company and the Group, meet the requirements of professionalism, integrity and independence and meet the criteria of competence and fairness, in order to ensure the sound and prudent management of the company, updating it periodically in line with the industry regulations in force. In the course of 2022 and 2023¹¹, as an insurance company assuming the role of UHC of a group subject to IVASS supervision, the Parent Company Poste Vita, in line with the provisions of IVASS Regulation no. 38 of 3 July 2018, has updated the aforementioned Guidelines by drafting a document defining the aforementioned policy for itself and for the Poste Vita Group by implementing the provisions of MISE Decree no. 88 of 2 May 2022, which came into force on 1 November 2022¹² and contains the regulations on the fit and proper requirements and criteria for corporate officers and those who perform key functions pursuant to Article 76 of the Italian Insurance Code, as set out in Legislative Decree no. 209 of 7 September 2005 (the "Decree 88"), which coordinates with the other legislative and regulatory provisions, including those on the corporate governance of insurance and reinsurance companies. The subsidiaries Poste Assicura, Net Insurance and Net Insurance Life¹³ are also in the same line.

The Guidelines define, among other things, the list of persons who perform Key Activities or Functions within the company, taking into account the risk profile and organisation that Poste Vita, also in the role of UHC, Poste Assicura, Net Insurance and Net Insurance Life have given themselves.

In particular, the Recipients of the Guidelines are:

- members of the Board of Directors, the Chair, the CEO and the General Manager;
- members of the Board of Statutory Auditors;

11. Pursuant to the specific mandate conferred by the Board of Directors' resolution of 18 May 2023, the Chief Executive Officer has approved the update of the Poste Vita and Poste Vita Group's Guidelines for assessing the fulfilment of the fit and proper requirements and criteria for the performance of the task related to the alignment of certain provisions to the outcome of the approval of the new Organisational Model pursuant to Legislative Decree no. 231/2001 of Poste Vita.

12. Decree 88, which entered into force on 1 November 2022, applies to appointments and renewals after the date of its entry into force, whereas, in the case of Heads of Key Functions in office when Decree 88 came into force, assessments must be carried out within six months after the expiry of two years from that date.

13. It should be noted that Net Holding SpA, as an insurance holding company, is not subject to the suitability requirements for the performance of the office required by current legislation for insurance company representatives.

- the heads of the Key Functions, the Head of the Anti-Money Laundering Function,, the Head of the Information Security Function and, in case of outsourcing of the latter within or outside the Group, the Heads of the Key Functions, of the Anti-Money Laundering Function and of the Information Security Function at the supplier and the Persons in charge of the control of the outsourcing in the anti-money laundering and information security areas;
- parties who carry out Key Functions, including senior personnel and staff of the Key Functions and the Anti-Money Laundering Function and, in the event of outsourcing, the staff employed in the activities outsourced to the supplier.

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

Further recipients of the Guidelines are: the Person responsible for reporting suspicious transactions:

- the parties who report directly to the Chief Executive Officer and General Manager who carry out key or important activities or functions, whether they are related to core or non-core areas within the company other than the Key, Anti-Money Laundering and Information Security Functions, and the staff employed to perform key or important functions;
- in the event of outsourcing of key or important activities or functions within or outside the Group other than the Key, Anti-Money Laundering and Information Security Functions, the Parties in charge of controls over the outsourced functions or activities, the parties responsible for the outsourced function or activity at the supplier and the staff employed in the activities outsourced to the supplier;
- the Risk Office Manager;
- the Financial Reporting Manager;
- the Corporate Distribution Manager;
- the members of the Supervisory Board.

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

The Guidelines adopted by the companies also sets out the principles they follow in assessing the fulfilment of the aforementioned fit and proper requirements and criteria, as well as the procedures adopted to that end in line with that established in the reference regulations.

As mentioned above, a company policy has been adopted to ensure that those who perform administrative, management and control functions as well as, also in the event of outsourcing or sub-outsourcing, that the heads and those who perform key functions and, in general, other personnel capable of significantly affecting the risk profile of the companies and the Group, meet the requirements of professionalism, integrity and independence and meet the criteria of competence and fairness, in order to ensure the sound and prudent management of the company.

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

Specifically, for the definition of the criteria for verifying the fulfilment of the fit and proper requirements:

- a. with regard to the professionalism requirements and competence criteria, in general terms, reference is made to the provisions of Articles 7 and 9 of Decree 88 and, for the heads of Key Functions, as well as for the persons performing Key Functions, to the provisions of Article 19 of Decree 88. For the latter, as for the other recipients, the professionalism requirements have been graded in the Guidelines, taking into account the specific categories of the recipients of the Guidelines and the years of experience they have accrued in their respective areas of expertise, without prejudice to the specific regulatory provisions applicable on the basis of the role held and/or degree of responsibility; moreover, for as long as Poste Vita holds a direct stake in Eurizon Capital Real Asset SGR SpA, the individuals performing administrative and management functions in that company must also meet the competence requirements envisaged by the Regulation on Collective Asset Management (Tit. IV, Chap. I, Sec. III, par. 2), Annex IV, 1.4 (fairness and professional competence);
- b. with regard to the requirements of integrity, the companies have decided to apply the requirements set forth in Article 3 of Decree 88 to all persons covered by the Guidelines (except for the provisions of the CAP with reference to the Corporate Distribution Manager), and in addition to the aforesaid requirements, they have maintained the application of the statutory provisions relating to the so-called "Ethics Clause" only for persons performing administrative and management functions and for the Financial Reporting Manager (if any).

Furthermore, without prejudice to the above, persons performing administrative and management functions, members of the Control Body, heads of Key Functions (also in the case of outsourcing) and the heads of Key Functions at the supplier must meet the criteria of fairness in their past personal and professional conduct as provided for in Article 4 of Decree 88.

Without prejudice to the foregoing, in accordance with current legislation, the Guidelines also provide instructions on the appropriate collective composition of the management and control bodies (Diversity Policy) and formulates specific guidelines on the availability of time and limits on the accumulation of positions for the effective performance applicable to certain recipients, as set out in the Guidelines themselves.

With regard to the procedure for assessing the requirements, it should be noted that - in line with the provisions of Decree 88 - the verification of the permanent fulfilment of the fit and proper requirements covered by the Guidelines is carried out by the competent body¹⁴, subject to the (non-binding) opinion - depending on the case - of the established Appointments and Remuneration Committee¹⁵ or the established Internal Control and Risks and Related Party Transactions Committee¹⁶ in the following cases:

- when the appointment is made and, in any case, within 30 days when the appointment is made by the Shareholders' Meeting for the following recipients:
 - parties that carry out Functions of administration and management;
 - parties that carry out Functions of control;
- at the time of appointment for the following recipients:
 - Administrator Co-opted pursuant to Article 2386(1)(c) of the Italian Civil Code;
 - General Manager;
 - Heads of Key Functions including in the case of outsourcing;
 - Head of the Anti-Money Laundering Function;
 - Person responsible for reports of suspect transactions;
 - Risk Office Manager;
 - Financial Reporting Manager;
 - Corporate Distribution Manager;
 - members of the Supervisory Board;
- when events occur which, also in relation to the operating characteristics of the companies, affect the situation of the recipients, the role played by them within the company organisation or the collective composition of the reference Body, suggesting that one or more fit and proper requirements and criteria have ceased to exist on the part of the recipient (also following a report by the recipients themselves or by other informed persons, whose anonymity is guaranteed);
- on the occasion of renewals following the first appointment only if events occur that present the characteristics indicated in the bullet point above;
- with reference specifically to professional profiles where due to the expiration, resignation or revocation of the position of one or more members, it can be presumed that as a whole the Board of Directors does not possess adequate technical skills as established under reference regulations;
- for all Recipients of the Guidelines periodically on an annual basis.

In all the aforementioned cases, once the necessary information has been obtained, it is up to the competent body to carry out the assessments and, where different from the Board of Directors, to report to the Board of Directors on the results thereof. The Board of Directors is then called upon to decide on the fulfilment of the fit and proper requirements for the recipients and to make all the most expedient relative decisions, calling, when necessary the Shareholders' Meeting for all determinations to that end, as well as verifying that the administrative body, based on that established under Article 5, paragraph 2, letter l)

14. In line with Decree 88, the competent body is the body of which the exponent is a member (i.e. Board of Directors or Board of Statutory Auditors); for persons who are not members of a body, the Board of Directors with the exception of Senior Management, through the human resources function, in the case of staff employed in key or important functions; where the Board of Directors has jurisdiction, it is assisted in its assessments by Poste Vita's Internal Control and Risks and Related Party Transactions Committee, which also operates at Group level.

15. In the case of Poste Vita, Poste Assicura and Net Insurance, the Appointments and Remuneration Committee instructs the Board of Directors on the activities related to the verification of the fit and proper requirements and criteria to be fulfilled pursuant to current legislation, the Articles of Association and the relevant internal policies and procedures of (i) persons performing administration and management functions and (ii) additional persons indicated in corporate policies and guidelines, with the exception of those persons whose assessment is the responsibility of the Internal Control and Risks and Related Party Transactions Committee. Moreover, the Appointments and Remuneration Committee, in support of the Chief Executive Officer, on the occasion of the renewal of the administrative and control bodies of Poste Vita's subsidiaries, expresses its opinion, based on the analysis carried out in advance, on the candidates for the office of members of the administrative and control bodies, to be submitted to the Shareholders' Meeting of the subsidiaries, with particular reference to the fit and proper requirements and criteria that the candidates must meet. For Net Insurance Life, these activities are carried out directly by the Board of Directors, which is supported for preliminary activities by the Legal and Corporate Affairs Office. For Net Insurance Life, the Director in charge of monitoring the adequacy and proper functioning of the risk management system supports the Board of Directors with regard to the Key Functions.

16. For Poste Vita and Poste Assicura, the Internal Control and Risks and Related Party Transactions Committee expresses its non-binding opinion on the fit and proper requirements and criteria of the Heads of the Key Functions, the Head of the Information Security Function, the staff employed in the aforesaid Functions (also in the event of outsourcing) as well as the members of the Supervisory Board pursuant to Legislative Decree no. 231/2001. For Net Insurance the Internal Control and Risks and Related Party Transactions Committee - and for Net Insurance Life the Director in charge of monitoring the adequacy and proper functioning of the risk management system - expresses its non-binding opinion on the fit and proper requirements and criteria of the Heads of Key Functions and the staff employed in the aforesaid Functions (also in the event of outsourcing).

of IVASS Regulation 38/2008, possesses adequate technical skills, in particular with regards to the matters indicated by the Supervisory Authority and which involve insurance and financial markets, governance systems, financial and actuarial analysis, the regulatory framework, commercial strategies and business models.

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

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

Without prejudice to the above, the verification of the permanent fulfilment of the fit and proper requirements for the positions of staff employed for the key or important activity or function, whether "core" or additional to the "core" ones, in Poste Vita and Poste Assicura is carried out by Top Management through Poste Italiane's HR Business Partner Function, while in Net Insurance is carried out by the Board of Directors - assisted by the Appointments and Remuneration Committee, with the support of the Legal and Corporate Affairs function - and by the Internal Control and Risks Committee. In Net Insurance Life it is carried out by the Board of Directors - with the support of the Legal and Corporate Affairs function - and by the Director in charge of monitoring the adequacy and proper functioning of the risk management system. For Poste Vita and Poste Assicura the verification procedure is replicated every two years and for Net Insurance and Net Insurance Life on an annual basis.

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

- with reference to professionalism requirements and competence criteria, participation in dedicated training plans;
- with reference to the requirements of integrity and independence, as well as fairness criteria, where required, by the competent body or Senior Management with support from the HR Business Partner Vigilante Function of Poste Italiane (in Poste Vita, Poste Assicura, Net Insurance and Net Insurance Life), on whether the interested party should remain in the role and on the adoption of the most appropriate measures pursuant to the applicable regulations.

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

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

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

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

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

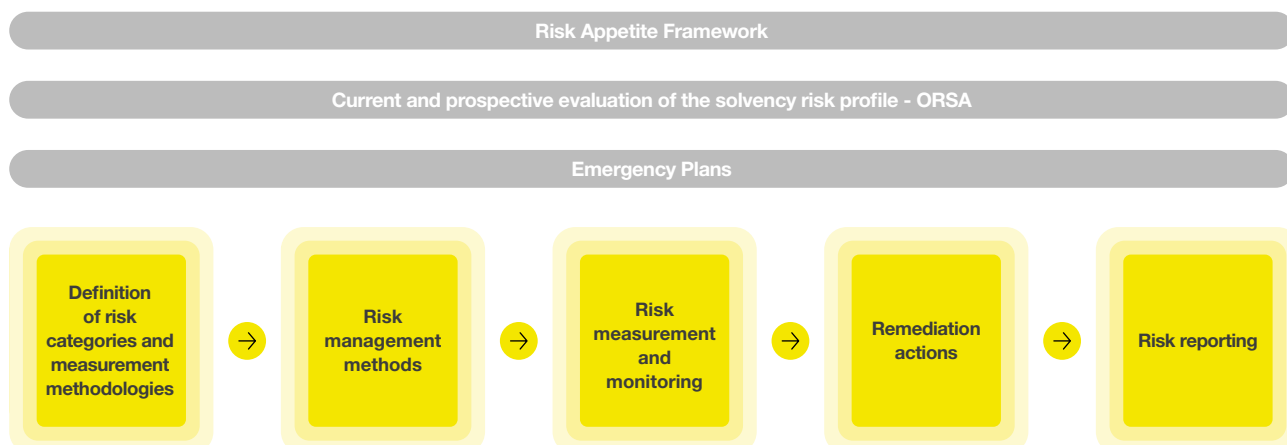
In the context of the investment policy pursuant to IVASS Regulation 24/2016, the Poste Vita Group takes on risk based on the following principles:

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

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

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

RMS processes



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

In particular, strategic processes include:

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

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

Definition of risk categories and measurement methodologies

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

Risk management methods

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

Risk measurement and monitoring

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

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

Remediation actions

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

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

Risk reporting

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

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

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

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

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

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

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

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

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

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

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

Risk management system strategic processes

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

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

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

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

Risk appetite is defined along the following levels:

- **Risk Appetite** is the target risk level, established based on the development of the company's risk profile in the first year of the strategic plan;
- **Risk Tolerance** is the solvency threshold determined by analysing the results of stress tests and sensitivity analysis, among other things, and respectively refer to the alert level and maximum risk level accepted by the Group and the individual companies;
- **Risk Capacity** represents the capacity of the Group and the individual companies to take on risk in relation to available capital and the rules used to determine capital requirements.

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

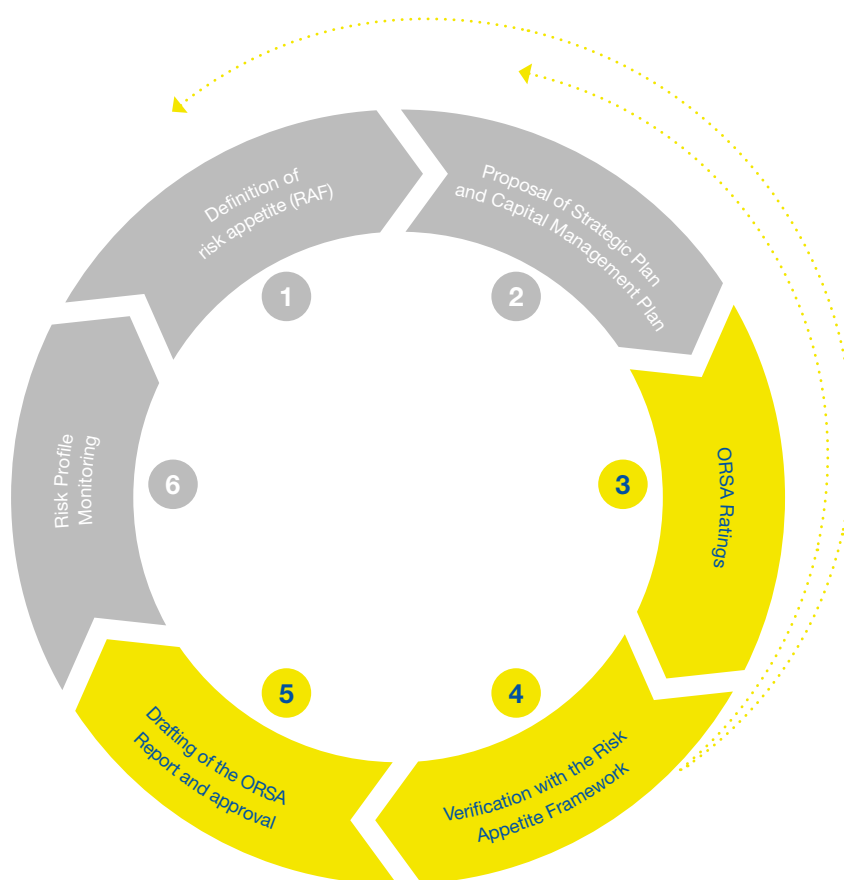
The RAF is approved by the Board of Directors at least annually and is monitored, at least quarterly. Reports are approved by the Board.

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

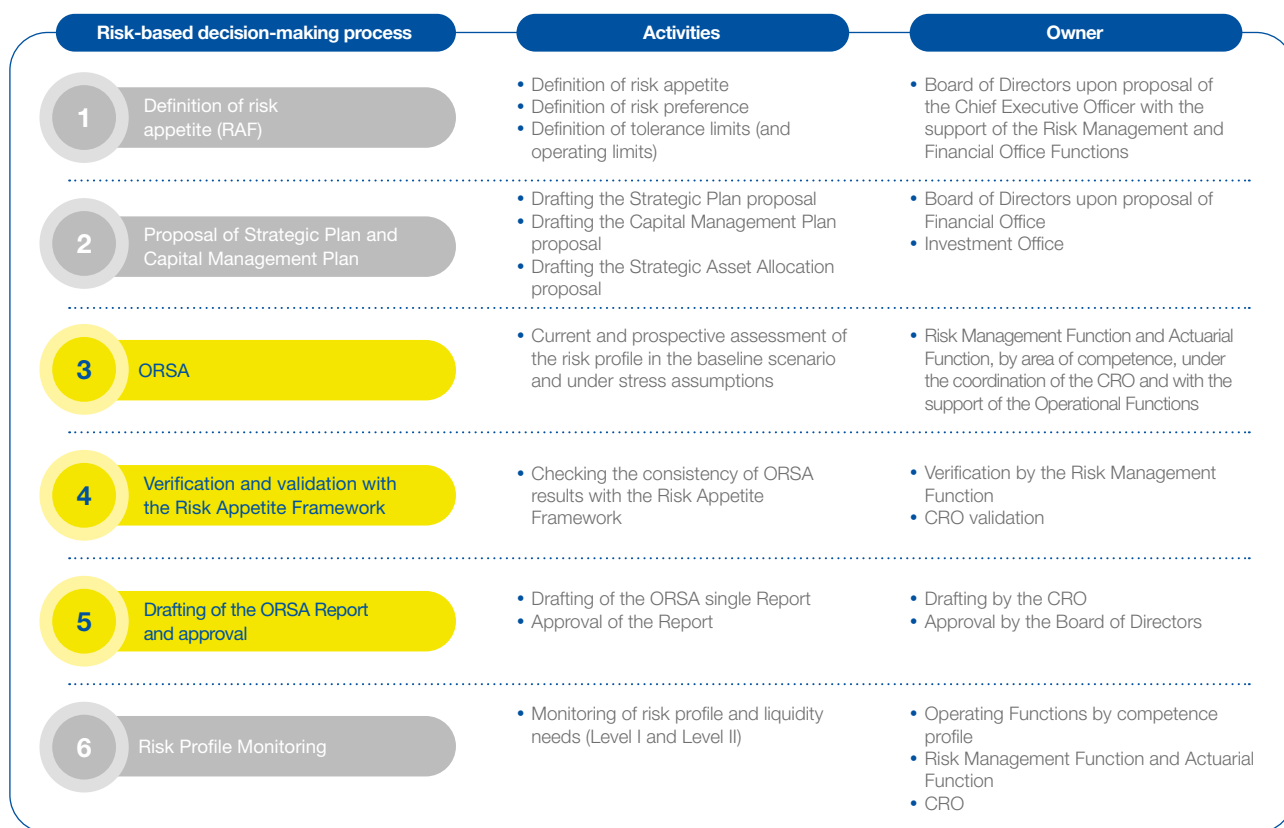
- **Operating Contingency Plan:** intended to implement direct actions to ensure continuity in Group and individual company processes in the case that one or more situations defined beforehand degenerate into crises or disasters;
- **Emergency Business Plan:** this serves to manage impacts deriving from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

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

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



VISUAL REPRESENTATION OF THE RISK-BASED DECISION MAKING PROCESS



1. Definition of risk appetite (RAF)

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

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

2. Proposed Strategic Plan, Capital Management Plan

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

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

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

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

To that end, the following assessments are envisaged:

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

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

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

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

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

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

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

3. ORSA

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

3.a Frequency and schedule

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

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

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

The frequency of the measurements can be increased (so-called non-regular ORSA) if circumstances arise that could significantly change the risk profile of the Group and the Group companies or considering the centrality of the ORSA process in strategic decision-making. This latter possibility may arise in relation to schedules for defining the Strategic Plan if there is a temporal mis-

match between the schedule of assessments established by the Supervisory Authority relative to the Group's internal planning cycle. Significant changes to the risk profile may derive from internal factors (e.g. acquisitions, mergers and disposals, changes in investment, pricing or reservation policies, the introduction of new business) or external factors (e.g. financial crises, real estate crises, catastrophic events that exceed reinsurance protection, failure of public institutions, significant regulatory changes).

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

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

Below are the risk categories identified in the taxonomy:

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

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

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

3.c Risk assessment methods

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

Prospective risk measurement is done using the Standard Formula.

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

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

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

3.d Methods used to carry out ORSA analysis

ORSA analysis is done in respect of the following principles:

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

3.e Data collection

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

3.f Identification of significant risks

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

The Risk Office carries out stress tests on significant risks.

3.g Stress Test Analysis

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

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

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

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

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

4. Verification with the Risk Appetite Framework

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

5. Drafting of the ORSA Report and approval

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

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

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

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

6. Monitoring of the risk profile

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

In particular, the following are monitored:

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

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

B.4 Internal Control System

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

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

That said, the Parent Company has formalised in the Poste Vita Group's Guidelines of the Internal Control and Risk Management System (ICRMS):

- the duties and responsibilities of the Corporate Bodies, the Board Committees and the Key Functions as well as the Anti-Money Laundering Function and the links between the functions and bodies which are entrusted with control tasks;
- information flows between corporate bodies and between Key Functions;
- the implementation and monitoring tools to support the individual "control levels";
- the operational control activities entrusted to the corporate functions involved with the aim of:
 - identifying process risks and vulnerabilities;
 - assessing control processes;
 - developing action plans to reduce the risk to acceptable levels;
- UHC's directions to its subsidiaries to implement a similar Internal Control and Risk Management System.

The model constitutes a "common platform" aimed at implementing, at the level of the Insurance Group, the coordination between Corporate Bodies and Key Functions as well as guaranteeing the effectiveness and efficiency of business processes, the control of current and prospective risks, the constant reporting between the parties involved, the reliability and integrity of information and the safeguarding of assets in the medium and long term.

The individual Group companies have approved their own ICRMS Guidelines implementing the above-mentioned guidance and ensuring, within them, appropriate information flows between the Corporate Bodies and the Key Functions, also with regard to the UHC.

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

On the basis of this regulatory framework:

- Poste Vita's Board of Directors has established the Compliance Function for the company and the Group, establishing that the latter is exercised by the organisational structure which provides the activities envisaged for the same Function within Poste Vita, with the same head;
- Poste Assicura's Board of Directors has established the company's Compliance Function as a specific organisational unit and has appointed the relative head;
- Net Insurance's Board of Directors has established the company's Compliance Function as a specific organisational unit and has appointed the relative head;
- Net Insurance Life's Board of Directors has established the company's Compliance Function as a specific organisational unit and has appointed the relative head.

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

The heads of Functions appointed by the respective Administrative Bodies meet the fit and proper requirements for their position in terms of ethics and professionalism as established in the relevant company policies.

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

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

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

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

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

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

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

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

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

B.5 Internal Audit Function

Poste Vita Group

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

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

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

Also note that the Poste Vita Internal Audit function, due to outsourcing of Poste Assicura Key Functions to the Parent Company Poste Vita, also provides audits for Poste Assicura. To that end, pursuant to the reference regulations, the reference person for audit activities outsourced to Poste Vita by Poste Assicura has been identified, who reports directly to the Head of the Internal Audit function. The newly-acquired companies Net Insurance and Net Insurance Life have their own internal audit function; see the sections on them for details.

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

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

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

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

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

Net Insurance and Net Insurance Life

The Internal Audit Functions of Net Insurance and Net Insurance Life, on the basis of their respective missions, regulations and taking into account any integrations formulated by Poste Vita's Internal Audit Function for the purpose of defining the Audit Plan of the Poste Vita Group, support the senior management and the management of the companies for the continuous improvement of the corporate governance system and the internal control system, mainly through an assurance role according to the directives defined by the Administrative Bodies of the Companies and in compliance with the professional standards commonly accepted at national and international level.

The independent and objective assurance activity is aimed at assessing and monitoring the effectiveness, efficiency and adequacy of the RMS and the other components of the Corporate Governance System and any need for adaptation, also through support and advisory activities to other corporate functions

The activities of the Internal Audit Functions are carried out on the basis of annual and multi-year plans. These vary based on the assurance objectives of the internal control system and those of additional corporate governance components.

Net Insurance and Net Insurance Life Audit Plans are prepared on the basis of a risk-based methodological approach, also taking into account previously identified deficiencies, any new risks identified, the potential impact on the risk profile, expected business developments and innovations, and on the basis of an Audit Universe defined and continuously updated, also taking into account the companies' Business Process Model (BPM).

In accordance with Poste Vita's "Internal Audit Guidelines", the Internal Audit Functions of Net Insurance and Net Insurance Life also take into account any requests for additions made by Poste Vita's Internal Audit function for the purpose of defining the Audit Plan of the Poste Vita Group.

The functions also carry out verification activities, with an integrated methodological approach, pursuant to Legislative Decree no. 231/01.

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

Description of how the company's internal audit function maintains its independence and objectivity with respect to the activities it monitors

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

The Functions report to the Administrative Bodies, which define their powers and tasks.

The Head of each function is appointed and dismissed by the Board of Directors of the respective company, after consultation with the Control Body and subject to the opinion of the Internal Control, Risks and Related Parties Committee, and meets the fit and proper requirements for the office in terms of integrity, professionalism and independence set forth in the Guideline for the assessment of fit and proper requirements.

The Heads and the employees of the Functions (hereafter, also "auditors") carry out their work autonomously and independently, basing their evaluations and professional and behavioural style on principles of objectivity. Additionally, the Heads and the auditors abstain from undertaking any activity that could generate conflicts of interest or prejudice the possibility of carrying out their work impartially and with the requirement to provide notification of potential conflicts. In this light, the employees of the functions do not have any operational responsibilities and those coming from internal operating functions do not carry out any auditing of activities or functions in which they previously had authority or responsibilities, if a reasonable period of time has not passed (at least a year). In case of a potential conflict of interest of the Heads, they are required to promptly report it to the respective Chairs or Administrative Bodies, while in case of a potential conflict of interest of the auditors, they are required to promptly report it to the Heads of the Functions.

The Heads promote continuous improvement in the quality of the Functions work, which must be adequate, in terms of human, technological and financial resources, to the nature, extent and complexity of the risks inherent to the business of the company and the Group.

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

B.6 Actuarial Function

The Group Actuarial Function, as envisaged by Poste Vita's Board of Directors which established, also in the capacity of UHC, the Actuarial Function of Poste Vita and the Group, is performed by the organisational structure that carries out the activities set forth for the same function within Poste Vita and reporting to the same head.

The head of the Actuarial Function is not the head of operating functions and is not hierarchically subordinate to the persons in charge of the same and also meets the fit and proper requirements in terms of integrity and professionalism, established by related company's policies.

The reference regulations attribute to the Actuarial Function tasks of a strictly insurance-related nature; in this context, the Actuarial Function of Poste Vita, in its capacity as UHC, carries out policy-making and coordination activities of the Actuarial Functions at group level, while it performs the tasks set forth in the regulations in force directly for both the company Poste Vita and the subsidiary Poste Assicura by virtue of the outsourcing process adopted.

The Actuarial Function Guidelines of Poste Vita and the Group describes:

- Duties and responsibilities;
- Operational methods;
- Information flows of the Actuarial Function.

The guidelines of each company are consistent with the guidance issued by the UHC, therefore, activities are carried out in a homogeneous manner at Group level but respect the characteristics and peculiarities of each company. It is worth mentioning that, following the acquisition - by the Poste Vita Group - of the companies Net Insurance and Net Insurance Life, the Actuarial Function is working, to the extent of its competence, on the integration process of the aforementioned companies within the Group.

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

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

The Actuarial Function drafts a written report at least once a year, addressed to the Board of Directors, of the Group and the company, which summarises - in line with the Plan of Activities approved by each administrative body - the tasks carried out and related results, identifying the areas for improvement and any recommendations, in addition to the status and time frames of implementation of the existing improvement measures.

In compliance with the reference regulations for the Actuarial Function, the tasks performed concern activities in the field of:

- Solvency II Technical Provisions;
- Local GAAP Technical Provisions;
- Underwriting Policy;
- Reinsurance Agreements;
- Contribution to the Risk Management System.

Through the performance of specific tasks, the Function thus contributes to the implementation of the Risk Management System and - in its capacity as a key function - contributes to the annual review process of the Group's and Company's Corporate Governance System for those aspects falling within its competence.

The tasks performed, in compliance with regulatory requirements as set out in the guidelines provided at Group level, are implemented as follows:

- monitors the method of calculating technical provisions under Solvency II and identifies, in the course of this activity, any discrepancies with the provisions of the regulations in force applicable to technical provisions, with particular regard to the principles of prudence, reliability and objectivity, proposing corrective actions if critical issues of a significant nature are revealed;
- assesses the reliability and relevance of the data (internal and external) used in the calculation of technical provisions, providing specific recommendations on internal procedures to improve the data management system as a whole;
- assesses the sufficiency of the technical provisions set aside in the annual statutory financial statements, gross of reinsurance transfers and retrocessions, by analysing the methods adopted and the technical bases used, and repeating these checks during the year, including by using synthetic valuation methods relating to the entire policy portfolio or its components;
- produces a reconciliation among provisions on a Solvency II basis and provisions calculated on the basis of national accounting standards;
- verifies the best estimate of future cash flows also by comparing the values observed from experience with the values underlying the calculation of the best estimate;
- provides its opinion on the general underwriting policy adopted and the reinsurance arrangements, taking into account the interrelationship between these aspects and technical provisions;
- collaborates with the Risk Management Function in particular with regard to the risk modelling underlying the calculation of capital requirements and ORSA assessments.

In addition, the Function in the UHC and in each company prepares:

- a Plan of Activities, indicating the activities that the Department intends to carry out during the year, approved by the Board of Directors;
- a report, at least once a year, on the activity carried out, the audits carried out, the results obtained and the critical points encountered, giving evidence of the state of implementation of the relevant improvement measures, if carried out. This report is brought to the attention of the Board of Directors;
- a report on the statutory technical provisions (Local GAAP), in accordance with the scope of the regulations in force, to be submitted to the Board of Directors.

B.7 Outsourcing

In the Parent Company Poste Vita and in Poste Assicura, the Outsourcing Governance functions operate from 2022, with the task of ensuring the overall supervision of the outsourcing process, collaborating with the functions involved for the purpose of defining and implementing the guidelines and methods of governance and supervision of outsourced activities, in line with the applicable regulations. The functions must also ensure the monitoring of the outsourced activities and compliance with the defined service levels and contractual obligations, cooperating with the persons in charge of controlling specific specialised areas, and contributing to the identification of possible areas of improvement.

Poste Vita, during the annual review of the Guidelines on Outsourcing, has carried out, among other things, a revision of the system in order to consider the integration of the companies Net Insurance and Net Insurance Life within the Poste Vita Group, following the process of their acquisition. The new model provides for:

- Poste Vita, in its capacity as UHC, defines the policies "of Poste Vita and of the Group" by providing, in a specific paragraph, the guidance that the individual companies of the insurance group (including Net Insurance) must implement within the scope of their own policies, taking into account their relevance within the Group and the shareholding/control relationship;
- the individual insurance group companies define the above policies in their own specific document, based on the guidance provided by the insurance Parent Company Poste Vita.

The previous Group Guidelines, which constituted a single document approved by the respective governing bodies of the Group companies, was therefore separated into:

- Guidelines of Poste Vita and the Group, approved by Poste Vita's Board of Directors also in its capacity as UHC;
- Guidelines of the individual insurance group companies, approved by the Boards of Directors of the subsidiaries.

In particular, the Guidelines of Poste Vita and the Group, approved in July 2023, require Poste Vita Group companies to adopt specific policies on the outsourcing of activities and choice of suppliers consistent with the regulations applicable to them, in accordance with the guidance provided by the UHC, to be implemented within the framework of the aforementioned policies in accordance with the principles of proportionality as well as the relevance of the individual company within the Group.

In this context, the policies on the outsourcing of activities and choice of suppliers of the Group's companies include the following contents:

- the formalisation of the tasks and responsibilities of the various players (including the person in charge of controlling the outsourced activities) in the process of outsourcing activities and choice of suppliers;
- the formalisation of an outsourcing strategy in line with the guidance provided by UHC;
- the definition of criteria for identifying activities to be outsourced and for qualifying activities or functions as "key or important". In this context, it must necessarily be provided that:
 - the following activities or functions are by definition considered "key or important": a) the design of insurance products with the relative definition of tariffs; b) the activity of investment management; c) the activity of claims management; d) the activity of complaints management; e) the activity of company data archiving; f) the regular and constant provision of support of an accounting nature; g) the provision of Information and Telecommunication Technology (ICT) services;
 - the outsourcing proposal are subject to assessments by the Compliance, Risk Management and Information Security functions to verify the qualification of the transaction and to assess the related risks;
 - the outsourcing of "key or important" activities and the choice of the relevant suppliers are subject to the approval of the Board of Directors;
- the definition of supplier selection criteria;
- the characteristic elements of outsourcing agreements. In this context, minimum contents of the agreements will have to be determined in line with the applicable regulations with particular reference to the following cases:
 - outsourcing of non-key or important activities;
 - outsourcing of key or important activities;
 - outsourcing of key functions and the anti-money laundering function;
 - outsourcing of cloud services;
- The formalisation of the organisational and contractual safeguards to be adopted for the control of outsourced activities must indicate:
 - the minimum contents of Service Level Agreements and
 - the minimum tasks to be attributed to the persons in charge of controlling the outsourced activity (and of the Heads of functions, in the case of outsourcing a key function or the anti-money laundering function);

- the formalisation of the measures to be taken to ensure the continuity of important key activities or of the anti-money laundering function in the event of an interruption or serious deterioration in the quality of the service rendered by the provider;
- the formalisation of the methods and timing of communication to IVASS in relation to outsourcing, in line with the provisions of the applicable regulations;
- the formalisation of the main steps in the process of outsourcing activities and choice of suppliers and the contents of the related reporting to UHC.

In order to ensure that suppliers of outsourced activities have the skills, capabilities and any authorisations required by law for the performance of the outsourced activity, criteria for the selection of suppliers are defined in order to guide the recruitment of the most suitable one. With reference to Poste Vita, these criteria are listed below:

- the selection of the supplier must be made, where market availability makes it possible, by comparing three or more suppliers¹⁷;
- selection of a supplier must take into consideration the following indicators, to be evaluated using solely objective, documentable and transparent criteria:
 - ownership and organisational structure;
 - professionalism and specific skills for provision of the required service;
 - economic and financial capacity and size;
 - the adoption by the supplier of a code of ethics and organisational model pursuant to Legislative Decree no. 231/01;
 - other indicators useful to testify to the ethics of the supplier (possibly identified by the companies and specific to the supplier's business);
 - independence of the supplier;
 - with reference in particular to outsourcing of key or important functions or activities, the presence of adequate plans to deal with emergency situations or interruptions to operations and, when deemed necessary by the company, procedures to verify back-up devices;
- selection of a supplier must call for the acquisition of specified documents from the supplier, to be gathered during the selection phase.

If the individual company decides to use a supplier belonging to the Poste Vita Insurance Group and/or the Poste Italiane Group, in full compliance with the regulations on Conflict of Interest and Related Party and Intragroup Transactions, the above-mentioned criteria and documentation may be considered in different ways.

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

In order to assess the expediency of outsourcing functions or activities, the following factors must be taken into consideration:

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

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

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

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

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

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

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

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

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

Below is a summary of key or important activities outsourced by the Group companies at 31.12.2023, with an indication of the jurisdiction in which the suppliers are located and whether or not they are a member of the Group.

POSTE VITA SPA - LIST OF KEY OR IMPORTANT ACTIVITIES OUTSOURCED AT 31.12.2023

Outsourced activity	Jurisdiction	Infragroup
Management of the "Poste Vita Soluzione Flessibile" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Soluzione Equilibrio" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Soluzione Italia" Internal Insurance Fund	Italy	Yes
"Posta Valore Più" Separately Managed Account	Italy	Yes
Management of the "Poste Vita Gestione Bilanciata" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Previdenza Flessibile" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Selezione Multipla" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Soluzione Sostenibile" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Obiettivo Sostenibilità" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Progetto Dinamico" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Valore Sostenibilità Equilibrato" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Valore Sostenibilità Dinamico" Internal Insurance Fund	Italy	Yes
Management of the "Poste Vita Valore Sostenibilità Sviluppo" Internal Insurance Fund	Italy	Yes
"Posta Pensione" Separately Managed Account	Italy	Yes
Management of Free Capital	Italy	Yes
"Posta Valore Più" Separately Managed Account	Italy	Yes
"Poste Vita Valore Solidità" Separately Managed Account	Italy	Yes
"Posta Valore Più" Separately Managed Account	Italy	No
"Posta Valore Più" Separately Managed Account	Italy	No
Management of part of the alternative investment funds present in the portfolio ("Delegated Alternative Funds")	Italy	Yes
"Posta Valore Più" Separately Managed Account	Italy	No
Management of the "Poste Vita Strategia Diversificata" Internal Insurance Fund	Italy	No
Mail room service and document management service	Italy	Yes
Call Centre Services Management	Italy	Yes
Management of Goods and Services Procurement	Italy	Yes
IT Systems Management including Disaster Recovery	Italy	Yes
Services for handling written information requests	Italy	Yes
Partial outsourcing of administrative-accounting activities	Italy	Yes
Portfolio management	Italy	Yes
Settlement management	Italy	Yes
Management of Human Resources and Organisation	Italy	Yes
Partial outsourcing of the management of Information Security services	Italy	Yes
Partial outsourcing of the Anti-Money Laundering Function	Italy	Yes

POSTE ASSICURA SPA- LIST OF KEY OR IMPORTANT ACTIVITIES OUTSOURCED AT 31.12.2023

Outsourced activity	Jurisdiction	Infragroup
Services for claim settlement management - collective insurance products	Italy	No
Services for claim settlement management - retail and collective insurance products	Italy	No
Technical provisions asset management	Italy	Yes
Services for claim settlement management - collective insurance products	Italy	No
Services for claim settlement management - collective insurance products	Italy	No
Services for claim settlement management - collective insurance products	Italy	No
Services for claim settlement management - retail and collective insurance products	Italy	Yes
Services for claim settlement management - retail insurance products	Italy	No
Mail room service and document management service	Italy	Yes
Management of Goods and Services Procurement	Italy	Yes
Call Centre Services Management	Italy	Yes
Services for handling written information requests	Italy	Yes
IT Systems Management including Disaster Recovery	Italy	Yes
Partial outsourcing of administrative-accounting activities	Italy	Yes
Management of human resources and organisation	Italy	Yes
Partial outsourcing of the management of information security services	Italy	Yes
Assignment of capital management, investment management, operational marketing, training and commercial support to the Poste Italiane network, treasury management, management of administrative/ accounting fulfilments, management of tax fulfilments, management of supervisory reporting, legal activities, corporate management.	Italy	Yes
Outsourcing of Key Functions: Internal Auditing, Compliance, Actuarial Function	Italy	Yes

NET INSURANCE - LIST OF KEY OR IMPORTANT ACTIVITIES AT 31.12.2023

Outsourced activity	Jurisdiction	Infragroup
Management of hail and other adverse weather events	Italian	No
Management of hail and other adverse weather events	Italian	No
Financial Management	Italian	No
Financial Management	Italian	Yes
Management of insurance product claims	Italian	No
Management of Assistance claims	Italian	No
Management of Legal protection claims	Italian	No
Management of health insurance/dental cost cover claims	Italian	No
Financial and claims management	Italian	Yes
Administrative and accounting management of employee and executive policies and management of health insurance claims	Italian	No
Management of insurance product claims	Italian	No
Management of claims attributable to covers to be allocated to Class 18 Assistance (multi-risk product for the home)	Italian	No
Wise application software development and support	Italian	No

NET INSURANCE LIFE - LIST OF KEY OR IMPORTANT ACTIVITIES AT 31.12.2023

Outsourced activity	Jurisdiction	Infragroup
Financial Management	Italy	No
Financial Management	Italy	Yes
Salary- and pension-backed loan claims management, administration and budgeting, financial management, claims management, IT, reinsurance strategies, bancassurance product development, retail product development, marketing, business plan development, development and consolidation of business relations with clients/financial banks, reinsurance risk cession, coordination of bank and broker sales area, coordination of investor relations of administration and budgeting processes, company transformation, HR administration, property and facility management	Italy	Yes
Management of insurance product claims	Italy	No
Wise application software development and support	Italy	No

B.8 Other information

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

The process is carried out on the basis of a Group methodology document in which Poste Vita, in its capacity as UHC, provides guidance for its subsidiaries on how they should carry out the similar annual review process.

In general, in line with the above-mentioned methodological document, the annual review includes a preliminary phase for the completion of standard analytical questionnaires by the Corporate Bodies and functions relevant to the various areas under investigation, as well as document analysis.

All the areas of the Poste Vita corporate governance system are reviewed, both in its role as an individual company and in its position as the UHC.

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

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

With reference to the financial year 2023, the companies Poste Vita, Poste Assicura, Net Insurance and Net Insurance Life believe that the general level of adequacy of the corporate governance system is satisfactory and that the organisational structure of the undertaking ensures its completeness, functionality and efficacy, using as a reference the effective operation highlighted by the analyses carried out.

With specific reference to Net Insurance and Net Insurance Life, it should be noted that the methodological approach adopted by the companies will be subject to further revision in the course of 2024, in order to adapt to the methodological indications of the UHC.

At 31 December 2023, there is no further relevant information concerning the governance system other than that already reported in the previous paragraphs.

C – Risk profile

Current risk profile

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

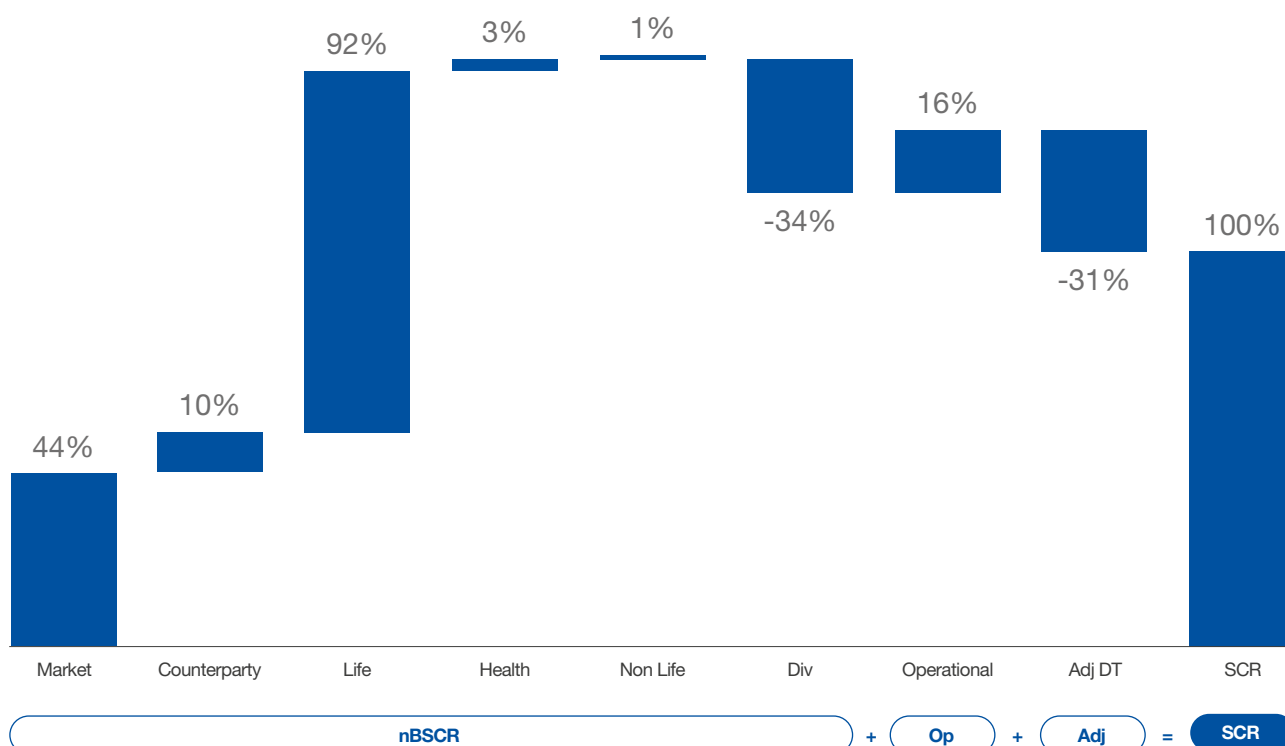
- life, non-life and health underwriting risk;
- market risk;
- credit risk;
- liquidity risk;
- operational risk;
- liquidity risk;
- other substantial risks.

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

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

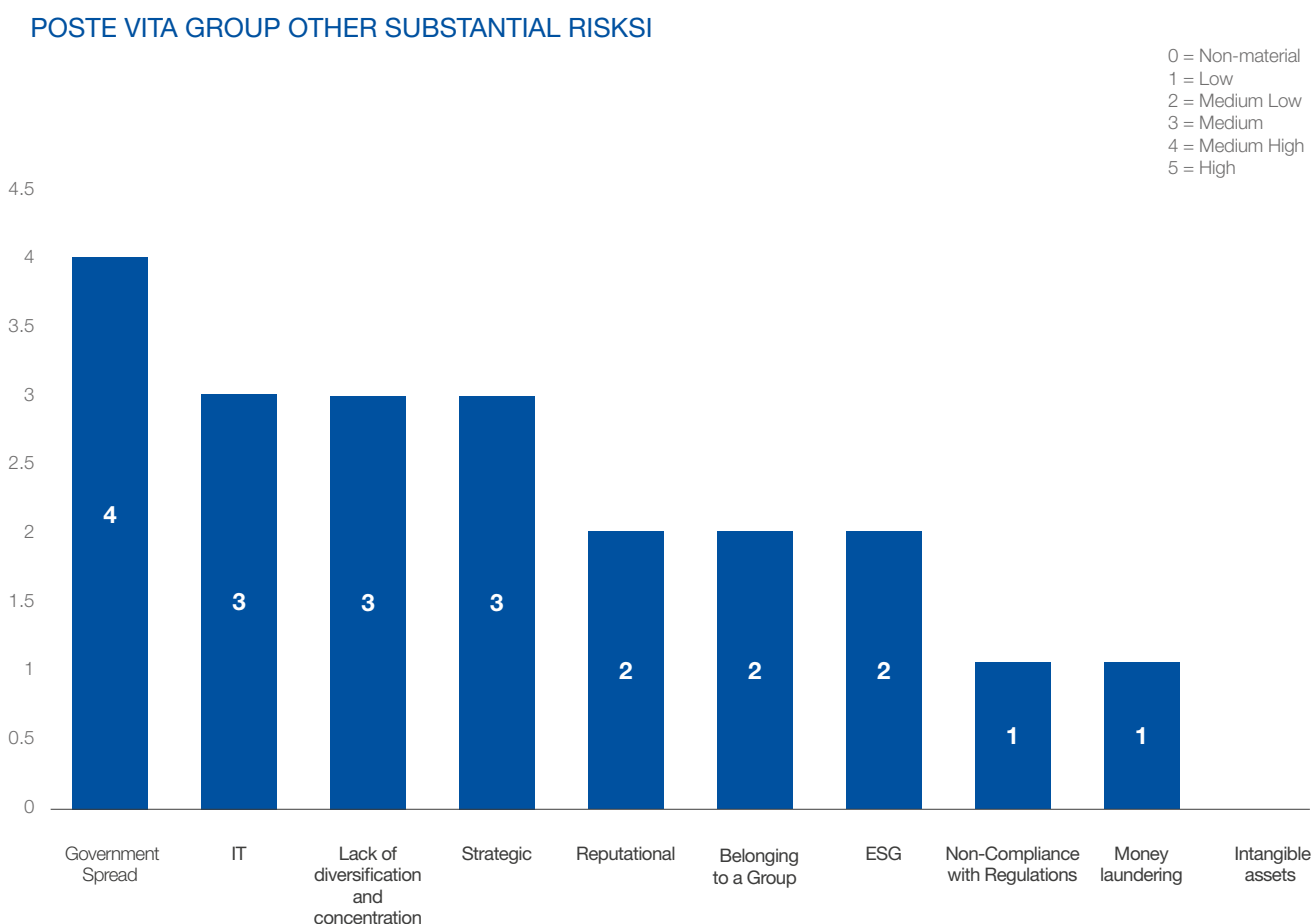
Below is the Poste Vita Group's risk profile at 31 December 2023, determined using the Standard Formula, in which the percentage weights of the individual risk areas are determined with respect to the total capital requirement, not considering the effect of diversification (Div) and the deferred tax absorption capacity (Adj DT), but taking technical provision absorption capacity into account.

RISK PROFILE OF THE POSTE VITA GROUP



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

Below is a quantitative evaluation of the other substantial risks.



Prospective risk profile

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

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

However, in order to achieve a reduction in underwriting and market risks, the Parent Company will seek to increase the placement of multi-class products and the companies will pursue greater diversification of the investment portfolio.

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

C.1 Underwriting Risk

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

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

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

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

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

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

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

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

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

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

Assessing whether risk transfer is effective is done through the formalisation of specific company procedures which take the risk profile into account, especially Risk Appetite in its various aspects. Please refer to Sect. A with regard to risk mitigation techniques (reinsurance).

At 31 December 2023, the greatest underwriting risk was for life, while non-life and health underwriting risk was still modest.

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

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

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

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

The underwriting risk category of Non-Life Insurance and Health Insurance includes risks typical to the insurance business, which can be classified into the following risk macro-categories:

- pricing risk, i.e. the risk of loss or unfavourable change in the value of insurance liabilities, arising from fluctuations in the time of occurrence, frequency and severity of insured events, associated with the events covered, the processes followed for pricing and selecting risks, and the unfavourable trend in actual, versus estimated, claims;
- reserve risk, i.e. the risk of insufficient quantification of the technical provisions for claims that are necessary to guarantee the commitments made to policyholders and injured parties, arising from fluctuations in both the timing and the amount of claims;
- catastrophe risks, i.e. the risk of losses or unfavourable changes in the value of insurance liabilities resulting from high uncertainty in the assumptions related to the determination of premiums and the establishment of technical provisions due to extreme or exceptional events. Such catastrophic events are related to both natural and man-made disasters;
- prepayment risks, i.e., the risk of loss or unfavourable change in the value of insurance liabilities, resulting from changes in the level or volatility of rates on prepayments, terminations and renewals of policies.

The Group's Non-Life and NSLT¹⁸ illness underwriting risks derive from the business of the non-life companies Poste Assicura and Net Insurance.

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

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

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

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

18. Not Similar to Life Technique.

C.2 Market Risk

Market risks represent the second most significant risk of the Group's total capital requirement.

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

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

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

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

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

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

The Group has performed sensitivity analysis on government spread risk, assessing the impact on the solvency index during the time horizon of the 2024-2028 plan of an instantaneous increase in the Italian and European government spreads, for each year of the projection. The instantaneous increase in Italian government spreads did not highlight any particular critical issues over the plan horizon, showing a Solvency Ratio level always in line with the Risk Appetite Framework defined by the individual company.

The equity risk module includes equities, mutual investment funds and equity investments in the affiliated company Europa Gestioni Immobiliari.

Property risk is associated with a series of real estate funds held by the Parent Company. At 31 December 2023, the risk is low.

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

With regard to interest rate risk at 31 December 2023 is mainly related to Poste Vita's separately managed accounts. Evaluation of interest rate risk is done through asset liability management projections and, in particular, through the shock scenarios called for in the Standard Formula. The Group also conducted sensitivity analysis on this risk, assessing the impact on the solvency index over the plan horizon to an increase of +100 basis points in the Euroswap rates for each year of the projection.

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

Finally, at 31 December 2023 the capital requirement relative to concentration risk was zero.

Risk concentration and mitigation

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

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

This include:

- Asset Liability Management (ALM), i.e. the definition of strategic allocation of optimal assets in relation to the liability structure in order to reduce risk to a desired level and maximise the contribution of the investment to value creation;
- a system of investment limits articulated on three levels: the first level of limits approved at least annually by the Board of Directors in policies related to investment management, the second level of limits issued by Senior Management, which may contain both limits that are more restrictive than those set by the Board of Directors and limits of a more managerial nature, and finally the third level of limits issued at management level, which aims to direct the activities of the various managers;
- a disciplined investment process, which requires an in-depth formal analysis for each complex investment by the Investment Function, a Risk Opinion by Risk Management and a Compliance Opinion by the Compliance Function;
- currency risk hedging for foreign currency positions in Multi-asset funds;
- constant monitoring of financial risks on the economic and solvency position of the individual companies.

Relative to concentration risk, within the market risk module, the Parent Company has identified the following exposures at 31 December 2023:

- Government bonds, mainly Italian;
- Obligations to Cassa Depositi e Prestiti SpA.

C.3 Credit Risk

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

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

- Type 1:
 - Exposures deriving from reinsurance agreements, in particular considering recoveries from reinsurers for premiums and claims coinciding with the best estimate for premium and claim provisions;
 - Other amounts due from reinsurers other than those above;
 - Bank deposits in current accounts.
- Type 2:
 - Amounts due from intermediaries;
 - Amounts due from policyholders.

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

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

C.4 Liquidity Risk

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

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

In managing liquidity, the Parent Company Poste Vita ensures that:

- assets covering the technical provisions are invested in a manner appropriate to the nature and duration of the individual companies' 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 treasury cash flows and matching between the characteristics of assets and liabilities (where applicable), even in a stress situation;
- each company monitors its liquid assets level through analysis of the securities portfolio and liquidity held with banks.

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

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

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

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

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

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

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

C.5 Operational Risk

Operational risk is the risk of losses deriving from the inadequacy or dysfunction of internal procedures, human resources or systems, or from external events.¹⁹

Operational risk, assessed using the Standard Formula, is the third biggest risk for the Group at 31 December 2023. The requirement is showing a growth compared with the previous year.

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

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

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

The self-assessment process results in the determination of the expected operational loss, evaluated net of existing safeguards and associated with Operational Risk, as well as the identification of the areas most exposed to Operational Risk.

The analysis of the Risk Self-Assessment showed some areas for improvement, against which Action Plans, aimed at risk mitigation, were undertaken in 2023.

In addition, the Group has implemented a Loss Data Collection method , that provides for the collection and census of information relating to the operational events recorded for the relevant quarters in the statement of profit or loss in order to identify the main risk factors that actually impacted the Group companies and any mitigation actions to be implemented. With a view to improvement, the entire LDC process was revised with the updating of the relevant Guidelines, providing for greater involvement of all Group Functions in the identification and reporting of individual events, with the support of Risk Management.

The exposure to risks in 2023 is on the whole in line with the previous year.

¹⁹. Based on that established under Article 101, paragraph 4 of Directive 2009/138/EC, it includes legal risk and excludes strategic and reputational risk.

C.6 Other Substantial Risks

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

Reputational Risk

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

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

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

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

Strategic Risk

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

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

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

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

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

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

Regulatory Non-Compliance Risk

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

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

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

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

Money-Laundering Risk

This is the current or prospective risk of a decrease in profits or capital deriving from legal or administrative fines, operating losses or reputation damage as a consequence of a violation of legal, regulatory or self-governance provisions functional to preventing the use of the financial system for money laundering and/or to finance terrorism, as well as involvement in money laundering and/or financing of terrorism. At least once a year, the Group carries out a self-assessment of its exposure to this risk, in line with that called for under the relevant regulatory provisions. In particular, the risk exposure recorded in 2023 remained substantially unchanged compared to that recorded in the previous year, confirming a residual risk level that is contained and therefore substantially adequate with a good ability to identify and counter reference risks.

Lack of Diversification and/or Concentration Risk

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

Government Spread Risk

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

The Group is exposed to government bonds and other similar instruments which, at 31 December 2023, accounted for 57% of the carrying amount of total investments, of which 76% consisted of Italian Government Securities.

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

The Parent Company carries out sensitivity analyses on government spread risk, which assessed the impact on the current and prospective solvency ratio with an instantaneous increase of 100 bps in Italian government spreads for each year of projection, with a consequent adjustment of the volatility adjustment value.

Risks associated with Poste Italiane Group membership

Risks associated with Poste Italiane Group membership include:

- risk of "contagion", understood as the risk that, as a result of the relations between each company and the other group entities, situations of difficulty of one of the group entities may spread, with negative effects on the company's solvency;
- the risk of conflicts of interest deriving from operations carried out with Group entities.

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

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

Intangible Assets Risk

This is the risk deriving from changes in the value of intangible assets relative to expectations. The Solvency II value of intangible assets in the Market Value Balance Sheet was zero at 31 December 2023, therefore, this risk is considered not significant.

Social and Environmental Risk

It is the risk arising from an environmental, social or governance event or condition that, if it were to occur, could cause an actual or potential negative impact on the value of the investment or the value of the liability.

The Poste Vita Group has adopted a Responsible Investment Policy in which it describes the approach it follows in managing risks and opportunities related to environmental, social and governance ("ESG") factors within its investment processes. Monitoring of the ESG profiles of investments is carried out by the investment management function within the Investment Committee of each company in the "Sustainability" section, and is based on data obtained from external info providers specialised in this type of analysis. To complement the above, the Poste Vita Group has also adopted Guidelines for investment in sensitive sectors that defines measures to identify, assess and monitor exposure to activities that present a relevant intrinsic risk from an ESG point of view, thus enabling environmental, social and governance aspects to be incorporated into the investment process. The objective of the above-mentioned Guidelines is to identify ESG-sensitive activities and sectors and to establish a process for investing in them.

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

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

ESG risk is well monitored as the results of the analysis show that the Parent Company has a higher score than the ESG value of the Ishares MSCI World ETF benchmark, used for comparison.

Risk Mitigation Techniques

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

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

- investment strategies;
- crediting strategy.

The main objectives of the investment strategy for each separately managed account are:

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

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

C.7 Other information

At 31 December 2023, there was no further information in addition to as already outlined in the previous paragraphs.

D – Valuation for solvency purposes

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

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

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

- *Goodwill*: valued at zero.
- *Intangible assets and deferred acquisition costs (DAC)*: these are measured at zero, unless the intangible asset can be measured separately and the companies can demonstrate the existence of a value for an identical or similar asset calculated in compliance with Article 10, paragraph 2 of the Delegated Acts, in which case the asset is measured in compliance with Article 10.
- *Tangible Assets*: with the exception of items within the scope of IFRS 16 discussed below, valuation is at cost adjusted for depreciation, impairment and reversals of impairment losses. The figure thus determined includes any directly attributable costs incurred to prepare the asset for its intended use, and the cost of dismantling and removing the asset to be incurred as a result of legal obligations requiring the asset to be restored to its original condition. Depreciation is recognised on a straight line basis relative to the estimated residual useful life. Assets are accounted for after deducting depreciation and any impairments. The useful life and residual value are reviewed annually and, in the event of a significant change, the criterion must be modified to reflect these changed characteristics. 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.
 - With reference to leased assets falling within the scope of application of the accounting standard IFRS 16, the value of the asset upon first recognition under the agreement must be equal to the present value of the periodic payments/fees provided for in the contract in order to use the asset and at the time of subsequent closures of the accounts, and for the entire duration of the contract, the asset is depreciated on a straight-line basis.
 - With reference to the valuation of owned properties, a fair value valuation (including the value of the land) is carried out, which is based on a technical appraisal report issued by an independent external professional. The valuation is updated in the presence of significant changes in the characteristics of the property or in the reference market (in particular, when the information available to the company indicates that its value may have decreased significantly compared to general market prices) and, in any case, at least once a year.
- *Financial assets and liabilities*: financial instruments and financial liabilities are valued based on their corresponding fair value, using as a reference the prices listed on active markets where available and inferable from recent or similar transactions, or from alternative valuation models.
- *Equity investments*: equity investments are valued pursuant to Article 13 of the Delegated Acts (Regulation (EU) no. 2015/35 of 10 October 2014), in accordance with the following hierarchy of methods:
 - a. using the default valuation method set out in Article 10, paragraph 2 of the regulation mentioned (namely, undertakings value equity investments using listed market prices in active markets for the same equity investments);
 - b. using the adjusted equity method referred to in paragraph 3 of Article 13 where valuation in accordance with point a) is not possible. The aforesaid method requires the participant undertaking to value its equity investments in subsidiaries based on the portion of excess assets over liabilities of the subsidiary held by the Parent Company;

- c. using the valuation method set out by Article 10, paragraph 3 of the said regulation (in this case undertakings value the equity investments used listed market prices in active markets for similar assets with adjustments to reflect differences) or alternative valuation methods set out by Article 10, paragraph 5 of the said regulation.
- *Deferred tax assets and liabilities*: companies recognise and measure deferred taxes in relation to all assets and liabilities, including technical provisions, recognised for tax or solvency purposes in compliance with Article 9. The companies measure deferred tax liabilities differently than deferred tax assets deriving from the carrying forward of unused tax credits and tax losses, based on the difference between the values ascribed to the assets and liabilities recognised and measured in compliance with Article 75 of Directive 2009/138/EC and, in the case of technical provisions, in compliance with Articles 76 to 85 of said Directive and the values ascribed to assets and liabilities recognised and measured for tax purposes. 3. Companies ascribe a positive value to deferred tax assets only if it is probable that there will be future taxable profits which will allow the use of the deferred tax assets, taking into account legal or regulatory requirements regarding deadlines for carrying tax losses or unused tax credits forward.
 - *Contingent liabilities*: Insurance Group companies recognise contingent liabilities according to their degree of materiality. For both IFRS and Solvency II purposes, contingent liabilities are accounted for according to the criteria defined in IAS 37, but with different reporting rules; for IFRS they are not recognised in the financial statements but only disclosed, while for Solvency II purposes they are recognised in the Balance Sheet if material and if the possibility of payment is not remote.
 - *Provisions other than technical provisions*: provisions other than technical provisions refer to liabilities of uncertain duration and amount, other than technical provisions. In particular, these items are recorded to cover losses that are either probable or certain to be incurred, for which, however, there is an uncertainty as to the amount and/or as to the date on which they will occur. Provisions are, therefore, recognised in the financial statements when the companies of the Insurance Group have a present obligation as a result of a past event for which it is probable they 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.
 - Relative to *tangible assets*, derogating from paragraphs 1 and 2 of Article 9 of the cited delegated regulation and in particular respecting the principle of proportionality pursuant to paragraphs 3 and 4 of Article 29 of Directive 2009/138/EC, the company has recognised tangible assets with the valuation method used to prepare its annual financial statements, as the conditions indicated under paragraph 4 of Article 9 were respected.

The Consolidated Financial Statements include the Financial Statements of the Parent Company and the investee companies Poste Assicura, Net Holding, Net Insurance and Net Insurance Life, which are subject to the management and control of Poste Vita, and also include the Financial Statements of Poste Insurance Broker, a wholly-owned subsidiary of Poste Assicura. These investments are consolidated on a line-by-line basis pursuant to Article 230 of the Delegated Acts.

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

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

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

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

(€k)	2023		Delta
	Solvency II value	Consolidated IAS/IFRS	
Assets			
Goodwill		123,821	(123,821)
Deferred acquisition costs			
Intangible assets		21,094	(21,094)
Deferred tax assets	2,249,253	949,344	1,299,909
Pension benefit surplus			
Property, plant & equipment held for own use	26,627	26,526	100
Financial Investments	143,744,832	143,858,366	(113,535)
Property (other than for own use)			
Holdings in related undertakings, including participations	226,011	159,510	66,501
Equities	322,508	322,642	(135)
Equities - listed	317,299	317,261	37
Equities - unlisted	5,209	5,381	(172)
Bonds	110,004,899	110,184,800	(179,901)
Government Bonds	88,535,811	88,710,409	(174,597)
Corporate Bonds	21,422,255	21,427,559	(5,304)
Structured notes	46,833	46,833	
Collateralised securities			
Collective Investments Undertakings	33,190,612	33,190,612	
Derivatives			
Deposits other than cash equivalents	802	802	
Other investments			
Assets held for index-linked and unit-linked contracts	12,381,389	12,381,388	1
Loans and mortgages	370	370	
Loans on policies			
Loans and mortgages to individuals	370	370	
Other loans and mortgages			
Reinsurance recoverables from:	244,920	232,854	12,066
Non-life and health similar to non-life	102,652	90,699	11,953
Non-life excluding health	75,960		
Health similar to non-life	26,692		
Life and health similar to life, excluding health and index-linked and unit-linked	142,268	142,156	113
Health similar to life	(5,654)		
Life excluding health and index-linked and unit-linked	147,923		
Life index-linked and unit-linked			
Deposits to cedants	15		
Insurance and intermediaries receivables	192,651		
Reinsurance receivables	5,588		
Receivables (trade, not insurance)	74,490	74,490	
Own shares (held directly)			
Amounts due in respect of own fund items or initial fund called up but not yet paid in			
Cash and cash equivalents	3,790,519	3,790,519	
Any other assets, not elsewhere shown	2,397,270	2,436,973	(39,703)
Total assets	165,107,921	163,895,745	1,212,176

(€k)	2023		Delta
	Solvency II value	Consolidated IAS/IFRS	
Liabilities			
Technical provisions - non-life	518,600	486,957	31,643
Technical provisions - non-life (excluding health)	221,545		
TP calculated as a whole			
Best estimate	213,688		
Risk margin	7,857		
Technical provisions - health (similar to non-life)	297,054		
TP calculated as a whole			
Best estimate	284,176		
Risk margin	12,878		
TP - life (excluding index-linked and unit-linked)	133,452,906	141,916,106	(8,463,200)
Technical provisions - health (similar to life)	27,817	29,581	(1,764)
TP calculated as a whole		29,581	(29,581)
Best estimate	11,887		
Risk margin	15,929		
TP - life (excluding health and index-linked and unit-linked)	133,425,089	141,886,525	(8,461,436)
TP calculated as a whole		141,886,525	(141,886,525)
Best estimate	129,555,655		
Risk margin	3,869,434		
TP - index-linked and unit-linked	11,770,315	12,516,755	(746,440)
TP calculated as a whole			
Best estimate	11,398,372		
Risk margin	371,944		
Other technical provisions			
Contingent liabilities	636		
Provisions other than technical provisions	16,633	16,633	
Pension benefit obligations	1,401	1,401	
Deposits from reinsurers	1,939		1,939
Deferred tax liabilities	4,716,334	486,965	4,229,369
Derivatives			
Debts owed to credit institutions			
Debts owed to credit institutions resident domestically			
Debts owed to credit institutions resident in the euro area other than domestic			
Debts owed to credit institutions resident in rest of the world			
Financial liabilities other than debts owed to credit institutions	15,916	116,847	(100,930)
Insurance & intermediaries payables	388,035		
Reinsurance payables	85,778		
Payables (trade, not insurance)	180,132	180,132	
Subordinated liabilities	1,042,698	263,421	779,277
Subordinated liabilities not in BOF	3,694	3,694	
Subordinated liabilities in BOF	1,039,004	259,726	779,277
Any other liabilities, not elsewhere shown	822,697	1,222,788	(400,090)
Total liabilities	153,014,021	157,208,005	(4,193,984)
Excess of assets over liabilities	12,093,900	6,687,740	5,406,160

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

D.1 Assets

For the most significant Assets items below is the amount at 31 December 2023 calculated using Solvency II criteria with the amount recognised in the *IAS/IFRS Consolidated Financial Statements* with reference to the Poste Vita Group and compared with the amount recognised in the *Local GAAP Financial Statements* for the individual companies.

Intangible assets and deferred acquisition costs

Intangible assets and deferred acquisition costs - Poste Vita Group

Intangible assets include: i) € 123,821 thousand related to goodwill, arising from the residual difference between the consideration transferred (€ 180.8 million) and the fair value of the Net Insurance net assets acquired from the Parent Company Poste Vita, as adjusted following the Purchase Price Allocation "PPA" process, (€ 57.0 million); and ii) € 10.8 million of goodwill related to the higher value attributed to the brand following the valuation activities carried out to date underlying the aforementioned PPA process.

The remaining € 21,094 thousand 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.

With the introduction of IFRS 17, deferred acquisition costs (DAC) are not shown separately, but are included in the calculation of insurance liabilities.

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

Intangible assets and deferred acquisition costs - Poste Vita

Intangible assets in the IAS/IFRS reporting package of the Parent Company Poste Vita at the end of 2023, prepared for the purpose of drawing up the consolidated financial statements of the Poste Vita Group, amounted to zero, while, as reported above, deferred acquisition costs (DAC), measured in accordance with Local GAAP, amounted to € 31,628 thousand and include the portion not yet amortised of charges related to commissions paid to intermediaries as well as internal acquisition costs.

Relative to valuation methods for the purpose of Solvency II, please see that reported above in the section dedicated to the Group.

Intangible assets and deferred acquisition costs - Poste Assicura

The intangible assets of the subsidiary Poste Assicura at the end of 2023, which were prepared for consolidation purposes in the consolidated financial statements of the Poste Vita Group, are zero.

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

Intangible assets and deferred acquisition costs - Net Insurance SpA

The intangible assets of the subsidiary Net Insurance at the end of 2023, had a value of 0 in the Solvency II financial statements, while in the statutory financial statements, intangible assets with long-term use are recognised at purchase cost and amount to € 14,856 thousand.

Intangible assets and deferred acquisition costs - Net Insurance Life SpA

The intangible assets of the subsidiary Net Insurance at the end of 2023, had a value of 0 in the Solvency II financial statements, while in the statutory financial statements, intangible assets with long-term use are recognised at purchase cost and amount to € 1,237 thousand.

Deferred acquisition costs, which consist of a portion attributable to future years of commissions paid to intermediaries and internal acquisition costs, amounted to € 1,601 thousand under Local GAAP.

Tangible assets

Tangible assets - Poste Vita Group (€ 26,627 thousand)

The item tangible assets amounting to € 26,627 thousand mainly refers to the right of use of the assets covered by the contracts falling under the scope of IFRS 16 (about € 10.2 million) and refers to the property owned by the Ultimate Parent Poste Italiane leased by the Parent Company Poste Vita and the subsidiary Poste Assicura and for the remainder to the value of the land owned and the property held since 2015, home to the subsidiaries Net Insurance and Net Insurance Life.

At 31 December 2022, this item amounted to € 11,153 thousand. The increase, compared to the figure for the previous twelve months, is due to the entry of Net Insurance and Net Insurance Life into the Insurance Group.

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

Tangible assets - Poste Vita (€ 7,841 thousand)

The tangible assets of € 7,841 thousand refer mainly:

- for € 185 thousand to office furniture and machines, systems and equipment held at the end of the Period net of the relative depreciation;
- for € 7,656 thousand to the right to use the assets covered by the contracts falling within the scope of IFRS 16, representing the present value of the periodic lease fees contractually provided for in order to use the assets covered by the contract and refers almost exclusively to the portion of the property leased by the Ultimate Parent Poste Italiane SpA for the period 1 February 2022 - 31 January 2028, with tacit renewal every 6 years, unless terminated by either party.

This item is in line with the figure at 31 December 2022 (€ 8,623 thousand).

Tangible assets - Poste Assicura (€ 2,274 thousand)

The item tangible assets for € 2,274 thousand (€ 2,531 thousand at 31 December 2022) related for € 3 thousand (€ 8 thousand at December 2022) to electronic machines and furniture and fixtures held at the end of the period net of the relative depreciation and for € 2,271 thousand (€ 2,523 thousand in 2022) to the right to use the assets covered by the contracts falling within the scope of IFRS 16, representing the present value of the periodic lease fees contractually provided for in order to use the assets covered by the contract and referring almost exclusively to the portion of the property leased by the Ultimate Parent Poste Italiane for the period 1 February 2022 - 31 January 2028, with tacit renewal every 6 years, unless terminated by either party.

Tangible assets - Net Insurance (€ 6,059 thousand)

Tangible assets amounted to € 6,059 thousand and included the IFRS16 valuations, which generated a valuation difference of € 287 thousand between the Solvency II financial statements and the statutory financial statements. Tangible assets (other than buildings held for investment purposes and assets whose useful life does not end, such as land and works of art), recorded at purchase cost including ancillary expenses, and systematically depreciated in each financial year in relation to their residual possibility of utilisation, have not generated valuation differences. Lastly, the company Net Insurance has verified the fair value of the property owned on the basis of an independent expert's appraisal; in this regard, a difference in value between the Solvency II financial statements and the statutory financial statements of € 344 thousand was noted.

Tangible assets - Net Insurance Life (€ 10,452 thousand)

Tangible assets amounted to € 10,452 thousand and included the IFRS16 valuations, which generated a valuation difference of € 19 thousand between the Solvency II financial statements and the statutory financial statements. Tangible assets (other than buildings held for investment purposes and assets whose useful life does not end, such as land and works of art), recorded at purchase cost including ancillary expenses, and systematically depreciated in each financial year in relation to their residual possibility of utilisation, have not generated valuation differences. Lastly, the company has verified the fair value of the property owned on the basis of an independent expert's appraisal; in this regard, a difference in value between the Solvency II financial statements and the statutory financial statements of € 1,101 thousand was noted.

Equity investments

Equity investments - Poste Vita Group (€ 226,011 thousand)

The item referred to:

- for € 107,910 thousand to Europa Gestioni Immobiliare SpA, a company 45% owned by Poste Vita and 55% owned by Poste Italiane, operating mainly in the real estate sector for the management and development of real estate assets no longer used by Poste Italiane;
- for € 1,355 thousand to Eurizon Capital Real Asset SGR S.p.A, a company in which Poste Vita holds a 20% stake in share capital and 12.25% of voting rights, acquired for € 1.7 million on 31 January 2022;
- for € 116,707 thousand to Cronos Vita Assicurazioni SpA, in which Poste Vita held a 22.5% stake at 31 December 2023;
- for € 39 thousand to Consorzio Logistica Pacchi S.c.p.a., in which Poste Assicura holds 5% of the share capital.

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

Equity investments - Poste Vita (€ 657,842 thousand)

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

- Poste Assicura, Net Holding and Cronos were valued using the Solvency II equity method, that is determining the portion of equity by measuring assets and liabilities pursuant to Article 75 of the Solvency II Directive. The amount of the equity investments resulting from this valuation is € 371,389 thousand, € 60,481 thousand and € 116,707 thousand respectively;
- EGI and ECRA were valued at IAS/IFRS equity adjusted to take account of the elements not eligible for Solvency II purposes, which is considered a good approximation of Solvency II principles for non-insurance equity investments totalling € 107,910 thousand and € 1,355 thousand respectively.

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

Equity investments - Poste Assicura (€ 416 thousand)

This item refers exclusively to the 100% stake held in the subsidiary Poste Insurance Broker for € 377 thousand for (€ 596 thousand at December 2022) and the remainder, equal to € 39 thousand, to the 5% equity investment in the company Consorzio Logistica Pacchi Scpa.

As specified in the introductory paragraph, with regard to Poste Insurance Broker, the company closed the period with a net loss of € 219 thousand (€ 423 thousand in the corresponding period of 2022). The loss of the Period will be offset through a planned capital strengthening in the new financial year.

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

Equity investments - Net Insurance (€ 44,526 thousand)

The item refers exclusively to the 100% interest held in the subsidiary Net Insurance Life and has been valued using the difference between Assets and Liabilities from a Solvency II perspective.

The application of the valuation criteria according to Solvency II resulted in an increase in value of € 9,926 thousand, due to the different valuations of the subsidiary Net Insurance Life under Solvency II compared to the statutory valuations.

Financial assets

Financial assets - Group (€ 155,900,209 thousand)

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

Below is a schedule showing the composition of financial assets at 31 December 2023:

(€k)	31/12/2023	31/12/2022	Delta
Equities	322,508	103,666	218,841
Government Bonds	88,535,811	79,576,592	8,959,219
Corporate Bonds	21,422,255	20,248,782	1,173,473
Structured notes	46,833	545,310	(498,477)
Collective Investments Undertakings	33,190,612	31,621,867	1,568,745
Assets held for index-linked and unit-linked contracts	12,381,389	9,608,163	2,773,225
Deposits other than cash equivalents	802		802
Total	155,900,209	141,704,381	14,195,828

There was an increase in the value of shares, amounting to € 322,508 thousand at 31 December 2023, compared to the December 2022 figure (€ 103,666 thousand), due to the investments made in this asset class during the reporting period.

Government bonds, amounting to € 88,535,811 thousand (€ 79,576,592 thousand at 31 December 2022), mainly refer to listed fixed income bonds issued by European countries of which approximately 76% are government bonds issued by the Italian government.

Corporate bonds amounting to € 21,422,255 thousand (€ 20,248,782 thousand at the end of 2022), mainly refer to listed fixed income bonds issued by leading European companies.

Structured bonds, equal to € 46,833 thousand at the end of the period (€ 545,310 thousand), refer to bonds issued by Cassa Depositi e Prestiti as private placements, acquired under market conditions.

With regard to mutual investment funds of Class C, amounting at the end of the period to € 33,190,612 thousand (€ 31,621,867 thousand at 31 December 2022), the incidence on the Group's entire portfolio decreased from 24.0% to the current 23.1%.

The financial instruments acquired to cover unit-linked policies are measured at the value on the last trading day of the year and at the end of the year in question amounted € 12,381,389 thousand (€ 9,608,163 thousand at 31 December 2022).

Financial assets - Poste Vita (€ 154,884,733 thousand)

Below is a schedule showing the composition of financial assets at 31 December 2023:

Financial Investments (€k)	31/12/2023		Delta
	Solvency II value	Statutory Account Value	
Equities	317,261	281,046	36,216
Government Bonds	87,750,380	92,411,819	(4,661,439)
Corporate Bonds	21,219,014	22,280,196	(1,061,182)
Structured notes	46,833	47,642	(809)
Collective Investments Undertakings	33,169,856	33,309,095	(139,239)
Assets held for index-linked contracts	12,381,389	12,381,389	
Total	154,884,733	160,711,187	(5,826,454)

On the other hand, with reference to the Local GAAP valuation (Statutory column of the Market Value Balance Sheet), the figure for 31 December 2023, as well as the figure for 31 December 2022, benefits from the application of IVASS Regulation no. 52 of 30 August 2022, as amended by IVASS provision no. 143 of 2024, which allowed the company to suspend value adjustments totalling € 2.7 billion (or € 5.2 billion at 31 December 2022) related to class C investments at the end of the period.

Financial assets - Poste Assicura (€ 732,332 thousand)

Financial assets were measured at fair value using the prices listed on active markets, amounted to a total of € 732,332 thousand and referred to: i) € 623,706 thousand for listed government bonds and ii) € 108,626 thousand for listed bonds.

(€k)	31/12/2023		
	Solvency II value	Statutory Account Value	Delta
Government Bonds	623,706	628,562	(4,856)
Corporate Bonds	108,626	108,054	572
Total	732,332	736,616	(4,284)

Financial assets - Net Insurance (€ 122,596 thousand)

The financial portfolio, measured at fair value, excluding equity investments, was € 122,596 thousand at the end of 2023, an increase of € 25,028 thousand with respect to year-end 2022 (€ 97,568 thousand), mainly due to net inflows and with a decrease of € 1,584 thousand compared to the statutory figure due to the development of interest rates and spreads during the reporting period.

(€k)	31/12/2023			31/12/2022		
	Solvency II value	Statutory accounts value	Delta	Solvency II value	Statutory accounts value	Delta
Equities	5,209	5,340	(131)	4,056	4,054	2
Government Bonds	62,916	64,459	(1,543)	36,996	40,227	(3,231)
Corporate Bonds	45,598	45,630	(32)	21,403	23,363	(1,960)
Collective Investments Undertakings	8,872	8,751	122	35,113	34,931	183
Total	122,596	124,180	(1,584)	97,568	102,575	(5,006)

With reference to corporate securities, it should be noted that Net Insurance wholly owns the subordinated bond issued by the subsidiary Net Insurance Life, whose market value at 31 December 2023 was € 4,783 thousand. This security is eliminated at the level of the Solvency II consolidated financial statements calculation, resulting in no impact on the Group's balance sheet.

Financial assets - Net Insurance Life (€ 164,529 thousand)

The financial portfolio, measured at fair value was € 164,529 thousand at the end of 2023, an increase of € 43,047 thousand with respect to year-end 2022 (€ 121,483 thousand), mainly due to inflows (net of claims and expenses) and a decrease of € 3,119 thousand with respect to the statutory balance due to changes in interest rates and spreads during the reporting period.

(€k)	31/12/2023			31/12/2022		
	Solvency II value	Statutory accounts value	Delta	Solvency II value	Statutory accounts value	Delta
Equities	37	37		223	223	
Government Bonds	98,809	101,707	(2,899)	58,217	64,281	(6,064)
Corporate Bonds	53,800	53,939	(139)	27,159	29,687	(2,528)
Collective Investments Undertakings	11,884	11,965	(81)	35,885	35,732	152
Total	164,529	167,649	(3,119)	121,483	129,923	(8,440)

Insurance and intermediaries receivables

Insurance and intermediaries receivables - Poste Vita Group (€ 192,651 thousand)

This item mainly includes amounts due from policyholders for premiums to be collected, as well as amounts due from intermediaries and insurance companies. The receivables are recognised at fair value on the date of acquisition and subsequently at the realisable value. At the end of 2023, this item consisted of:

- amounts due from policyholders, not yet collected at the end of the period for € 133,333 thousand;
- amounts due from intermediaries for € 37,447 thousand at 31 December 2023, up compared to the previous year;
- amounts due from co-insurers, not yet collected at the end of the period for € 1,189 thousand;
- other receivables for amounts to be recovered in the amount of € 20,682 held exclusively by Net Insurance;
- this item is shown net of infragroup transactions totalling € 2,517 thousand, which refer mainly to the receivable claimed by the Parent Company Poste Vita, from the subsidiary Poste Assicura for the life component of CPI product.

Insurance and intermediaries receivables - Poste Vita (€ 53,016 thousand)

This item mainly includes amounts due from policyholders for premiums to be collected, as well as amounts due from intermediaries and insurance companies. The receivables are recognised at fair value on the date of acquisition and subsequently at the realisable value. At the end of 2023, this item amounts to € 53,016 thousand and the breakdown is mainly as follows:

- amounts due from policyholders, amounting to approximately € 22,785 thousand and relating to premiums not yet collected at the end of the period;
- amounts due from intermediaries for € 27,798 thousand at 31 December 2023;
- amounts due from ECRA for € 434 thousand;
- amounts due from the subsidiary Poste Assicura for the Life component of the CPI product for € 1,998 thousand at 31 December 2022.

Insurance and intermediaries receivables - Poste Assicura (€ 81,473 thousand)

The receivables are recognised at fair value on the date of acquisition and subsequently at the realisable value. This item amounts to € 81,473 thousand at the end of 2023 (€ 97,920 thousand in 2022) and the breakdown is as follows:

- insurance receivables for premiums for the year, not yet collected or settled at the end of the Period in the amount of € 75,643 thousand (€ 91,158 thousand in 2022);
- amounts due from co-insurers, not yet collected at the end of the period for € 886 thousand (€ 1,314 thousand in 2022);
- amounts due from policyholders, in the amount of € 4,944 thousand at 31 December 2023, (€ 5,448 thousand in 2022).

Insurance and intermediaries receivables - Net Insurance (€ 53,270 thousand)

The receivables are recognised at fair value on the date of acquisition and subsequently at the realisable value. Receivables due from policyholders not yet collected at the end of the period for:

- € 29,568 thousand for amounts due from policyholders. Compared to the value at 31 December 2022, there was an increase in amounts due from policyholders of € 15,235 thousand;
- € 2,846 thousand for amounts due from intermediaries;
- € 20,682 thousand for receivables for amounts to be recovered;
- € 174 thousand for amounts due from co-insurers, not yet collected at the end of the period.

Insurance and intermediaries receivables - Net Insurance Life (€ 7,124 thousand)

The receivables are recognised at fair value on the date of acquisition and subsequently at the realisable value. Receivables due from policyholders not yet collected at the end of the period for:

- € 5,856 thousand for amounts due from policyholders. Compared to the value at 31 December 2022, there was an increase in amounts due from policyholders of € 1,233 thousand;
- € 1,139 thousand for amounts due from intermediaries;
- € 129 thousand for amounts due from co-insurers, not yet collected at the end of the period.

Insurance and intermediaries receivables - Poste Insurance Broker (€ 286 thousand)

This position of € 286 thousand refers to receivables for commissions to be collected.

Deferred tax assets

Deferred tax assets - Poste Vita Group (€ 2,249,253 thousand)

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

These amounts were determined with reference to the valuation differences for the values of assets and liabilities for Solvency II purposes and the corresponding Local GAAP amounts, applying the rates in effect at 31.12.2023. As a result of the valuation rules provided for under Solvency II regulations, the item "Deferred Tax Assets" in the financial statements increased by € 1,299,909 thousand from an IAS/IFRS value of € 949,344 thousand to a total Solvency II value of € 2,249,253 thousand, at 31 December.

Deferred tax assets - Poste Vita (€ 2,212,584 thousand)

For Solvency II purposes, deferred tax assets were determined, with reference to the valuation differences in the values of assets and liabilities for Solvency II purposes and the corresponding Local GAAP amounts, applying the rates in force at 31.12.2023.

As a result of application of the Solvency II valuation rules, the "Deferred Tax Assets" in the Italian GAAP financial statements, equal to € 487,517 thousand, increased by € 1,725,067 thousand, reaching a total value at the end of 2023 of € 2,212,584 thousand.

The main components were deferred tax assets arising from the elimination of deferred acquisition costs in the amount of € 9,748 thousand, taxes arising from valuation differences on financial instruments in the amount of € 1,699,367 thousand, and the decrease in reserves ceded to reinsurers in the amount of € 7,168 thousand.

Deferred tax assets - Poste Assicura (€ 25,496 thousand)

Deferred tax assets, for € 25,496 thousand, are determined on the basis of the differences between the values of assets and liabilities for Solvency II purposes and the corresponding Local GAAP values. The tax effect is determined by applying the rates in force at 31.12.2023. The changes are mainly attributable to deferred taxes accrued on the change in value of reinsurance ceded reserves in the amount of € 4,862 thousand.

Deferred tax assets - Net Insurance (€ 8,323 thousand)

Deferred tax assets amount to € 8,323 thousand. The tax effect is mainly determined by Local GAAP deferred tax assets, in the amount of € 4,720 thousand, and by the Solvency II change in value of Deferred acquisition cost, Intangible assets and Leased assets, in the amount of € 5,611 thousand, net of the change in technical provisions, in the amount of -€ 2,139 thousand, compared to the statutory figure, applying the rates in force at 31.12.2023.

Deferred tax assets - Net Insurance Life (€ 2,701 thousand)

Deferred tax assets amount to € 2,701 thousand. The tax effect is mainly determined by Local GAAP deferred tax assets, in the amount of € 875 thousand, and by the Solvency II change in value mainly of financial instruments, deferred acquisition cost and intangible assets, compared to the statutory figure, in the amount of € 1,768 thousand, applying the rates in force at 31.12.2023.

Deferred tax assets - Poste Insurance Broker (€ 148 thousand)

Deferred tax assets amount to € 148 thousand.

Cash and cash equivalents

Cash and cash equivalents - Poste Vita Group (€ 3,790,519 thousand)

Cash and cash equivalents are valued, both for statutory and Solvency II purposes, at their estimated realisable value, which coincides with their nominal value. This item includes short-term bank and postal deposits, as well as cash and revenue stamps. This item amounts to € 3,790,519 thousand at the end of 2023 and is the sum of the liquid assets of:

- Poste Vita for € 3,759,373 thousand;
- Poste Assicura for € 18,155 thousand;
- Net Insurance for € 2,089 thousand;
- Net Insurance Life for € 4,448 thousand;
- Net Holding for € 3,991 thousand;
- Poste Insurance Broker for € 2,464 thousand.

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

The table below summarises the valuation criteria adopted for the valuation of assets for the purposes of Solvency II and the IAS/IFRS Consolidated Financial Statements:

Relevant asset categories	Valuation criterion Solvency II	Valuation criterion IAS/IFRS
Intangible Assets and deferred acquisition costs	Derecognised and not recognised	<p>The following are classified in this item:</p> <p>Goodwill arising from the residual difference between the consideration transferred and the fair value of the net assets acquired from Net Insurance and its subsidiary Net Insurance Life by the Parent Company Poste Vita.</p> <ul style="list-style-type: none"> • Software amortised over 3 years • Brand amortised over 18 financial years • Start-up and expansion costs and other deferred costs amortised over 5 years
Property, plant & equipment held for own use	Furniture, plant and equipment, office machinery are recorded at cost plus accessory charges and subsequent valuations are carried out using the amortised cost method. Depreciation is recognised on a straight line basis relative to the estimated residual useful life. It should be noted that the land is not subject to depreciation and that the real estate owned and headquartered by the subsidiaries Net Insurance and Net Life is depreciated over 48 years. An impairment test is conducted annually to check for any significant losses in value, and if so, the value of the land and building is adjusted by means of an impairment loss. With reference to leased assets, the value of the asset upon first recognition shall be equal to the present value of the periodic payments/fees provided for in the contract in order to use the asset and at the time of subsequent closures of the accounts, and for the entire duration of the contract, the asset is depreciated on a straight-line basis	As required by IAS 16, furniture, plant and equipment, office machinery, land and the property are recorded at cost plus accessory charges and subsequent valuations are carried out using the amortised cost method. Depreciation is recognised on a straight line basis relative to the estimated residual useful life. It should be noted that the land is not subject to depreciation and that the real estate owned and headquartered by the subsidiaries Net Insurance and Net Life is depreciated over 48 years. An impairment test is conducted annually to check for any significant losses in value, and if so, the value of the land and building is adjusted by means of an impairment loss. With reference to leased assets, the value of the asset upon first recognition shall be equal to the present value of the periodic payments/fees provided for in the contract in order to use the asset and at the time of subsequent closures of the accounts, and for the entire duration of the contract, the asset is depreciated on a straight-line basis.
Participations	Valued at SII values from IAS/IFRS equity	Equity method as required by IAS 28
Financial Investments	Fair Value	<p>Financial investments are valued and classified in accordance with IFRS 9, i.e.:</p> <p>i) Amortised cost: financial investments held for the purpose of collecting the contractual cash flows represented exclusively by the payment of principal and interest;</p> <p>ii) Fair value recognised in Other comprehensive income (FVTOCI): financial investments held in order to collect both the contractual cash flows, represented exclusively by the payment of principal and interest, and the flows deriving from the sale of the assets;</p> <p>iii) Fair value recognised in profit or loss (FVTPL): residual category within which financial investments not included in the previous categories are classified.</p>
Deferred tax assets	Deferred tax assets are equal to the sum of the values of the same item reported in the Market Value Balance Sheet (Solvency II) of the Parent Company, Poste Vita, and the Subsidiaries, Poste Assicura and Poste Welfare Servizi. These values were determined, with reference to the differences in the values of assets and liabilities calculated for SII purposes and the corresponding Local GAAP values, based on the applicable rates.	Deferred tax assets are recognised for deductible temporary differences between the carrying amounts of assets and liabilities and the corresponding values recognised for tax purposes.
Insurance and intermediaries receivables	Receivables are recorded at Fair Value at the acquisition date and subsequently measured at their estimated realisable value.	Receivables are recorded at Fair Value at the acquisition date and subsequently measured at their estimated realisable value.
Cash and cash equivalents	These items are recorded at nominal value.	These items are recorded at nominal value.

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

Relevant asset categories (€k)	31/12/2023		
	Solvency II value	IAS/IFRS	Delta
Goodwill		123,821	(123,821)
Deferred acquisition costs			
Intangible assets		21,094	(21,094)
Property, plant & equipment held for own use	26,627	26,526	100
Participations	226,011	159,510	66,501
Financial Investments	155,900,209	156,080,244	(180,035)
Deferred tax assets	2,249,253	949,344	1,299,909
Insurance and intermediaries receivables	192,651		192,651
Cash and cash equivalents	3,790,519	3,790,519	

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

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

POSTE VITA SPA

Relevant asset categories (€k)	31/12/2023		
	Solvency II value	Statutory Account Value	Delta
Deferred acquisition costs		31,628	(31,628)
Property, plant & equipment held for own use	7,841	185	7,656
Participations	657,842	345,231	312,610
Financial Investments	154,884,733	160,711,187	(5,826,454)
Deferred tax assets	2,212,584	487,517	1,725,067
Insurance and intermediaries receivables	53,016	53,016	
Cash and cash equivalents	3,759,373	3,759,373	

POSTE ASSICURA SPA

Relevant asset categories (€k)	31/12/2023		
	Solvency II value	Statutory Account Value	Delta
Property, plant & equipment held for own use	2,274	3	2,272
Participations	416	1,537	(1,121)
Financial Investments	732,332	736,616	(4,284)
Deferred tax assets	25,496	18,419	7,077
Reinsurance receivables	1,644	1,644	
Insurance and intermediaries receivables & receivables (trade, not insurance)	83,708	83,708	
Cash and cash equivalents	18,155	18,155	

NET INSURANCE

Relevant asset categories (€k)	31/12/2023		
	Solvency II value	Statutory Account Value	Delta
Deferred acquisition costs		3,351	(3,351)
Property, plant & equipment held for own use	6,059	5,428	631
Partecipations	44,526	34,600	9,926
Financial Investments	122,596	124,180	(1,584)
Deferred tax assets	8,323	4,720	3,603
Insurance and intermediaries receivables	53,270	53,270	
Deposits to cedants	15	15	
Reinsurance receivables	37	37	
Receivables (trade, not insurance)	5,839	5,839	
Any other assets, not elsewhere shown	11,661	11,661	
Cash and cash equivalents	2,089	2,089	

NET INSURANCE LIFE

Relevant asset categories (€k)	31/12/2023		
	Solvency II value	Statutory Account Value	Delta
Deferred acquisition costs		1,601	(1,601)
Intangible assets		1,237	(1,237)
Property, plant & equipment held for own use	10,452	9,332	1,120
Financial Investments	165,331	168,451	(3,119)
Deferred tax assets	2,701	933	1,768
Insurance and intermediaries receivables	6,468	6,468	
Reinsurance receivables	2,867	770	2,097
Receivables (trade, not insurance)	1,900	1,900	
Any other assets, not elsewhere shown	1,331	1,331	
Cash and cash equivalents	4,448	4,448	

D.2 Technical Provisions

The following table summarises the technical provisions net of outward reinsurance of the Poste Vita Group at 31 December 2023:

Net Technical Provisions (€k)	31/12/2023		
	Life business	Non-life business	Total
Best Estimates Liabilities	140,965,914	497,864	141,463,778
Risk margin	4,257,307	20,735	4,278,043
Total - Gross Technical Provisions	145,223,221	518,600	145,741,821
Recoverables	142,268	102,652	244,920
Total - Net Technical Provisions	145,080,953	415,948	145,496,901

The Technical Provisions of the Poste Vita Group are equal to the sum of the technical provisions for the Life business deriving from the Parent Company Poste Vita and the subsidiary Net Insurance Life and the technical provisions for the Non-Life business arising from the subsidiaries Poste Assicura and Net Insurance.

The Technical Provisions relating to both the Life business and Non-Life business have been valued in accordance with the principles of Article 77 of the Solvency II Directive, which states that the value of technical provisions is equal to the sum of the Best Estimates and the Risk Margin.

Relative to calculation of Group technical provisions, below is the impact of transitional measures on technical provisions, as well as the use of the Volatility Adjustment, both of which were applied by the Parent Company:

Impact of long term guarantees measures and transitionals (€k)	31/12/2023		
	Amount with Long Term Guarantee measures and transitionals	Without volatility adjustment and without other transitional measures	Impact of volatility adjustment set to zero
Technical provisions	145,741,821	146,313,020	571,199
Basic own funds	12,348,823	11,955,149	(393,674)
Excess of assets over liabilities	12,093,900	11,699,908	(393,992)
Restricted own funds due to ring-fencing and matching portfolio			
Eligible own funds to meet Solvency Capital Requirement	14,098,823	13,705,149	(393,674)
Tier I	12,079,749	11,686,075	(393,674)
Tier II	2,019,074	2,019,074	
Tier III			
Solvency Capital Requirement	4,591,654	4,646,235	54,581

The methodology adopted to calculate the various amounts impacted by Solvency II is that of the Standard Formula.

With reference to the Parent Company, with regard to the adoption of the Transitional Measure on Technical Provisions (MTRT), at 31/12/2023 as defined in paragraph 2 - "Recalculation of the MTRT" of Annex 2 "Calculation of the Transitional Measure on Technical Provisions" of the Clarification on the application of the provisions of Article 344-decies of Legislative Decree 209 of 7 September 2005, concerning the Transitional Measure on Technical Provisions, Poste Vita has carried out the four-yearly verification of the calculation of the Transitional Measure on Technical Provisions.

The value of the transitional deduction, determined as the share of the difference between the Technical Provisions calculated according to the Solvency II regime, pertaining to the portfolio of contracts in force at 31/12/2015 and still in force at the valuation date ("old business"), and the Solvency I Technical Provisions pertaining to the same portfolio, is negative for each Line of Business, therefore, the value of the transitional measure at 31.12.2023 is 0.

At 31 December 2023, the technical provisions are broken down into the various components:

- Best Estimate of Liabilities (BEL);
- Risk Margin (the margin for non-hedgeable risks);
- Reinsurance recoverables, i.e. the best estimate of amounts recoverable from reinsurance net of the adjustment that takes into account the credit risk of the reinsurance counterparty (CDA - counterparty default adjustment).

Poste Vita

Technical Provisions are calculated for almost the entire portfolio using an Asset Liabilities Management (ALM) approach.

Best Estimates include the outstanding claims provisions at 31 December 2023.

The Best Estimate of liabilities is the average of future cash flows weighted with the relative probabilities, taking into account the time value of the money (current expected value of future cash flows), based on the relevant risk-free interest rate term structure at 31 December 2023, as observed on the market and officially communicated by EIOPA.

The Best Estimates may be calculated in a deterministic or stochastic manner, based on the characteristics of the relative liabilities portfolio.

Specifically:

- a deterministic approach is used for Solvency products of Lines of Business relative to which cash flows do not depend on market changes or move symmetrically relative to market changes;
- a stochastic approach is used for Solvency products or Lines of Business relative to which cash flows contain financial guarantees and contractual options which are asymmetrical relative to market changes.

To measure the Best Estimate component for Parent Company commitments, the model was configured by LoB, each using the relative amounts of assets and liabilities.

The projections are managed for individual funds. In particular, in the case of separately managed accounts, from an ALM perspective, the dynamic interactions between assets and liabilities are taken into account, such as management movements, the revaluation of insurance benefits is determined, management actions are taken into account and investment strategies are simulated.

With regard to the choice of Management Actions, the investment strategy used in the Parent Company's projection models to calculate the Best Estimate of products with performance that can be revalued, i.e. linked to the return of separately managed accounts, has a dual objective of:

- maintaining Current Asset Allocation (CAA) over time;
- achieving and maintaining, when possible, a target return.

Parameterisation of financial hypotheses was determined in line with asset allocation and realisation of an objective return (crediting), defined and agreed upon with the "Asset Allocation and Traditional Investments" office.

In contrast to what occurs for real world valuations, it is necessary to take into account that for Solvency II valuations a closed production portfolio is hypothesised, with projections made in a risk neutral environment. Consequently, flows from assets are lowered, leading to a reduction in returns.

Realisation criteria for latent gains from assets covering separately managed accounts represent the driver with the largest impact on the value of technical provisions. In these measurements, portfolio management establishes that realisation of gains leads to crediting.

Relative to the liabilities portfolio, for proper valuation as defined under Articles 17 and 18 of Delegated Regulation (EU) 2015/35, all obligations falling under the limits of contracts were recognised, while those expired, fulfilled and discharged were cancelled.

When measuring the Best Estimates, all existing portfolio obligations were considered, in particular those deriving from single premium, annual premium and recurring single premium tariff forms, as well as the payment of additional premiums and single-year coverage through maturity.

When configuring the model, variables were parameterised on the basis of hypotheses that best represent their future performance.

In the cash flows projection, as defined under Article 28 of delegated regulation (EU) 2015/35, all commitments were considered in terms of benefits and expenses deriving from contracts, by defining demographic, financial and non-financial hypotheses that determine the future value.

When projecting cash flows, used in determining Best Estimate values, policies in effect at the time of valuation are grouped in Model Point, selecting a homogeneous grouping by risk type (by product code), so as to separate and manage the guarantees found in the insurance contracts. For multi-class policies, Class I and Class III guarantees are managed and valued separately. For Model Point generation, specific analysis was done to determine an optimal aggregate set to reproduce the Best Estimate value (with respect to the Best Estimate value obtained with policy by policy valuation), the numerousness of Model Points and a reduction in approximation error.

Best Estimate calculation is done using a stochastic approach so as to determine the time value of options (surrenders, renewals, reductions, insolvencies, etc.) and guarantees (e.g. minimum financial guarantee set in the tariff) included in insurance policies in effect at the time of valuation, as defined under Article 32 of delegated regulation (EU) 2015/35.

At 31 December 2023, the Parent Company's Technical provisions are:

Technical provisions (€k)	31/12/2023
BEL - gross reinsurance	140,735,232
<i>Risk margin</i>	4,253,055
SII technical provisions - gross reinsurance	144,988,286
<i>Reinsurance recoverables net Counterparty Default Risk</i>	4,654
SII technical provisions - net reinsurance	144,983,633
Importo MTRT al 31/12/	
SII technical provisions - net reinsurance with TMTP deduction	144,983,633

By Line of Business:

Line of Business (€k)	31/12/2023		
	BEL	Risk margin	Recoverables
Insurance with profit participation	129,185,432	3,808,042	124
Index-linked and unit-linked insurance	11,398,372	371,944	
Other life insurance	139,082	57,149	9,536
Health insurance (direct business)	12,346	15,920	(5,006)

Details are provided below of the value at 31 December 2023 of Technical Provisions by line of business and by component, net of reinsurance

Line of Business (€k)	31/12/2023	
	BEL	Risk margin
Insurance with profit participation	129,185,432	3,808,042
Index-linked and unit-linked insurance	11,398,372	371,944
Other life insurance	129,545	57,149
Health insurance (direct business)	17,352	15,920

For the purposes of calculating the best estimate, Poste Vita has applied to the risk-free interest rates an adjustment for the volatility of the structure by maturity of the risk-free interest rates (so-called "Volatility Adjustment"), according to the provisions contained in Article 36-septies of the Italian Private Insurance Code.

To make this adjustment at the valuation date, technical information produced by EIOPA was used, on the basis of Article 36-octies of the Italian Private Insurance Code. The volatility adjustment applied to the 31 December 2023 valuation was 20 bps.

Poste Vita quantified the impact of eliminating the volatility adjustment on the amount of technical provisions, keeping all the underlying data and hypotheses unchanged and using Insurance Group rate structure without the volatility adjustment.

The consequent impact is summarised in the table below:

Line of Business (€k)	31/12/2023		
	TP (with VA)	TP (no VA)	delta
Insurance with profit participation	132,993,474	133,565,362	-571,889
Index-linked and unit-linked insurance	11,770,315	11,765,109	5,207
Other life insurance	196,231	196,384	-152
Health insurance (direct business)	28,266	29,472	-1,206
Total	144,988,286	145,556,327	-568,041

The valuation model projects cash flows using a run-off approach, that is until the complete extinction of the liabilities portfolio over a time horizon set at 40 years. To take contracts still in effect on the last project date into account in the Best Estimate, the terminal value of these is included (total reserve at final projection date discounted to zero).

For each set of results produced, the market consistency of cash flows (positive and negative) is validated using the Leakage and Martingale tests, calibrating assets to the initial market value, in line with the risk neutral interest term structure, assuming an absence of arbitrage.

Cash flows were considered without deducting amounts recoverable through reinsurance contracts. This amount is calculated externally to the model and is equal to the current value of the difference between outgoing and incoming cash flows in reference to items subject to the reinsurance treaty.

Recoverable amounts by LoB, net of the adjustment which takes reinsurer credit risk into account, were as follows at 31 December 2023:

Line of Business (€k)	31/12/2023
	Recoverables
Insurance with profit participation	124
Index-linked and unit-linked insurance	
Other life insurance	9,536
Health insurance (direct business)	(5,006)

Reconciliation of Solvency II technical provisions with the statutory financial statements

The table below shows the differences between the statutory and Solvency II technical provisions net of reinsurance at 31 December 2023:

COMPARISON OF SOLVENCY II AND LOCAL TECHNICAL PROVISIONS NET OF REINSURANCE

LoB SII (€k)	Solvency Technical provisions	Local Technical provisions	Delta
Insurance with profit participation	132,993	146,718	-13,725
Index-linked and unit-linked insurance	11,770	12,628	-858
Other life insurance	187	185	2
Health insurance	33	43	-10
Total	144,984	159,574	-14,591

The switch from Local GAAP calculation standards to those of Solvency II leads to a reduction in technical provisions net of reinsurance of 10.1% for Poste Vita.

Net Insurance Life

The Best Estimate of the technical provisions before reinsurance was based on the projection of inflows and outflows up to the run-off of the outstanding portfolio at 31 December 2023, based on second-order assumptions, estimated from the historical series of Net Insurance Life.

These assumptions, adopted for the evaluation of the realistic provision, refer to the following quantities:

- probability of death of insured persons;
- annual probability of early repayment of the loan;
- average annual management cost per policy;
- costs for settling claims;
- annual discount rate;
- annual interest rate of personal loans subject to insurance cover.

For each contract in force at 31 December 2023, the best estimate of the provision, gross and net of reinsurance, was determined by projecting and discounting, as of the valuation date, all future cash outflows constructed on a monthly basis (average value method on an individual basis) and cash inflows in respect of future annual premiums.

Technical provisions (€k)	31/12/2023
BEL - gross reinsurance	230,682
Risk margin	4,253
SII technical provisions - gross reinsurance	234,935
Reinsurance recoverables net Counterparty Default Risk	137,615
SII technical provisions - net reinsurance	97,320
SII technical provisions - net reinsurance with TMTP deduction	97,320

With regard to the aggregation of the Life insurance portfolio by Lines of Business, the Net Insurance Life portfolio consists mainly of Term Life insurance contracts (LoB 32 "Other Life insurance") and residually of Long Term Care insurance contracts (Lob 29 "Health insurance").

Line of Business (€k)	31/12/2023		
	BEL	Risk margin	Recoverables
Insurance with profit participation			
Index-linked and unit-linked insurance			
Other life insurance	231,141	9	138,263
Health insurance (direct business)	(459)	4,243	(648)

Reconciliation of Solvency II technical provisions with the statutory financial statements

A comparison of Local and Solvency II technical provisions at 31 December 2023 is shown below.

COMPARISON OF SOLVENCY II AND LOCAL TECHNICAL PROVISIONS NET OF REINSURANCE

LoB SII (€k)	Solvency Technical provisions	Local Technical provisions	Delta
Insurance with profit participation			-
Index-linked and unit-linked insurance			-
Other life insurance	97,121	81,114	16,007
Health insurance	199	788	-589
Total	97,320	81,902	15,418

The switch from Local GAAP calculation standards to those of Solvency II leads to an increase in technical provisions net of reinsurance of 15.8% for Net Insurance Life.

Reconciliation of Solvency II technical provisions with the IFRS17 financial statements

The table below shows the differences between technical provisions at Solvency II level and at statutory level, net of reinsurance at 31 December 2023 with respect to Life business:

COMPARISON OF SOLVENCY II AND IFRS17 TECHNICAL PROVISIONS NET OF REINSURANCE

(€k)	Solvency Technical provisions	IFRS17	Delta
Technical Provisions SII vs. Technical Provisions IFRS17	145,219	142,539	2,679

The switch from IFRS 17 calculation standards to those of Solvency II leads to a reduction in technical provisions net of reinsurance of 1.8% (€ 2,679 thousand).

The difference recognised between IFRS 17 and Solvency II Technical Provisions is attributable to:

- discount curves used to calculate the IFRS 17 LRC and the SII Best Estimate; under IFRS 17, unlike within the Solvency II scope, different Illiquidity premiums are applied on the EIOPA curve instead of the volatility adjustment;
- scope of costs projected in cash flows; under IFRS 17, unlike in the Solvency II scope, only costs attributable to contracts are projected;

- methodologies in the valuation of the risk margin; IFRS 17 provisions include the Risk Adjustment component, an adjustment to be applied to the present value of future cash flows to reflect the uncertainty in the amount and timing arising from non-financial risk, while for Solvency II purposes a Risk Margin is measured representing the cost of having own funds equal to the Solvency Capital Requirement to back the obligations until full settlement.

With reference to the value of the technical provisions of the subsidiaries Poste Assicura and Net Insurance, including the amount of the best estimate and the risk margin, the list of summary tables is shown below:

POSTE ASSICURA

Line of Business (€k)	31/12/2023					
	Premium provisions	Claims provisions	Risk margin	TP - Total	Recoverables from reinsurance	TP minus recoverables from reinsurance
1. Medical expense insurance	17,711	102,304	3,569	123,585	24,796	98,789
2. Income protection	40,211	115,228	8,814	164,253	2,007	162,246
3. Workers' compensation						
7. Fire and other damage	494	17,354	805	18,654	3,663	14,991
8. General liability	(1,274)	20,554	1,316	20,596	1,518	19,078
9. Credit and suretyship insurance	832	76	96	1,004		1,004
10. Legal expenses	670	1,266	56	1,992	284	1,708
11. Assistance	12	9	2	23		23
12. Miscellaneous	23,886	2,887	1,286	28,059	208	27,851
Total	82,542	259,679	15,944	358,165	32,476	325,690

NET INSURANCE

Line of Business (€k)	31/12/2023					
	Premium provisions	Claims provisions	Risk margin	TP - Total	Recoverables from reinsurance	TP minus recoverables from reinsurance
1. Medical expense insurance	567	575	69	1,211	(91)	1,303
2. Income protection	5,758	1,821	426	8,006	(20)	8,026
3. Workers' compensation						
7. Fire and other damage	7,533	3,136	303	10,972	5,258	5,714
8. General liability	(24)	477	26	479	(13)	492
9. Credit and suretyship insurance	114,666	16,981	3,741	135,389	64,879	70,510
10. Legal expenses	(30)	198	1	169	190	(21)
11. Assistance	(137)	2	1	(134)	(156)	23
12. Miscellaneous	3,214	904	224	4,342	129	4,213
Total	131,548	24,095	4,791	160,434	70,176	90,258

Technical Provisions of Poste Assicura amounted to € 358,165 thousand, while those of Net Insurance amounted to € 160,434 thousand; net of recoverables, they amounted to € 325,690 thousand and € 90,258 thousand, respectively.

Description of the bases, methods and main hypotheses used to measure the technical provisions

Poste Assicura and Net Insurance calculate the technical provisions for solvency purposes according to the provisions of Chapter III (Rules relating to technical provisions) of Commission Delegated Regulation (EU) 2015/35 as transposed by Chapter II (Calculation of technical provisions) of Italian Legislative Decree no. 209/2005, updated for solvency issues by Italian Legislative Decree no. 74/2015 and according to the addition made by IVASS Regulation no. 18 of 15 March 2016.

The value of the technical provisions (TP) corresponds to the amount that an insurance or reinsurance company would have to pay if they immediately transferred all their contractual rights and obligations to another company. The value of the technical provisions is equal to the sum of the "Best Estimate Liabilities" (BEL) for the "Premium Provision" and "Claims Provision" and the "Risk Margin" (RM).

Best Estimate Premium Provision

Based on the definition provided in Solvency II terms, the Best Estimate Premium Provision is given by the current expected value of future cash flows generated by contracts existing on the valuation date.

Starting from this definition, the methodology implemented in the actuarial engine for quantifying the Best Estimate Premium Provision before reinsurance allows the development of all future cash flows arising from the payment of claims, administrative expenses, commissions and any premium refunds due to early termination, net of future premiums to be collected. This methodology is based on the logic of simplification reported in the latest technical specifications issued by EIOPA, as provided for in Article 71 of Reg. no. 18/2016.

Best Estimate Claims Provision

The Best Estimate Claims Provision was obtained starting with the historic series of provisions and payments for benefits made by the settlement network. This information is monitored using statistical analysis, accompanied by actuarial statistical assessments.

For the purposes of Solvency II valuations, Poste Assicura used the following actuarial statistical methods:

- Paid Loss Development Method;
- Incurred Loss Development Method;
- Paid Bornhuetter-Ferguson Method;
- Incurred Bornhuetter-Ferguson Method.

Finally, LoBs were excluded from the application of actuarial statistical methods which at the valuation date had insufficient historical data, reduced volumes or a specialised settlement structure. In this case, the Best Estimate Claims Provision was obtained from the statutory reserve at the valuation date, duly removed and discounted.

Net Insurance, in order to quantify the Best Estimate Claims, for each LoB has deducted from the local claims provisions the relevant amounts to be recovered, appropriately disaggregated according to a liquidation speed vector determined on the basis of the company's historical series.

Reconciliation of Solvency II technical provisions with the statutory financial statements

The table below shows the differences between the statutory and Solvency II technical provisions net of reinsurance at 31 December 2023:

POSTE ASSICURA

Comparison of Solvency II and Local technical provisions net of reinsurance (€k)	Local	Other*	Methodology and discount effect	Solvency II
Local Claims Provision/SII Claims Provision	260,319	(3)	(32,320)	227,996
Local Premiums Provision/SII Premiums Provision	136,014	0	(54,264)	81,750
Other Technical Provisions Local/Risk Margin	23,351	0	(7,407)	15,944
Total	419,684	(3)	(93,992)	325,690

* Delta for generations not valued and rounding.

NET INSURANCE

Comparison of Solvency II and Local technical provisions net of reinsurance (€k)	Local	Other*	Methodology and discount effect	Solvency II
Local Claims Provision/SII Claims Provision	11,842	0	(767)	11,074
Local Premiums Provision/SII Premiums Provision	73,770	0	623	74,393
Other Technical Provisions Local/Risk Margin	11,587	0	(6,796)	4,791
Total	97,199	0	(6,940)	90,258

The switch from Local GAAP calculation standards to those of Solvency II leads to a reduction in technical provisions net of reinsurance of respectively 28.9% (€ 93,995 thousand) for Poste Assicura and 7.7% (€ 6,940 thousand) for Net Insurance.

The difference between the Local Claims Provision and the Best Estimate Claims Provision, amounting to € 32,323 thousand for Poste Assicura and € 767 thousand for Net Insurance, respectively, is attributable to the different methodology applied and the introduction of a discount component. In fact, from a statutory point of view, the principle of prudence is respected, based on which negative IBNR cannot be determined. However, for Solvency II, to determine the final cost which is as close as possible to fair value, a more forward looking policy was selected.

The difference between the Local Premium Provision and the Best Estimate Premium, amounting to € 54,264 thousand for Poste Assicura and € 623 thousand for Net Insurance, respectively, is attributable to the different method applied and the introduction of a discount component. For Solvency II, in contrast to statutory standards, the current value of future profits is also taken into account.

The statutory technical provisions also include the reserves additional to the premium provision, the equalisation provision and the ageing provision, while for Solvency II purposes, a safety margin is measured which represents the cost of holding own funds equal to the Solvency Capital Requirement to support the obligations until they are fully settled.

Reconciliation of IFRS 17 technical provisions with the Solvency II financial statements

The table below shows the differences between technical provisions under IFRS 17 and technical provisions under Solvency II, net of reinsurance at 31 December 2023 with respect to Non-Life:

Comparison of Solvency II and IFRS17 technical provisions net of reinsurance (€k)	IFRS 17	Methodology effect and cost structure	Solvency II
IFRS 17 / SII Technical Provisions	395,727	20,221	415,948

The switch from the calculation principles of IFRS 17 to those of Solvency II resulted in an increase in technical provisions net of reinsurance of 5.1% (€ 20,221 thousand).

The difference recognised between IFRS 17 and Solvency II Technical Provisions is attributable to:

- different discount curve used for the calculation of the IFRS 17 LIC and the SII Best Estimate Claims, in fact from 31.12.2023 under IFRS 17, unlike the Solvency II scope, the EIOPA curve with volatility adjustment is applied for Poste Assicura;
- different calculation methodology for the IFRS 17 LRC and the Best Estimate Premium, with reference to Poste Assicura's business valued at PAA and different cost structure considered for the business valued at BBA (for both subsidiaries);
- amounts due from policyholders and amounts due from/to reinsurers, which are only included in insurance liabilities for IFRS17 purposes.

Amounts recoverable from reinsurance contracts

The amounts recoverable from reinsurance contracts were determined as follows for both companies:

- in the calculation of the Best Estimate Premium, the amounts recoverable from the reinsurer are obtained as the difference between the cash flows in (claims transferred, refunds transferred in reinsurance and commissions received) and the cash flows out represented by the premiums transferred to the reinsurer;
- when calculating the Best Estimate Claims, amounts recoverable from reinsurers were obtained as the sum of claims transferred through non-proportional treaties and claims transferred through quota share treaties.

Below is a breakdown of recoverables of the Best Estimate Premium Provision of the subsidiaries:

POSTE ASSICURA

Line of Business (€k)	31/12/2023		
	Best Estimate Premium Provision Gross of Reins.	Best Estimate Premium Provision Net of Reins.	Recoverable with Adjustment
1. Medical expense insurance	17,711	12,538	5,173
2. Income protection	40,211	41,141	(931)
3. Workers' compensation	0	0	0
7. Fire and other damage	494	3,097	(2,603)
8. General liability	(1,274)	(670)	(604)
9. Credit and suretyship insurance	832	832	
10. Legal expenses	670	1,036	(366)
11. Assistance	12	12	
12. Miscellaneous	23,886	23,762	123
Total	82,542	81,750	793

NET INSURANCE

Line of Business (€k)	31/12/2023		
	Best Estimate Premium Provision Gross of Reins.	Best Estimate Premium Provision Net of Reins.	Recoverable with Adjustment
1. Medical expense insurance	567	660	(93)
2. Income protection	5,758	5,784	(26)
3. Workers' compensation	0	0	0
7. Fire and other damage	7,533	3,897	3,636
8. General liability	(24)	(11)	(13)
9. Credit and suretyship insurance	114,666	60,875	53,791
10. Legal expenses	(30)	(48)	19
11. Assistance	(137)	21	(158)
12. Miscellaneous	3,214	3,214	0
Total	131,548	74,393	57,155

The recoverables of the Best Estimate Premium Provision amounted to € 793 thousand for Poste Assicura and € 57,155 thousand for Net Insurance. The Best Estimate Premium Provision net of reinsurance amounted to +€ 81,750 thousand and € 74,393 thousand, respectively. The Best Estimate Premium Provision before reinsurance is 1.0% and 43.4% lower than the net estimate.

Below is a breakdown of recoverables of the Best Estimate Claims Provision of the subsidiaries:

POSTE ASSICURA

Line of Business (€k)	31/12/2023		
	Best Estimate Claims Provision Gross of Reins.	Best Estimate Claims Provision Net of Reins.	Recoverable with Adjustment
1. Medical expense insurance	102,304	82,681	19,623
2. Income protection	115,228	112,291	2,937
3. Workers' compensation			
7. Fire and other damage	17,354	11,088	6,266
8. General liability	20,554	18,432	2,122
9. Credit and suretyship insurance	76	76	
10. Legal expenses	1,266	616	650
11. Assistance	9	9	
12. Miscellaneous	2,887	2,802	84
Total	259,679	227,996	31,683

NET INSURANCE

Line of Business (€k)	31/12/2023		
	Best Estimate Claims Provision Gross of Reins.	Best Estimate Claims Provision Net of Reins.	Recoverable with Adjustment
1. Medical expense insurance	575	573	2
2. Income protection	1,821	1,815	6
3. Workers' compensation	0	0	0
7. Fire and other damage	3,136	1,513	1,623
8. General liability	477	477	0
9. Credit and suretyship insurance	16,981	5,894	11,088
10. Legal expenses	198	26	172
11. Assistance	2	0	2
12. Miscellaneous	904	775	129
Total	24,095	11,074	13,021

The recoverables of the Best Estimate Claims Provision amounted to € 31,683 thousand and € 13,021 thousand, respectively. The Best Estimate Claims Provision net of reinsurance amounted to € 227,996 thousand for Poste Assicura and € 11,074 thousand for Net Insurance, representing a percentage reduction of approximately 12.2% and 54.0%, respectively, of the gross estimate. Recoverables obtained are consistent with the Reinsurance strategy of the subsidiaries in force in 2023.

Level of uncertainty associated with technical provisions

Valuation of technical provisions requires sustainable technical hypotheses relative to the composition of the portfolio and company policies. These aspects were duly considered during the valuations. In any case, the hypotheses used could nonetheless provide estimates that differ from effective future amounts. To that end, sensitivity analysis was done to determine the impact of changes in the individual hypotheses used on final estimates.

In particular, the company Poste Assicura did sensitivity analysis on factors which were deemed the most significant relative to the features of the portfolio and involve:

- hypotheses of contract abandonment by policyholders and prospective Loss Ratio in the context of the Best Estimate Premium;
- claims settlement policies and the consequent variation in the link ratio relative to Best Estimate Claims.

Net Insurance, on the other hand, applied appropriate methodologies regarding:

- identification of an estimation interval for the Combined Ratio used to estimate the expected claims cost useful for the calculation of the Best Estimate Premium, assuming a normal distribution. For the verification of the normality hypothesis, a number of statistical tests were carried out, which gave an overall positive result;
- identification of a Best Estimate Claims interval by applying Mack's Model for estimating the variance and choosing a log-normal distribution type (hypothesis verified by performing a number of successful statistical tests).

Risk Margin

The Group's Risk margin is the sum of the Risk Margins of the individual companies, as established in Article 77 of the Solvency II Directive.

At 31 December 2023, in line with as done the previous year, a simplified method was used to calculate the Risk Margin, as provided for in paragraph 2, Article 60 of IVASS Regulation no. 18/2016. In particular, after verifying the hypotheses regarding the risk profile of the company can be considered as unchanged over time, the Group chose the hierarchy 2 method proposed in annex 4 to the afore-mentioned Regulation, net of the subsidiary Poste Assicura which applied the simplified hierarchy 1 calculation proposed in Appendix 4. The Group believes that this method, based on the run-off of obligations net of reinsurance, reflects in a proportionate manner the nature, scope and complexity of the underlying risks and the commitments undertaken by the reference company.

The hierarchy 2 method is based on the hypothesis that the solvency capital requirement is proportional to the best estimate of technical provisions, for each year of reference. The proportionality factor is the ratio between the current SCR and the current best estimate of technical provisions. The Group's risk margin is shown below:

(€k)	31.12.2023	31.12.2022	Delta %
Risk Margin	4,278,043	4,678,681	-8.6%

The decrease in Risk Margin is due to:

- decrease in underwriting;
- decrease in the discount factor due to the reduction of the EIOPA risk-free curve.

D.3 Other liabilities

For the most significant liability items below is the amount at 31 December 2023 calculated using Solvency II criteria, compared with the amount recognised in the *IAS/IFRS Consolidated Financial Statements* with reference to the Poste Vita Group and compared with the amount recognised in the *Local GAAP Financial Statements* for the individual Companies.

Subordinated liabilities

Subordinated liabilities - Poste Vita Group (€ 1,042,698 thousand)

Subordinated liabilities amounted to € 1,042,698 thousand at 31 December 2023, and refer to:

- market value of the Tier 2 subordinated liability, amounting to € 262,530 thousand, with a nominal value of € 250 million, contracted by Poste Vita entirely with the Ultimate Parent Poste Italiane in 2008 and with an indefinite maturity date which generates an accrued interest expense (settled entirely at market conditions) of € 3,694 thousand;
- market value of the Tier 1 Restricted subordinated liability, amounting to € 266,601 thousand, issued by Poste Vita: a perpetual, non-convertible, fixed-rate regulatory capital instrument, approved by the company's Board of Directors in extraordinary session on 7 June 2021 and by the Shareholders' Meeting on 16 June 2021, and issued on 26 July 2021 for a nominal amount of € 300 million and fully subscribed by the Ultimate Parent Poste Italiane. The instrument can be recalled after the tenth year and after each interest payment date. The fixed-rate security is issued at par with an annual coupon of 5.00%, with deferred half-yearly payment (26 July and 26 January);
- market value of the Tier 1 Restricted subordinated liability, amounting to € 498,725 thousand, issued by Poste Vita: a perpetual, non-convertible, fixed-rate regulatory capital instrument, approved by the company's Board of Directors in extraordinary session on 27 July 2022 and by the Shareholders' Meeting on 28 July 2022, and issued on 3 August 2022 for a nominal amount of € 500 million and fully subscribed by the Ultimate Parent Poste Italiane. The instrument can be recalled after the tenth year and after each interest payment date. The fixed-rate bond is issued at par with an annual coupon of 8.4%, with deferred half-yearly payment (3 August and 3 February);
- market value of a Tier 2 convertible subordinated liability of € 174 thousand with a ten-year term and an annual interest rate of 4.60% with a semi-annual coupon, issued in 2021 by Net Insurance. At 31 December 2023, the nominal value was € 0.2 million, also following the partial conversion during the year for a total amount of € 3.2 million;
- market value of a Tier 2 convertible subordinated liability of € 10,974 thousand with a ten-year term and an annual interest rate of 5.10% with a semi-annual coupon, issued in 2020 by Net Insurance. At 31 December 2023, the nominal value is € 12.5 million. Therefore, there is no impact on the balance sheet due to the infragroup nature of the transaction;
- market value of a Tier 2 bond subordinated liability amounting to € 4,783 thousand, issued during 2016 by Net Insurance Life, with a ten-year term and a yield rate of 7%, fully subscribed by the parent company Net Insurance.

This loan is remunerated at market conditions, regulated in accordance with the conditions set out in Article 45, chapter IV, title III of Legislative Decree no. 209 of 7 September 2005 and subsequent amendments, and fully available for the purpose of hedging the solvency margin.

With reference to the consolidated financial statements prepared in accordance with IAS/IFRS, the Tier 1 subordinated liabilities held by Poste Vita, in relation to the characteristics of the issue, which do not require the issuer to repay the principal or pay coupons, have been recognised as equity items in accordance with IAS 32.

Contingent liabilities and provisions other than technical provisions

Contingent liabilities and provisions other than technical provisions - Poste Vita Group (€ 17,269 thousand)

Contingent liabilities amounted to € 636 thousand at the end of 2023 and refer to "possible" but not probable liabilities held by the subsidiary Poste Assicura.

Contingent liabilities are recorded to cover losses that are either probable or certain to be incurred, for which, however, there is an uncertainty as to the amount and/or as to the date on which they will occur. This item includes the liabilities defined and regulated by IAS 37 and therefore determined in accordance with the provisions of the aforementioned standard.

Provisions other than technical 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. At the end of 2023 the latter amounted to € 16,633 thousand. The breakdown of this item and a comparison with the figures recorded at the end of the previous period are shown below:

Composizione (€m)	31/12/2023	31/12/2022	delta
Legal disputes	6.0	5.9	0.2
Tax disputes	-	-	-
Other liabilities	10.6	14.8	(4.2)
Total	16.6	20.6	(4.0)

The breakdown of the provision for risks at the end of the period is shown below:

- outstanding legal disputes amounting to € 6 million (€ 5.9 million at 31 December 2022), the majority of which related to cases concerning "dormant policies", falling within the scope of the "two-year statute of limitations" instead of the current ten-year statute of limitations;
- other liabilities of € 10.6 million relating to:
 - € 5.6 million to certain cases of fraud involving primarily the settlement of life insurance policies accompanied by falsified documentation sent directly, as a result of which insurance payments were made to parties found not to be legitimate;
 - € 1.5 million to accruals made in the period by the subsidiary Poste Assicura, including € 0.8 million for penalties for probable delays in the management of claims related to a group policy and € 0.7 million with reference to the phenomenon of "over-insurance", as better described in the section "Other Information";
 - € 3.5 million to other provisions, of which: i) € 1.6 million related to the provision for future charges in relation to the "Da Grande" product; ii) € 0.9 million related to pending mediation, and iii) € 1 million related to the potential dispute of the 2014-2015 lapsed policies including penalties, interest and expenses.

The decrease of € 4 million compared with the amount recognised at the end of 2022 is attributable almost exclusively to the settlement of the dispute regarding Intesa San Paolo's intention to charge Poste Vita, by way of recourse, for the VAT paid as a result of the facilitated settlement of pending disputes regarding the higher VAT assessed by the Revenue Agency with reference to the years 2003 and 2004²⁰, which gave rise during the period to the payment by Poste Vita, of an amount of € 5.2 million (equal to the provision set aside at the end of the previous year) and the release of part of the provision allocated with reference to the phenomenon of "over-insurance", as a result of portfolio remediation activities, still in progress for the remaining positions. On the other hand, an additional provision of approximately € 1.4 million was set aside during the period for certain fraud cases.

Finally, contingent liabilities of about € 307 thousand were recorded for Net Insurance at 31 December 2023.

20. This case concerns the collaboration relationship (failure to invoice the direct cost of personnel seconded to Poste Vita) and the co-insurance contract (failure to invoice the commissions on proxies and waivers), entered into in September 1999 between Sanpaolo Vita (later Eurizon and now Intesa San Paolo Vita) and Poste Vita.

Pension benefit obligations

Pension benefit obligations - Poste Vita Group (€ 1,401 thousand)

This item includes the amounts relating to employee termination benefits for a total value at the end of 2023 of € 1,401 thousand. These amounts were determined using the criteria set out in IAS 19 and the consolidated value is the sum of the amounts of the companies belonging to the Insurance Group and they can be broken down as follows:

- Poste Vita recorded € 601 thousand;
- Poste Assicura recorded € 358 thousand;
- Net Insurance recorded € 289 thousand;
- Net Insurance Life recorded € 153 thousand.

Deferred tax liabilities

Deferred tax liabilities (€ 4,716,334 thousand)

Deferred tax liabilities are equal to the sum of the amounts under the same item found in the Market Value Balance Sheets (Solvency II) of the Parent Company Poste Vita, Poste Assicura, Net Insurance and Net Insurance Life. The subsidiaries Net Holding and Poste Insurance Broker have no deferred tax liabilities. These amounts were determined with reference to the valuation differences for the values of assets and liabilities under Solvency II purposes and the corresponding Local GAAP amounts, applying the rates in effect at 31 December 2023.

The main components include deferred taxes allocated mainly as a result of the different valuation of gross technical provisions of the Parent Company Poste Vita, amounting to € 4,655,760 thousand.

Deferred tax liabilities - Poste Vita (€ 4,671,254 thousand)

As a result of the application of the Solvency II valuation rules, the item Deferred tax liabilities amounts to € 4,671,254 thousand at the end of 2023.

The main components include deferred taxes accrued mainly as a result of the different valuation of gross technical provisions in the amount of € 4,655,760 thousand.

Deferred tax liabilities - Poste Assicura (€ 34,835 thousand)

As a result of the application of the Solvency II valuation rules, the item deferred tax liabilities amounts to € 34,835 thousand at the end of the period. The changes are mainly attributable to deferred taxes recognised on the decrease in technical provisions compared to the statutory technical provisions in the amount of € 34,117 thousand, in application of the Solvency II valuation criteria.

Deferred tax liabilities - Net Insurance (€ 4,055 thousand)

The item deferred tax liabilities amounts to € 4,055 thousand at the end of the period.

The changes are mainly attributable to the change in financial instruments, in particular the equity investment in Net Insurance Life, in application of the Solvency II valuation criteria.

Deferred tax liabilities - Net Insurance Life (€ 6,190 thousand)

The item deferred tax liabilities amounts to € 6,190 thousand at the end of the period.

The changes are mainly attributable to the change in technical provisions in application of the Solvency II valuation criteria.

Financial liabilities other than debts owed to non-credit institutions

Financial liabilities other than debts owed to non-credit institutions - Poste Vita Group (€ 15,916 thousand)

This item mainly refers to the financial liabilities arising from the application of IFRS 16 for a total value of € 10,395 thousand at 31 December 2023 and represents the residual fees to be settled at the end of the period. Said liabilities are initially recorded at the present value of lease fees not paid on the date the contract commences; for the purposes of calculating the present value, the company uses the incremental borrowing rate, defined by loan period. Liabilities are subsequently reduced to reflect the lease fees paid and increased to reflect interest on the remaining amount (using the effective interest rate method). This item approximately consists of the following:

- for Poste Vita € 7,621 thousand;
- for Poste Assicura € 2,323 thousand;
- for Net Insurance € 426 thousand;
- for Net Insurance Life € 24 thousand;

The remaining € 5,521 thousand related to commissions on Ancillary Own Funds of Poste Vita payable to the Ultimate Parent Poste Italiane.

Insurance and intermediaries payables

Insurance and intermediaries payables - Poste Vita Group (€ 388,035 thousand)

These payables are recorded at nominal value. For accounting purposes, no discounting methods are used since, as these payables are short-term, the effects would not be significant.

At the end of 2023 this item amounted to € 388,035 thousand and the breakdown is as follows:

- € 321,924 thousand from commissions payables, accrued for the placement and maintenance of insurance products;
- payables due to co-insurers for € 16,161 thousand;
- payables related to the reconciliation process between premiums issued and collected in the amount of € 31,936 thousand;
- other payables related to amounts due to policyholders for a total of € 13,461 thousand;
- other payables for € 4,554 thousand.

It should be noted that this item is expressed net of intragroup transactions totalling € 2,517 thousand.

Insurance and intermediaries payables - Poste Vita SpA (€ 313,623 thousand)

At the end of 2023, this item amounts to € 313,623 thousand and the breakdown is as follows:

- € 305,593 thousand for commissions payables to intermediaries, of which € 286,768 thousand related to the maintenance of the portfolio with Poste Italiane;
- € 8,029 thousand, from payables to policyholders.

Insurance and intermediaries payables - Poste Assicura (€ 57,149 thousand)

This item mainly includes intermediaries and insurance companies payables. At the end of 2023, this item amounted to € 57,149 thousand and the breakdown is as follows:

- commission payables due to insurance intermediaries for € 7,627 thousand, following the placement of insurance products mainly related to the last quarter of the year;
- payables due to the Parent Company Poste Vita for the portion of premiums collected for the CPI (Credit Protection Insurance) product, still to be transferred at the end of the period for € 1,998 thousand. This product offers "non-life" insurance coverage provided by Poste Assicura and "life" insurance coverage provided by the Parent Company Poste Vita. The related premiums are collected in full by the company, which has a payable to Poste Vita for the portion of the premium covering the "Life" guarantee;
- payables due to co-insurers amounting to € 9,637 thousand referring to the portion of premiums to be paid;
- payables related to the reconciliation process between premiums issued and collected in the amount of € 31,936 thousand;
- payables due to policyholders for claims to be paid for € 5,951 thousand.

Insurance and intermediaries payables - Net Insurance (€ 12,950 thousand)

At the end of 2023, this item amounts to € 12,950 thousand and the breakdown is as follows:

- € 6,174 thousand, from commission payables due to insurance intermediaries for the placement of insurance products;
- € 6,415 thousand from payables to co-insurers;
- € 361 thousand from security deposits.

Insurance and intermediaries payables - Net Insurance Life (€ 4,688 thousand)

At the end of 2023, this item amounted to € 4,688 thousand and the breakdown is as follows:

- € 3,850 thousand, from the reserves for amounts to be paid;
- € 386 thousand from commission payables due to insurance intermediaries for the placement of insurance products;
- € 109 thousand from payables to co-insurers;
- € 343 thousand from security deposits.

Insurance and intermediaries payables - Poste Insurance Broker (€ 2,144 thousand)

The item mainly refers, for € 1,797 thousand, to the payable due to Genertel and Linear for the premium to be paid net of the commission due to the company for the brokerage activity, and for the remaining portion of € 346 thousand to commission payables paid to Poste Italiane for the brokerage activity.

Payables to reinsurers

The Poste Vita Group's payables amounted to € 85,778 thousand at the end of 2023, recognised at fair value at the date of acquisition and subsequently measured at their estimated extinguishment value. These payables are generated by the reinsurance business related, in particular, to the companies Poste Assicura, Net Insurance and Net Insurance Life and are broken down as follows:

- for Poste Vita € 12 thousand;
- for Poste Assicura € 37,301 thousand;
- for Net Insurance € 19,703 thousand;
- for Net Insurance Life € 28,761 thousand.

Payables

Payables of Poste Vita Group at the end of 2023 amounted to € 180,132 thousand and mainly refer to payables for services and goods purchased during the year and not yet settled at 31 December 2023 and can be broken down as follows:

- for Poste Vita € 131,960 thousand;
- for Poste Assicura € 38,107 thousand;
- for Net Insurance € 11,833 thousand;
- for Net Insurance Life € 7,463 thousand;
- for Net Holding € 567 thousand;
- for Poste Insurance Broker € 570 thousand.

Payables are recognised at fair value at the acquisition date and subsequently measured at their estimated settlement value.

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

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

Liabilities	Valuation criterion Solvency II	Valuation criterion IAS/IFRS
Contingent liabilities and Provisions other than technical provisions	For relevant liabilities, the valuation applied is in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets .	For relevant liabilities, the valuation applied is in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.
Pension benefit obligations	Amount determined in accordance with IAS 19 .	Amount determined in accordance with IAS 19.
Financial liabilities other than debts owed to credit institutions	Amount determined in accordance with IFRS 16. Liabilities are initially recorded at the present value of lease fees not paid on the date the contract commences; for the purposes of calculating the present value, the Company uses the incremental borrowing rate, defined by loan period. Liabilities are subsequently reduced to reflect the lease fees paid and increased to reflect interest on the remaining amount (using the effective interest rate method).	Amount determined in accordance with IFRS 16. Liabilities are initially recorded at the present value of lease fees not paid on the date the contract commences; for the purposes of calculating the present value, the Company uses the incremental borrowing rate, defined by loan period. Liabilities are subsequently reduced to reflect the lease fees paid and increased to reflect interest on the remaining amount (using the effective interest rate method).
Deferred tax liabilities	Deferred tax liabilities are equal to the sum of the values of the same item reported in the Market Value Balance Sheet (Solvency II) of the Parent Company, Poste Vita, and the Subsidiaries, Poste Assicura and PWS. These values were determined, with reference to the valuation differences in the values of assets and liabilities calculated for Solvency II purposes and the corresponding Local GAAP values, based on the applicable rates.	Deferred tax liabilities are recognised for deductible temporary differences between the carrying amounts of assets and liabilities and the corresponding values recognised for tax purposes. Deferred tax liabilities are not recognised if there is little likelihood that said payable will arise.
Derivatives	Recognition in the financial statements is at fair value through profit or loss.	Recognition in the financial statements is at fair value through profit or loss.
Insurance and intermediaries payables	Payables are recorded at Fair Value at the acquisition date and subsequently measured at their estimated settlement value.	Payables are stated at their nominal value.
Subordinated liabilities	Recognition in the financial statements is at the observed fair value, including accrued interest.	Recognition in the financial statements is at amortised cost, including accrued interest.

The main changes include deferred taxes on changes in the value of financial instruments, in accordance with Solvency II valuation criteria.

Liabilities (€k)	31/12/2023		
	Solvency II value	IAS/IFRS value	Delta
Contingent liabilities & Provisions other than technical provisions	17,269	16,633	636
Pension benefit obligations	1,401	1,401	
Deposits from reinsurers	1,939		1,939
Deferred tax liabilities	4,716,334	486,965	4,229,369
Financial liabilities other than debts owed to credit institutions	15,916	116,847	(100,930)
Insurance & intermediaries payables	388,035		388,035
Payables (trade, not insurance)	180,132	180,132	
Subordinated liabilities	1,042,698	263,421	779,277

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

Liabilities	Valuation criterion Solvency II	Valuation criterion Local GAAP
Contingent liabilities	Contingent liabilities that are "possible" are accounted for according to the criteria defined in IAS 37, and are recognised in the balance sheet if they are material and if the possibility of payment is not remote.	For "possible" liabilities, in accordance with OIC 31 , no provision for risks is required, but adequate disclosure must be made.
Provisions other than technical provisions	For relevant liabilities, the valuation applied is in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets	The valuation is made in accordance with Accounting Standard OIC 31. In particular, a provision is made for risks and charges that are only intended to cover losses or payables of a specific nature, certain or probable, for which the amount and effective date are not determined at the reporting date.
Pension benefit obligations	Amount determined in accordance with IAS 19 .	Employee termination benefits (TFR) are calculated analytically for each employee on the basis of Article 5 of Law 297 of 1982 , and in compliance with the TFR reform pursuant to Legislative Decree no. 252/2005 and subsequent amendments.
Financial liabilities other than debts owed to credit institutions	Amount determined in accordance with IFRS 16 . Liabilities are initially recorded at the present value of lease fees not paid on the date the contract commences; for the purposes of calculating the present value, the Company uses the incremental borrowing rate, defined by loan period. Liabilities are subsequently reduced to reflect the lease fees paid and increased to reflect interest on the remaining amount (using the effective interest rate method).	The statutory accounting standards do not require the recognition of financial liabilities for leased assets.
Deferred tax liabilities	Deferred tax liabilities are determined on the basis of the differences between the values of assets and liabilities for Solvency II purposes and the corresponding Local GAAP values. The tax effect is determined on the basis of the rates in force.	Deferred tax liabilities are recognised for deductible temporary differences between the carrying amounts of assets and liabilities and the corresponding values recognised for tax purposes. Deferred tax liabilities are not recognised if there is little likelihood that said payable will arise
Insurance and intermediaries payables	Payables are recorded at Fair Value at the acquisition date and subsequently measured at their estimated settlement value	Payables are stated at their nominal value
Subordinated liabilities	Recognition in the financial statements is at the observed fair value, including accrued interest.	Subordinated liabilities are recorded at nominal value.

POSTE VITA

Liabilities (€k)	31/12/2023		
	Solvency II value	Statutory accounts value	Delta
Contingent liabilities & Provisions other than technical provisions	14,859	14,859	
Pension benefit obligations	601	646	(45)
Deferred tax liabilities	4,671,254		4,671,254
Financial liabilities other than debts owed to credit institutions	13,142	5,521	7,621
Insurance & intermediaries payables	313,623	313,623	
Payables (trade, not insurance)	131,960	111,238	20,722
Subordinated liabilities	1,031,550	1,077,254	(45,704)

POSTE ASSICURA

Liabilities (€k)	31/12/2023		
	Solvency II value	Statutory accounts value	Delta
Contingent liabilities & Provisions other than technical provisions	2,103	1,467	636
Pension benefit obligations	358	360	(2)
Deferred tax assets	34,835		34,835
Financial liabilities other than debts owed to credit institutions	2,323		2,323
Reinsurance payables	37,301	37,301	
Insurance and intermediaries payables	57,149	57,149	
Payables (trade, not insurance)	38,107	38,163	(56)

NET INSURANCE

Liabilities (€k)	31/12/2023		
	Solvency II value	Statutory accounts value	Delta
Pension benefit obligations	289	304	(15)
Deferred tax liabilities	4,055		4,055
Financial liabilities other than debts owed to credit institutions	427		427
Insurance & intermediaries payables	12,950	12,950	
Reinsurance payables	19,703	19,703	
Payables (trade, not insurance)	11,834	11,916	(83)
Subordinated liabilities	11,148	12,510	(1,362)
Any other liabilities, not elsewhere shown	4,410	4,410	

NET INSURANCE LIFE

Liabilities (€k)	31/12/2023		
	Solvency II value	Statutory accounts value	Delta
Pension benefit obligations	153	162	(9)
Deposits from reinsurers	1,939	1,939	
Deferred tax assets	6,190		6,190
Financial liabilities other than debts owed to credit institutions	24		24
Insurance & intermediaries payables	4,688	838	3,850
Reinsurance payables	28,761	28,761	
Payables (trade, not insurance)	6,808	6,825	(17)
Subordinated liabilities	4,783	5,000	(217)
Any other liabilities, not elsewhere shown	360	360	

D.4 Alternative Valuation Methods

Paragraphs D.1 and D.3 contain the valuation principles deriving from the Policy on measuring assets and liabilities other than technical provisions of the Poste Vita Group, originating from the new requirements introduced in the Solvency II Directive and govern the provisions regarding valuation of assets and liabilities other than technical provisions in line with that established in IVASS Regulation 34 of 7/02/2017 and pursuant to Article 267 of Delegated Regulation (EU) 2015/35 of the Commission of 10 October 2014.

In compliance with IFRS 13, the Poste Vita Group has adopted the Poste Italiane Group Fair Value Policy, approved by Poste Vita's Board of Directors in January 2024, which governs the general principles and rules governing the process of determining fair value for the purposes of preparing financial reports, as well as for risk management, investment management and capital and asset liability management assessments and analyses. The principles and rules for the fair value measurement of financial instruments have been identified in accordance with the instructions from the regulators and the accounting standards of reference, ensuring homogeneity among the valuation techniques adopted within the Poste Italiane Group. The methods used have been revised, where necessary, to take into account developments in operational procedures and in market practices during the year.

In order to take into account the specificities of the financial instruments present in the Poste Vita Group's portfolios and the applicable sector regulations, the Parent Company has also prepared the Additional Guidelines to the Fair Value Policy of the Poste Vita Insurance Group, applicable to the insurance companies of the Insurance Group, with the aim of supplementing and better specifying, where necessary, the contents of the Fair Value Policy document of the Poste Vita Group. In order to fully implement the provisions of the Additional Guidelines, the Risk Management Function, with the support of the corporate functions involved, has also finalised the "Technical Annex to the Additional Guidelines to the Fair Value Policy of the Insurance Group", which has the twofold objective of:

- identifying and defining the controls applied to verify the level of liquidity in the assignment of the Fair Value hierarchy, highlighting the limits, time interval and significance thresholds to be applied in performing the analyses and controls defined in the Additional Guidelines to the Fair Value Policy of the Poste Vita Insurance Group;
- describing the rules and criteria for determining the fair value of unlisted or listed but illiquid financial instruments whose Level in the fair value hierarchy is other than 1.

In particular, assets are classified according to a hierarchical scale that reflects the relevance of the sources used in conducting the valuations, consisting of the 3 levels represented below.

Level 1:

This level includes the financial instruments for which prices listed on active markets are available. The existence of official prices on an active market constitutes the best evidence of fair value. A market is defined as active when transactions take place with sufficient frequency and volume to provide information about prices on a continuous basis. The following categories of financial instruments are relevant to the Poste Vita Group:

- bonds listed on active markets: for the definition of active market for bonds, Poste Vita 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.

Level 2:

This level consists of measurements made using inputs different from the listed prices included in Level 1 and observable directly or indirectly for the asset. Considering the characteristics of Poste Vita Group's business, observable input data used to determine the fair value of individual technical categories include return and inflation curves, surface volatility on interest rates, premiums on inflation options, asset swap spreads or credit default spreads representing the credit standing of specific counterparts, and possible liquidity adjustments listed by major market counterparts.

The following fall under Level 2:

- bonds listed on inactive 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-end 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 fair value measurements made using non-observable input for the asset or liability. The following categories of financial instruments are relevant to the Poste Vita Group:

- residual bonds that do not meet the previous indications;
- all listed and unlisted open-end funds that, on the basis; verifications carried out, cannot be categorised as Level 2;
- all Alternative Funds, which, by nature are characterised by a low frequency of NAV calculations and contain financial instruments that are often illiquid or have no prices listed on active markets. In particular, for the Poste Vita Group this category includes: Private Equity Funds; Real Estate Funds; Infrastructure Equity Funds; Infrastructure Debt Funds; Private Debt and Hedge Funds.

For multi-asset funds, the majority of the underlying investments are represented by financial instruments listed on liquid and active markets.

These funds have been classified as level 2 in the fair value hierarchy adopted by the Poste Vita Group for financial reporting purposes as they are unlisted open-end mutual funds for which the NAV (Net Asset Value) reported daily by the custodian bank is available and which, based on specific analyses conducted on a sample of the funds' assets, have an insignificant proportion of Level 3 financial instruments in relation to the funds' overall NAV.

The Group will continue to closely monitor the effective and complete implementation of the Fair Value Policy and related Additional Guidelines drafted for the Poste Vita Group.

D.5 Other information

Use of estimates

Preparation of the annual accounts requires the application of accounting standards and methods that are at times based on complex subjective judgements and estimates based on historical experience, and assumptions that are considered reasonable and realistic under the circumstances. Use of such estimates and assumptions affects the amounts reported in the financial statements and related disclosures. The actual amounts of items of this report for which the above estimates and assumptions have been applied may differ from those reported in previous solvency and financial condition reports 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 in the following cases during the period under review:

- in determining the fair value of financial assets and liabilities;
- in determining the estimate of Technical Provisions;
- in quantifying provisions for risks and charges, in consideration of the indeterminate nature or amount or date of occurrence;
- in estimating the recoverability of deferred tax assets.

E – Capital management

Introduction

This section focuses on the representation of the insurance Group's solvency position. The solvency position is represented by the ratio between the Group's and the companies' equity (own funds) and the Solvency Capital Requirement (SCR).

Specifically in terms of own funds, issues related to the various components that make up the solvency position will be examined in depth and analysed, in particular:

- items that make up equity and related tiering;
- reconciliation of own funds and equity in the financial statements;
- analysis of the movement of own funds.

The Solvency Capital Requirement and the Minimum Capital Requirement will also be dealt with, attempting to examine in greater detail issues related to the different types of risk that make up the amount, and the main characteristics that distinguish the "Standard Formula" used by the Group companies.

This section concludes with some useful information for the purposes of this analysis.

E.1 Own Funds

The guiding principles for the capital management activities of Poste Vita and the Poste Vita Group are defined in specific guidelines on capital management for Poste Vita and for the Group. These guidelines set out a management of own funds in compliance with regulatory requirements, in line with the risk appetite and with the strategy of Poste Vita and the Poste Vita Group.

Capital management activities refers to the management and control of own funds, or procedures aimed at:

- defining the medium-term capital management plan;
- classifying and verifying own funds periodically, to ensure that they meet the regulatory requirements and are consistent with the capital management plan and the internal assessment on solvency risk and financial condition;
- assessing the impact of transitional measures on elements of own funds where authorised;
- defining capital contingency measures in the context of the process of preparing the Poste Vita and Poste Vita Group emergency plan;
- governing the issue of own funds based on the medium-term capital management plan and/or in line with the projections and internal assessments on solvency risk and financial condition;
- assessing the dividends policy in line with the profits generated and the risk appetite.

The general purposes pursued are:

- maintaining a balance between a capitalisation that has a sufficient and solid structure in order to follow the regulatory limits and meeting the requirements of the Risk Appetite Framework;
- assessing the quality of the capital in terms of composition;
- ensuring that any policy concerning dividends is taken into consideration in terms of the capital position;
- assessing and scheduling actions on own funds intended to strengthen the capitalisation in order to address business trends and market volatility.

In line with the objectives and the policy, the capital management process is structured into several phases. Annually, during the strategic planning process, the thresholds of the Risk Appetite Framework are defined alongside the projections relative to the internal assessment of solvency risk and financial condition over the medium term. The regulatory capital levels to be satisfied are then defined based on input from strategic planning on investments and commercial performance. Based on the internal risk and solvency assessments, a medium-term capital management plan is defined, intended to establish the development of own funds

and any capital operations to be implemented or assessed, taking into consideration the tolerance limits and levels of Poste Vita and the Poste Vita Group, in addition to the objectives set. Periodically, the capital management process provides for monitoring and reporting to assess trends, consistent with and with respect to the defined medium-term capital management plan. Annually, as part of the Poste Vita's and the Group's contingency planning process, capital contingency measures are assessed and defined to be applied in stress scenarios that bring the solvency requirement below the defined tolerance thresholds.

The Poste Vita Group's own funds are made up of its basic own funds and ancillary own funds, the Parent Company Poste Vita having obtained, on 30 October 2023, authorisation to use the letter of irrevocable and unconditional commitment of Poste Italiane to participate in one or more share capital increases of Poste Vita for a maximum amount of € 1,750,000 thousand (ancillary own funds).

On 15 November 2023, when the commitment letter signed on 15 November 2018 expired, Poste Italiane proceeded to sign a new commitment for the same amount of € 1,750 million, classifying it as an element of Tier 2 ancillary own funds, following the authorisation measure by the Authority.

Basic own funds are formed of the excess assets over liabilities valued in accordance with Article 75 of Directive 2009/138/EC, the eligible subordinated liabilities deducted from the share of foreseeable dividends and elements not representing own funds. On 26 July 2021, Poste Vita issued € 300 million of Restricted Tier 1 ("rT1") capital instruments, subordinated and non-convertible, with indefinite maturity, fully allocated to Poste Italiane. The instrument can be recalled after the tenth year and after each interest payment date. The fixed-rate security was issued at par with an annual coupon of 5.00%, with deferred half-yearly payment (26 July/26 January).

On 3 August 2022, Poste Vita issued € 500 million of Restricted Tier 1 ("rT1") capital instruments, subordinated and non-convertible, with indefinite maturity, fully allocated to Poste Italiane. The instrument can be recalled after the tenth year and after each interest payment date. The fixed-rate security was issued at par with an annual coupon of 8.40%, with deferred half-yearly payment.

The Group's own funds are determined by fully consolidating the companies belonging to the insurance group, Poste Vita, Poste Assicura, Net Insurance, Net Insurance Life, Net Holding and Poste Insurance Broker, and are reduced by the non-controlling interest in Net Holding, 60% owned, and Net Insurance, 98.84% owned, pursuant to Article 330 of Delegated Acts 2015/35.

The Poste Vita Group's basic own funds amount overall to € 12,348,823 thousand and the breakdown is as follows:

- Local GAAP share capital for € 1,216,608 thousand;
- reconciliation reserve for € 10,127,292 thousand;
- subordinated liabilities for € 1,039,004 thousand, consisting of:
 - market value of the Tier 1 Restricted subordinated liability, amounting to € 266,601 thousand: a perpetual, non-convertible, fixed-rate regulatory capital instrument with a nominal value of € 300 million and fully subscribed by the Ultimate Parent Poste Italiane;
 - market value of the Tier 1 Restricted subordinated liability, amounting to € 498,725 thousand: a perpetual, non-convertible, fixed-rate regulatory capital instrument with a nominal value of € 500 million and fully subscribed by the Ultimate Parent Poste Italiane;
 - market value of a ten-year Tier 2 convertible subordinated liabilities of € 174 thousand held by the subsidiary Net Insurance;
 - market value of the Tier 2 subordinated liability, amounting to € 262,530 thousand, with a nominal value of € 250 million, contracted by Poste Vita entirely with the Ultimate Parent Poste Italiane in 2008 and with an indefinite maturity date;
 - market value of a convertible Tier 2 subordinated liability with a value of € 10,974 thousand held by the subsidiary Net Insurance;
- deduction of an amount corresponding to the third-party share of the last two Tier 2 subordinated liabilities held by Net Insurance; this amount at 31 December 2023 was € 4,604 thousand;
- minority interests not available for deduction at group level in the amount of € 29,477 thousand. This amount is determined in accordance with Article 330, paragraph 4, letter a) of Delegated Regulation 2015/35 and is determined by the non-controlling share of the fully consolidated Solvency II equity net of the non-accrual contribution to the Group Capital Requirement.

The Poste Vita Group's ancillary own funds amount to a total of € 1,750,000 thousand.

The amount of own funds available to cover the capital requirement was subsequently classified by level based on the quality of the individual elements of the Own Funds (tiering). The following table provides a breakdown by Tier of the Poste Vita Group's Own Funds at 31.12.2023:

BASIC own funds (€k)	31/12/2023		
	TOTAL	TIER 1 Unrestricted	TIER 2
Ordinary share capital (gross of own shares)	1,216,608	1,216,608	
Surplus funds			
Reconciliation reserve	10,127,292	10,127,292	
Subordinated liabilities	1,039,004		273,678
Non-available subordinated liabilities at group level	4,604	4,604	4,604
Non-available minority interests at group level	29,477	29,477	29,477
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II OF			
Total basic own funds after deductions	12,348,823	11,314,423	269,074
Unpaid and uncalled ordinary share capital callable on demand	1,750,000		1,750,000
Total Ancillary Own Funds	1,750,000		1,750,000

The Group's own funds (including the Restricted Tier 1 subordinated liability) meet the eligibility conditions for SCR coverage as they comply with Article 82 of the aforementioned Delegated Regulation, in particular the eligibles are exclusively Tier 1 and Tier 2.

Furthermore, all Tier 2 own fund elements are eligible under Article 82 of the European Commission's Delegated Regulation 2015/35 as less than half of the SCR value.

The Poste Vita Insurance Group's own funds available to cover the MCR consist solely of basic own funds of € 12,348,823 thousand, fully eligible to cover the Minimum Capital Requirement.

As a result of the above, the amount of own funds eligible to cover the SCR at the end of 2023 was € 14,098,823 thousand and coincides, based on the aforementioned eligibility rules, with the amount of eligible own funds; while the amount to cover the MCR was € 12,348,823 thousand. The following tables show the breakdown by tier of the own funds at 31.12.2023 and 31.12.2022:

BASIC own funds (€k)	31/12/2023			
	TOTAL	TIER 1 Unrestricted	TIER 1 Restricted	TIER 2
Total available own funds to meet the SCR	14,098,823	11,314,423	765,326	2,019,074
Total available own funds to meet the MCR	12,348,823	11,314,423	765,326	269,074
Total eligible own funds to meet the SCR	14,098,823	11,314,423	765,326	2,019,074
Total eligible own funds to meet the MCR	12,348,823	11,314,423	765,326	269,074

BASIC own funds (€k)	31/12/2022			
	TOTAL	TIER 1 Unrestricted	TIER 1 Restricted	TIER 2
Total available own funds to meet the SCR	12,804,895	11,314,423	765,326	2,019,074
Total available own funds to meet the MCR	11,054,895	11,314,423	765,326	269,074
Total eligible own funds to meet the SCR	12,804,895	11,314,423	765,326	2,019,074
Total eligible own funds to meet the MCR	11,054,895	11,314,423	765,326	269,074

In relation to the above and considering the SCR and MCR values shown below, the SCR ratio was 307.05% at the end of 2023 and the MCR ratio was 597.65%.

Coverage Ratio (€k)	31/12/2023
	TOTAL
SCR	4,591,654
MCR	2,066,245
Ratio of Eligible own funds to SCR	307.05%
Ratio of Eligible own funds to MCR	597.65%

Differences between Poste Vita Group's equity and own funds

The difference between Equity in the IAS/IFRS Consolidated Financial Statements and the Solvency II Equity of the Poste Vita Group is summarised in the following table:

Available Own Funds (€k)	Amount
Ordinary share capital (gross of own shares) (A)	1,216,608
Retained earnings and subordinated liabilities (B)	5,471,131
Equity IAS/IFRS	6,687,740
Reconciliation reserve base (C)	5,406,161
Foreseeable dividends and distributions - Tier 1 (D)	(750,000)
Total Reconciliation reserve (B+C+D)	10,127,292
Deductions/Collateral (E)	0
Eligible Own Funds Tier I (F)	765,326
Eligible Own Funds Tier II (G)	2,019,074
Non-available minority interests at group level (H)	(29,477)
Total eligible own funds (A+B+C+D-E+F+G+H)	14,098,823

Retained earnings and subordinated liabilities consist of: i) IAS/IFRS profit for the period in the amount of € 1,014,257 thousand; ii) retained earnings from previous years in the amount of € 3,792,356 thousand; iii) other negative reserves in the amount of € 135,480 thousand; and iv) subordinated liabilities with a nominal value of € 800,000 thousand.

In view of Poste Vita accounting results and overall financial strength, the amount of € 750 million was considered as foreseeable dividends.

The difference between IAS/IFRS consolidated equity and Solvency II Excess of Assets over Liabilities of € 4,520,448 thousand consists of the basic reconciliation reserve. This reserve is representative of the effect generated by the different valuation made in accordance with the standards used to prepare the consolidated financial statements under IAS/IFRS compared with the valuation based on Solvency II rules.

Below is a detail of the reconciliation reserve, through the analytical reconstruction of the valuation effects of the application of Solvency II standards on the assets and liabilities of the Market Value Balance Sheet:

Adjustment (€k)	Amount
Equity IAS/IFRS	6,687,740
Assets	
Goodwill	-123,821
Intangible assets	-21,094
Investments	-113,534
Reinsurance recoverables	12,066
Deferred tax assets	1,299,909
Other	158,650
Total Adj Assets	1,212,176
Liabilities	
Technical provisions	-9,177,997
Deferred tax liabilities	4,229,369
Subordinated liabilities	779,277
Other	-24,633
Total Adj Liabilities	-4,193,984
Reconciliation Reserve base	5,406,160
Excess of assets over liabilities	12,093,900

E.1.1 Structure, amount and quality of own funds - Poste Vita

The company's basic own funds total € 12,329,290 thousand and the breakdown is as follows:

- Local GAAP share capital for € 1,216,608 thousand;
- reconciliation reserve amounting to € 10,084,826 thousand net of the amount related to foreseeable dividends of € 750,000 thousand;
- market value of subordinated liabilities in the amount of € 1,027,856 thousand, consisting of:
 - market value of the Tier 2 subordinated liability, amounting to € 262,530 thousand, with a nominal value of € 250 million, contracted by Poste Vita entirely with the Ultimate Parent Poste Italiane in 2008 and with an indefinite maturity date;
 - market value of the Tier 1 Restricted subordinated liability, amounting to € 266,601 thousand: a perpetual, non-convertible, fixed-rate regulatory capital instrument with a nominal value of € 300 million and fully subscribed by the Ultimate Parent Poste Italiane;
 - market value of the Tier 1 Restricted subordinated liability, amounting to € 498,725 thousand: a perpetual, non-convertible, fixed-rate regulatory capital instrument with a nominal value of € 500 million and fully subscribed by the Ultimate Parent Poste Italiane;
- there are no non-representative elements of the reconciliation reserve deducted.

Ancillary own funds of the company amounted to a total of € 1,750,000 thousand.

The amount of own funds available to cover the capital requirement was subsequently classified by level based on the quality of the individual elements of the Own Funds (tiering).

Available own funds (€k)	31/12/2023			
	TOTAL	TIER 1 Unrestricted	TIER 1 Restricted	TIER 2
Total available own funds to meet the SCR	14,079,290	11,301,434	765,326	2,012,530
Total available own funds to meet the MCR	12,329,290	11,301,434	765,326	262,530
Total eligible own funds to meet the SCR	14,079,290	11,301,434	765,326	2,012,530
Total eligible own funds to meet the MCR	12,329,290	11,301,434	765,326	262,530

The company's own funds available to cover the MCR consist solely of basic own funds of € 12,329,290 thousand, fully eligible to cover the SCR.

As a result of the above, the total amount of own funds available, as shown in the table above, to cover the SCR thus amounts to € 14,079,290 thousand and coincides, by virtue of the aforementioned eligibility rules, with the amount of eligible own funds. Below is a table summarising the various components of Eligible Own Funds in comparison with the previous year.

Own funds (€k)	Solvency II value 2023	Solvency II value 2022	delta
Ordinary share capital (gross of own shares)	1,216,608	1,216,608	
Retained earnings and net result of period	4,221,679	3,838,170	383,509
Reconciliation Reserve base	6,613,147	5,459,237	1,153,910
Foreseeable Dividend	(750,000)	(450,000)	(300,000)
Deductions/Collateral	0	0	0
Eligible Own Funds Tier 1 Restricted	765,326	727,630	37,696
Eligible Own Funds Tier 2	2,012,530	2,013,250	(720)
Total	14,079,290	12,804,895	1,274,395

In relation to the above, the SCR ratio was 310.65% at the end of 2023 and the MCR ratio was 604.53%.

Coverage Ratio (€k)	31/12/2023
	TOTAL
SCR	4,532,196
MCR	2,039,488
Ratio of Eligible own funds to SCR	310.65%
Ratio of Eligible own funds to MCR	604.53%

Differences between the company's equity and own funds

The difference between Poste Vita's Local GAAP and Solvency II equity is summarised in the following table:

Available Own Funds (€k)	Amount
Ordinary share capital (gross of own shares) (A)	1,216,608
Retained earnings - Reconciliation Reserve (B)	4,221,679
Equity Local GAAP	5,438,287
Reconciliation reserve base (C)	6,613,147
Foreseeable dividends and distributions - Tier 1 (D)	(750,000)
Total Reconciliation reserve (B+C+D)	10,084,826
Deductions/Collateral (E)	0
Eligible Own Funds Tier I (F)	765,326
Eligible Own Funds Tier II (G)	2,012,530
Total eligible own funds (A+B+C+D-E+F+G)	14,079,290

The difference between Local GAAP Equity and Solvency II Excess of Assets over Liabilities is made up of the basic reconciliation reserve and the inclusion of the expected dividend distribution during the year. This reserve is representative of the effect generated by the different valuation made in accordance with the standards used for the preparation of the financial statements compared to the valuation based on Solvency II rules.

Below is a detail of the reconciliation reserve, through the analytical reconstruction of the valuation effects of the application of Solvency II standards on the assets and liabilities of the Market Value Balance Sheet, net of tax effects.

Available Own Funds (€k)	Amount
Equity Local	5,438,287
Assets	
Deferred acquisition costs	(21,880)
Investments	(3,814,477)
Reinsurance recoverables	(16,089)
Properties & Other	5,262
Total Adj Assets	(3,847,184)
Liabilities	
Technical provisions	(10,448,290)
Pension benefit obligations	(31)
Subordinated liabilities	(15,319)
Financial Liabilities other than debts & Other	3,309
Total Adj Liabilities	(10,460,331)
Reconciliation Reserve base	6,613,147
Excess of assets over liabilities	12,051,434

E.1.1 Structure, amount and quality of own funds - Poste Assicura

The company's basic own funds total € 371,389 thousand and the breakdown is as follows:

- Share capital of € 25,000 thousand;
- reconciliation reserve and components of Local GAAP equity of € 346,389 thousand.

The amount of own funds available to cover the capital requirement was subsequently classified by level based on the characteristics of the individual elements of the Own Funds (tiering). The following table provides a breakdown by Tier of the company's Own Funds at 31.12.2023:

BASIC own funds (€k)	31/12/2023	
	TOTAL	TIER 1 Unrestricted
Ordinary share capital (gross of own shares)	25,000	25,000
Surplus funds		
Reconciliation reserve	346,389	346,389
Subordinated liabilities		
Total basic own funds after deductions	371,389	371,389

All of the company's own funds items, in the absence of subordinated liabilities, have been classified in Tier 1 Unrestricted.

As shown in the table below, Poste Assicura's own funds fully comply with the eligibility conditions for SCR coverage as:

- Tier 1 own funds represents more than 50% of the total value of eligible own funds;
- Tier 3 own funds is 0 and thus below the maximum threshold of 15% of the total value of eligible own funds;
- tier 1 elements covering MCR thus account for more than 80% of the total.

Available own funds (€k)	31/12/2023		
	TOTAL	TIER 1 Unrestricted	TIER 2
Total available own funds to meet the SCR	371,389	371,389	
Total available own funds to meet the MCR	371,389	371,389	
Total eligible own funds to meet the SCR	371,389	371,389	
Total eligible own funds to meet the MCR	371,389	371,389	

The amount of eligible own funds covering the SCR at the end of 2023, as a result of the above, is € 371,389 thousand, as well as the amount of own funds covering the MCR.

In relation to the above, the Solvency Ratio was 234.58% at the end of 2023 and the MCR ratio was 569.68%.

Available own funds (€k)	31/12/2023	
	TOTAL	
SCR	158,321	
MCR	65,193	
Ratio of Eligible own funds to SCR	234.58%	
Ratio of Eligible own funds to MCR	569.68%	

Differences between the company's equity and own funds

The difference between Poste Assicura's Local GAAP and Solvency II equity is summarised in the following table:

(€k)	31/12/2023
	TOTAL
Excess of Asset Over Liabilities	371,389
Equity Local GAAP	310,278
Basic reconciliation reserve	61,111

The difference between Local GAAP equity and Solvency II Excess of Assets over Liabilities of € 61,111 thousand consists of the basic reconciliation reserve. This reserve is representative of the effect generated by the different valuation carried out according to the standards of the Financial Statements compared to the valuation based on Solvency II rules.

Below is a detail of the Reconciliation reserve, through the analytical reconstruction of the valuation effects of the application of Solvency II standards on the assets and liabilities of the Market Value Balance Sheet, net of deferred tax effect:

Adjustment (€k)	Amount
Equity Local	310,278
Asset	
Property	1,571
Investments	(4,107)
Reinsurance recoverables	(10,914)
Any other asset	(13)
Total Adj Assets	(13,463)
Liabilities	
Technical provisions	(76,581)
Contingent Liabilities	440
Pension benefit obligations	(1)
Financial liab. other than debts	1,607
Payables	(38)
Total Adj Liabilities	(74,574)
Reconciliation Reserve base	61,111
Excess of assets over liabilities	371,389

E.1.1 Structure, amount and quality of own funds - Net Insurance

The company's own funds are its basic ones and represent the surplus of assets over liabilities. Tier 1, amounting to € 86,212 thousand, consisted of:

- fully subscribed and paid-up share capital of € 17,625 thousand;
- share premium reserve in the amount of € 68,896 thousand;
- reconciliation reserve, negative in the amount of € 309 thousand, which, according to Article 70 of the Delegated Acts, is equal to the excess of total assets over liabilities less, in this specific case, the following items:
 - ordinary share capital;
 - share premium reserve;
 - other equity provisions;
 - amount equal to the value of net deferred tax assets.

It should be noted that during the financial year 2023, the company's equity structure changed as a result of:

- conversion of 5,443 Net Insurance warrants, resulting in the issue of 5,443 new Net Insurance ordinary shares;
- opening of an ad hoc conversion period (27 February 2023 - 21 March 2023) in favour of the holders of the bond loan denominated "€5 million Fixed Rate Dated Subordinated Convertible Notes due 17 December 2030 (ISIN IT0005429268)". With the aforementioned window, the bondholders applied for conversion for a nominal value of € 33.2 million (32 bonds, each with a denomination of € 100,000) and, to facilitate the conversion, 533,312 of the company's own shares were transferred to the bondholders. As a result of the conversion, the bond thus has a new nominal value of € 200,000.

Tier 1 own funds were also decreased due to the expected distribution of dividends to shareholders in the amount of € 8,869 thousand. In fact, the company's Board of Directors, in line with the Business Plan forecasts, proposes to the Ordinary Shareholders' Meeting to allocate Net Insurance's net profit for the year ended 31 December 2023, amounting to € 10,370, as follows:

- to the legal reserve € 902;
- to dividends in favour of the ordinary shares € 9,468.

In addition, the Board of Directors of Net Insurance, proposed:

- to allocate a further € 8,859 thousand as dividend, through the utilisation of retained earnings in the amount of € 193 thousand and through the utilisation of the additional paid-in capital reserve in the amount of € 8,666 thousand;
- to classify the amount of € 4,723 thousand of the "share premium reserve" under "other reserves" for the purposes of the non-distributable reserve pursuant to Article 2426, paragraph 1, no. 4) of the Italian Civil Code.

Tier 2 Own Funds consist of the issue of two subordinated liabilities (Tier 2) amounting to € 11,148 thousand.

Tier 3 Basic Own Funds consist of net deferred tax assets of € 4,268 thousand.

The following tables show the breakdown by tier of the own funds at 31.12.2023 and 31.12.2022:

Available own funds (€k)	31/12/2023				31/12/2022			
	TOTAL	TIER 1 Unrestricted	TIER 2	TIER 3	TOTAL	TIER 1 Unrestricted	TIER 2	TIER 3
Total available own funds to meet the SCR	101,628	86,212	11,148	4,268	93,923	71,871	13,092	8,961
Total available own funds to meet the MCR	97,359	86,212	11,148		84,963	71,871	13,092	
Total eligible own funds to meet the SCR	101,628	86,212	11,148	4,268	91,812	71,871	13,092	6,849
Total eligible own funds to meet the MCR	89,959	86,212	3,747		75,224	71,871	3,353	

In relation to the above and considering the SCR and MCR values shown below, the Solvency Ratio was 201.86% at the end of 2023 and the MCR ratio was 480.16%.

Coverage Ratio (€k)	31/12/2023
	TOTAL
SCR	50,345
MCR	18,735
Ratio of Eligible own funds to SCR	201.86%
Ratio of Eligible own funds to MCR	480.16%

The reconciliation reserve of -€ 309 thousand consists of the basic reconciliation reserve of € 1,014 thousand, representing the effect generated by the different valuation made in accordance with statutory standards used for the preparation of the financial statements compared to the valuation based on Solvency II rules. The remaining part of -€ 1,323 thousand consists of: i) profit for the period of € 10 thousand; ii) retained earnings for previous years of € 11,804 thousand and iii) other reserves of € 8,869 thousand; net DTAs for € 4,268 thousand.

Below is a detail of the Reconciliation reserve, through the analytical reconstruction of the valuation effects of the application of Solvency II standards on the assets and liabilities of the Market Value Balance Sheet, net of deferred tax effect:

Adjustment (€k)	Amount
Equity Local	98,335
Asset	
Property	437
Investments	5,771
Reinsurance recoverables	(40,915)
Any other asset	(12,595)
Total Adj Assets	(47,303)
Liabilities	
Technical provisions	(45,717)
Provisions other than technical provisions	(1,886)
Pension benefit obligations	(10)
Financial liab. other than debts	296
Payables (trade, not insurance)	(58)
Subordinated liabilities	(942)
Total Adj Liabilities	(48,316)
Reconciliation Reserve base	1,014
Excess of assets over liabilities	99,349

E.1.2 Structure, amount and quality of own funds - Net Insurance Life

The company's own funds are its basic ones and represent the surplus of assets over liabilities. Tier 1, amounting to € 43,126 thousand, consisted of:

- fully subscribed and paid-up share capital of € 15,000 thousand;
- capital contribution in the amount of € 8,000 thousand;
- reconciliation reserve, in the amount of € 20,126 thousand, which, according to Article 70, paragraph 2 "Classification of Own Funds" of the Delegated Acts, is equal to the excess of total assets over liabilities less, in this specific case, the following items:
 - other equity provisions;
 - amount equal to the value of net deferred tax assets.

Tier 1 own funds were also decreased due to the expected distribution of dividends to the shareholder Net Insurance in the amount of € 1,400 thousand.

The Board of Directors of Net Insurance Life, in fact, in line with the provisions of the Business Plan, proposed to the Shareholders' Meeting to allocate Net Insurance Life's profit for the year ended 31 December 2022, amounting to € 4,723,492 as follows:

- 5% or € 236,175 to the legal reserve;
- a dividend in favour of the Parent Company for € 1,400,000;
- to carry forward the residual profit for the year of € 3,087,317.

Tier 2 Own Funds consists of the issue of a subordinated liability (Tier 2) in the amount of € 4,782 thousand.

The following tables show the breakdown by tier of the own funds at 31.12.2023 and 31.12.2022:

Available own funds (€k)	31/12/2023				31/12/2022			
	TOTAL	TIER 1 Unrestricted	TIER 2	TIER 3	TOTAL	TIER 1 Unrestricted	TIER 2	TIER 3
Total available own funds to meet the SCR	47,909	43,126	4,783		33,217	27,141	4,608	1,467
Total available own funds to meet the MCR	47,909	43,126	4,783		31,749	27,141	4,608	
Total eligible own funds to meet the SCR	47,909	43,126	4,783		33,217	27,141	4,608	1,467
Total eligible own funds to meet the MCR	44,144	43,126	1,018		28,088	27,141	947	

In relation to the above and considering the SCR and MCR values shown below, the Solvency Ratio was 235.34% at the end of 2022 and the MCR ratio was 867.40%.

Coverage Ratio (€k)	31/12/2023
	TOTAL
SCR	20,357
MCR	5,089
Ratio of Eligible own funds to SCR	235.34%
Ratio of Eligible own funds to MCR	867.40%

The reconciliation reserve of € 20,126 thousand consists of the basic reconciliation reserve of € 9,925 thousand, representing the effect generated by the different valuation made in accordance with statutory standards used for the preparation of the financial statements compared to the valuation based on Solvency II rules. The remaining part of € 10,201 thousand consists of: i) profit for the period of € 4,723 thousand; ii) retained earnings for previous years of € 6,877 thousand and iii) dividends for € 1,400 thousand.

Below is a detail of the Reconciliation reserve, through the analytical reconstruction of the valuation effects of the application of Solvency II standards on the assets and liabilities of the Market Value Balance Sheet, net of deferred tax effect:

Adjustment (€k)	Amount
Equity Local	34,600
Asset	
Property	775
Investments	(2,158)
Reinsurance recoverables	(25,145)
Reinsurance receivables	1,451
Any other asset	(1,963)
Total Adj Assets	(27,041)
Liabilities	
Technical provisions	(39,477)
Pension benefit obligations	(6)
Financial liab. other than debts	17
Insurance & intermediaries payables	2,664
Subordinated liabilities	(150)
Payables	(12)
Total Adj Liabilities	(36,967)
Reconciliation Reserve base	9,926
Excess of assets over liabilities	44,526

E.2 Solvency Capital Requirement and Minimum Capital Requirement

Group SCR and MCR

The Group calculates its capital requirement in accordance with method 1 as set out in Article 230 of Directive 2009/138/EC.

Below is the breakdown of the capital requirement (consolidated SCR) of the Poste Vita Group at 31 December 2023, compared with the corresponding results at 31 December 2022, deriving from the application of the Standard Formula, in accordance with Directive 2009/138/EC and the criteria set out in the Delegated Acts.

It should be noted that the Group does not use simplified calculations to determine any of the risk sub-modules.

(€k)	31.12.2022	31.12.2023	Delta %
Market risk	2,253,883.64	1,987,501.54	-11.8%
Counterparty default risk	300,285.76	440,586.82	46.7%
Life underwriting risk	4,750,933.58	4,170,222.17	-12.2%
Health underwriting risk	113,796.86	134,149.24	17.9%
Non-life underwriting risk	40,175.55	64,531.77	60.6%
Diversification	-1,573,938	-1,544,088	-1.9%
Intangible asset risk			
Basic Solvency Capital Requirement	5,885,137	5,252,904	-10.7%
Total capital requirement for operational risk	675,079	725,469	7.5%
Loss-absorbing capacity of deferred taxes and Capital Add-on	-1,504,224	-1,386,719	-13.1%
Solvency capital requirement	5,055,992	4,591,654	-9.2%

At 31 December 2023, the following is noted with respect to the previous year:

- a decrease in the Life underwriting requirement due to the reduction in the percentage weight of capital losses;
- an increase in the counterparty requirement due to the increase in liquidity held by the Group;
- a reduction in the market risk requirement due to an increase in the absorption capacity of technical provisions.

The current risk distribution generates a lower diversification benefit compared to 31 December 2023.

Details of the breakdown of the SCR underwriting risk and SCR market risk at 31 December 2023 are provided below.

Each risk sub-module is considered net of adjustments relative to the ability of technical provisions to absorb losses.

(€k)	31.12.2022	31.12.2023	Delta %
Mortality risk	248,088	264,905	6.8%
Longevity risk	27,155	29,839	9.9%
Disability-morbidity risk	0	1,361	100%
Lapse risk	4,555,413	3,958,519	-13.1%
Life expense risk	292,661	323,480	10.5%
Revision risk	0	0	0
Life catastrophe risk	90,832	68,832	-24.2%
Diversification within life underwriting risk module	-463,215	-476,714	2.9%
Total life underwriting risk	4,750,934	4,170,222	-12.2%

The requirement for Life underwriting risk decreased mainly due to the decrease in the early termination risk requirement as a result of the market scenario of lower rates compared to 31 December 2022.

(€k)	31.12.2022	31.12.2023	Delta %
Interest rate risk	374,901.5	163,574.8	-56.4%
Equity risk	563,074.7	530,287.4	-5.8%
Property risk	218,521.0	183,539.8	-16.0%
Spread risk	1,545,141.1	1,222,839.6	-20.9%
Market risk concentrations			
Currency risk	227,971.2	328,730.1	44.2%
Diversification within market risk module	-675,725.9	-441,470.2	-34.7%
Total Market risk	2,253,883.6	1,987,501.5	-11.8%

The requirement for market risk decreases due to the increase in the absorption capacity of technical provisions.

(€k)	31.12.2022	31.12.2023	Delta
Total Health NSLT	105,358	121,380	15.2%
Total Health SLT	12,833	20,098	56.6%
Total Health Cat	5,175	5,502	6.3%
Diversification within health risk module	-9,570	-12,831	34.1%
Total health underwriting risk	113,797	134,149	17.9%

(€k)	31.12.2022	31.12.2023	Delta
Non-Life premium and reserve risk	33,954	55,785	64.3%
Non-Life Lapse risk	4,659	12,682	172.2%
Non-Life catastrophe risk	14,129	19,010	34.5%
Diversification within non-life underwriting risk module	-12,566	-22,945	82.6%
Total non-life underwriting risk	40,176	64,532	60.6%

It should be noted that the Group does not use simplified calculations to determine any of the risk sub-modules.

With reference to the "loss-absorbing capacity of deferred taxes" ("LAC DT"), it may be assessed as eligible for reduction of this capital requirement in view of the Group's ability to generate future taxable profits to the extent provided for by the regulations pursuant to the Delegated Acts and IVASS Regulation no. 35 of 7 February 2017 ("IVASS Regulation no. 2017/35").

IVASS Regulation no. 35/2017 defines notional deferred taxes ("nDTA") as the notional change in deferred taxes in the solvency Balance Sheet following the instantaneous loss scenario referred to in Article 207 of the Delegated Regulation, calculated as the difference between the following amounts:

- deferred taxes obtained by subjecting items in the solvency Balance Sheet to the loss scenario; and
- deferred taxes recognised in the solvency Balance Sheet.

For the purposes of determining nDTA, the Group used an analytical approach based on determining the impacts of the instantaneous loss on individual solvency balance sheet items for the purposes of determining the relative tax treatment. To that end, it was necessary to determine the impacts of the loss, broken down by risk module and submodule as established for the Standard Formula, as well as the relative IRES tax treatment (24% of taxable income).

The **Group's minimum capital requirement (MCR)** is determined in accordance with Article 248 of the Delegated Acts as the sum of the individual MCR of the Group's insurance companies.

(€k)	31.12.2022	31.12.2023	Delta%
Minimum Capital Requirement	2,291,047	2,066,245	-10%

SCR and MCR of Poste Vita

The breakdown of the capital requirement (SCR) of Poste Vita at 31 December 2023 is shown below, compared with the corresponding results at 31 December 2022, resulting from the application of the Standard Formula, in accordance with directive 2009/138/EC and the criteria set out in the Delegated Acts. Each risk sub-module is considered net of the adjustment for the loss-absorbing capacity of technical provisions.

BREAKDOWN OF SCR

(€k)	31.12.2022	31.12.2023	Delta %
Market risk	2,300,953	2,105,323	(8.5%)
Counterparty default risk	288,692	420,878	45.8%
Life underwriting risk	4,750,934	4,155,759	(12.5%)
Health underwriting risk	13,862	23,552	69.9%
Non-life underwriting risk	0	-	
Diversification	(1,482,140)	(1,447,064)	(2.4%)
Intangible asset risk			
Basic Solvency Capital Requirement	5,872,301	5,258,448	(10.5%)
Total capital requirement for operational risk	663,774	704,968	6.2%
Loss-absorbing capacity of deferred taxes	(1,569,658)	(1,431,220)	(8.8%)
Solvency capital requirement	4,967,417	4,532,196	(8.8%)

At 31 December 2023 compared to the previous year, there was an overall decrease in the requirement resulting mainly from the following factors:

- decrease in underwriting risks resulting mainly from the economic scenario (decrease in interest rates) with a lower percentage weight of capital losses;
- decrease in market risks resulting mainly from a reduction in spread, interest rate and property risk due to the greater absorption capacity of insurance liabilities of revaluable products;
- an increase in the counterparty requirement due to the increase in liquidity held.

The current composition of risks generates an increased diversification benefit compared to 31 December 2022.

Below are details of the breakdown of the SCR Life Underwriting Risk, SCR Market Risk, SCR Equity and SCR Counterparty at 31 December 2023.

Each risk sub-module is considered net of adjustments relative to the ability of technical provisions to absorb losses. It should be noted that the company does not use simplified calculations to determine any of the risk sub-modules.

BREAKDOWN OF SCR LIFE UNDERWRITING RISK

(€k)	31.12.2022	31.12.2023	Delta %
Mortality risk	248,088	255,908	3.2%
Longevity risk	27,155	29,839	9.9%
Disability-morbidity risk		1,361	(100.0%)
Lapse risk	4,555,413	3,947,405	(13.3%)
Life expense risk	292,661	321,685	9.9%
Revision risk			
Life catastrophe risk	90,832	63,184	(30.4%)
Diversification within life underwriting risk module	(463,215)	(463,624)	0.1%
Total life underwriting risk	4,750,934	4,155,759	(12.5%)

The Life underwriting risk requirement decreased mainly as a result of the decrease in the early termination risk requirement due to the market scenario with a related reduction in unrealised capital losses, of about € 27 billion (or a 199% decrease), which realise a higher return in the risk-neutral scenario with a consequent reduction in the valuation of guarantees in particular in stress scenarios.

BREAKDOWN OF SCR MARKET

(€k)	31.12.2022	31.12.2023	Delta %
Interest rate risk	350,409	184,260	(47.4%)
Equity risk	627,602	665,700	6.1%
Property risk	218,521	179,458	(17.9%)
Spread risk	1,540,567	1,210,054	(21.5%)
Market risk concentrations			
Currency risk	227,971	328,358	44.0%
Diversification within market risk module	(664,117)	(462,508)	(30.4%)
Total Market risk	2,300,953	2,105,323	(8.5%)

The market risk requirement decreases due to the reduction in spread, interest rate and property risk.

However, the market requirement has decreased due to the more favourable market scenario, resulting in an increase in the absorption capacity of technical provisions due to rising interest rates.

Details of the Type 1 and Type 2 Counterparty Default Risk requirements are set out below.

COUNTERPARTY DEFAULT RISK

(€k)	31.12.2022	31.12.2023	Delta %
Type 1 exposures	282,389	412,745	46.2%
Type 2 exposures	8,333	10,764	29.2%
Diversification within counterparty default risk	(2,031)	(2,631)	29.5%
Total counterparty default risk	288,692	420,878	45.8%

The requirement is increasing due to the increase in cash deposited in current accounts and thus exposed to counterparty risk.

The Type 1 and Type 2 requirements of SCR Equity are detailed below.

SCR EQUITY

(€k)	31.12.2022	31.12.2023	Delta %
Type 1 equities	189,368	251,027	32.6%
Type 2 equities	472,950	456,391	(3.5%)
Diversification within equity risk module	(34,716)	(41,718)	20.2%
Total equity risk	627,602	665,700	6.1%

As a result of the diversification process in the securities portfolio, there is a slight increase in equity exposure.

Poste Vita's Minimum Capital Requirement (MCR) is determined in accordance with Article 248 of the Delegated Acts and amounted to approximately € 2 billion at 31 December 2023.

The component that determines the MCR is the combined Minimum Capital Requirement (combined MCR) equal to 45% of the Life Solvency Capital Requirement (SCR), as the linear MCR is higher than the Cap set by Regulations (MCR Cap).

(€k)	31.12.2022	31.12.2023	Delta %
Linear MCR	2,669,078	2,756,654	3.3%
SCR	4,967,417	4,532,196	(8.8%)
MCR cap	2,235,338	2,039,488	(8.8%)
MCR floor	1,241,854	1,133,049	(8.8%)
Combined MCR	2,235,338	2,039,488	(8.8%)
Absolute floor of the MCR	5,400	5,400	
Minimum Capital Requirement	2,235,338	2,039,488	(8.8%)

However, in order to achieve a reduction in market and life underwriting risk, the company will seek to increase the diversification of the securities portfolio and the placement of Class I products with products with reduced guarantees and Class III products by increasing the sale of multi-branch products.

The "Loss-absorbing capacity of deferred taxes" ("LAC DT") may be assessed as eligible for reduction of this capital requirement pursuant to the Delegated Acts and IVASS Regulation no. 35 of 7 February 2017 ("IVASS Regulation no. 2017/35").

SCR and MCR of Poste Assicura

Poste Assicura's Solvency Capital Requirement (SCR) is obtained by applying the Standard Formula in compliance with Directive 2009/138/EC and with the criteria set out in the Delegated Acts published in the European Official Journal.²¹

With reference to Poste Assicura's capital add-on, IVASS initiated a proceeding with letter of 6 March 2024 to assess the application of a capital add-on for Poste Assicura, as well as the extent to which it should be applied. The Authority has taken note of the inadequacy to correctly represent Poste Assicura's risk profile, both by the standard formula - as per Title III, Chapter IV-bis, Section II of the CAP - and by the PSUs - as per IVASS Regulation no. 11/2015.

The methodology followed by the company to determine the capital requirement at 31 December 2023 takes into account the capital increase represented to IVASS during the discussions and confirmed with the comments the company provided in response to the Authority's letter of 6 March, pending the Supervisory Authority's final determinations on the capital increase.

In calculating the capital requirement, information relating to contracts in portfolio at 31.12.2023 was used. Additionally, for each contract the relative proportional and non-proportional reinsurance treaties were identified and then considered for the valuation net of reinsurance.

Below are the results.

SOLVENCY CAPITAL REQUIREMENT (€k)	31.12.2022	31.12.2023	Delta %
Market risk	24,937	26,893	7.8%
Counterparty default risk	12,000	11,875	-1.0%
Life underwriting risk	-	-	-
Health underwriting risk	106,156	116,215	9.5%
Non-life underwriting risk	40,176	37,290	-7.2%
Diversification	-53,877	-54,007	0.2%
Intangible asset risk	-	-	-
Basic Solvency Capital Requirement	129,392	138,265	6.9%
Total capital requirement for operational risk	11,305	15,505	37.1%
Loss-absorbing capacity of technical provisions	-	-	-
Loss-absorbing capacity of deferred taxes	-55,945	-49,996	-10.6%
Solvency capital requirement excluding Capital Add-On*	84,752	103,774	22.4%
Capital Add-On already set	92,405	54,547	-41.0%
Solvency capital requirement	177,158	158,321	-10.6%
Minimum Capital Requirement	55,709	65,193	17.0%

* Including the adjustment for deferred tax absorbing capacity generated by Capital Add On.

21. Delegated Regulation (EU) 2015/35 of the European Commission and subsequent amendments.

MARKET RISK	31.12.2022	31.12.2023	Delta %
Interest rate risk	24,492	26,314	7.4%
Equity risk	149	103	-31.1%
Property risk	-	-	-
Spread risk	4,574	5,469	19.6%
Market risk concentrations	-	-	-
Currency risk	-	-	-
Diversification within market risk module	-4,279	-4,994	16.7%
Total market risk	24,937	26,893	7.84%

COUNTERPARTY DEFAULT RISK	31.12.2022	31.12.2023	Delta %
Type 1 exposures	4,382	2,508	-42.76%
Type 2 exposures	9,934	9,878	-0.56%
Diversification within counterparty default risk module	-781	-511	-34.66%
Total counterparty default risk	13,534	11,875	-12.3%

Minimum Capital Requirement

Poste Assicura's Minimum Capital Requirement (MCR) is determined in accordance with Article 248 of the Delegated Acts and amounted to € 65,193 thousand at 31 December 2023.

COUNTERPARTY DEFAULT RISK	31.12.2022	31.12.2023	Delta %
Linear MCR	55,709	65,193	17.0%
SCR	177,747	158,321	-10.9%
MCR cap	79,986	71,244	-10.9%
MCR floor	44,437	39,580	-10.9%
Combined MCR	55,709	65,193	17.0%
Absolute floor of the MCR	4,000	4,000	0.0%
Minimum Capital Requirement	55,709	65,193	17.0%

The MCR is the Combined Minimum Requirement (Combined MCR) being higher than the absolute minimum of € 4,000 thousand, as defined by the regulations in the "Notice on the adjustment to inflation of the amounts laid down in Directive 2009/138/EC of the European Parliament and of the Council". The combined requirement is equal to the Linear MCR.

SCR and MCR of Net Insurance

Net Insurance's Solvency Capital Requirement (SCR) is obtained by applying the Standard Formula in compliance with Directive 2009/138/EC and with the criteria set out in the Delegated Acts published in the European Official Journal.

In calculating the capital requirement, information relating to contracts in portfolio at 31 December 2023 was used.

Additionally, for each contract the relative proportional and non-proportional reinsurance treaties were identified and then considered for the valuation net of reinsurance.

Below are the results.

BREAKDOWN OF SCR

(€k)	31.12.2022	31.12.2023	Delta %
Market risk	17,164	16,533	(3.7%)
Counterparty default risk	7,966	7,705	(3.3%)
Life underwriting risk			
Health underwriting risk	5,101	8,136	59.5%
Non-life underwriting risk	30,848	34,417	11.6%
Diversification	(16,598)	(18,880)	13.8%
Intangible asset risk	0	0	
Basic Solvency Capital Requirement	44,482	47,910	7.7%
Total capital requirement for operational risk	3,949	4,669	18.2%
Loss-absorbing capacity of deferred taxes	(2,770)	(2,235)	(19.3%)
Solvency capital requirement	45,661	50,345	10.3%

Net Insurance applied the volatility adjustment to the maturity structure of risk-free interest rates for 2023 for the purpose of calculating the best estimate of technical provisions (pursuant to Article 77 quinquies, paragraph 1, of Directive 2009/138/EC).

In particular, going into detail in the analysis of the breakdown by individual module, it should be noted that:

- underwriting risk for non-life insurance is the risk that absorbs the most capital;
- market risk makes a significant contribution to the Solvency Capital Requirement;
- the counterparty default risk is low;
- the health underwriting risk has no material impact on the overall risks;
- the different breakdown between the risk modules leads to benefit from the diversification effect;
- operational risk, as per the standard formula, is mainly characterised by the effect of Best Estimate Liabilities before the effect of reinsurance;
- the adjustment for loss-absorbing capacity of deferred taxes allows for a reduction in the final value of the Solvency Capital Requirement.

Below are details of the breakdown of the SCR Life Underwriting Risk, SCR Market Risk, SCR Equity and SCR Counterparty at 31 December 2023.

SCR Non-Life underwriting risk

(€k)	31.12.2022	31.12.2023	Delta %
Premium Risk	24,563	29,196	18.9%
Lapse risk	10,991	4,456	(59.5%)
Life catastrophe risk	10,144	11,819	16.5%
Diversification within life underwriting risk module	(14,849)	(11,055)	(25.6%)
Total Non-life underwriting risk	30,848	34,417	11.6%

The requirement for non-life underwriting risk increased compared to 31/12/2022 by € 3.6 million. Specifically, there was an increase in the Cat risk (€ 1.6 million) resulting from the production expectations for the next 12 months increasing for the LOB 9 portfolio impacting the Credit&Surveyship sub-module, and an increase in the Premium&Reserve risk (€ 4.6 million) reflecting the update of the 1-year prospective production.

SCR HEALTH RISK

HEALTH UNDERWRITING RISK (€k)	31.12.2022	31.12.2023	Delta %
NSLT health premium and reserve risk	3,550	6,818	92.1%
NSLT health lapse risk	1,639	1,193	(27.2%)
Diversification within NSLT health underwriting risk	(1,279)	(1,089)	(14.9%)
Total NSLT health underwriting risk	3,910	6,921	77.0%
Total health catastrophe risk	2,441	2,883	18.1%
Diversification within health underwriting risk module	(1,250)	(1,668)	33.4%
Total health underwriting risk	5,101	8,136	59.5%

There was an increase in the Premium&Reserve risk (+€ 3.3 million) where, similarly to the previous point, there was an increase in the PExisting component in line with the increase in current production and the prospective production component.

On the CAT Health risk, there was an increase of about € 400 thousand mainly due to the increase in the portfolio of Health policies with catastrophe guarantees almost entirely attributable to the increase in Concentration risk.

SCR MARKET RISK

(€k)	31.12.2022	31.12.2023	Delta %
Interest rate risk	408	286	(29.8%)
Equity risk	9,492	12,556	32.3%
Property risk	1,564	1,477	(5.6%)
Spread risk	7,046	3,367	(52.2%)
Market risk concentrations	540	479	(11.4%)
Currency risk	1,063	76	(92.9%)
Diversification within market risk module	(2,949)	(1,708)	(42.1%)
Total Market risk	17,164	16,533	(3.7%)

The requirement for market risk decreases due primarily to the reduction in the spread risk.

Details of the Type 1 and Type 2 Counterparty Default Risk requirements are set out below.

COUNTERPARTY DEFAULT RISK

(€k)	31.12.2022	31.12.2023	Delta %
Type 1 equities	2,250	1,904	(15.4%)
Type 2 equities	6,138	6,174	0.6%
Diversification within equity risk module	(422)	(372)	(11.8%)
Total counterparty default risk	7,966	7,705	(3.3%)

The requirement is in line compared with 31 December 2022.

Minimum Capital Requirement

Net Insurance's Minimum Capital Requirement (MCR) is determined in accordance with Article 248 of the Delegated Acts and amounts to € 18,735 thousand at 31 December 2023.

MINIMUM CAPITAL REQUIREMENT (€k)	31.12.2022	31.12.2023	Delta %
Linear MCR	16,765,042	18,735,206	11.8%
SCR	45,660,553	50,344,965	10.3%
MCR cap	20,547,249	22,655,234	10.3%
MCR floor	11,415,138	12,586,241	10.3%
Combined MCR	16,765,042	18,735,206	11.8%
Absolute floor of the MCR	3,700,000	3,700,000	0.0%
Minimum Capital Requirement	16,765,042	18,735,206	11.8%

The MCR is the Combined Minimum Requirement (Combined MCR) being higher than the absolute minimum of € 3,700 thousand, as defined by the regulations in the "Notice on the adjustment to inflation of the amounts laid down in Directive 2009/138/EC of the European Parliament and of the Council". The combined requirement is equal to the Linear MCR.

For the purpose of determining notional deferred tax assets (nDTAs), the company used an analytical approach based on assessing the impact of the instantaneous loss, as defined by Article 207 of EU Delegated Regulation 2015/35, by asset item and by determining the relevant tax treatment for IRES purposes (24% of taxable income).

The company, for the purpose of assessing the eligibility of nDTAs for offsets, has evaluated the recoverability emerging from deferred tax liabilities of the solvency balance sheet net of existing deferred tax assets, and from taxable income emerging from future profits over a 7-year time period, weighted according to the measures provided for in Article 13, paragraph 4, of IVASS Regulation no. 35.

SCR e MCR di Net Insurance Life

Net Insurance Life's capital requirement is obtained by applying the Standard Formula in compliance with Directive 2009/138/EC and with the criteria set out in the Delegated Acts published in the European Official Journal.

In calculating the capital requirement, information relating to contracts in portfolio at 31 December 2023 was used.

Additionally, for each contract the relative proportional and non-proportional reinsurance treaties were identified and then considered for the valuation net of reinsurance.

Below are the results.

COMPOSIZIONE SCR

(€k)	31.12.2022	31.12.2023	Delta %
Market risk	11,440	6,927	(39.5%)
Counterparty default risk	2,760	4,270	54.7%
Life underwriting risk	14,688	18,151	23.6%
Health underwriting risk	163	179	9.5%
Non-life underwriting risk			
Diversification	(7,218)	(6,839)	(5.3%)
Intangible asset risk	0	0	
Basic Solvency Capital Requirement	21,833	22,688	3.9%
Total capital requirement for operational risk	2,097	2,419	15.3%
Loss-absorbing capacity of deferred taxes	(4,990)	(4,750)	(4.8%)
Solvency capital requirement	18,940	20,357	7.5%

The company applied the volatility adjustment to the maturity structure of risk-free interest rates for 2023 for the purpose of calculating the best estimate of technical provisions (pursuant to Article 77 quinquies, paragraph 1, of Directive 2009/138/EC).

In particular, going into detail in the analysis of the breakdown by individual module, it should be noted that:

- underwriting risk for life insurance is the risk that absorbs the most capital;
- market risk makes a significant contribution to the Solvency Capital Requirement;
- the counterparty default risk is low;
- the health underwriting risk has no material impact on the overall risks;
- the different breakdown between the risk modules leads to benefit from the diversification effect;
- operational risk, as per the standard formula, is mainly characterised by the effect of Best Estimate Liabilities before the effect of reinsurance;
- the adjustment for loss-absorbing capacity of deferred taxes allows for a reduction in the final value of the Solvency Capital Requirement.

Below are details of the breakdown of the SCR Life Underwriting Risk, SCR Market Risk, SCR Equity and SCR Counterparty at 31 December 2023.

SCR LIFE UNDERWRITING RISK

(€k)	31.12.2022	31.12.2023	Delta %
Mortality risk	6,740	8,997	33.5%
Lapse risk	9,109	11,114	22.0%
Expense risk	1,418	1,796	26.6%
Life catastrophe risk	4,971	5,648	13.6%
Diversification within life underwriting risk module	(7,550)	(9,403)	24.5%
Total Life underwriting risk	14,688	18,151	23.6%

The requirement for life underwriting risk increased compared to 31 December 2022 by € 3.4 million due to the expansion of the portfolio, whose composition by individual sub-business (salary-back loans, pension-backed loans, other) remains unchanged. Specifically, the increase is justified in the Lapse Risk sub-module (+€ 2 million compared to 31 December 2022) and in particular in the "Lapse Mass" scenario (which is the highest of the three stress lapse scenarios provided for by the regulations), which includes the instantaneous termination of 40% of the policies, and in the mortality sub-module.

SCR MARKET RISK

(€k)	31.12.2022	31.12.2023	Delta %
Interest rate risk	2,766	2,537	(8.3%)
Equity risk	975	523	(46.3%)
Property risk	2,600	2,605	0.2%
Spread risk	8,241	4,116	(50.1%)
Market risk concentrations	263	84	(67.9%)
Currency risk	1,207	296	(75.5%)
Diversification within market risk module	(4,611)	(3,235)	(29.8%)
Total Market risk	11,440	6,927	(39.5%)

The requirement for market risk decreases by approximately € 4.5 million due primarily to the reduction in the spread risk.

Details of the Type 1 and Type 2 Counterparty Default Risk requirements are set out below.

COUNTERPARTY DEFAULT RISK

(€k)	31.12.2022	31.12.2023	Delta %
Type 1 equities	2,142	3,483	62.6%
Type 2 equities	762	983	29.0%
Diversification within equity risk module	(144)	(196)	36.0%
Total counterparty default risk	2,760	4,270	54.7%

There was an increase in counterparty risk of € 1.5 million, mainly due to the increase in equity risk Type 1.

Minimum Capital Requirement

Net Insurance's Minimum Capital Requirement (MCR) is determined in accordance with Article 248 of the Delegated Acts and amounts to € 18,735 thousand at 31 December 2023.

MINIMUM CAPITAL REQUIREMENT (€k)	31.12.2022	31.12.2023	Delta %
Linear MCR	4,249	5,031	18.4%
SCR	18,940	20,357	7.5%
MCR cap	8,523	9,161	7.5%
MCR floor	4,735	5,089	7.5%
Combined MCR	4,735	5,089	7.5%
Absolute floor of the MCR	3,700	3,700	0.0%
Minimum Capital Requirement	4,735	5,089	7.5%

The MCR is the Combined Minimum Requirement (Combined MCR) being higher than the absolute minimum of € 3,700 thousand, as defined by the regulations in the "Notice on the adjustment to inflation of the amounts laid down in Directive 2009/138/EC of the European Parliament and of the Council". The combined requirement is equal to the Linear MCR.

E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

At 31 December 2023, this did not apply to the Group and the individual Group companies.

E.4 Differences between the Standard Formula and the Internal Model used

At 31 December 2023, this did not apply to the Group and the individual companies.

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

At 31 December 2023, this did not apply to the Group and the individual companies.

E.6 Other information

At 31 December 2023, there was no further information in addition to as already outlined in the previous paragraphs.

F – Annexes

In relation to that established under Article 4 of Implementing Regulation 2023/895, below are the Quantitative Reporting Templates to be annexed to this Report for the Poste Vita Group, with data relative to 31.12.2023, expressed in €k. Note that model S.05.02.04 Premiums, claims and expenses by countries was not prepared in that business is concentrated within Italy:

- S.02.01.02 - Balance Sheet
- S.05.01.02 - Premiums, claims and expenses by line of business
- S.22.01.22 - Impact of long term guarantees measures and transitionals
- S.23.01.22 - Own funds
- S.25.01.22 - Solvency Capital Requirement - for groups on Standard Formula
- S.32.01.22 - Undertakings in the scope of the group

POSTE VITA INSURANCE GROUP
S.02.01.02 - BALANCE SHEET

Assets	Solvency II value	
		C0010
Intangible assets	R0030	
Deferred tax assets	R0040	2,249,253
Pension benefit surplus	R0050	-
Property, plant & equipment held for own use	R0060	26,627
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	143,744,832
Property (other than for own use)	R0080	-
Holdings in related undertakings, including participations	R0090	226,011
<i>Equities</i>	<i>R0100</i>	<i>322,508</i>
Equities - listed	R0110	317,299
Equities - unlisted	R0120	5,209
<i>Bonds</i>	<i>R0130</i>	<i>110,004,899</i>
Government Bonds	R0140	88,535,811
Corporate Bonds	R0150	21,422,255
Structured notes	R0160	46,833
Collateralised securities	R0170	-
Collective Investments Undertakings	R0180	33,190,612
Derivatives	R0190	-
Deposits other than cash equivalents	R0200	802
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	12,381,389
Loans and mortgages	R0230	370
Loans on policies	R0240	-
Loans and mortgages to individuals	R0250	370
Other loans and mortgages	R0260	-
Reinsurance recoverables from:	R0270	244,920
Non-life and health similar to non-life	R0280	102,652
Non-life excluding health	R0290	75,960
Health similar to non-life	R0300	26,692
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	142,268
Health similar to life	R0320	(5,654)
Life excluding health and index-linked and unit-linked	R0330	147,923
Life index-linked and unit-linked	R0340	-
Deposits to cedants	R0350	15
Insurance and intermediaries receivables	R0360	192,651
Reinsurance receivables	R0370	5,723
Receivables (trade, not insurance)	R0380	74,355
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	3,790,519
Any other assets, not elsewhere shown	R0420	2,397,270
Total assets	R0500	165,107,921

Liabilities	Solvency II value	
		C0010
Technical provisions - non-life	R0510	518,600
Technical provisions - non-life (excluding health)	R0520	221,545
TP calculated as a whole	R0530	-
Best estimate	R0540	213,688
Risk margin	R0550	7,857
Technical provisions - health (similar to non-life)	R0560	297,054
TP calculated as a whole	R0570	-
Best estimate	R0580	284,176
Risk margin	R0590	12,878
TP - life (excluding index-linked and unit-linked)	R0600	133,452,906
Technical provisions - health (similar to life)	R0610	27,817
TP calculated as a whole	R0620	-
Best estimate	R0630	11,887
Risk margin	R0640	15,929
TP - life (excluding health and index-linked and unit-linked)	R0650	133,425,089
TP calculated as a whole	R0660	-
Best estimate	R0670	129,555,655
Risk margin	R0680	3,869,434
TP - index-linked and unit-linked	R0690	11,770,315
TP calculated as a whole	R0700	-
Best estimate	R0710	11,398,372
Risk margin	R0720	371,944
Other technical provisions		-
Contingent liabilities	R0740	636
Provisions other than technical provisions	R0750	16,633
Pension benefit obligations	R0760	1,401
Deposits from reinsurers	R0770	1,939
Deferred tax liabilities	R0780	4,716,334
Derivatives	R0790	-
Debts owed to credit institutions	R0800	-
Financial liabilities other than debts owed to credit institutions	R0810	15,916
Insurance & intermediaries payables	R0820	388,035
Reinsurance payables	R0830	85,778
Payables (trade, not insurance)	R0840	180,132
Subordinated liabilities	R0850	1,042,698
Subordinated liabilities not in BOF	R0860	3,694
Subordinated liabilities in BOF	R0870	1,039,004
Any other liabilities, not elsewhere shown	R0880	822,697
Total liabilities	R0900	153,014,021
Excess of assets over liabilities	R1000	12,093,900

GRUPPO ASSICURATIVO POSTE VITA
S.05.01.02 - PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS

	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Total
Premiums written										
Gross - Direct Business	240,018	180,326		67,916	26,386	35,729	8,067	552	22,071	581,066
Gross - Proportional reinsurance accepted						0			0	0
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share	23,934	7,334		26,241	1,284	22,759	4,168	245	583	86,549
Net	216,085	172,992		41,674	25,102	12,970	3,899	307	21,488	494,517
Premiums earned										
Gross - Direct Business	235,527	174,197		62,781	25,752	24,425	6,076	560	21,959	551,277
Gross - Proportional reinsurance accepted						6			5	11
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share	31,452	9,741		27,577	1,268	14,354	3,551	256	664	88,863
Net	204,075	164,456		35,204	24,484	10,077	2,525	304	21,300	462,425
Claims incurred										
Gross - Direct Business	199,895	75,207		44,277	6,219	13,314	702	12	1,293	340,918
Gross - Proportional reinsurance accepted						47			-8	40
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share	28,335	819		24,986	227	8,969	311	0	-456	63,191
Net	171,560	74,388		19,291	5,992	4,392	391	12	1,741	277,767
Expenses incurred	44,922	54,411		16,021	9,534	10,058	866	403	12,566	148,783
Balance - other technical expenses/income										-221
Total technical expenses										148,562

Line of Business for: life insurance obligations					
	Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Total
Premiums written					
Gross	10,384	17,328,022	439,772	217,405	17,995,583
Reinsurers' share	1,499			78,983	80,482
Net	8,885	17,328,022	439,772	138,422	17,915,101
Premiums earned					
Gross	10,524	17,328,022	439,772	217,264	17,995,583
Reinsurers' share	1,499			78,983	80,482
Net	9,026	17,328,022	439,772	138,281	17,915,101
Claims incurred					
Gross	2,355	13,424,025	900,366	66,586	14,393,332
Reinsurers' share	206			22,698	22,904
Net	2,149	13,424,025	900,366	43,887	14,370,428
Expenses incurred	1,017	515,505	27,966	28,423	572,912
Balance - other technical expenses/income					
Total technical expenses					572,912
Total amount of surrenders		6,187,654	702,545		6,890,199

POSTE VITA INSURANCE GROUP

S.22.01.22 - IMPACT OF LONG TERM GUARANTEES MEASURES AND TRANSITIONALS

	Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
Technical provisions	145,741,820,889			571,198,930	
Basic own funds	12,348,823,433			(393,674,389)	
Eligible own funds to meet Solvency Capital Requirement	14,098,823,433			(393,674,389)	
Solvency Capital Requirement	4,591,653,976			54,580,936	

POSTE VITA INSURANCE GROUP
S.23.01.22 - OWN FUNDS

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector						
Ordinary share capital (gross of own shares)	R0010	1,216,608	1,216,608			
Non-available called but not paid in ordinary share capital to be deducted at group level	R0020					
Share premium account related to ordinary share capital	R0030					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Non-available subordinated mutual member accounts to be deducted at group level	R0060					
Surplus funds	R0070					
Non-available surplus funds to be deducted at group level	R0080					
Preference shares	R0090					
Non-available preference shares to be deducted at group level	R0100					
Share premium account related to preference shares	R0110					
Non-available share premium account related to preference shares at group level	R0120					
Reconciliation reserve	R0130	10,127,292	10,127,292			
Subordinated liabilities	R0140	1,039,004	765,326	273,678		
Non-available subordinated liabilities to be deducted at group level	R0150	4,604			4,604	
An amount equal to the value of net deferred tax assets	R0160					
The amount equal to the value of net deferred tax assets not available to be deducted at the group level	R0170					
Other items approved by supervisory authority as basic own funds not specified above	R0180					
Non available own funds related to other own funds items approved by supervisory authority	R0190					
Minority interests	R0200					
Non-available minority interests to be deducted at group level	R0210	29,477	29,477			
Own funds from the financial statements that shall not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	R0230					
whereof deducted according to art 228 of the Directive 2009/138/EC	R0240					
Deductions for participations where there is non-availability of information (Article 229)	R0250					
Deduction for participations included via Deduction and Aggregation method (D&A) when a combination of methods are used	R0260					
Total of non-available own fund items to be deducted	R0270	34,080	29,477	4,604		
Total deductions	R0280	34,080	29,477	4,604		
Total basic own funds after deductions	R0290	12,348,823	11,314,423	765,326	269,074	
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	1,750,000			1,750,000	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Non available ancillary own funds to be deducted at group level	R0380					
Total ancillary own funds	R0400	1,750,000			1,750,000	

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Own funds of other financial sectors						
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies - total	R0410					
Institutions for occupational retirement provision	R0420					
Non regulated undertakings carrying out financial activities	R0430					
Total own funds of other financial sectors	R0440					
Own funds when using the D&A, exclusively or in combination with method 1						
Own funds aggregated when using the D&A and combination of method	R0450					
Own funds aggregated when using the D&A and combination of method net of IGT	R0460					
Total available own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0520	14,098,823	11,314,423	765,326	2,019,074	
Total available own funds to meet the minimum consolidated group SCR	R0530	12,348,823	11,314,423	765,326	269,074	
Total eligible own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0560	14,098,823	11,314,423	765,326	2,019,074	
Total eligible own funds to meet the minimum consolidated group SCR	R0570	12,348,823	11,314,423	765,326	269,074	
Minimum consolidated Group SCR	R0610	2,066,245				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	597,65%				
Total eligible own funds to meet the total group SCR (including own funds from other financial sector and from the undertakings included via D&A)	R0660	14,098,823	11,314,423	765,326	2,019,074	
Total Group SCR	R0680	4,591,654				
Ratio of Total Eligible own funds to Total group SCR - ratio including other financial sectors and the undertakings included via D&A	R0690	307,05%				
		C0060				
Reconciliation reserve						
Excess of assets over liabilities	R0700	12,093,900				
Own shares (included as assets on the balance sheet)	R0710					
Foreseeable dividends, distributions and charges	R0720	750,000				
Other basic own fund items	R0730	1,216,608				
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740					
Other non available own funds	R0750					
Reconciliation reserve before deduction for participations in other financial sector	R0760	10,127,292				
Expected profits						
Expected profits included in future premiums (EPIFP) - Life Business	R0770	3,191,969				
Expected profits included in future premiums (EPIFP) - Non- life business	R0780	22,330				
Total Expected profits included in future premiums (EPIFP)	R0790	3,214,299				

POSTE VITA INSURANCE GROUP

S.25.01.22 - SOLVENCY CAPITAL REQUIREMENT - FOR GROUPS ON STANDARD FORMULA

	Gross solvency capital requirement	Simplifications
Market risk	8,327,652	
Counterparty default risk	440,587	
Life underwriting risk	12,551,308	
Health underwriting risk	134,149	
Non-life underwriting risk	64,532	
Diversification	-4,615,876	
Intangible asset risk		
Basic Solvency Capital Requirement	16,902,352	

Basic Solvency Capital Requirement (USP)

	USP
Life underwriting risk	
Health underwriting risk	
Non-life underwriting risk	

Calculation of Solvency Capital Requirement

Operational risk	725,469
Loss-absorbing capacity of technical provisions	-11,649,448
Loss-absorbing capacity of deferred taxes	-1,441,266
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	
Solvency capital requirement excluding capital add-on	4,537,107
Capital add-on already set	54,547
Solvency capital requirement	54,547
Other information on SCR	
Capital requirement for duration-based equity risk sub-module	
Total amount of Notional Solvency Capital Requirements for remaining part	
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	4,591,653,976
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	
Diversification effects due to RFF nSCR aggregation for article 304	
Minimum consolidated group solvency capital requirement	
Information on other entities	
Capital requirement for other financial sectors (Non-insurance capital requirements)	
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	2,066,244,971
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated undertakings carrying out financial activities	
Capital requirement for non-controlled participation	
Capital requirement for residual undertakings	
Capital requirement for collective investment undertakings or investments packaged as funds	
Overall SCR	
SCR for undertakings included via D&A method	
Total group solvency capital requirement	4,591,654

GRUPPO ASSICURATIVO POSTE VITA
S.32.01.22 - UNDERTAKINGS IN THE SCOPE OF THE GROUP

Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Category (mutual/non mutual)	Supervisory Authority
EN	815600C3162E56F1CB29	1 - LEI	1 - LEI	Poste Assicura SpA	2 - Non life insurance undertaking	2 - Non life insurance undertaking	Joint Stock Company	2 - Non-mutual	2 - Non-mutual	Italian Insurance Supervisory Authority
EN	8156001CB3B48E80F923	1 - LEI	1 - LEI	Poste Vita SpA	4 - Composite undertaking	4 - Composite undertaking	Joint Stock Company	2 - Non-mutual	2 - Non-mutual	Italian Insurance Supervisory Authority
EN	815600EED4C522727110	1 - LEI	1 - LEI	Net Insurance SpA	2 - Non life insurance undertaking	2 - Non life insurance undertaking	Joint Stock Company	2 - Non-mutual	2 - Non-mutual	Italian Insurance Supervisory Authority
EN	815600B99BB23B278D41	1 - LEI	1 - LEI	Net Insurance Life SpA	1 - Life insurance undertaking	1 - Life insurance undertaking	Joint Stock Company	2 - Non-mutual	2 - Non-mutual	Italian Insurance Supervisory Authority

% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Level of influence	Proportional share used for group solvency calculation	Yes/No	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking	Method used and under method 1, treatment of the undertaking
100.00%	100.00%	100.00%		1 - Dominant	1 - Dominant	100.00%	1 - Included in the scope	1 - Included in the scope		1 - Method 1: Full consolidation	1 - Method 1: Full consolidation
										1 - Method 1: Full consolidation	1 - Method 1: Full consolidation
58.70%	58.70%	58.70%		1 - Dominant	1 - Dominant	58.70%	1 - Included in the scope	1 - Included in the scope		1 - Method 1: Full consolidation	1 - Method 1: Full consolidation
58.70%	58.70%	58.70%		1 - Dominant	1 - Dominant	58.70%	1 - Included in the scope	1 - Included in the scope		1 - Method 1: Full consolidation	1 - Method 1: Full consolidation

Poste Vita SpA

With regard to the provisions of Article 3 of the Implementing Regulation 2023/895, the Parent Company Poste Vita's Quantitative Reporting Templates, to be annexed to this Report, are shown below with figures for 31.12.2023, expressed in €k. Please note that form S.04.05.21 Premiums, claims and expenses by country was not prepared in that business is concentrated within Italy:

- S.02.01.02 - Balance Sheet
- S.05.01.02 - Premiums, claims and expenses by line of business
- S.12.01.02 - Life and Health SLT Technical Provisions
- S.22.01.21 - Impact of long term guarantees measures and transitionals
- S.23.01.01 - Own funds
- S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
- S.28.02.01 - Minimum capital Requirement - Both life and non-life insurance activity

POSTE VITA SpA
S.02.01.02 BALANCE SHEET

Assets	Solvency II value	
		C0010
Intangible assets	R0030	
Deferred tax assets	R0040	2,212,584
Pension benefit surplus	R0050	-
Property, plant & equipment held for own use	R0060	7,841
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	143,161,186
Property (other than for own use)	R0080	-
Holdings in related undertakings, including participations	R0090	657,842
<i>Equities</i>	<i>R0100</i>	<i>317,261</i>
Equities - listed	R0110	317,261
Equities - unlisted	R0120	-
<i>Bonds</i>	<i>R0130</i>	<i>109,016,227</i>
Government Bonds	R0140	87,750,380
Corporate Bonds	R0150	21,219,014
Structured notes	R0160	46,833
Collateralised securities	R0170	-
Collective Investments Undertakings	R0180	33,169,856
Derivatives	R0190	-
Deposits other than cash equivalents	R0200	-
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	12,381,389
Loans and mortgages	R0230	-
Loans on policies	R0240	-
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	-
Reinsurance recoverables from:	R0270	4,654
Non-life and health similar to non-life	R0280	-
Non-life excluding health	R0290	-
Health similar to non-life	R0300	-
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	4,654
Health similar to life	R0320	(5,006)
Life excluding health and index-linked and unit-linked	R0330	9,660
Life index-linked and unit-linked	R0340	-
Deposits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	53,016
Reinsurance receivables	R0370	1,040
Receivables (trade, not insurance)	R0380	74,576
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	3,759,373
Any other assets, not elsewhere shown	R0420	2,367,845
Total assets	R0500	164,023,505

Liabilities	Solvency II value	
		C0010
Technical provisions - non-life	R0510	-
Technical provisions - non-life (excluding health)	R0520	-
TP calculated as a whole	R0530	-
Best estimate	R0540	-
Risk margin	R0550	-
Technical provisions - health (similar to non-life)	R0560	-
TP calculated as a whole	R0570	-
Best estimate	R0580	-
Risk margin	R0590	-
TP - life (excluding index-linked and unit-linked)	R0600	133,217,971
Technical provisions - health (similar to life)	R0610	28,266
TP calculated as a whole	R0620	-
Best estimate	R0630	12,346
Risk margin	R0640	15,920
TP - life (excluding health and index-linked and unit-linked)	R0650	133,189,705
TP calculated as a whole	R0660	-
Best estimate	R0670	129,324,514
Risk margin	R0680	3,865,191
TP - index-linked and unit-linked	R0690	11,770,315
TP calculated as a whole	R0700	-
Best estimate	R0710	11,398,372
Risk margin	R0720	371,944
Other Technical Provisions	R0740	-
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	14,859
Pension benefit obligations	R0760	601
Deposits from reinsurers	R0770	-
Deferred tax liabilities	R0780	4,671,254
Derivatives	R0790	-
Debts owed to credit institutions	R0800	-
Financial liabilities other than debts owed to credit institutions	R0810	13,142
Insurance & intermediaries payables	R0820	313,623
Reinsurance payables	R0830	12
Payables (trade, not insurance)	R0840	131,960
Subordinated liabilities	R0850	1,031,550
Subordinated liabilities not in BOF	R0860	3,694
Subordinated liabilities in BOF	R0870	1,027,856
Any other liabilities, not elsewhere shown	R0880	806,784
Total liabilities	R0900	151,972,071
Excess of assets over liabilities	R1000	12,051,434

POSTE VITA SPA
S.05.01.02 - PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS

	Line of Business for: life insurance obligations				Total
	Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	
Premiums written					
Gross	9,674	17,328,022	439,772	111,706	17,889,174
Reinsurers' share	1,286	-	-	6,914	8,200
Net	8,388	17,328,022	439,772	104,792	17,880,974
Premiums earned					
Gross	9,814	17,328,022	439,772	111,565	17,889,174
Reinsurers' share	1,286	-	-	6,914	8,200
Net	8,529	17,328,022	439,772	104,651	17,880,974
Claims incurred					
Gross	2,355	13,424,025	900,366	43,480	14,370,226
Reinsurers' share	206	-	-	7,341	7,547
Net	2,149	13,424,025	900,366	36,139	14,362,679
Expenses incurred	899	515,505	27,966	33,420	577,789
Balance - other technical expenses/ income					-
Total technical expenses					577,789
Total amount of surrenders	-	6,187,654	702,545	-	6,890,199

POSTE VITA SPA
S.12.01.02 - LIFE AND HEALTH SLT TECHNICAL PROVISIONS

	Index-linked and unit-linked insurance		Other life insurance		Health insurance (direct business)		Total (Health similar to life insurance)		
	Insurance with profit participation	Contracts with options or guarantees	Contracts with options or guarantees	Total (Life other than health insurance, including Unit-Linked)	Contracts without options and guarantees	Contracts with options or guarantees			
Technical provisions calculated as a whole				0			0		
Total Recoverables from reinsurance/ SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole				0			0		
Technical provisions calculated as a sum of BE and RM									
Best Estimate									
Gross Best Estimate	129,185,432	11,398,372	139,082	140,722,886		12,346	12,346		
Total Recoverables from reinsurance/ SPV and Finite Re after the adjustment for expected losses due to counterparty default									
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	124	-	-	9,536	9,660	-	(5,006)	(5,006)	
Best estimate minus recoverables from reinsurance/ SPV and Finite Re	129,185,308	-	11,398,372	-	129,545	140,713,226	-	17,352	17,352
Risk Margin	3,808,042	371,944	-	57,149	-	4,237,135	15,920	-	15,920
Technical provisions - total	132,993,474	11,770,315	-	196,231	-	144,960,020	28,266	-	28,266

POSTE VITA SPA
S.22.01.21 - IMPACT OF LONG TERM GUARANTEES MEASURES AND TRANSITIONALS

	Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
Technical provisions	144,988,286	-	-	568,807	
Basic own funds	12,329,290	-	-	(393,362)	
Eligible own funds to meet Solvency Capital Requirement	14,079,290	-	-	(393,362)	
Solvency Capital Requirement	4,532,196	-	-	58,557	
Eligible own funds to meet Minimum Capital Requirement	12,329,290	-	-	(393,362)	
Minimum Capital Requirement	2,039,488	-	-	26,351	

POSTE VITA SPA
S.23.01.01 - OWN FUNDS

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35						
Ordinary share capital (gross of own shares)	R0010	1,216,608	1,216,608			
Share premium account related to ordinary share capital	R0030					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	10,084,826	10,084,826			
Subordinated liabilities	R0140	1,027,856		765,326	262,530	
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II OF						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	12,329,290	11,301,434	765,326	262,530	
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	1,750,000			1,750,000	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400	1,750,000			1,750,000	
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	14,079,290	11,301,434	765,326	2,012,530	
Total available own funds to meet the MCR	R0510	12,329,290	11,301,434	765,326	262,530	
Total eligible own funds to meet the SCR	R0540	14,079,290	11,301,434	765,326	2,012,530	
Total eligible own funds to meet the MCR	R0550	12,329,290	11,301,434	765,326	262,530	

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
SCR	R0580	4,532,196				
MCR	R0600	2,039,488				
Ratio of Eligible own funds to SCR	R0620	310.65%				
Ratio of Eligible own funds to MCR	R0640	604.53%				
		C0060				
Reconciliation reserve						
Excess of assets over liabilities	R0700	12,051,434				
Own shares (held directly and indirectly)	R0710	-				
Foreseeable dividends, distributions and charges	R0720	750,000				
Other basic own fund items	R0730	1,216,608				
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-				
Reconciliation reserve	R0760	10,084,826				
Expected profits						
Expected profits included in future premiums (EPIFP) - Life Business	R0770	3,191,969				
Expected profits included in future premiums (EPIFP) - Non- life business	R0780	-				
Total Expected profits included in future premiums (EPIFP)	R0790	3,191,969				

POSTE VITA SPA

S.25.01.21 - SOLVENCY CAPITAL REQUIREMENT - FOR UNDERTAKINGS ON STANDARD FORMULA

	Gross solvency capital requirement	Simplifications
Market risk	8,416,783	
Counterparty default risk	420,878	
Life underwriting risk	12,537,162	
Health underwriting risk	23,552	
Non-life underwriting risk	-	
Diversification	(4,497,994)	
Intangible asset risk	-	
Basic Solvency Capital Requirement	16,900,381	

Basic Solvency Capital Requirement (USP)

	USP
Life underwriting risk	
Health underwriting risk	
Non-life underwriting risk	

Calculation of Solvency Capital Requirement

Operational risk	704,968
Loss-absorbing capacity of technical provisions	(11,641,933)
Loss-absorbing capacity of deferred taxes	(1,431,220)
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	-
Solvency capital requirement excluding capital add-on	4,532,196
Capital add-on already set	
<i>of which, capital add-ons already set - Article 37 (1) Type a</i>	
<i>of which, capital add-ons already set - Article 37 (1) Type b</i>	
<i>of which, capital add-ons already set - Article 37 (1) Type c</i>	
<i>of which, capital add-ons already set - Article 37 (1) Type d</i>	
Solvency capital requirement	4,532,196
Other information on SCR	
Capital requirement for duration-based equity risk sub-module	
Total amount of Notional Solvency Capital Requirements for remaining part	
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	
Diversification effects due to RFF nSCR aggregation for article 304	

Approach to tax rate

	Yes/No
Approach based on average tax rate	2 - No

Calculation of loss absorbing capacity of deferred taxes

LAC DT	(1,431,220)
LAC DT justified by reversion of deferred tax liabilities	(1,431,220)
LAC DT justified by reference to probable future taxable profit	-
LAC DT justified by carry back, current year	-
LAC DT justified by carry back, future years	-
Maximum LAC DT	(1,431,220)

POSTE VITA SpA

S.28.02.01 - MINIMUM CAPITAL REQUIREMENT - BOTH LIFE AND NON-LIFE INSURANCE ACTIVITY

Linear formula component for life insurance and reinsurance obligations.

	Non-life activities		Life activities	
	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
MCR calculation Life				
Obligations with profit participation - guaranteed benefits			106,262,073	
Obligations with profit participation - future discretionary benefits			22,923,235	
Index-linked and unit-linked insurance obligations			11,398,372	
Other life (re)insurance and health (re)insurance obligations			146,898	
Total capital at risk for all life (re)insurance obligations				24,236,744

	Non-life activities	Life activities
Linear formula component for life insurance and reinsurance obligations		2,839,528
Overall MCR calculation		
Linear MCR		2,839,528
SCR		4,532,196
MCR cap		2,039,488
MCR floor		1,133,049
Combined MCR		2,039,488
Absolute floor of the MCR		5,400
Minimum Capital Requirement		2,039,488
Notional non-life and life MCR calculation		
Notional linear MCR		2,839,528
Notional SCR excluding add-on (annual or latest calculation)		4,532,196
Notional MCR cap		2,039,488
Notional MCR floor		1,133,049
Notional Combined MCR		2,039,488
Absolute floor of the notional MCR		5,400
Notional MCR		2,039,488

Poste Assicura SpA

With regard to the provisions of Article 3 of the Implementing Regulation 2023/895, the Parent Company Poste Vita's Quantitative Reporting Templates, to be annexed to this Report, are shown below with figures for 31.12.2023, expressed in €k. Please note that form S.04.05.21 Premiums, claims and expenses by country was not prepared in that business is concentrated within Italy:

- S.02.01.02 - Balance Sheet
- S.05.01.02 - Premiums, claims and expenses by line of business
- S.12.01.02 - Life and Health SLT Technical Provisions
- S.22.01.21 - Impact of long term guarantees measures and transitionals
- S.23.01.01 - Own funds
- S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
- S.28.02.01 - Minimum capital Requirement - Both life and non-life insurance activity

POSTE ASSICURA SPA
S.02.01.02 - BALANCE SHEET

Assets	Solvency II value	
		C0010
Intangible assets	R0030	
Deferred tax assets	R0040	25,496
Pension benefit surplus	R0050	-
Property, plant & equipment held for own use	R0060	2,274
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	732,748
Property (other than for own use)	R0080	-
Holdings in related undertakings, including participations	R0090	416
Equities	R0100	-
Equities - listed	R0110	-
Equities - unlisted	R0120	-
Bonds	R0130	732,332
Government Bonds	R0140	623,706
Corporate Bonds	R0150	108,626
Structured notes	R0160	-
Collateralised securities	R0170	-
Collective Investments Undertakings	R0180	-
Derivatives	R0190	-
Deposits other than cash equivalents	R0200	-
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	-
Loans and mortgages	R0230	-
Loans on policies	R0240	-
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	-
Reinsurance recoverables from:	R0270	32,476
Non-life and health similar to non-life	R0280	32,476
Non-life excluding health	R0290	5,673
Health similar to non-life	R0300	26,803
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	-
Health similar to life	R0320	-
Life excluding health and index-linked and unit-linked	R0330	-
Life index-linked and unit-linked	R0340	-
Deposits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	81,473
Reinsurance receivables	R0370	1,644
Receivables (trade, not insurance)	R0380	2,235
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	18,155
Any other assets, not elsewhere shown	R0420	20,365
Total assets	R0500	916,865

Liabilities	Solvency II value	
		C0010
Technical provisions - non-life	R0510	358,165
Technical provisions - non-life (excluding health)	R0520	70,328
TP calculated as a whole	R0530	-
Best estimate	R0540	66,767
Risk margin	R0550	3,561
Technical provisions - health (similar to non-life)	R0560	287,838
TP calculated as a whole	R0570	-
Best estimate	R0580	275,454
Risk margin	R0590	12,383
TP - life (excluding index-linked and unit-linked)	R0600	-
Technical provisions - health (similar to life)	R0610	-
TP calculated as a whole	R0620	-
Best estimate	R0630	-
Risk margin	R0640	-
TP - life (excluding health and index-linked and unit-linked)	R0650	-
TP calculated as a whole	R0660	-
Best estimate	R0670	-
Risk margin	R0680	-
TP - index-linked and unit-linked	R0690	-
TP calculated as a whole	R0700	-
Best estimate	R0710	-
Risk margin	R0720	-
Other technical provisions	R0730	-
Contingent liabilities	R0740	636
Provisions other than technical provisions	R0750	1,467
Pension benefit obligations	R0760	358
Deposits from reinsurers	R0770	-
Deferred tax liabilities	R0780	34,835
Derivatives	R0790	-
Debts owed to credit institutions	R0800	-
Financial liabilities other than debts owed to credit institutions	R0810	2,323
Insurance & intermediaries payables	R0820	57,149
Reinsurance payables	R0830	37,301
Payables (trade, not insurance)	R0840	38,107
Subordinated liabilities	R0850	-
Subordinated liabilities not in BOF	R0860	-
Subordinated liabilities in BOF	R0870	-
Any other liabilities, not elsewhere shown	R0880	15,134
Total liabilities	R0900	545,476
Excess of assets over liabilities	R1000	371,389

POSTE ASSICURA SPA
S.05.01.02 - PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS

	Medical expense insurance	Income protection insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Total
Premiums written									
Gross - Direct Business	236,668	172,012	33,507	24,760	663	7,635	95	20,695	496,034
Gross - Proportional reinsurance accepted	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	-	-	-	-	-	-	-	-	-
Reinsurers' share	23,551	6,354	4,300	1,208	-	3,783	-	599	39,795
Net	213,117	165,658	29,207	23,552	663	3,851	95	20,095	456,238
Premiums earned	-	-	-	-	-	-	-	-	-
Gross - Direct Business	234,231	165,898	26,497	24,157	132	5,623	106	20,914	477,558
Gross - Proportional reinsurance accepted	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	-	-	-	-	-	-	-	-	-
Reinsurers' share	31,123	8,791	4,300	1,191	-	3,148	-	696	49,249
Net	203,108	157,108	22,196	22,966	132	2,476	106	20,218	428,309
Claims incurred	-	-	-	-	-	-	-	-	-
Gross - Direct Business	198,962	73,212	17,106	5,866	41	679	13	1,773	297,651
Gross - Proportional reinsurance accepted	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	-	-	-	-	-	-	-	-	-
Reinsurers' share	28,299	858	6,214	227	-	325	0	(80)	35,844
Net	170,663	72,354	10,891	5,639	41	354	12	1,853	261,807
Expenses incurred	44,464	52,800	11,784	9,161	117	683	64	11,967	131,040
Balance - other technical expenses/income	-	-	-	-	-	-	-	-	-
Total technical expenses	-	-	-	-	-	-	-	-	131,040
Total amount of surrenders									-

POSTE ASSICURA SPA
S.17.01.02 - NON - LIFE TECHNICAL PROVISIONS

	Medical expense insurance	Income protection insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Total
Technical provisions calculated as a whole									
Total Recoverables from reinsurance/ SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole									
Technical Provisions calculated as a sum of BE and RM									
Best estimate									
Premium provisions									
Gross - Total	17,711	40,211	494	(1,274)	832	670	12	23,886	82,542
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	5,173	(931)	(2,603)	(604)	-	(366)	-	123	793
Net Best Estimate of Premium Provisions	12,538	41,141	3,097	(670)	832	1,036	12	23,762	81,750
Claims provisions	-	-	-	-	-	-	-	-	-
Gross - Total	102,304	115,228	17,354	20,554	76	1,266	9	2,887	259,679
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	19,623	2,937	6,266	2,122	-	650	0	84	31,683
Net Best Estimate of Claims Provisions	82,681	112,291	11,088	18,432	76	616	9	2,802	227,996
Total Best estimate - gross	120,015	155,439	17,848	19,280	908	1,936	22	26,772	342,221
Total Best estimate - net	95,219	153,432	14,185	17,762	908	1,653	22	26,565	309,746
Risk margin	3,569	8,814	805	1,316	96	56	2	1,286	15,944
Technical provisions - total	-	-	-	-	-	-	-	-	-
Technical provisions - total	123,585	164,253	18,654	20,596	1,004	1,992	23	28,059	358,165
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	24,796	2,007	3,663	1,518	-	284	0	208	32,476
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	98,789	162,246	14,991	19,078	1,004	1,708	23	27,851	325,690

POSTE ASSICURA SPA
S.19.01.21 - NON-LIFE INSURANCE CLAIMS

	Development year (absolute amount)											In Current year	Sum of years (cumulative)	
	0	1	2	3	4	5	6	7	8	9	10 & +			
Gross Claims Paid (non-cumulative)														
Prior	9,515	13,780	5,408	1,051	668	610	599	750	339	97	86		1	32,903
2014	5,389	7,205	2,409	659	296	25	176	130	35	7			7	16,331
2015	6,822	8,221	2,406	929	140	63	121	20	95				95	18,818
2016	7,669	9,085	1,751	561	157	148	154	63					63	19,587
2017	9,786	11,905	3,129	442	124	125	444						444	25,954
2018	15,017	12,859	3,805	2,132	237	840							840	34,891
2019	42,243	28,144	8,589	1,297	1,819								1,819	82,092
2020	41,727	37,463	6,292	1,580									1,580	87,062
2021	75,972	60,649	12,642										12,642	149,263
2022	90,514	72,019											72,019	162,533
2023	135,780												135,780	135,780
Total													225,290	765,214

	Development year (absolute amount)											Year end (discounted data)		
	0	1	2	3	4	5	6	7	8	9	10 & +			
Gross undiscounted Best Estimate Claims Provisions														
Prior	0	0	0	3,668	4,342	5,016	3,632	2,967	1,873	926	0			301
2014	0	0	11,156	7,555	3,431	1,665	1,157	539	258	168				165
2015	0	19,272	14,853	10,386	3,589	2,112	891	710	441					433
2016	31,013	15,899	12,583	10,745	6,042	1,672	733	607						590
2017	28,111	12,878	8,732	8,294	3,792	1,181	698							673
2018	32,080	14,333	9,946	6,108	2,404	1,510								1,469
2019	42,308	22,037	15,005	9,079	4,653									4,511
2020	57,004	28,113	14,879	9,065										8,619
2021	94,351	39,813	21,062											20,108
2022	127,520	53,908												51,699
2023	163,455													158,258
Total														246,825

POSTE ASSICURA SPA
S.23.01.01 - OWN FUNDS

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35						
Ordinary share capital (gross of own shares)	R0010	25,000	25,000			
Share premium account related to ordinary share capital	R0030					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	346,389	346,389			
Subordinated liabilities	R0140					
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	371,389	371,389			
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	371,389	371,389			
Total available own funds to meet the MCR	R0510	371,389	371,389			
Total eligible own funds to meet the SCR	R0540	371,389	371,389			
Total eligible own funds to meet the MCR	R0550	371,389	371,389			
SCR	R0580	158,321				
MCR	R0600	65,193				
Ratio of Eligible own funds to SCR	R0620	234.58%				
Ratio of Eligible own funds to MCR	R0640	569.68%				

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0060				
Reconciliation reserve						
Excess of assets over liabilities	R0700	371.389				
Own shares (held directly and indirectly)	R0710	-				
Foreseeable dividends, distributions and charges	R0720	-				
Other basic own fund items	R0730	25.000				
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-				
Reconciliation reserve	R0760	346.389				
Expected profits						
Expected profits included in future premiums (EPIFP) - Life Business	R0770					
Expected profits included in future premiums (EPIFP) - Non- life business	R0780	22.330				
Total Expected profits included in future premiums (EPIFP)	R0790	22.330				

POSTE ASSICURA SPA

S.25.01.21 - SOLVENCY CAPITAL REQUIREMENT - FOR UNDERTAKINGS ON STANDARD FORMULA

	Gross solvency capital requirement	Simplifications
Market risk	26,893	
Counterparty default risk	11,875	
Life underwriting risk	-	
Health underwriting risk	116,215	
Non-life underwriting risk	37,290	
Diversification	(54,007)	
Intangible asset risk	-	
Basic Solvency Capital Requirement	138,265	

Basic Solvency Capital Requirement (USP)

	USP
Life underwriting risk	
Health underwriting risk	
Non-life underwriting risk	

Calculation of Solvency Capital Requirement

Operational risk	15,505
Loss-absorbing capacity of technical provisions	-
Loss-absorbing capacity of deferred taxes	(49,996)
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	-
Solvency capital requirement excluding capital add-on	103,774
Capital add-on already set	54,547
<i>of which, capital add-ons already set - Article 37 (1) Type a</i>	<i>54,547</i>
<i>of which, capital add-ons already set - Article 37 (1) Type b</i>	<i>-</i>
<i>of which, capital add-ons already set - Article 37 (1) Type c</i>	<i>-</i>
<i>of which, capital add-ons already set - Article 37 (1) Type d</i>	<i>-</i>
Solvency capital requirement	158,321
Other information on SCR	
Capital requirement for duration-based equity risk sub-module	
Total amount of Notional Solvency Capital Requirements for remaining part	
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	
Diversification effects due to RFF nSCR aggregation for article 304	

Approach to tax rate

	Yes/No
Approach based on average tax rate	2 - No

Calculation of loss absorbing capacity of deferred taxes

LAC DT	(49,996)
LAC DT justified by reversion of deferred tax liabilities	-
LAC DT justified by reference to probable future taxable profit	(49,996)
LAC DT justified by carry back, current year	-
LAC DT justified by carry back, future years	-
Maximum LAC DT	-

POSTE ASSICURA SPA
S.28.01.01 - MINIMUM CAPITAL REQUIREMENT - ONLY LIFE OR ONLY NON-LIFE INSURANCE OR REINSURANCE ACTIVITY

Linear formula component for non-life insurance and reinsurance obligations.

MCR calculation Non Life	Non-life activities	
	Net (of reinsurance/ SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
Medical expense insurance and proportional reinsurance	95,219	213,112
Income protection insurance and proportional reinsurance	153,432	165,664
Workers' compensation insurance and proportional reinsurance	-	-
Motor vehicle liability insurance and proportional reinsurance	-	-
Other motor insurance and proportional reinsurance	-	-
Marine, aviation and transport insurance and proportional reinsurance	-	-
Fire and other damage to property insurance and proportional reinsurance	14,185	29,206
General liability insurance and proportional reinsurance	17,762	23,552
Credit and suretyship insurance and proportional reinsurance	908	663
Legal expenses insurance and proportional reinsurance	1,653	3,851
Assistance and proportional reinsurance	22	95
Miscellaneous financial loss insurance and proportional reinsurance	26,565	20,097
Non-proportional health reinsurance	-	-
Non-proportional casualty reinsurance	-	-
Non-proportional marine, aviation and transport reinsurance	-	-
Non-proportional property reinsurance	-	-

Linear formula component for life insurance and reinsurance obligations.

MCR calculation Life	Life activities	
	Net (of reinsurance/ SPV) best estimate and TP calculated as a whole	Net (of reinsurance/ SPV) total capital at risk
Obligations with profit participation - guaranteed benefits		
Obligations with profit participation - future discretionary benefits		
Index-linked and unit-linked insurance obligations		
Other life (re)insurance and health (re)insurance obligations		
Total capital at risk for all life (re)insurance obligations		
	Non-life activities	Life activities
MCRNL Result	65,193	
MCRL Result		

OVERALL MCR CALCULATION

Linear MCR	65,193
SCR	158,321
MCR cap	71,244
MCR floor	39,580
Combined MCR	65,193
Absolute floor of the MCR	4,000
Minimum Capital Requirement	65,193

Net Insurance SpA

With regard to the provisions of Article 3 of the Implementing Regulation 2023/895, the Parent Company Poste Vita's Quantitative Reporting Templates, to be annexed to this Report, are shown below with figures for 31.12.2023, expressed in €k. Please note that form S.04.05.21 Premiums, claims and expenses by country was not prepared in that business is concentrated within Italy:

- S.02.01.02 - Balance Sheet
- S.05.01.02 - Premiums, claims and expenses by line of business
- S.17.01.02 - Non-life Technical Provisions
- S.19.01.21 - Non-life Insurance Claims Information
- S.22.01.21 - Impact of long term guarantees measures and transitionals
- S.23.01.01 - Own funds
- S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
- S.28.01.01 - Minimum capital Requirement - Only life or only non-life insurance or reinsurance activity

NET INSURANCE SPA
S.02.01.02 BALANCE SHEET

Assets	Solvency II value	
		C0010
Intangible assets	R0030	
Deferred tax assets	R0040	8,323
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	6,059
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	167,122
Property (other than for own use)	R0080	
Holdings in related undertakings, including participations	R0090	44,526
Equities	R0100	5,209
Equities - listed	R0110	0
Equities - unlisted	R0120	5,209
Bonds	R0130	108,514
Government Bonds	R0140	62,916
Corporate Bonds	R0150	45,598
Structured notes	R0160	
Collateralised securities	R0170	
Collective Investments Undertakings	R0180	8,872
Derivatives	R0190	
Deposits other than cash equivalents	R0200	
Other investments	R0210	
Loans and mortgages	R0230	315
Assets held for index-linked and unit-linked contracts	R0220	
Loans and mortgages	R0230	
Loans on policies	R0240	
Loans and mortgages to individuals	R0250	
Other loans and mortgages	R0260	
Reinsurance recoverables from:	R0270	70,176
Non-life and health similar to non-life	R0280	70,176
Non-life excluding health	R0290	70,287
Health similar to non-life	R0300	-111
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	
Health similar to life	R0320	
Life excluding health and index-linked and unit-linked	R0330	
Life index-linked and unit-linked	R0340	
Deposits to cedants	R0350	15
Insurance and intermediaries receivables	R0360	53,270
Reinsurance receivables	R0370	37
Receivables (trade, not insurance)	R0380	5,839
Own shares (held directly)	R0390	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0
Cash and cash equivalents	R0410	2,089
Any other assets, not elsewhere shown	R0420	11,661
Total assets	R0500	324,906

Liabilities	Solvency II value	
		C0010
Technical provisions - non-life	R0510	160,434
Technical provisions - non-life (excluding health)	R0520	151,218
TP calculated as a whole	R0530	
Best estimate	R0540	146,921
Risk margin	R0550	4,297
Technical provisions - health (similar to non-life)	R0560	9,217
TP calculated as a whole	R0570	
Best estimate	R0580	8,722
Risk margin	R0590	495
TP - life (excluding index-linked and unit-linked)	R0600	
Technical provisions - health (similar to life)	R0610	
TP calculated as a whole	R0620	
Best estimate	R0630	
Risk margin	R0640	
TP - life (excluding health and index-linked and unit-linked)	R0650	
TP calculated as a whole	R0660	
Best estimate	R0670	
Risk margin	R0680	
TP - index-linked and unit-linked	R0690	
TP calculated as a whole	R0700	
Best estimate	R0710	
Risk margin	R0720	
Other Technical Provisions	R0740	
Contingent liabilities	R0740	
Provisions other than technical provisions	R0750	307
Pension benefit obligations	R0760	289
Deposits from reinsurers	R0770	
Deferred tax liabilities	R0780	4,055
Derivatives	R0790	
Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810	427
Insurance & intermediaries payables	R0820	12,950
Reinsurance payables	R0830	19,703
Payables (trade, not insurance)	R0840	11,834
Subordinated liabilities	R0850	11,148
Subordinated liabilities not in BOF	R0860	
Subordinated liabilities in BOF	R0870	11,148
Any other liabilities, not elsewhere shown	R0880	4,410
Total liabilities	R0900	225,557
Excess of assets over liabilities	R1000	99,349

NET INSURANCE SPA
S.05.01.02 - PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS

	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Total
Premiums written										
Gross - Direct Business	3,685	12,970	0	42,772	2,191	44,871	603	605	2,178	109,876
Gross - Proportional reinsurance accepted										0
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share	418	1,471		27,620	116	28,822	538	354	-29	59,309
Net	3,267	11,499		15,152	2,075	16,048	65	251	2,207	50,565
Premiums earned										
Gross - Direct Business	1,525	11,472		42,402	2,130	32,176	617	596	1,549	92,468
Gross - Proportional reinsurance accepted										0
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share	358	1,359		27,706	116	18,811	551	360	-26	49,234
Net	1,167	10,114		14,695	2,015	13,387	67	236	1,580	43,260
Claims incurred										
Gross - Direct Business	979	2,634		28,784	516	18,331	10	1	-300	50,954
Gross - Proportional reinsurance accepted										0
Gross - Non-proportional reinsurance accepted										0
Reinsurers' share	48	129		19,916	4	11,936	53	1	-368	31,718
Net	931	2,506		8,868	512	6,461	-44	0	54	19,287
Expenses incurred	606	2,133		6,039	473	12,775	226	414	702	23,368
Balance - other technical expenses/income										-796
Total technical expenses										22,572

NET INSURANCE SPA
S.17.01.02 - NON - LIFE TECHNICAL PROVISIONS

	Medical expense insurance	Income protection insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Total
Technical provisions calculated as a whole									
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole									
Technical Provisions calculated as a sum of BE and RM									
Best estimate									
Premium provisions									
Gross - Total	567	5,758	7,533	-24	114,666	-30	-137	3,214	131,548
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	-93	-26	3,636	-13	53,831	20	-158	0	57,197
Net Best Estimate of Premium Provisions	660	5,784	3,897	-11	60,875	-48	21	3,214	74,393
Claims provisions									
Gross - Total	575	1,821	3,136	477	16,981	198	2	904	24,095
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	2	6	1,623	0	11,091	177	2	129	13,030
Net Best Estimate of Claims Provisions	573	1,815	1,513	477	5,894	26	0	775	11,074
Total Best estimate - gross	1,142	7,580	10,669	453	131,647	168	-135	4,118	155,643
Total Best estimate - net	1,233	7,600	5,411	466	66,769	-22	21	3,989	85,467
Risk margin	69	426	303	26	3,741	1	1	224	4,791
Technical provisions - total									
Technical provisions - total	1,211	8,006	10,972	479	135,389	169	-134	4,342	160,434
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	-91	-20	5,258	-13	64,879	190	-156	129	70,176
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	1,303	8,026	5,714	492	70,510	-21	23	4,213	90,258

NET INSURANCE SPA

S.19.01.21 - NON-LIFE INSURANCE CLAIMS

	Development year (absolute amount)											In Current year	Sum of years (cumulative)	
	0	1	2	3	4	5	6	7	8	9	10 & +			
Gross Claims Paid (non-cumulative)														
Prior	142,839	107,998	14,547	1,173	-2,457	-2,647	-2,281	-2,712	-2,404	-2,384	-1,985	-1,985	249,687	
2014	22,290	23,644	9,724	395	-657	-570	-1,108	-994	-922	-782		-782	50,993	
2015	27,723	24,445	5,326	108	-163	-1,309	-1,173	-1,143	-896			-896	52,897	
2016	20,206	18,233	3,232	489	-181	-798	-932	-591				-591	39,624	
2017	16,010	12,377	2,103	625	-381	-642	-732					-732	29,333	
2018	18,875	10,686	2,787	502	-615	-572						-572	31,583	
2019	12,696	9,865	1,753	229	-467							-467	23,963	
2020	12,974	11,145	1,788	-187								-187	25,629	
2021	16,587	9,821	691									691	27,008	
2022	19,717	17,628										17,628	37,303	
2023	24,242											24,242	24,238	
Total												36,349	592,258	

	Development year (absolute amount)											Sum of years (cumulative)	
	0	1	2	3	4	5	6	7	8	9	10 & +		
Gross Claims Paid (non-cumulative)													
Prior	149,103	21,833	8,153	1,655	1,029	855	1,090	493	606	0	0	0	0
2014	30,480	9,528	4,998	1,118	725	377	219	4	45	0		0	0
2015	30,393	10,925	3,896	2,441	232	31	26	26	71			75	75
2016	30,781	13,844	4,075	2,307	432	46	21	9				9	9
2017	31,505	12,798	3,075	1,719	157	21	21					18	18
2018	17,187	9,361	2,303	945	91	19						22	22
2019	15,447	5,346	1,406	1,109	52							46	46
2020	15,081	3,027	960	200								157	157
2021	17,667	2,372	424									343	343
2022	16,677	2,884										2,910	2,910
2023	19,303											15,853	15,853
Total												19,434	19,434

NET INSURANCE SPA

S.22.01.21 - IMPACT OF LONG TERM GUARANTEES MEASURES AND TRANSITIONALS

	Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
Technical provisions	160,434			1,051	
Basic own funds	101,628			-632	
Eligible own funds to meet Solvency Capital Requirement	101,628			-632	
<i>Solvency Capital Requirement</i>	50,345			153	
Eligible own funds to meet Minimum Capital Requirement	89,959			-896	
Minimum Capital Requirement	18,735			91	

NET INSURANCE SPA
S.23.01.01 - OWN FUNDS

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35						
Ordinary share capital (gross of own shares)	R0010	17,625	17,625			
Share premium account related to ordinary share capital	R0030	68,896	68,896			
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	-309	-309			
Subordinated liabilities	R0140	11,148			11,148	
An amount equal to the value of net deferred tax assets	R0160	4,268				4,268
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II OF						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	101,628	86,212	0	11,148	4,268
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds						
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	101,628	86,212	0	11,148	4,268
Total available own funds to meet the MCR	R0510	97,359	86,212	0	11,148	
Total eligible own funds to meet the SCR	R0540	101,628	86,212	0	11,148	4,268
Total eligible own funds to meet the MCR	R0550	89,959	86,212		3,747	
SCR	R0580	50,345				

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
MCR	R0600	18,735				
Ratio of Eligible own funds to SCR	R0620	201.86%				
Ratio of Eligible own funds to MCR	R0640	480.16%				
		C0060				
Reconciliation reserve						
Excess of assets over liabilities	R0700	99,349				
Own shares (held directly and indirectly)	R0710					
Foreseeable dividends, distributions and charges	R0720	8,869				
Other basic own fund items	R0730	90,789				
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740					
Reconciliation reserve	R0760	-309				
Expected profits						
Expected profits included in future premiums (EPIFP) - Life Business	R0770					
Expected profits included in future premiums (EPIFP) - Non- life business	R0780	1,044				
Total Expected profits included in future premiums (EPIFP)	R0790	1,044				

NET INSURANCE SPA

S.25.01.21 - SOLVENCY CAPITAL REQUIREMENT - FOR UNDERTAKINGS ON STANDARD FORMULA

	Gross solvency capital requirement	Simplifications
Market risk	16,533	
Counterparty default risk	7,705	
Life underwriting risk	0	
Health underwriting risk	8,136	
Non-life underwriting risk	34,417	
Diversification	-18,880	
Intangible asset risk	0	
Basic Solvency Capital Requirement	47,910	

Basic Solvency Capital Requirement (USP)

	USP
Life underwriting risk	
Health underwriting risk	
Non-life underwriting risk	

Calculation of Solvency Capital Requirement

Operational risk	4,669
Loss-absorbing capacity of technical provisions	0
Loss-absorbing capacity of deferred taxes	-2,235
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	
Solvency capital requirement excluding capital add-on	50,345
Capital add-on already set	
<i>of which, capital add-ons already set - Article 37 (1) Type a</i>	
<i>of which, capital add-ons already set - Article 37 (1) Type b</i>	
<i>of which, capital add-ons already set - Article 37 (1) Type c</i>	
<i>of which, capital add-ons already set - Article 37 (1) Type d</i>	
Solvency capital requirement	50,345
Other information on SCR	
Capital requirement for duration-based equity risk sub-module	
Total amount of Notional Solvency Capital Requirements for remaining part	
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	
Diversification effects due to RFF nSCR aggregation for article 304	

Approach to tax rate

	Yes/No
Approach based on average tax rate	1 - Yes

Calculation of loss absorbing capacity of deferred taxes

LAC DT	-2,235
LAC DT justified by reversion of deferred tax liabilities	0
LAC DT justified by reference to probable future taxable profit	-2,235
LAC DT justified by carry back, current year	
LAC DT justified by carry back, future years	
Maximum LAC DT	-12,619

NET INSURANCE SPA

S.28.01.01 - MINIMUM CAPITAL REQUIREMENT - BOTH LIFE AND NON-LIFE INSURANCE ACTIVITY

Linear formula component for non-life insurance and reinsurance obligations

MCR components		
MCRNL Result		18,735
	Background information	
	Net (of reinsurance/ SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
	C0020	C0030
Medical expense insurance and proportional reinsurance	1,233	3,312
Income protection insurance and proportional reinsurance	7,600	11,303
Workers' compensation insurance and proportional reinsurance	0	
Motor vehicle liability insurance and proportional reinsurance	0	
Other motor insurance and proportional reinsurance	0	
Marine, aviation and transport insurance and proportional reinsurance	0	
Fire and other damage to property insurance and proportional reinsurance	5,411	15,127
General liability insurance and proportional reinsurance	466	2,060
Credit and suretyship insurance and proportional reinsurance	66,769	15,483
Legal expenses insurance and proportional reinsurance	0	60
Assistance and proportional reinsurance	21	246
Miscellaneous financial loss insurance and proportional reinsurance	3,989	2,178

OVERALL MCR CALCULATION

C0070	
Linear MCR	18,735
SCR	50,345
MCR cap	22,655
MCR floor	12,586
Combined MCR	18,735
Absolute floor of the MCR	3,700
Minimum Capital Requirement	18,735

Net Insurance Life SpA

With regard to the provisions of Article 3 of the Implementing Regulation 2023/895, the Parent Company Poste Vita's Quantitative Reporting Templates, to be annexed to this Report, are shown below with figures for 31.12.2023, expressed in €k. Please note that form S.04.05.21 Premiums, claims and expenses by country was not prepared in that business is concentrated within Italy:

- S.02.01.02 - Balance Sheet
- S.05.01.02 - Premiums, claims and expenses by line of business
- S.12.01.02 - Life and Health SLT Technical Provisions
- S.22.01.21 - Impact of long term guarantees measures and transitionals
- S.23.01.01 - Own funds
- S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
- S.28.02.01 - Minimum capital Requirement - Both life and non-life insurance activity

NET INSURANCE SPA
S.02.01.02 BALANCE SHEET

Assets	Solvency II value	
		C0010
Intangible assets	R0030	
Deferred tax assets	R0040	2,701
Pension benefit surplus	R0050	
Property, plant & equipment held for own use	R0060	10,452
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	165,331
Property (other than for own use)	R0080	0
Holdings in related undertakings, including participations	R0090	
Equities	R0100	37
Equities - listed	R0110	37
Equities - unlisted	R0120	
Bonds	R0130	152,609
Government Bonds	R0140	98,809
Corporate Bonds	R0150	53,800
Structured notes	R0160	
Collateralised securities	R0170	
Collective Investments Undertakings	R0180	11,884
Derivatives	R0190	
Deposits other than cash equivalents	R0200	802
Other investments	R0210	
Loans and mortgages	R0230	55
Assets held for index-linked and unit-linked contracts	R0220	
Loans and mortgages	R0230	
Loans on policies	R0240	
Loans and mortgages to individuals	R0250	
Other loans and mortgages	R0260	
Reinsurance recoverables from:	R0270	
Non-life and health similar to non-life	R0280	
Non-life excluding health	R0290	
Health similar to non-life	R0300	
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	137,615
Health similar to life	R0320	-648
Life excluding health and index-linked and unit-linked	R0330	138,263
Life index-linked and unit-linked	R0340	
Deposits to cedants	R0350	
Insurance and intermediaries receivables	R0360	7,124
Reinsurance receivables	R0370	2,867
Receivables (trade, not insurance)	R0380	1,900
Own shares (held directly)	R0390	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0
Cash and cash equivalents	R0410	4,448
Any other assets, not elsewhere shown	R0420	1,331
Total assets	R0500	333,823

Liabilities	Solvency II value	
		C0010
Technical provisions - non-life	R0510	
Technical provisions - non-life (excluding health)	R0520	
TP calculated as a whole	R0530	
Best estimate	R0540	
Risk margin	R0550	
Technical provisions - health (similar to non-life)	R0560	
TP calculated as a whole	R0570	
Best estimate	R0580	
Risk margin	R0590	
TP - life (excluding index-linked and unit-linked)	R0600	234,935
Technical provisions - health (similar to life)	R0610	-449
TP calculated as a whole	R0620	
Best estimate	R0630	-459
Risk margin	R0640	9
TP - life (excluding health and index-linked and unit-linked)	R0650	235,384
TP calculated as a whole	R0660	
Best estimate	R0670	231,141
Risk margin	R0680	4,243
TP - index-linked and unit-linked	R0690	
TP calculated as a whole	R0700	
Best estimate	R0710	
Risk margin	R0720	
Other Technical Provisions	R0740	
Contingent liabilities	R0740	
Provisions other than technical provisions	R0750	
Pension benefit obligations	R0760	153
Deposits from reinsurers	R0770	1,939
Deferred tax liabilities	R0780	6,190
Derivatives	R0790	
Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810	24
Insurance & intermediaries payables	R0820	4,688
Reinsurance payables	R0830	28,761
Payables (trade, not insurance)	R0840	7,464
Subordinated liabilities	R0850	4,783
Subordinated liabilities not in BOF	R0860	
Subordinated liabilities in BOF	R0870	4,783
Any other liabilities, not elsewhere shown	R0880	360
Total liabilities	R0900	289,297
Excess of assets over liabilities	R1000	44,526

NET INSURANCE LIFE SPA
S.05.01.02 - PREMIUMS, CLAIMS AND EXPENSES BY LINE OF BUSINESS

	Line of Business for: life insurance obligations				Total
	Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	
Premiums written					
Gross	957			131,200	132,158
Reinsurers' share	280			88,870	89,150
Net	677			42,330	43,007
Premiums earned					
Gross	957			131,200	132,158
Reinsurers' share	280			88,870	89,150
Net	677			42,330	43,007
Claims incurred					
Gross				32,241	32,241
Reinsurers' share				21,378	21,378
Net				10,862	10,862
Expenses incurred	158			-5,681	-5,523
Balance - other technical expenses/ income					-988
Total technical expenses					-6,511
Total amount of surrenders					

NET INSURANCE LIFE SPA
S.12.01.02 - LIFE AND HEALTH SLT TECHNICAL PROVISIONS

	Index-linked and unit-linked insurance	Other life insurance		Health insurance (direct business)		Total (Health similar to life insurance)
	Insurance with profit participation	Contracts with options or guarantees	Contracts without options and guarantees	Total (Life other than health insur- ance, including Unit-Linked)	Contracts without options and guarantees	
Technical provisions calculated as a whole				0		0
Total Recoverables from reinsurance/ SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole				0		0
Technical provisions calculated as a sum of BE and RM						
Best Estimate						
Gross Best Estimate			231,141	231,141		-459 -459
Total Recoverables from reinsurance/ SPV and Finite Re after the adjustment for expected losses due to counterparty default			138,263	138,263		-648 -648
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total			92,878	92,878		190 190
Best estimate minus recoverables from reinsurance/ SPV and Finite Re			97,121	97,121		199 199
Risk Margin			4,243	4,243	9	9
Technical provisions - total			235,384	235,384	-449	-449

NET INSURANCE LIFE SPA
S.22.01.21 - IMPACT OF LONG TERM GUARANTEES MEASURES AND TRANSITIONALS

	Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
Technical provisions	234,935			1,341	
Basic own funds	47,909			-378	
Eligible own funds to meet Solvency Capital Requirement	47,909			-378	
Solvency Capital Requirement	20,357			78	
Eligible own funds to meet Minimum Capital Requirement	44,144			-374	
Minimum Capital Requirement	5,089			19	

NET INSURANCE LIFE SPA
S.23.01.01 - OWN FUNDS

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35						
Ordinary share capital (gross of own shares)	R0010	15,000	15,000			
Share premium account related to ordinary share capital	R0030	8,000	8,000			
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	20,126	20,126			
Subordinated liabilities	R0140	4,783			4,783	
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II OF						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	47,909	43,126	0	4,783	4,268
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	47,909	43,126	0	4,783	
Total available own funds to meet the MCR	R0510	47,909	43,126	0	4,783	
Total eligible own funds to meet the SCR	R0540	47,909	43,126	0	4,783	
Total eligible own funds to meet the MCR	R0550	44,144	43,126	0	1,018	
SCR	R0580	20,357				
MCR	R0600	5,089				
Ratio of Eligible own funds to SCR	R0620	235.34%				

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Ratio of Eligible own funds to MCR	R0640	867,40%				
		C0060				
Reconciliation reserve						
Excess of assets over liabilities	R0700	44,526				
Own shares (held directly and indirectly)	R0710					
Foreseeable dividends, distributions and charges	R0720	1,400				
Other basic own fund items	R0730	23,000				
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740					
Reconciliation reserve	R0760	20,126				
Expected profits						
Expected profits included in future premiums (EPIFP) - Life Business	R0770					
Expected profits included in future premiums (EPIFP) - Non- life business	R0780					
Total Expected profits included in future premiums (EPIFP)	R0790					

NET INSURANCE LIFE SPA

S.25.01.21 - SOLVENCY CAPITAL REQUIREMENT - FOR UNDERTAKINGS ON STANDARD FORMULA

	Gross solvency capital requirement	Simplifications
Market risk	6,927	
Counterparty default risk	4,270	
Life underwriting risk	18,151	
Health underwriting risk	179	
Non-life underwriting risk	0	
Diversification	-6,839	
Intangible asset risk	0	
Basic Solvency Capital Requirement	22,688	

Basic Solvency Capital Requirement (USP)

	USP
Life underwriting risk	
Health underwriting risk	
Non-life underwriting risk	

Calculation of Solvency Capital Requirement

Operational risk	2,419
Loss-absorbing capacity of technical provisions	0
Loss-absorbing capacity of deferred taxes	-4,750
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	
Solvency capital requirement excluding capital add-on	20,357
Capital add-on already set	
<i>of which, capital add-ons already set - Article 37 (1) Type a</i>	
<i>of which, capital add-ons already set - Article 37 (1) Type b</i>	
<i>of which, capital add-ons already set - Article 37 (1) Type c</i>	
<i>of which, capital add-ons already set - Article 37 (1) Type d</i>	
Solvency capital requirement	20,357
Other information on SCR	
Capital requirement for duration-based equity risk sub-module	
Total amount of Notional Solvency Capital Requirements for remaining part	
Total amount of Notional Solvency Capital Requirements for ring-fenced funds	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	
Diversification effects due to RFF nSCR aggregation for article 304	

Approach to tax rate

	Yes/No
Approach based on average tax rate	1 - Yes

Calculation of loss absorbing capacity of deferred taxes

LAC DT	-4,750
LAC DT justified by reversion of deferred tax liabilities	-3,489
LAC DT justified by reference to probable future taxable profit	-1,261
LAC DT justified by carry back, current year	
LAC DT justified by carry back, future years	
Maximum LAC DT	-6,026

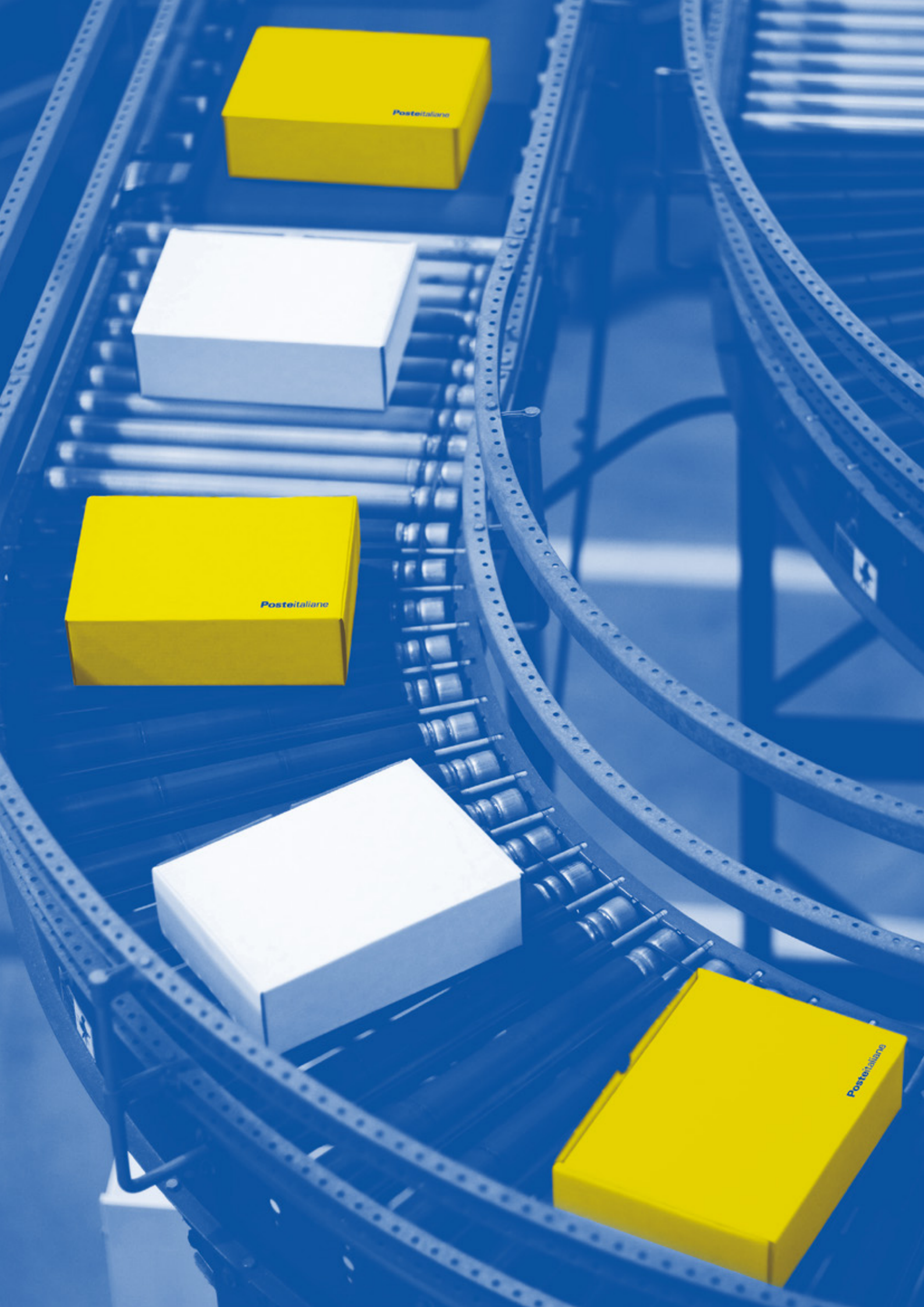
NET INSURANCE LIFE SPA

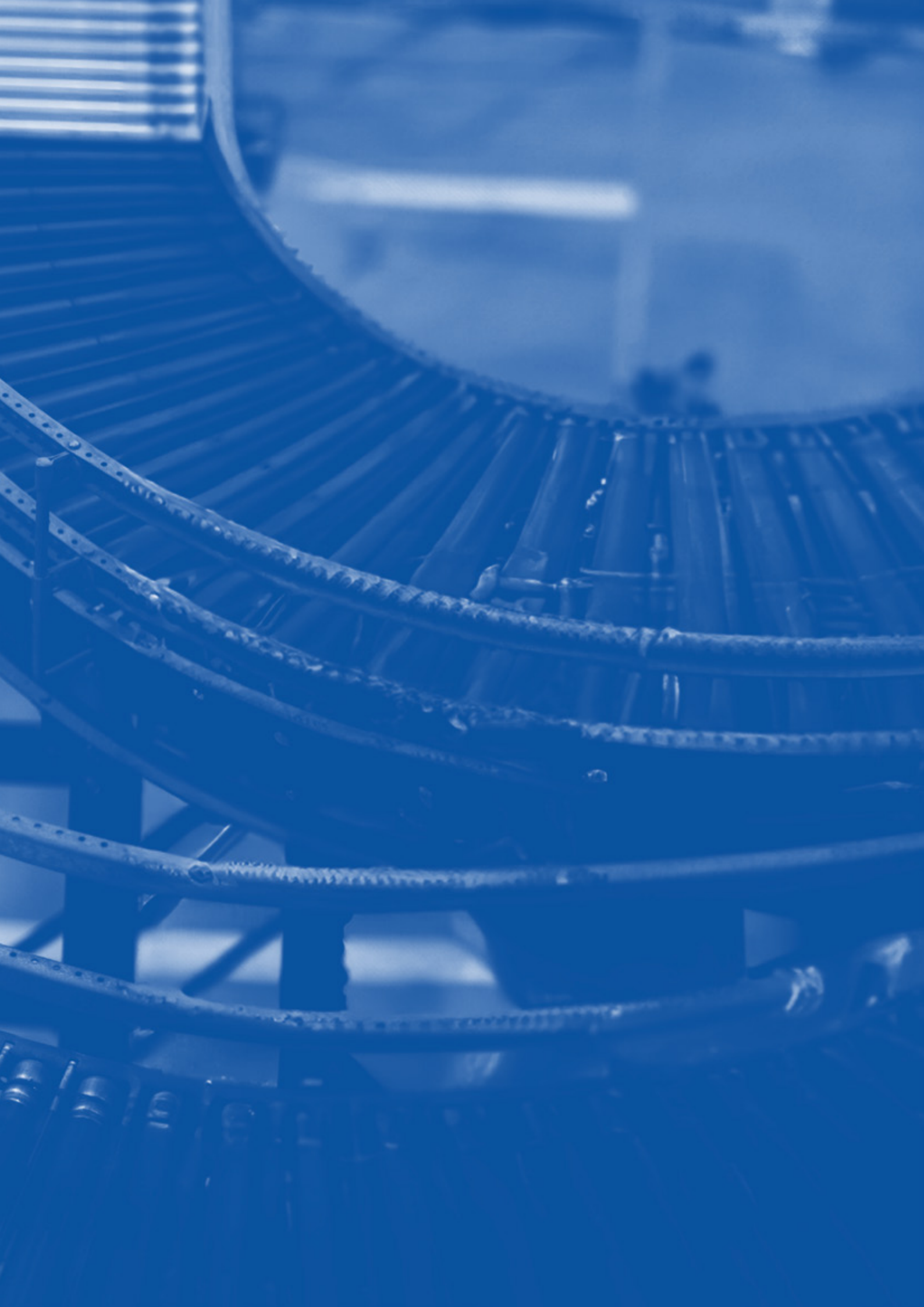
S.28.02.01 - MINIMUM CAPITAL REQUIREMENT - BOTH LIFE AND NON-LIFE INSURANCE ACTIVITY

Linear formula component for life insurance and reinsurance obligations

	Non-life activities		Life activities	
	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
MCR calculation Life				
Obligations with profit participation - guaranteed benefits				
Obligations with profit participation - future discretionary benefits				
Index-linked and unit-linked insurance obligations				
Other life (re)insurance and health (re)insurance obligations			93,068	
Total capital at risk for all life (re)insurance obligations				4,395,382
			Non-life activities	Life activities
Linear formula component for life insurance and reinsurance obligations				5,031
Overall MCR calculation				
Linear MCR				5,031
SCR				20,357
MCR cap				9,161
MCR floor				5,089
Combined MCR				5,089
Absolute floor of the MCR				3,700
Minimum Capital Requirement				5,089
Notional non-life and life MCR calculation				
Notional linear MCR			Non-life activities	Life activities
Notional SCR excluding add-on (annual or latest calculation)				
Notional MCR cap				
Notional MCR floor				
Notional Combined MCR				
Absolute floor of the notional MCR				
Notional MCR				

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02

Reports and
Attestations



02 Reports and Attestations

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Deloitte & Touche S.p.A.
Via Vittorio Veneto, 89
00187 Roma
Italia

Tel: +39 06 367491
Fax: +39 06 36749282
www.deloitte.it

**RELAZIONE DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D.LGS. 7.9.2005, N. 209 E
DELL'ART. 5, COMMA 1, LETTERE A E B, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Poste Vita S.p.A.**

Giudizio

Abbiamo svolto la revisione contabile dei seguenti elementi della Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria (la "SFCR Unica") di Poste Vita S.p.A. e delle società facenti parte del gruppo assicurativo (il "Gruppo" o il "Gruppo Poste Vita") per l'esercizio chiuso al 31 dicembre 2023, predisposta ai sensi dell'articolo 47-septies del D.Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento IVASS n. 33 del 6 dicembre 2016:

- modelli "S.02.01.02 Balance sheet" e "S.23.01.22 Own funds" del Gruppo Poste Vita, (i "Modelli");
- sezioni "D. Valutazione ai fini di solvibilità" e "E.1. Fondi propri" riferite al Gruppo Poste Vita, (l'"Informativa").

Le nostre attività non hanno riguardato:

- le componenti delle riserve tecniche relative al margine di rischio (voci R0550, R0590, R0640, R0680 e R0720) del modello "S.02.01.02 Balance sheet";
- il Requisito patrimoniale di solvibilità di gruppo totale (voce R0680) e il Requisito patrimoniale di gruppo consolidato minimo (voce R0610) del modello "S.23.01.22 Own funds",

che pertanto sono esclusi dal nostro giudizio.

I Modelli e l'Informativa, con le esclusioni sopra riportate, costituiscono nel loro insieme "i Modelli di MVBS e OF e la relativa informativa".

A nostro giudizio, i Modelli di MVBS e OF e la relativa informativa del Gruppo Poste Vita, inclusi nella SFCR Unica, per l'esercizio chiuso al 31 dicembre 2023, sono stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.328.220,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

Il nome Deloitte si riferisce a una o più delle seguenti entità: Deloitte Touche Tohmatsu Limited, una società inglese a responsabilità limitata ("DTTL"), le member firm aderenti al suo network e le entità a esse correlate. DTTL e ciascuna delle sue member firm sono entità giuridicamente separate e indipendenti tra loro. DTTL (denominata anche "Deloitte Global") non fornisce servizi ai clienti. Si invita a leggere l'informativa completa relativa alla descrizione della struttura legale di Deloitte Touche Tohmatsu Limited e delle sue member firm all'indirizzo www.deloitte.com/about.

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Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISAs). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile dei Modelli di MVBS e OF e della relativa informativa* della presente relazione.

Siamo indipendenti rispetto a Poste Vita S.p.A. (la “Società” o la “Capogruppo”) in conformità alle norme e ai principi in materia di etica e di indipendenza del Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) emesso dall’International Ethics Standards Board for Accountants applicabili alla revisione contabile dei modelli e della relativa informativa.

Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

Richiamo di informativa - Criteri di redazione, finalità e limitazione all’utilizzo

Richiamiamo l’attenzione alla sezione “D. Valutazione ai fini di solvibilità” che descrive i criteri di redazione. I Modelli di MVBS e OF e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell’Unione Europea direttamente applicabili e alla normativa nazionale di settore, che costituisce un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi. Il nostro giudizio non è espresso con rilievi con riferimento a tale aspetto.

Altri aspetti

La Società ha redatto il bilancio consolidato al 31 dicembre 2023 in conformità agli International Financial Reporting Standards adottati dall’Unione Europea, nonché al Regolamento emanato in attuazione dell’art. 90 del D.Lgs. 7 settembre 2005, n. 209 che ne disciplinano i criteri di redazione, che è stato da noi assoggettato a revisione contabile a seguito della quale abbiamo emesso la nostra relazione di revisione datata 26 aprile 2024.

La Società ha redatto i modelli “S.25.01.22 Solvency Capital Requirement - for groups on Standard Formula” e la relativa informativa presentata nella sezione “E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo” dell’allegata SFCR Unica in conformità alle disposizioni dell’Unione Europea direttamente applicabili e alla normativa nazionale di settore, che sono stati da noi assoggettati a revisione contabile limitata, secondo quanto previsto dall’art. 5 comma 1 lett. c) del Regolamento IVASS n. 42 del 2 agosto 2018, a seguito della quale abbiamo emesso in data odierna una relazione di revisione limitata allegata alla SFCR Unica.

Altre informazioni contenute nella SFCR Unica

Gli Amministratori sono responsabili per la redazione delle altre informazioni contenute nella SFCR Unica in conformità alle norme che ne disciplinano i criteri di redazione.

Le altre informazioni della SFCR Unica sono costituite da:

- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.12.01.02 Life and Health SLT Technical Provisions”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity” relativi a Poste Vita S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.17.01.02 Non - Life Technical Provisions”, “S.19.01.21 Non – Life Insurance Claims Information”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity” relativi a Poste Assicura S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.17.01.02 Non - Life Technical Provisions”, “S.19.01.21 Non – Life Insurance Claims Information”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity” relativi a Net Insurance S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.12.01.02 Life and Health SLT Technical Provisions”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity” relativi a Net Insurance Life S.p.A.;
- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.22.01.22 Impact of long term guarantees measures and transitionals”, “S.25.01.22 Solvency Capital Requirement - for groups on Standard Formula” e “S.32.01.22 Undertakings in the scope of the group” relativi al Gruppo Poste Vita;
- le sezioni “A. Attività e risultati”, “B. Sistema di Governance”, “C. Profilo di rischio”, “E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo”, “E.3. Utilizzo del sottomodulo del rischio azionario basato sulla durata nel calcolo del requisito patrimoniale di solvibilità”, “E.4. Differenze tra la formula standard e il modello interno utilizzato”, “E.5. Inosservanza del Requisito patrimoniale minimo e inosservanza del requisito patrimoniale di solvibilità” e “E.6. Altre informazioni”.

Il nostro giudizio sui Modelli di MVBS e OF e sulla relativa informativa non si estende a tali altre informazioni.

Con riferimento alla revisione contabile dei Modelli di MVBS e OF e della relativa informativa, la nostra responsabilità è svolgere una lettura critica delle altre informazioni e, nel fare ciò, considerare se le medesime siano significativamente incoerenti con i Modelli di MVBS e OF e la relativa informativa o con le nostre conoscenze acquisite durante la revisione o comunque possano essere significativamente errate. Laddove identifichiamo possibili incoerenze o errori significativi, siamo tenuti a determinare se vi sia un errore significativo nei Modelli di MVBS e OF e nella relativa informativa o nelle altre informazioni.

Se, in base al lavoro svolto, concludiamo che esista un errore significativo, siamo tenuti a segnalare tale circostanza. A questo riguardo, non abbiamo nulla da riportare.

Responsabilità degli Amministratori e del Collegio Sindacale per i Modelli di MVBS e OF e la relativa informativa

Gli Amministratori sono responsabili per la redazione dei Modelli di MVBS e OF e della relativa informativa in conformità alle norme che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei Modelli di MVBS e OF e la relativa informativa che non contenga errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono responsabili per la valutazione della capacità del Gruppo di continuare ad operare come un'entità in funzionamento e, nella redazione dei Modelli di MVBS e OF e della relativa informativa, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli Amministratori utilizzano il presupposto della continuità aziendale nella redazione dei Modelli di MVBS e OF e della relativa informativa a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Capogruppo o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il Collegio Sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria del Gruppo.

Responsabilità della società di revisione per la revisione contabile dei Modelli di MVBS e OF e della relativa informativa

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che i Modelli di MVBS e OF e la relativa informativa, nel loro complesso, non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche prese dagli utilizzatori sulla base dei modelli di MVBS e OF e della relativa informativa.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- Abbiamo identificato e valutato i rischi di errori significativi nei Modelli di MVBS e OF e nella relativa informativa, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno.



- Abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile dei Modelli di MVBS e OF e della relativa informativa allo scopo di definire procedure di revisione appropriate nelle circostanze e non per esprimere un giudizio sull'efficacia del controllo interno del Gruppo.
- Abbiamo valutato l'appropriatezza dei criteri di redazione utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli Amministratori e della relativa informativa.
- Siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli Amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità del Gruppo di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Capogruppo cessi di operare come un'entità in funzionamento.

Abbiamo comunicato ai responsabili delle attività di *governance*, tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

DELOITTE & TOUCHE S.p.A.

Carlo Pilli
Socio

Roma, 17 maggio 2024



Deloitte & Touche S.p.A.
Via Vittorio Veneto, 89
00187 Roma
Italia

Tel: +39 06 367491
Fax: +39 06 36749282
www.deloitte.it

**RELAZIONE DI REVISIONE CONTABILE LIMITATA DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D.LGS. 7.9.2005, N. 209 E
DELL'ART. 5, COMMA 1, LETTERA C, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Poste Vita S.p.A.**

Introduzione

Abbiamo svolto la revisione contabile limitata dell'allegato modello "S.25.01.22 Solvency Capital Requirement - for groups on Standard Formula" (il "Modello di SCR e MCR") e dell'informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" (l'"informativa" o la "relativa informativa") di Poste Vita S.p.A. e delle società facenti parte del gruppo assicurativo (il "Gruppo Poste Vita") inclusi nell'allegata Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria ("SFCR Unica") per l'esercizio chiuso al 31 dicembre 2023, predisposta ai sensi dell'articolo 47-septies del D.Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento n. 33 del 6 dicembre 2016.

Il Modello di SCR e MCR e la relativa informativa sono stati redatti dagli Amministratori sulla base delle disposizioni dell'Unione Europea direttamente applicabili e della normativa nazionale di settore.

Responsabilità degli Amministratori

Gli Amministratori sono responsabili per la redazione del Modello di SCR e MCR e della relativa informativa in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione del Modello di SCR e MCR e della relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Responsabilità del revisore

È nostra la responsabilità di esprimere una conclusione sul Modello di SCR e MCR e sulla relativa informativa. Abbiamo svolto la revisione contabile limitata in conformità al principio internazionale sugli incarichi di revisione limitata *ISRE n. 2400 (Revised)*, *Incarichi per la revisione contabile limitata dell'informativa finanziaria storica*. Il principio *ISRE 2400 (Revised)* ci richiede di giungere a una conclusione sul fatto se siano pervenuti alla nostra attenzione elementi che ci facciano ritenere che il Modello di SCR e MCR e la relativa informativa non siano redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore. Tale principio ci richiede altresì di conformarci ai principi etici applicabili.

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La revisione contabile limitata del Modello di SCR e MCR e della relativa informativa conforme al principio *ISRE 2400 (Revised)* è un incarico di assurance limitata. Il revisore svolge procedure che consistono principalmente nell'effettuare indagini presso la direzione e altri soggetti nell'ambito dell'impresa, come appropriato, e procedure di analisi comparativa, e valuta le evidenze acquisite.

Le procedure svolte in una revisione contabile limitata sono sostanzialmente minori rispetto a quelle svolte in una revisione contabile completa conforme ai principi di revisione internazionali (ISAs). Pertanto non esprimiamo un giudizio di revisione sul Modello di SCR e MCR e sulla relativa informativa.

Conclusione

Sulla base della revisione contabile limitata, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che l'allegato Modello di SCR e MCR e la relativa informativa del Gruppo Poste Vita inclusi nella SFCR Unica per l'esercizio chiuso al 31 dicembre 2023, non siano stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Criteri di redazione, finalità e limitazione all'utilizzo

Senza esprimere la nostra conclusione con modifica, richiamiamo l'attenzione alla sezione "E2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" della SFCR Unica che descrive i criteri di redazione del Modello di SCR e MCR. Il Modello di SCR e MCR e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore che costituiscono un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi.

DELOITTE & TOUCHE S.p.A.

Carlo Pilli
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Roma, 17 maggio 2024



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**RELAZIONE DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D.LGS. 7.9.2005, N. 209 E
DELL'ART. 4, COMMA 1, LETTERE A E B, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Poste Vita S.p.A.**

Giudizio

Abbiamo svolto la revisione contabile dei seguenti elementi della Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria (la "SFCR Unica") di Poste Vita S.p.A. e delle società facenti parte del gruppo (il "Gruppo" o il "Gruppo Poste Vita") per l'esercizio chiuso al 31 dicembre 2023, predisposta ai sensi dell'articolo 47-septies del D.Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento IVASS n. 33 del 6 dicembre 2016:

- modelli "S.02.01.02 Balance sheet" e "S.23.01.01 Own funds" (i "Modelli") di Poste Vita S.p.A. (la "Società");
- sezioni "D. Valutazione ai fini di solvibilità" e "E.1. Fondi propri" (l'"Informativa") riferite a Poste Vita S.p.A..

Le nostre attività non hanno riguardato:

- le componenti delle riserve tecniche relative al margine di rischio (voci R0640, R0680 e R0720) del modello "S.02.01.02 Balance sheet";
- il Requisito patrimoniale di solvibilità (voce R0580) e il Requisito patrimoniale minimo (voce R0600) del modello "S.23.01.01 Own funds",

che pertanto sono esclusi dal nostro giudizio.

I Modelli e l'Informativa, con le esclusioni sopra riportate, costituiscono nel loro insieme "i Modelli di MVBS e OF e la relativa informativa".

A nostro giudizio, i Modelli di MVBS e OF e la relativa informativa di Poste Vita S.p.A., inclusi nella SFCR Unica del Gruppo Poste Vita, per l'esercizio chiuso al 31 dicembre 2023, sono stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

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Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISAs). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile dei modelli di MVBS e OF e della relativa informativa* della presente relazione.

Siamo indipendenti rispetto alla Società in conformità alle norme e ai principi in materia di etica e di indipendenza del Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) emesso dall'International Ethics Standards Board for Accountants applicabili alla revisione contabile dei modelli e della relativa informativa.

Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

Richiamo di informativa - Criteri di redazione, finalità e limitazione all'utilizzo

Richiamiamo l'attenzione alla sezione "D. Valutazione ai fini di solvibilità" che descrive i criteri di redazione. I Modelli di MVBS e OF e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore, che costituisce un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi. Il nostro giudizio non è espresso con rilievi con riferimento a tale aspetto.

Altri aspetti

La Società ha redatto il bilancio d'esercizio al 31 dicembre 2023 in conformità alle norme italiane che ne disciplinano i criteri di redazione, che è stato da noi assoggettato a revisione contabile a seguito della quale abbiamo emesso la nostra relazione di revisione datata 26 aprile 2024.

La Società ha redatto i modelli "S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula" e "S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity" e la relativa informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" dell'allegata SFCR Unica in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore, che sono stati da noi assoggettati a revisione contabile limitata, secondo quanto previsto dall'art. 4 comma 1 lett. c) del Regolamento IVASS n. 42 del 2 agosto 2018, a seguito della quale abbiamo emesso in data odierna una relazione di revisione limitata allegata alla SFCR Unica.

Altre informazioni contenute nella SFCR Unica

Gli Amministratori sono responsabili per la redazione delle altre informazioni contenute nella SFCR Unica in conformità alle norme che ne disciplinano i criteri di redazione.

Le altre informazioni della SFCR Unica sono costituite da:

- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.12.01.02 Life and Health SLT Technical Provisions”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity” relativi a Poste Vita S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.17.01.02 Non - Life Technical Provisions”, “S.19.01.21 Non – Life Insurance Claims Information”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity” relativi a Poste Assicura S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.17.01.02 Non - Life Technical Provisions”, “S.19.01.21 Non – Life Insurance Claims Information”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity” relativi a Net Insurance S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.12.01.02 Life and Health SLT Technical Provisions”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity” relativi a Net Insurance Life S.p.A.;
- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.22.01.22 Impact of long term guarantees measures and transitionals”, “S.25.01.22 Solvency Capital Requirement - for groups on Standard Formula” e “S.32.01.22 Undertakings in the scope of the group” relativi al Gruppo Poste Vita;
- le sezioni “A. Attività e risultati”, “B. Sistema di Governance”, “C. Profilo di rischio”, “E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo”, “E.3. Utilizzo del sottomodulo del rischio azionario basato sulla durata nel calcolo del requisito patrimoniale di solvibilità”, “E.4. Differenze tra la formula standard e il modello interno utilizzato”, “E.5. Inosservanza del Requisito patrimoniale minimo e inosservanza del requisito patrimoniale di solvibilità” e “E.6. Altre informazioni”.

Il nostro giudizio sui Modelli di MVBS e OF e sulla relativa informativa non si estende a tali altre informazioni.

Con riferimento alla revisione contabile dei Modelli di MVBS e OF e della relativa informativa, la nostra responsabilità è svolgere una lettura critica delle altre informazioni e, nel fare ciò, considerare se le medesime siano significativamente incoerenti con i Modelli di MVBS e OF e la relativa informativa o con le nostre conoscenze acquisite durante la revisione o comunque possano essere significativamente errate. Laddove identifichiamo possibili incoerenze o errori significativi, siamo tenuti a determinare se vi sia un errore significativo nei Modelli di MVBS e OF e nella relativa informativa o nelle altre informazioni.

Se, in base al lavoro svolto, concludiamo che esista un errore significativo, siamo tenuti a segnalare tale circostanza. A questo riguardo, non abbiamo nulla da riportare.

Responsabilità degli Amministratori e del Collegio Sindacale per i Modelli di MVBS e OF e la relativa informativa

Gli Amministratori sono responsabili per la redazione dei Modelli di MVBS e OF e della relativa informativa in conformità alle norme che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei Modelli di MVBS e OF e la relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono responsabili per la valutazione della capacità della Società di continuare ad operare come un'entità in funzionamento e, nella redazione dei Modelli di MVBS e OF e della relativa informativa, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli Amministratori utilizzano il presupposto della continuità aziendale nella redazione dei Modelli di MVBS e OF e della relativa informativa a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Società o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il Collegio Sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria della Società.

Responsabilità della società di revisione per la revisione contabile dei Modelli di MVBS e OF e della relativa informativa

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che i Modelli di MVBS e OF e la relativa informativa, nel loro complesso, non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche prese dagli utilizzatori sulla base dei modelli di MVBS e OF e della relativa informativa.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- Abbiamo identificato e valutato i rischi di errori significativi nei Modelli di MVBS e OF e nella relativa informativa, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno.

- Abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile dei Modelli di MVBS e OF e della relativa informativa allo scopo di definire procedure di revisione appropriate nelle circostanze e non per esprimere un giudizio sull'efficacia del controllo interno della Società.
- Abbiamo valutato l'appropriatezza dei criteri di redazione utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli Amministratori e della relativa informativa.
- Siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli Amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità della Società di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Società cessi di operare come un'entità in funzionamento.

Abbiamo comunicato ai responsabili delle attività di *governance*, tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

DELOITTE & TOUCHE S.p.A.



Carlo Pilli
Socio

Roma, 17 maggio 2024



Deloitte & Touche S.p.A.
Via Vittorio Veneto, 89
00187 Roma
Italia

Tel: +39 06 367491
Fax: +39 06 36749282
www.deloitte.it

**RELAZIONE DI REVISIONE CONTABILE LIMITATA DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D.LGS. 7.9.2005, N. 209 E
DELL'ART. 4, COMMA 1, LETTERA C, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Poste Vita S.p.A.**

Introduzione

Abbiamo svolto la revisione contabile limitata degli allegati modelli "S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula" e "S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity" (i "Modelli di SCR e MCR") e dell'informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" (l'"informativa" o la "relativa informativa") di Poste Vita S.p.A. (nel seguito anche la "Società") inclusi nell'allegata Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria ("SFCR Unica") del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2023, predisposta ai sensi dell'articolo 47-septies del D.Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento n. 33 del 6 dicembre 2016.

I Modelli di SCR e MCR e la relativa informativa sono stati redatti dagli Amministratori sulla base delle disposizioni dell'Unione Europea direttamente applicabili e della normativa nazionale di settore.

Responsabilità degli Amministratori

Gli Amministratori sono responsabili per la redazione dei Modelli di SCR e MCR e della relativa informativa in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei Modelli di SCR e MCR e della relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Responsabilità del revisore

È nostra la responsabilità di esprimere una conclusione sui Modelli di SCR e MCR e sulla relativa informativa. Abbiamo svolto la revisione contabile limitata in conformità al principio internazionale sugli incarichi di revisione limitata *ISRE n. 2400 (Revised)*, *Incarichi per la revisione contabile limitata dell'informativa finanziaria storica*. Il principio *ISRE 2400 (Revised)* ci richiede di giungere a una conclusione sul fatto se siano pervenuti alla nostra attenzione elementi che ci facciano ritenere che i Modelli di SCR e MCR e la relativa informativa non siano redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore. Tale principio ci richiede altresì di conformarci ai principi etici applicabili.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.328.220,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

Il nome Deloitte si riferisce a una o più delle seguenti entità: Deloitte Touche Tohmatsu Limited, una società inglese a responsabilità limitata ("DTTL"), le member firm aderenti al suo network e le entità a esse correlate. DTTL e ciascuna delle sue member firm sono entità giuridicamente separate e indipendenti tra loro. DTTL (denominata anche "Deloitte Global") non fornisce servizi ai clienti. Si invita a leggere l'informativa completa relativa alla descrizione della struttura legale di Deloitte Touche Tohmatsu Limited e delle sue member firm all'indirizzo www.deloitte.com/about.

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La revisione contabile limitata dei Modelli di SCR e MCR e della relativa informativa conforme al principio *ISRE 2400 (Revised)* è un incarico di assurance limitata. Il revisore svolge procedure che consistono principalmente nell'effettuare indagini presso la direzione e altri soggetti nell'ambito dell'impresa, come appropriato, e procedure di analisi comparativa, e valuta le evidenze acquisite.

Le procedure svolte in una revisione contabile limitata sono sostanzialmente minori rispetto a quelle svolte in una revisione contabile completa conforme ai principi di revisione internazionali (ISA). Pertanto non esprimiamo un giudizio di revisione sui modelli di SCR e MCR e sulla relativa informativa.

Conclusion

Sulla base della revisione contabile limitata, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che gli allegati Modelli di SCR e MCR e la relativa informativa di Poste Vita S.p.A. inclusi nella SFCR Unica del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2023, non siano stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Criteri di redazione, finalità e limitazione all'utilizzo

Senza esprimere la nostra conclusione con modifica, richiamiamo l'attenzione alla sezione "E2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" della SFCR Unica che descrive i criteri di redazione dei Modelli di SCR e MCR. I Modelli di SCR e MCR e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore che costituiscono un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi.

DELOITTE & TOUCHE S.p.A.



Carlo Pilli
Socio

Roma, 17 maggio 2024



Deloitte & Touche S.p.A.
Via Vittorio Veneto, 89
00187 Roma
Italia

Tel: +39 06 367491
Fax: +39 06 36749282

**RELAZIONE DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D. LGS. 7.9.2005, N. 209 E
DELL'ART. 4, COMMA 1, LETTERE A E B, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Poste Assicura S.p.A.**

Giudizio

Abbiamo svolto la revisione contabile dei seguenti elementi della Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria (la "SFCR Unica") del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2023, predisposta dalla capogruppo Poste Vita S.p.A. ai sensi dell'articolo 47-septies del D. Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento IVASS n. 33 del 6 dicembre 2016:

- modelli "S.02.01.02 Balance sheet" e "S.23.01.01 Own funds" (i "Modelli") di Poste Assicura S.p.A. (la "Società");
- sezioni "D. Valutazione ai fini di solvibilità" e "E.1. Fondi propri" (l'"Informativa"), riferite a Poste Assicura S.p.A..

Le nostre attività non hanno riguardato:

- le componenti delle riserve tecniche relative al margine di rischio (voci R0550 e R0590) del modello "S.02.01.02 Balance sheet";
- il Requisito patrimoniale di solvibilità (voce R0580) e il Requisito patrimoniale minimo (voce R0600) del modello "S.23.01.01 Own funds",

che pertanto sono esclusi dal nostro giudizio.

I Modelli e l'Informativa, con le esclusioni sopra riportate, costituiscono nel loro insieme "i Modelli di MVBS e OF e la relativa informativa".

A nostro giudizio, i Modelli di MVBS e OF e la relativa informativa di Poste Assicura S.p.A., inclusi nella SFCR Unica del Gruppo Poste Vita, per l'esercizio chiuso al 31 dicembre 2023, sono stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

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Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISAs). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile dei modelli di MVBS e OF e della relativa informativa* della presente relazione.

Siamo indipendenti rispetto alla Società in conformità alle norme e ai principi in materia di etica e di indipendenza del Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) emesso dall'International Ethics Standards Board for Accountants applicabili alla revisione contabile dei modelli e della relativa informativa.

Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

Richiamo di informativa - Criteri di redazione, finalità e limitazione all'utilizzo

Richiamiamo l'attenzione alla sezione "D. Valutazione ai fini di solvibilità" che descrive i criteri di redazione. I Modelli di MVBS e OF e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore, che costituisce un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi. Il nostro giudizio non è espresso con rilievi con riferimento a tale aspetto.

Altri aspetti

La Società ha redatto il bilancio d'esercizio al 31 dicembre 2023 in conformità alle norme italiane che ne disciplinano i criteri di redazione, che è stato da noi assoggettato a revisione contabile a seguito della quale abbiamo emesso la nostra relazione di revisione datata 5 aprile 2024.

La Società ha redatto i modelli "S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula" e "S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity" e la relativa informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" dell'allegata SFCR Unica in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore, che sono stati da noi assoggettati a revisione contabile limitata, secondo quanto previsto dall'art. 4 comma 1 lett. c) del Regolamento IVASS n. 42 del 2 agosto 2018, a seguito della quale abbiamo emesso in data odierna una relazione di revisione limitata allegata alla SFCR Unica.

Altre informazioni contenute nella SFCR Unica

Gli Amministratori sono responsabili per la redazione delle altre informazioni contenute nella SFCR Unica in conformità alle norme che ne disciplinano i criteri di redazione.

Le altre informazioni della SFCR Unica sono costituite da:

- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.17.01.02 Non - Life Technical Provisions”, “S.19.01.21 Non – Life Insurance Claims Information”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity” relativi a Poste Assicura S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.12.01.02 Life and Health SLT Technical Provisions”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity” relativi a Poste Vita S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.17.01.02 Non - Life Technical Provisions”, “S.19.01.21 Non – Life Insurance Claims Information”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity” relativi a Net Insurance S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.12.01.02 Life and Health SLT Technical Provisions”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity” relativi a Net Insurance Life S.p.A.;
- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.22.01.22 Impact of long term guarantees measures and transitionals”, “S.25.01.22 Solvency Capital Requirement - for groups on Standard Formula” e “S.32.01.22 Undertakings in the scope of the group” relativi al Gruppo Poste Vita;
- le sezioni “A. Attività e risultati”, “B. Sistema di Governance”, “C. Profilo di rischio”, “E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo”, “E.3. Utilizzo del sottomodulo del rischio azionario basato sulla durata nel calcolo del requisito patrimoniale di solvibilità”, “E.4. Differenze tra la formula standard e il modello interno utilizzato”, “E.5. Inosservanza del Requisito patrimoniale minimo e inosservanza del requisito patrimoniale di solvibilità” e “E.6. Altre informazioni”.

Il nostro giudizio sui Modelli di MVBS e OF e sulla relativa informativa non si estende a tali altre informazioni.

Con riferimento alla revisione contabile dei Modelli di MVBS e OF e della relativa informativa, la nostra responsabilità è svolgere una lettura critica delle altre informazioni e, nel fare ciò, considerare se le medesime siano significativamente incoerenti con i Modelli di MVBS e OF e la relativa informativa o con le nostre conoscenze acquisite durante la revisione o comunque possano essere significativamente errate. Laddove identifichiamo possibili incoerenze o errori significativi, siamo tenuti a determinare se vi sia un errore significativo nei Modelli di MVBS e OF e nella relativa informativa o nelle altre informazioni. Se, in base al lavoro svolto, concludiamo che esista un errore significativo, siamo tenuti a segnalare tale circostanza. A questo riguardo, non abbiamo nulla da riportare.

Responsabilità degli Amministratori e del Collegio Sindacale per i Modelli di MVBS e OF e la relativa informativa

Gli Amministratori sono responsabili per la redazione dei Modelli di MVBS e OF e della relativa informativa in conformità alle norme che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei Modelli di MVBS e OF e la relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono responsabili per la valutazione della capacità della Società di continuare ad operare come un'entità in funzionamento e, nella redazione dei Modelli di MVBS e OF e della relativa informativa, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli Amministratori utilizzano il presupposto della continuità aziendale nella redazione dei Modelli di MVBS e OF e della relativa informativa a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Società o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il Collegio Sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria della Società.

Responsabilità della società di revisione per la revisione contabile dei Modelli di MVBS e OF e della relativa informativa

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che i Modelli di MVBS e OF e la relativa informativa, nel loro complesso, non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche prese dagli utilizzatori sulla base dei modelli di MVBS e OF e della relativa informativa.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- Abbiamo identificato e valutato i rischi di errori significativi nei Modelli di MVBS e OF e nella relativa informativa, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno.
- Abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile dei Modelli di MVBS e OF e della relativa informativa allo scopo di definire procedure di revisione appropriate nelle circostanze e non per esprimere un giudizio sull'efficacia del controllo interno della Società.



- Abbiamo valutato l'appropriatezza dei criteri di redazione utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli Amministratori e della relativa informativa.
- Siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli Amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità della Società di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Società cessi di operare come un'entità in funzionamento.

Abbiamo comunicato ai responsabili delle attività di *governance*, tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

DELOITTE & TOUCHE S.p.A.

Carlo Pilli
Socio

Roma, 17 maggio 2024

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Deloitte & Touche S.p.A.
Via Vittorio Veneto, 89
00187 Roma
Italia

Tel: +39 06 367491
Fax: +39 06 36749282

**RELAZIONE DI REVISIONE CONTABILE LIMITATA DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D. LGS. 7.9.2005, N. 209 E
DELL'ART. 4, COMMA 1, LETTERA C, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Poste Assicura S.p.A.**

Introduzione

Abbiamo svolto la revisione contabile limitata degli allegati modelli "S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula" e "S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity" (i "Modelli di SCR e MCR") e dell'informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" (l'"informativa" o la "relativa informativa") di Poste Assicura S.p.A. (nel seguito anche la "Società") inclusi nell'allegata Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria ("SFCR Unica") del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2023, predisposta dalla capogruppo Poste Vita S.p.A. ai sensi dell'articolo 47-septies del D. Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento n. 33 del 6 dicembre 2016.

I Modelli di SCR e MCR e la relativa informativa sono stati redatti dagli Amministratori sulla base delle disposizioni dell'Unione Europea direttamente applicabili e della normativa nazionale di settore.

Responsabilità degli Amministratori

Gli Amministratori sono responsabili per la redazione dei Modelli di SCR e MCR e della relativa informativa in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei modelli di SCR e MCR e della relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Responsabilità del revisore

È nostra la responsabilità di esprimere una conclusione sui Modelli di SCR e MCR e sulla relativa informativa. Abbiamo svolto la revisione contabile limitata in conformità al principio internazionale sugli incarichi di revisione limitata *ISRE n. 2400 (Revised)*, *Incarichi per la revisione contabile limitata dell'informativa finanziaria storica*. Il principio *ISRE 2400 (Revised)* ci richiede di giungere a una conclusione sul fatto se siano pervenuti alla nostra attenzione elementi che ci facciano ritenere che i Modelli di SCR e MCR e la relativa informativa non siano redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore. Tale principio ci richiede altresì di conformarci ai principi etici applicabili.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.328.220,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

Il nome Deloitte si riferisce a una o più delle seguenti entità: Deloitte Touche Tohmatsu Limited, una società inglese a responsabilità limitata ("DTTL"), le member firm aderenti al suo network e le entità a esse correlate. DTTL e ciascuna delle sue member firm sono entità giuridicamente separate e indipendenti tra loro. DTTL (denominata anche "Deloitte Global") non fornisce servizi ai clienti. Si invita a leggere l'informativa completa relativa alla descrizione della struttura legale di Deloitte Touche Tohmatsu Limited e delle sue member firm all'indirizzo www.deloitte.com/about.

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La revisione contabile limitata dei Modelli di SCR e MCR e della relativa informativa conforme al principio *ISRE 2400 (Revised)* è un incarico di assurance limitata. Il revisore svolge procedure che consistono principalmente nell'effettuare indagini presso la direzione e altri soggetti nell'ambito dell'impresa, come appropriato, e procedure di analisi comparativa, e valuta le evidenze acquisite.

Le procedure svolte in una revisione contabile limitata sono sostanzialmente minori rispetto a quelle svolte in una revisione contabile completa conforme ai principi di revisione internazionali (ISAs). Pertanto, non esprimiamo un giudizio di revisione sui modelli di SCR e MCR e sulla relativa informativa.

Conclusione

Sulla base della revisione contabile limitata, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che gli allegati Modelli di SCR e MCR e la relativa informativa di Poste Assicura S.p.A. inclusi nella SFCR Unica del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2023, non siano stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Criteri di redazione, finalità e limitazione all'utilizzo

Senza esprimere la nostra conclusione con modifica, richiamiamo l'attenzione alla sezione "E2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" della SFCR Unica che descrive i criteri di redazione dei Modelli di SCR e MCR. I modelli di SCR e MCR e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore che costituiscono un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi.

DELOITTE & TOUCHE S.p.A.



Carlo Pilli
Socio

Roma, 17 maggio 2024



Deloitte & Touche S.p.A.
Via Vittorio Veneto, 89
00187 Roma
Italia

Tel: +39 06 367491
Fax: +39 06 36749282

**RELAZIONE DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D. LGS. 7.9.2005, N. 209 E
DELL'ART. 4, COMMA 1, LETTERE A E B, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Net Insurance S.p.A.**

Giudizio

Abbiamo svolto la revisione contabile dei seguenti elementi della Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria (la "SFCR Unica") del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2023, predisposta dalla capogruppo Poste Vita S.p.A. ai sensi dell'articolo 47-septies del D. Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento IVASS n. 33 del 6 dicembre 2016:

- modelli "S.02.01.02 Balance sheet" e "S.23.01.01 Own funds" (i "Modelli") di Net Insurance S.p.A. (la "Società");
- sezioni "D. Valutazione ai fini di solvibilità" e "E.1. Fondi propri" (l'"Informativa"), riferite a Net Insurance S.p.A..

Le nostre attività non hanno riguardato:

- le componenti delle riserve tecniche relative al margine di rischio (voci R0550 e R0590) del modello "S.02.01.02 Balance sheet";
- il Requisito patrimoniale di solvibilità (voce R0580) e il Requisito patrimoniale minimo (voce R0600) del modello "S.23.01.01 Own funds",

che pertanto sono esclusi dal nostro giudizio.

I Modelli e l'Informativa, con le esclusioni sopra riportate, costituiscono nel loro insieme "i Modelli di MVBS e OF e la relativa informativa".

A nostro giudizio, i Modelli di MVBS e OF e la relativa informativa di Net Insurance S.p.A., inclusi nella SFCR Unica del Gruppo Poste Vita, per l'esercizio chiuso al 31 dicembre 2023, sono stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona
Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.328.220,00 i.v.
Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISAs). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile dei modelli di MVBS e OF e della relativa informativa* della presente relazione.

Siamo indipendenti rispetto alla Società in conformità alle norme e ai principi in materia di etica e di indipendenza del Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) emesso dall'International Ethics Standards Board for Accountants applicabili alla revisione contabile dei modelli e della relativa informativa.

Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

Richiamo di informativa - Criteri di redazione, finalità e limitazione all'utilizzo

Richiamiamo l'attenzione alla sezione "D. Valutazione ai fini di solvibilità" che descrive i criteri di redazione. I Modelli di MVBS e OF e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore, che costituisce un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi. Il nostro giudizio non è espresso con rilievi con riferimento a tale aspetto.

Altri aspetti

La Società ha redatto il bilancio d'esercizio al 31 dicembre 2023 in conformità alle norme italiane che ne disciplinano i criteri di redazione, che è stato da noi assoggettato a revisione contabile a seguito della quale abbiamo emesso la nostra relazione di revisione datata 5 aprile 2024.

La Società ha redatto i modelli "S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula" e "S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity" e la relativa informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" dell'allegata SFCR Unica in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore, che sono stati da noi assoggettati a revisione contabile limitata, secondo quanto previsto dall'art. 4 comma 1 lett. c) del Regolamento IVASS n. 42 del 2 agosto 2018, a seguito della quale abbiamo emesso in data odierna una relazione di revisione limitata allegata alla SFCR Unica.

Altre informazioni contenute nella SFCR Unica

Gli Amministratori sono responsabili per la redazione delle altre informazioni contenute nella SFCR Unica in conformità alle norme che ne disciplinano i criteri di redazione.

Le altre informazioni della SFCR Unica sono costituite da:

- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.17.01.02 Non - Life Technical Provisions”, “S.19.01.21 Non – Life Insurance Claims Information”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity” relativi a Net Insurance S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.12.01.02 Life and Health SLT Technical Provisions”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity” relativi a Poste Vita S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.17.01.02 Non - Life Technical Provisions”, “S.19.01.21 Non – Life Insurance Claims Information”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity” relativi a Poste Assicura S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.12.01.02 Life and Health SLT Technical Provisions”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity” relativi a Net Insurance Life S.p.A.;
- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.22.01.22 Impact of long term guarantees measures and transitionals”, “S.25.01.22 Solvency Capital Requirement - for groups on Standard Formula” e “S.32.01.22 Undertakings in the scope of the group” relativi al Gruppo Poste Vita;
- le sezioni “A. Attività e risultati”, “B. Sistema di Governance”, “C. Profilo di rischio”, “E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo”, “E.3. Utilizzo del sottomodulo del rischio azionario basato sulla durata nel calcolo del requisito patrimoniale di solvibilità”, “E.4. Differenze tra la formula standard e il modello interno utilizzato”, “E.5. Inosservanza del Requisito patrimoniale minimo e inosservanza del requisito patrimoniale di solvibilità” e “E.6. Altre informazioni”.

Il nostro giudizio sui Modelli di MVBS e OF e sulla relativa informativa non si estende a tali altre informazioni.

Con riferimento alla revisione contabile dei Modelli di MVBS e OF e della relativa informativa, la nostra responsabilità è svolgere una lettura critica delle altre informazioni e, nel fare ciò, considerare se le medesime siano significativamente incoerenti con i Modelli di MVBS e OF e la relativa informativa o con le nostre conoscenze acquisite durante la revisione o comunque possano essere significativamente errate. Laddove identifichiamo possibili incoerenze o errori significativi, siamo tenuti a determinare se vi sia un errore significativo nei Modelli di MVBS e OF e nella relativa informativa o nelle altre informazioni. Se, in base al lavoro svolto, concludiamo che esista un errore significativo, siamo tenuti a segnalare tale circostanza. A questo riguardo, non abbiamo nulla da riportare.

Responsabilità degli Amministratori e del Collegio Sindacale per i Modelli di MVBS e OF e la relativa informativa

Gli Amministratori sono responsabili per la redazione dei Modelli di MVBS e OF e della relativa informativa in conformità alle norme che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei Modelli di MVBS e OF e la relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono responsabili per la valutazione della capacità della Società di continuare ad operare come un'entità in funzionamento e, nella redazione dei Modelli di MVBS e OF e della relativa informativa, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli Amministratori utilizzano il presupposto della continuità aziendale nella redazione dei Modelli di MVBS e OF e della relativa informativa a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Società o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il Collegio Sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria della Società.

Responsabilità della società di revisione per la revisione contabile dei Modelli di MVBS e OF e della relativa informativa

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che i Modelli di MVBS e OF e la relativa informativa, nel loro complesso, non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche prese dagli utilizzatori sulla base dei modelli di MVBS e OF e della relativa informativa.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- Abbiamo identificato e valutato i rischi di errori significativi nei Modelli di MVBS e OF e nella relativa informativa, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno.
- Abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile dei Modelli di MVBS e OF e della relativa informativa allo scopo di definire procedure di revisione appropriate nelle circostanze e non per esprimere un giudizio sull'efficacia del controllo interno della Società.



- Abbiamo valutato l'appropriatezza dei criteri di redazione utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli Amministratori e della relativa informativa.
- Siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli Amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità della Società di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Società cessi di operare come un'entità in funzionamento.

Abbiamo comunicato ai responsabili delle attività di *governance*, tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

DELOITTE & TOUCHE S.p.A.

Carlo Pilli
Socio

Roma, 17 maggio 2024

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Deloitte & Touche S.p.A.
Via Vittorio Veneto, 89
00187 Roma
Italia

Tel: +39 06 367491
Fax: +39 06 36749282

**RELAZIONE DI REVISIONE CONTABILE LIMITATA DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D. LGS. 7.9.2005, N. 209 E
DELL'ART. 4, COMMA 1, LETTERA C, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Net Insurance S.p.A.**

Introduzione

Abbiamo svolto la revisione contabile limitata degli allegati modelli "S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula" e "S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity" (i "Modelli di SCR e MCR") e dell'informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" (l'"informativa" o la "relativa informativa") di Net Insurance S.p.A. (nel seguito anche la "Società") inclusi nell'allegata Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria ("SFCR Unica") del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2023, predisposta dalla capogruppo Poste Vita S.p.A. ai sensi dell'articolo 47-septies del D. Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento n. 33 del 6 dicembre 2016.

I Modelli di SCR e MCR e la relativa informativa sono stati redatti dagli Amministratori sulla base delle disposizioni dell'Unione Europea direttamente applicabili e della normativa nazionale di settore.

Responsabilità degli Amministratori

Gli Amministratori sono responsabili per la redazione dei Modelli di SCR e MCR e della relativa informativa in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei modelli di SCR e MCR e della relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Responsabilità del revisore

È nostra la responsabilità di esprimere una conclusione sui Modelli di SCR e MCR e sulla relativa informativa. Abbiamo svolto la revisione contabile limitata in conformità al principio internazionale sugli incarichi di revisione limitata *ISRE n. 2400 (Revised)*, *Incarichi per la revisione contabile limitata dell'informativa finanziaria storica*. Il principio *ISRE 2400 (Revised)* ci richiede di giungere a una conclusione sul fatto se siano pervenuti alla nostra attenzione elementi che ci facciano ritenere che i Modelli di SCR e MCR e la relativa informativa non siano redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore. Tale principio ci richiede altresì di conformarci ai principi etici applicabili.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.328.220,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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La revisione contabile limitata dei Modelli di SCR e MCR e della relativa informativa conforme al principio *ISRE 2400 (Revised)* è un incarico di assurance limitata. Il revisore svolge procedure che consistono principalmente nell'effettuare indagini presso la direzione e altri soggetti nell'ambito dell'impresa, come appropriato, e procedure di analisi comparativa, e valuta le evidenze acquisite.

Le procedure svolte in una revisione contabile limitata sono sostanzialmente minori rispetto a quelle svolte in una revisione contabile completa conforme ai principi di revisione internazionali (ISAs). Pertanto, non esprimiamo un giudizio di revisione sui modelli di SCR e MCR e sulla relativa informativa.

Conclusione

Sulla base della revisione contabile limitata, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che gli allegati Modelli di SCR e MCR e la relativa informativa di Net Insurance S.p.A. inclusi nella SFCR Unica del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2023, non siano stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Criteri di redazione, finalità e limitazione all'utilizzo

Senza esprimere la nostra conclusione con modifica, richiamiamo l'attenzione alla sezione "E2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" della SFCR Unica che descrive i criteri di redazione dei Modelli di SCR e MCR. I modelli di SCR e MCR e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore che costituiscono un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi.

DELOITTE & TOUCHE S.p.A.



Carlo Pilli
Socio

Roma, 17 maggio 2024



Deloitte & Touche S.p.A.
Via Vittorio Veneto, 89
00187 Roma
Italia

Tel: +39 06 367491
Fax: +39 06 36749282

**RELAZIONE DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D. LGS. 7.9.2005, N. 209 E
DELL'ART. 4, COMMA 1, LETTERE A E B, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Net Insurance Life S.p.A.**

Giudizio

Abbiamo svolto la revisione contabile dei seguenti elementi della Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria (la "SFCR Unica") del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2023, predisposta dalla capogruppo Poste Vita S.p.A. ai sensi dell'articolo 47-septies del D. Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento IVASS n. 33 del 6 dicembre 2016:

- modelli "S.02.01.02 Balance sheet" e "S.23.01.01 Own funds" (i "Modelli") di Net Insurance Life S.p.A. (la "Società");
- sezioni "D. Valutazione ai fini di solvibilità" e "E.1. Fondi propri" (l'"Informativa"), riferite a Net Insurance Life S.p.A..

Le nostre attività non hanno riguardato:

- le componenti delle riserve tecniche relative al margine di rischio (voci R0550 e R0590) del modello "S.02.01.02 Balance sheet";
- il Requisito patrimoniale di solvibilità (voce R0580) e il Requisito patrimoniale minimo (voce R0600) del modello "S.23.01.01 Own funds",

che pertanto sono esclusi dal nostro giudizio.

I Modelli e l'Informativa, con le esclusioni sopra riportate, costituiscono nel loro insieme "i Modelli di MVBS e OF e la relativa informativa".

A nostro giudizio, i Modelli di MVBS e OF e la relativa informativa di Net Insurance Life S.p.A., inclusi nella SFCR Unica del Gruppo Poste Vita, per l'esercizio chiuso al 31 dicembre 2023, sono stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.328.220,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT03049560166

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Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISAs). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile dei modelli di MVBS e OF e della relativa informativa* della presente relazione.

Siamo indipendenti rispetto alla Società in conformità alle norme e ai principi in materia di etica e di indipendenza del Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) emesso dall'International Ethics Standards Board for Accountants applicabili alla revisione contabile dei modelli e della relativa informativa.

Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

Richiamo di informativa - Criteri di redazione, finalità e limitazione all'utilizzo

Richiamiamo l'attenzione alla sezione "D. Valutazione ai fini di solvibilità" che descrive i criteri di redazione. I Modelli di MVBS e OF e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore, che costituisce un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi. Il nostro giudizio non è espresso con rilievi con riferimento a tale aspetto.

Altri aspetti

La Società ha redatto il bilancio d'esercizio al 31 dicembre 2023 in conformità alle norme italiane che ne disciplinano i criteri di redazione, che è stato da noi assoggettato a revisione contabile a seguito della quale abbiamo emesso la nostra relazione di revisione datata 5 aprile 2024.

La Società ha redatto i modelli "S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula" e "S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity" e la relativa informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" dell'allegata SFCR Unica in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore, che sono stati da noi assoggettati a revisione contabile limitata, secondo quanto previsto dall'art. 4 comma 1 lett. c) del Regolamento IVASS n. 42 del 2 agosto 2018, a seguito della quale abbiamo emesso in data odierna una relazione di revisione limitata allegata alla SFCR Unica.

Altre informazioni contenute nella SFCR Unica

Gli Amministratori sono responsabili per la redazione delle altre informazioni contenute nella SFCR Unica in conformità alle norme che ne disciplinano i criteri di redazione.

Le altre informazioni della SFCR Unica sono costituite da:

- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.12.01.02 Life and Health SLT Technical Provisions”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity” relativi a Net Insurance Life S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.12.01.02 Life and Health SLT Technical Provisions”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.02.01 Minimum Capital Requirement - Both life and non-life insurance activity” relativi a Poste Vita S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.17.01.02 Non - Life Technical Provisions”, “S.19.01.21 Non – Life Insurance Claims Information”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity” relativi a Poste Assicura S.p.A.;
- i modelli “S.04.05.21 Premiums, claims and expenses by countries”, “S.05.01.02 Premiums, claims and expenses by line of business”, “S.17.01.02 Non - Life Technical Provisions”, “S.19.01.21 Non – Life Insurance Claims Information”, “S.22.01.21 Impact of long term guarantees measures and transitionals”, “S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula” e “S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity” relativi a Net Insurance S.p.A.;
- i modelli “S.05.01.02 Premiums, claims and expenses by line of business”, “S.22.01.22 Impact of long term guarantees measures and transitionals”, “S.25.01.22 Solvency Capital Requirement - for groups on Standard Formula” e “S.32.01.22 Undertakings in the scope of the group” relativi al Gruppo Poste Vita;
- le sezioni “A. Attività e risultati”, “B. Sistema di Governance”, “C. Profilo di rischio”, “E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo”, “E.3. Utilizzo del sottomodulo del rischio azionario basato sulla durata nel calcolo del requisito patrimoniale di solvibilità”, “E.4. Differenze tra la formula standard e il modello interno utilizzato”, “E.5. Inosservanza del Requisito patrimoniale minimo e inosservanza del requisito patrimoniale di solvibilità” e “E.6. Altre informazioni”.

Il nostro giudizio sui Modelli di MVBS e OF e sulla relativa informativa non si estende a tali altre informazioni.

Con riferimento alla revisione contabile dei Modelli di MVBS e OF e della relativa informativa, la nostra responsabilità è svolgere una lettura critica delle altre informazioni e, nel fare ciò, considerare se le medesime siano significativamente incoerenti con i Modelli di MVBS e OF e la relativa informativa o con le nostre conoscenze acquisite durante la revisione o comunque possano essere significativamente errate. Laddove identifichiamo possibili incoerenze o errori significativi, siamo tenuti a determinare se vi sia un errore significativo nei Modelli di MVBS e OF e nella relativa informativa o nelle altre informazioni. Se, in base al lavoro svolto, concludiamo che esista un errore significativo, siamo tenuti a segnalare tale circostanza. A questo riguardo, non abbiamo nulla da riportare.

Responsabilità degli Amministratori e del Collegio Sindacale per i Modelli di MVBS e OF e la relativa informativa

Gli Amministratori sono responsabili per la redazione dei Modelli di MVBS e OF e della relativa informativa in conformità alle norme che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei Modelli di MVBS e OF e la relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono responsabili per la valutazione della capacità della Società di continuare ad operare come un'entità in funzionamento e, nella redazione dei Modelli di MVBS e OF e della relativa informativa, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli Amministratori utilizzano il presupposto della continuità aziendale nella redazione dei Modelli di MVBS e OF e della relativa informativa a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Società o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il Collegio Sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria della Società.

Responsabilità della società di revisione per la revisione contabile dei Modelli di MVBS e OF e della relativa informativa

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che i Modelli di MVBS e OF e la relativa informativa, nel loro complesso, non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche prese dagli utilizzatori sulla base dei modelli di MVBS e OF e della relativa informativa.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISAs), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- Abbiamo identificato e valutato i rischi di errori significativi nei Modelli di MVBS e OF e nella relativa informativa, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno.
- Abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile dei Modelli di MVBS e OF e della relativa informativa allo scopo di definire procedure di revisione appropriate nelle circostanze e non per esprimere un giudizio sull'efficacia del controllo interno della Società.



- Abbiamo valutato l'appropriatezza dei criteri di redazione utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli Amministratori e della relativa informativa.
- Siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli Amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità della Società di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di previsione sulla relativa informativa ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Società cessi di operare come un'entità in funzionamento.

Abbiamo comunicato ai responsabili delle attività di *governance*, tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

DELOITTE & TOUCHE S.p.A.

Carlo Pilli
Socio

Roma, 17 maggio 2024

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Deloitte & Touche S.p.A.
Via Vittorio Veneto, 89
00187 Roma
Italia

Tel: +39 06 367491
Fax: +39 06 36749282

**RELAZIONE DI REVISIONE CONTABILE LIMITATA DELLA SOCIETÀ DI REVISIONE INDIPENDENTE
AI SENSI DELL'ART. 47-SEPTIES, COMMA 7 DEL D. LGS. 7.9.2005, N. 209 E
DELL'ART. 4, COMMA 1, LETTERA C, DEL REGOLAMENTO IVASS N. 42 DEL 2 AGOSTO 2018**

**Al Consiglio di Amministrazione di
Net Insurance Life S.p.A.**

Introduzione

Abbiamo svolto la revisione contabile limitata degli allegati modelli "S.25.01.21 Solvency Capital Requirement - for undertakings on Standard Formula" e "S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity" (i "Modelli di SCR e MCR") e dell'informativa presentata nella sezione "E.2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" (l'"informativa" o la "relativa informativa") di Net Insurance Life S.p.A. (nel seguito anche la "Società") inclusi nell'allegata Relazione Unica sulla Solvibilità e sulla Condizione Finanziaria ("SFCR Unica") del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2023, predisposta dalla capogruppo Poste Vita S.p.A. ai sensi dell'articolo 47-septies del D. Lgs. 7 settembre 2005, n. 209 e, avvalendosi della facoltà prevista, del combinato disposto dell'art. 216-novies comma 2 del D.Lgs. 209/2005 e dell'art. 36 comma 1 del Regolamento n. 33 del 6 dicembre 2016.

I Modelli di SCR e MCR e la relativa informativa sono stati redatti dagli Amministratori sulla base delle disposizioni dell'Unione Europea direttamente applicabili e della normativa nazionale di settore.

Responsabilità degli Amministratori

Gli Amministratori sono responsabili per la redazione dei Modelli di SCR e MCR e della relativa informativa in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione dei modelli di SCR e MCR e della relativa informativa che non contengano errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali.

Responsabilità del revisore

È nostra la responsabilità di esprimere una conclusione sui Modelli di SCR e MCR e sulla relativa informativa. Abbiamo svolto la revisione contabile limitata in conformità al principio internazionale sugli incarichi di revisione limitata *ISRE n. 2400 (Revised)*, *Incarichi per la revisione contabile limitata dell'informativa finanziaria storica*. Il principio *ISRE 2400 (Revised)* ci richiede di giungere a una conclusione sul fatto se siano pervenuti alla nostra attenzione elementi che ci facciano ritenere che i Modelli di SCR e MCR e la relativa informativa non siano redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona
Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.328.220,00 i.v.
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Tale principio ci richiede altresì di conformarci ai principi etici applicabili.

La revisione contabile limitata dei Modelli di SCR e MCR e della relativa informativa conforme al principio *ISRE 2400 (Revised)* è un incarico di assurance limitata. Il revisore svolge procedure che consistono principalmente nell'effettuare indagini presso la direzione e altri soggetti nell'ambito dell'impresa, come appropriato, e procedure di analisi comparativa, e valuta le evidenze acquisite.

Le procedure svolte in una revisione contabile limitata sono sostanzialmente minori rispetto a quelle svolte in una revisione contabile completa conforme ai principi di revisione internazionali (ISAs). Pertanto, non esprimiamo un giudizio di revisione sui modelli di SCR e MCR e sulla relativa informativa.

Conclusione

Sulla base della revisione contabile limitata, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che gli allegati Modelli di SCR e MCR e la relativa informativa di Net Insurance Life S.p.A. inclusi nella SFCR Unica del Gruppo Poste Vita per l'esercizio chiuso al 31 dicembre 2023, non siano stati redatti, in tutti gli aspetti significativi, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore.

Criteri di redazione, finalità e limitazione all'utilizzo

Senza esprimere la nostra conclusione con modifica, richiamiamo l'attenzione alla sezione "E2. Requisito patrimoniale di solvibilità e requisito patrimoniale minimo" della SFCR Unica che descrive i criteri di redazione dei Modelli di SCR e MCR. I modelli di SCR e MCR e la relativa informativa sono stati redatti, per le finalità di vigilanza sulla solvibilità, in conformità alle disposizioni dell'Unione Europea direttamente applicabili e alla normativa nazionale di settore che costituiscono un quadro normativo con scopi specifici. Di conseguenza possono non essere adatti per altri scopi.

DELOITTE & TOUCHE S.p.A.



Carlo Pilli
Socio

Roma, 17 maggio 2024





Poste Vita SpA

Registered Office in Rome – Viale Europa, 190

The Parent Company of the Poste Vita Group authorized to practice Insurance with provision ISVAP:

- No. 1144 12/03/1999 published on G.U. no. 68 23/03/1999
- No. 2462 14/09/2006 published on G.U. no. 225 27/09/2006

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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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

Tax Code 07066630638

VAT number 05927271006

Posteitaliane