CONSOLIDATED ANNUAL REPORT **2023**

Postenibilità

SUSTAINABILITY INCLUDES A NEW WORD, OURS.

Posteitaliane

Postevita
GruppoAssicurativoPostevita

Postenibilità

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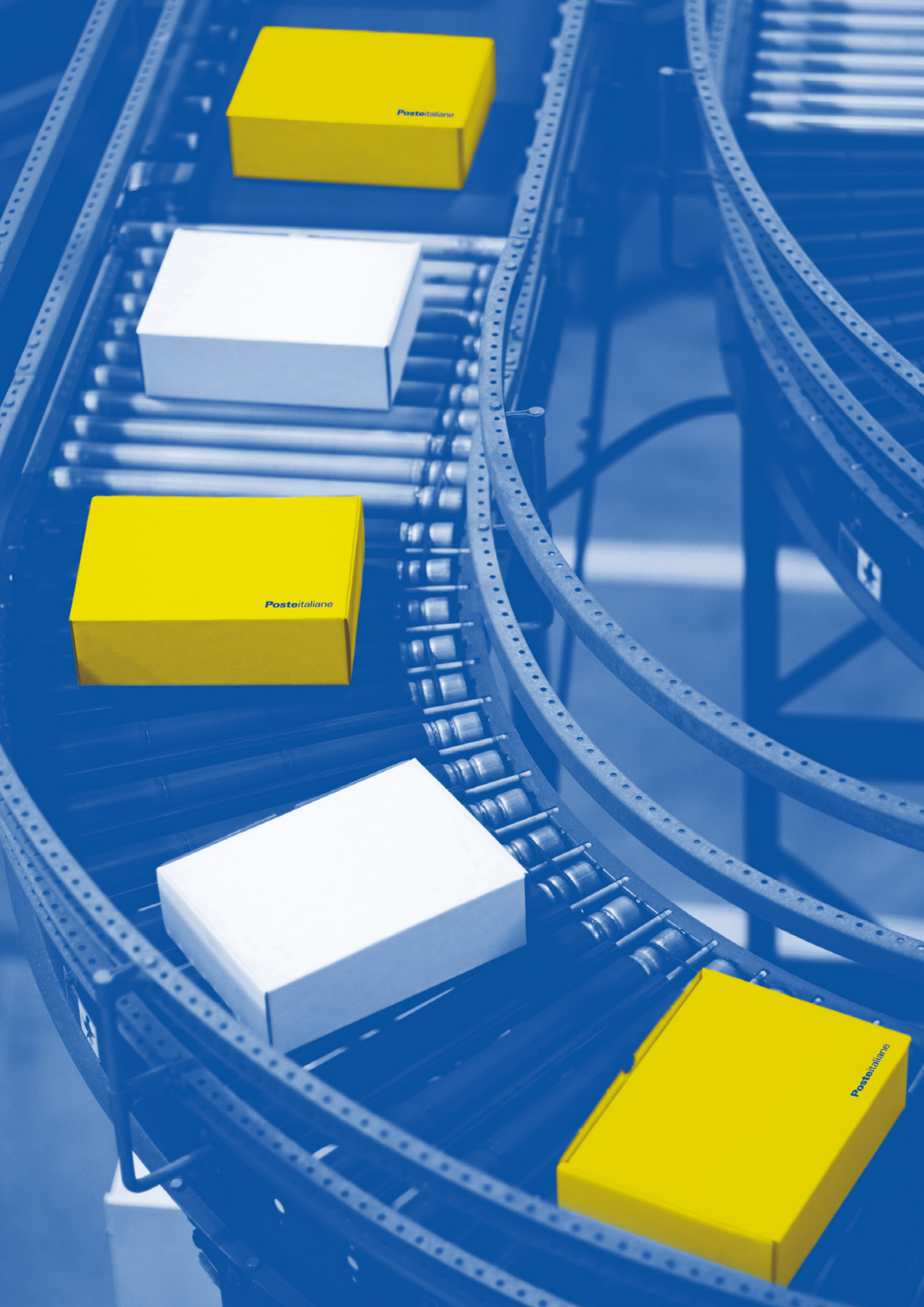
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Composition of the Corporate and Control Bodies of the Parent Company Poste Vita SpA

BOARD OF DIRECTORS[1]

Chairperson
Maria Bianca Farina

Chief Executive Officer
Andrea Novelli

Director
Cosimo Pacciani
Laura Furlan
Paolo Martella
Biancamaria Raganelli[2]
Moroello Diaz Della
Vittoria Pallavicini[2]

GENERAL MANAGER

Andrea Novelli

Poste

1. The Board of Directors and the Board of Statutory Auditors were appointed by the Shareholders' Meeting held on 26 June 2023 and will serve for three-year terms of office, until the date of approval of the financial statements for 2025.
2. Independent Directors.

BOARD OF STATUTORY AUDITORS[1]

Chairperson
Alberto Dello Strologo

Standing auditor
Debora D'Angiolillo
Vincenzo Moretta

Alternate auditor
Guido Sazbon[3]
Maura Gervasutti

SUPERVISORY BOARD[4]

Chairperson
Bruno Assumma

Member
Matteo Petrella
Luciano Loiodice

Vita

Independent auditors[5]
Deloitte & Touche SpA

Internal control and risks and related party transactions committee[6]

Chairperson
Cosimo Pacciani

Member
Biancamaria Raganelli
Moroello Diaz Della Vittoria Pallavicini

Appointments and remuneration committee[6]

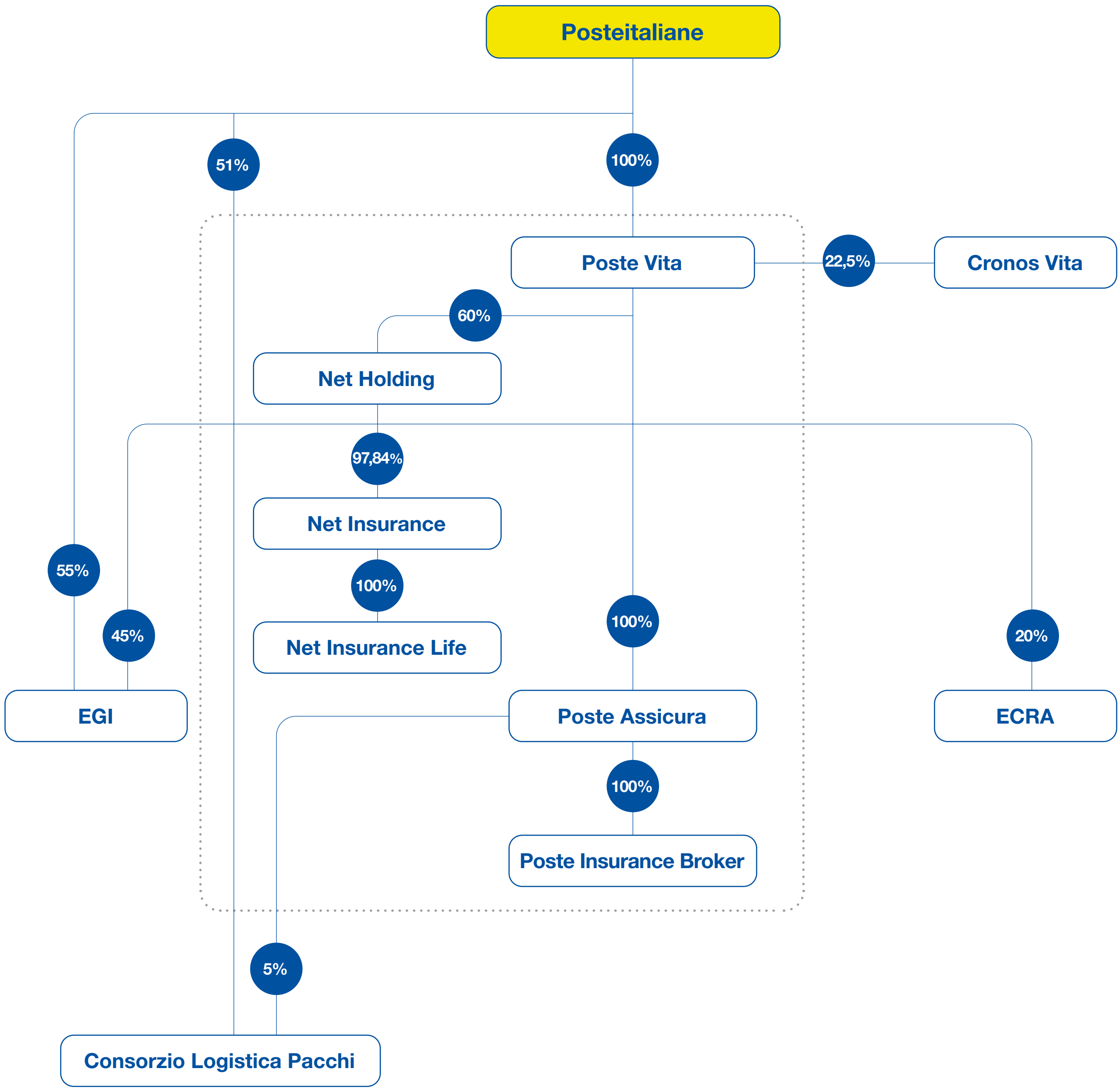
Chairperson
Laura Furlan

Member
Biancamaria Raganelli
Moroello Diaz Della Vittoria Pallavicini

3. On 11 January 2024, the Alternate Auditor Guido Sazbon announced his resignation with immediate effect from his position at Poste Vita; the Company will replace him at the first useful shareholders' meeting to be held to approve the 2023 financial statements.
4. The Supervisory Board, appointed by the Board of Directors at the meeting of 25 May 2021, has a three-year term of office that will expire on the date of approval of the 2023 financial statements.
5. The Shareholders' Meeting, which met on 28 November 2019, approved the engagement of Deloitte & Touche SpA to audit the annual and consolidated financial statements of Poste Vita for the nine-year period from 2020-2028. The firm is the Group auditor selected following a single tender launched by Poste Italiane SpA in compliance with the provisions of Regulation (EU) 573 of 16 April 2014 and of Italian Legislative Decree no. 39 of 17 January 2010, as amended by Legislative Decree no. 135/2016.
6. The Internal Control and Risks and Related Party Transactions Committee and the Appointments and Remuneration Committee were established by Board resolution of 28 June 2023.

Group structure

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



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

The scope of consolidation includes:
1. Poste Assicura SpA ("Poste Assicura"), an insurance company operating in Non-Life insurance, excluding motor insurance, wholly-owned by the Parent Company Poste Vita SpA ("Poste Vita" or the "Parent Company");
2. Poste Insurance Broker Srl, 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 controls 100% of Net Insurance Life SpA;
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, equal to 45% of the share capital, in the company Europa Gestioni Immobiliari SpA (EGI), which operates mainly in the real estate sector for the management and development of Poste Italiane's real estate assets that are no longer instrumental, and another non-controlling interest, equal to 20% of the 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 Scpa ("Consorzio Logistica Pacchi") as a non-controlling investor; the latter mainly provides sorting, tracking and delivery services for the Packages service for Poste Italiane SpA This investment is measured at cost.

Key performance indicators

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

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

PRINCIPAL FINANCIAL KPIs (€m)	31.12.23	31.12.22	Change	
Financial Investments	156,502.0	142,460.3	14,041.8	9.9%
Insurance technical liabilities	154,919.8	140,980.5	13,939.3	9.9%
of which CSM	11,898.8	11,391.7	507.1	4.5%
Equity	6,687.7	5,986.6	701.1	11.7%
of which attributable to non-controlling interests	*74.4*	*0.0*	*74.4*	
Solvency Ratio	307.1%	253.3%	53.8%	
Workforce (exact FTE)*	631	460	171	37%

PRINCIPAL OPERATIONAL KPIs	31.12.23	31.12.22	Change	
Gross premium revenue	18,576.6	17,571.6	1,005.0	5.7%
Net Life inflows	3,593.1	7,604.1	(4,011.0)	(52.7%)
Result of insurance services	1,324.0	1,510.4	(186.5)	(12.3%)
Net financial result	110.7	9.4	101.3	1079.2%
EBIT	1,379.3	1,471.2	(91.9)	(6.2%)
Net Result	1,014.3	1,064.2	(49.9)	(4.7%)
of which attributable to non-controlling interests	*5.3*	-	*5.3*	
CSM release	1,134.8	1,384	(249.0)	(18.0%)
of which Additional release	*115.8*	*389.7*	*(273.9)*	*(70.3%)*
Return - PostaValorePiù	2.52%	2.59%	(0.07%)	
Return - PostaPensione	2.76%	2.68%	0.08%	
Return - Poste Vita Valore Solidità**	3.05%		n/s	
Combined Ratio Non-Life****	89.8%	89.5%	0.3%	
Life Lapse rate***	4.4%	3.5%	0.9%	

* The headcount for the period includes 132 staff attributable to the acquisition of Net Insurance and Net Life as of 1 April 2023.
** Start of marketing in April 2023.
*** Determined as the ratio of lapses to average statutory technical provisions (mathematical, sums payable and other additional provisions).
**** Indicator calculated as the sum of Loss Ratio and Expense Ratio/insurance revenue and also takes into account other technical charges and is expressed net of reinsurance.

1. 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 Group was carried out in line with the forecasts of the budget and the strategic guidelines regarding the insurance offer approved by the Board of Directors of the Parent Company Poste Vita.

In addition, in April 2023, the entry of Net Insurance and the subsidiary Net Insurance Life into the Poste Vita Group perimeter was finalised through the subsidiary Net Holding, which will enable the Group, in line with the objectives defined in the business plan, to achieve significant growth in the non-life insurance/protection segment.

Premiums from the Life segment during the Period totalled € 18 billion, an increase of 4.8% (+€ 0.8 billion) compared to 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 business 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 2023.

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 frequency[7] of lapses with respect to average reserves was 4.4% (3.5% in 2022); this figure remains well below the average market figure of 10.6%[8] at 31 December 2023.

In relation to this, net inflows for the period 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 and third-party networks line and 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.

7. Determined as the ratio of lapses to average statutory technical provisions (mathematical, sums payable and other additional provisions).
8. Source: Ania Trends – Life flows and provisions – Publication no. 4, 21 February 2024.

The reclassified statement of profit or loss at 31 December 2023 is provided below, which distinguishes between the results achieved in Life and Non-Life Business, with comparison figures from the same period in 2022.

Statement of profit or loss (€m)	31.12.23 Life business	31.12.23 Non-Life business	31.12.23 Total	31.12.22 Life business	31.12.22 Non-Life business	31.12.22 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*
- Contracts measured under PAA	*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 proceeds 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 and 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 issued[9], 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 € 272.7 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) mainly due to higher commissions related to the increased business of investment products placed by the Parent Company, Poste Vita, and secondly to the contribution during the period of the subsidiary Net Insurance, 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 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, the net financial result that takes into account the mirroring effect for Poste Vita (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 of € 110.7 million, compared to a positive result of € 9.4 million recorded in the previous year.

Non-attributable operating costs[10] 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 € 5.5 million against the recognition of unrealised losses of € 18.5 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 loan 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 € 1,064.2 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, 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) and net of the dividend paid to the Ultimate Parent Poste Italiane.

9. 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).
10. 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.

2. The economic and market context

In 2023, the global economy was affected by still high, albeit slowing levels of inflation during the year, uncertainty related to various geopolitical situations, concerns about energy prices and the restrictive stance of monetary policies. At the same time, the Purchasing Managers' Indices (PMI) of manufacturing companies in the major advanced economies remained consistently below the expansion threshold; activity also remained weak in the services sector, with the PMI index falling from its spring peak.

Inflation remains high although declining throughout 2023, thanks to both the gradual easing of price pressures in supply chains and the restrictive policy of central banks. In OECD countries, the year-on-year change in consumer prices in November showed growth of +5.4%, compared to a high of +10.7% in October 2022; the decline was driven by the energy component which stood at -5.1% in November. Against this backdrop, major central banks in advanced economies continued with the process of normalising monetary policy, with the aim of bringing inflation back towards their official target. The cost of borrowing continued to rise in the US (to 5.5%), in the Eurozone (to 4.5%) and in the UK (to 5.25%). In Japan, rates remained unchanged throughout the year (at -0.10%). In the second half of the year, as tensions around the banking system also eased, thanks to the rapid intervention of monetary and government authorities in ensuring liquidity and reassuring the soundness of the banking system, central banks kept interest rates at the restrictive levels mentioned above, in order to reach the 2% inflation target. At present, the upward cycle seems to have come to an end and the markets' attention is shifting towards the cycle of cuts planned for 2024, although recent geopolitical events, such as the Suez crisis and the situation in Taiwan, have rekindled fears of new inflationary pressures whose effects, in the medium term, have yet to be fully assessed.

Economic growth in the **US** continues to be underpinned by consumption (thanks to employment income and the household savings rate), albeit penalised by a weakening manufacturing sector, inflation and the Federal Reserve's consequent monetary policy. The labour market confirmed its robustness, with employment growth mainly driven by the service sector and wage dynamics that, although moderating, remain high: the unemployment rate was 3.7% in December.

Consumer price growth is slowing down, although still way off the target: in December the benchmark index grew by +3.4% year-on-year. This figure was volatile during the year, due to the rebound in energy prices, affected by geopolitical tensions. However, since the beginning of the year, the resilience of inflation remains the effect of the core component, which grew by +3.9% in December and continues to be affected by the dynamics of ex-housing services and property rental costs. Against this backdrop, the Federal Reserve kept on normalising its monetary policy: during 2023, the cost of borrowing rose by 100 basis points, from 4.50% to 5.50%. However, the Fed paused its rate tightening policy in the latter part of the year, preparing the market for a more accommodative monetary policy in 2024.

The **Eurozone** economy, which has entered a slowdown phase due to the effects of inflation and monetary tightening, was supported by a robust labour market and strong demand in services. However, there was moderate growth due to the weakness of the industrial sector and the large dependence on China. Overall inflation continued its decline, standing at +2.9% year-on-year in December, thanks to a widespread slowdown in all major components. The core component remains high, although it showed a marked deceleration to +3.4 % year-on-year (from +5.3 % at the beginning of the year), registering a continuous decline since the second quarter. In the meantime, the ECB continued on its path of increasing the cost of borrowing, which rose by 200 basis points (from 2.50% to 4.50%) over the course of 2023. In the latter part of the year, the Governing Council halted the upward cycle, but nevertheless continued on the tightening path by means of fiscal tightening measures.

For the **UK**, the outlook for economic growth was conditioned by the evolving geopolitical situation and the trend in inflation, which rose in December by +4.0% year-on-year, from the high of +11.1% registered in October 2022. In 2023, the Bank of England raised the cost of borrowing by 175 basis points, to 5.25%, with the aim of combating inflation.

In **Italy** after a much more robust first quarter than expected, with real GDP growing at the highest rate among the major Eurozone countries, recent months have seen a contraction in growth. The macroeconomic scenario remains conditioned by the restrictive effects of the ECB's monetary policy and the effects of inflation on profit margins and business investment.

Inflation showed a marked deceleration in the final months of the year, with the harmonised consumer price index standing at +0.5% year-on-year in December, below the 2% target. However, inflationary dynamics still persist due to the resilience of the core component, at +3.1% year-on-year in December. Adding to the context was a new element of uncertainty related to the Nadef (Nota di Aggiornamento del Documento di Economia e Finanza - Update Report of the Economy and Finance Document), in which the Italian government cut its growth estimates for '23 and '24 and raised its deficit targets, due to rising interest rates and the superbonus for construction. Projected GDP growth is 0.7% year-on-year for 2023, revised downward from previous estimates.

Regarding **emerging economies**, real GDP growth in **China** in the first quarter was higher than expected, following the lifting of anti-Covid restrictions. However, the re-opening did not help the Chinese recovery as much as hoped, with GDP declining from the second half of the year. The slowdown of the Chinese economy is attributable to falling foreign demand, weak services and structural problems in the real estate sector. In an attempt to counter the slowdown in economic growth, the People's Bank of China cut the cost of borrowing.

In 2023, China recorded real GDP of +5.2%, in line with forecasts at the beginning of the year of around +5%, hitting one of the lowest results in decades, excluding the pandemic period. In **Brazil**, the central bank started on the path of interest rate cuts, lowering the cost of borrowing by 200 basis points over the course of the year, due to inflationary dynamics falling to +4.62% in December, from a peak of +12.1% in April 2022. As for **Russia**, economic growth continues to suffer from the economic, financial and political effects of the war in Ukraine.

Financial markets

Core ten-year government bond yields rose in the first two months of the year, hitting a first peak in the United States (to +4%) and in Germany (to +2.75%), reflecting expectations of persistent inflationary pressures and, consequently, expectations of a more restrictive monetary stance by central banks. Since the second half of March, yields have fallen in both the United States (to +3.4%) and in Germany (to +2.1%), due to the events that impacted the regional banks in the US and the Credit Suisse affair in Europe, which have ignited fears of spreading to the real economy and highlighted the risks to financial stability associated with a rapid and marked rise in discount rates. Once the idiosyncrasy of the aforementioned banking events had been established and the financial stability alarm had subsided, central banks continued their tightening process and yields rose again. At present, central banks are at the end of the rate hike cycle: a period of stable rates is expected, with market attention focused on the timing and extent of future interest rate cuts. This first led to a steepening of the curves to new peaks: at the beginning of the fourth quarter of 2023, the US ten-year government yield touched 5% and the German yield was just below 3%. In the last two months of the year, however, expectations of a change of course by the central banks led to a downward retracement of yields: at the end of 2023, the US ten-year government yield was in the 3.9% area (back to the levels of 31 December 2022), while the German yield was in the 2% area (compared to 2.6% at the end of December 2022).

Italian government bond yields, which rose in January and February, fell in conjunction with the first signs of instability in the banking sector. At the end of March 2023, the yield on the Italian ten-year government bond was in the 4% area, compared to 4.7% at the end of 2022. In the second quarter, the yield remained almost unchanged, standing at 4% at the end of June 2023. In the latter part of the year, the yield rose again, in light of the uncertainty related to the Def (Economy and Finance Document) update and Moody's decision on Italy's rating, settling in the 4.9% area in October 2023, the highest level since 2013. The ten-year spread against the German Bund at the end of the third quarter stood at around 190 basis points (compared to 214 at the end of 2022), mainly due to the movement on the Italian curve, then slipped back into the 160 basis points area at year-end.

On the corporate credit front, at the end of 2023, the average yield in both the Investment Grade and High Yield segments was down compared to the end of 2022, mainly in the last two months of the year as a result of falling interest rates. To date, the average return of the Investment Grade index is in the 3.5% area, while that of the High Yield index is in the 6.5% area.

The performance of all major equity indices in the year to the end of 2023, in local currency, is positive: global equity (MSCI Word) +21.77%, USA (S&P500) +24.23%, Europe (EuroStoxx 50) +19.19%, Germany (DAX) +20.31%, Italy (FTSEMIB) +28.03%, Emerging Markets +7.04%.

Italian life insurance market

New individual and collective life insurance policies, based on the latest available official data (source: ANIA[11]) amounted to € 74.2 billion at the end of December 2023, a decrease of 3.3% compared to the same period in 2022. If new Life business reported by EU companies is also taken into account, the figure reaches € 82.5 billion, down 5.2% compared to the same period of 2022.

Analysing the data by insurance class, premiums from Class I, confirming its leading role in the Life business with a 76% share of the total at the end of December 2023, amounted to € 56.3 billion at the end of the period, up 11.9% compared to the same period of the previous year. With reference to inflows in class III (in the exclusive unit-linked form) at the end of 2023, a particularly negative trend in revenue was recorded, with a decrease (-37.5%) compared to the figure in 2022, against total volumes of € 14.8 billion. Although residual, inflows from capitalisation products amounted to € 0.8 billion and decreased (-27.6%) during the reference period compared to the same period in the previous year. The trend in new premiums relating to long-term illness policies (Class IV) continued to be limited (roughly € 111 million), an increase (+30.6%) compared to the figure recorded in the same period of 2022.

New contributions relating to the management of pension funds recorded inflows of € 2.2 billion, an increase of (+39.8%) compared to 2022.

NEW INDIVIDUAL AND COLLECTIVE LIFE BUSINESS BY CLASS (*)

(data updated in June 2023 in €m)

Premiums by class/product	Premiums YTD	% change 06 2023 vs 06 2022
Life - class I	29,418	14.2%
Unit - Linked - class III	8,397	(43.4%)
Capitalisations - class V	232	4.5%
Pension funds - class VI	62	(0.9%)
Illness - class IV	36	29.0%
Italian insurers - non-EU	**38,145**	**(6.8%)**
EU insurers (**)	**4,037**	**(28.2%)**
Total	**42,182**	**(9.3%)**

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

Single premiums continued to be the preferred form of payment for policyholders, representing 95.2% of total premiums written and 60.6% of policies by number.

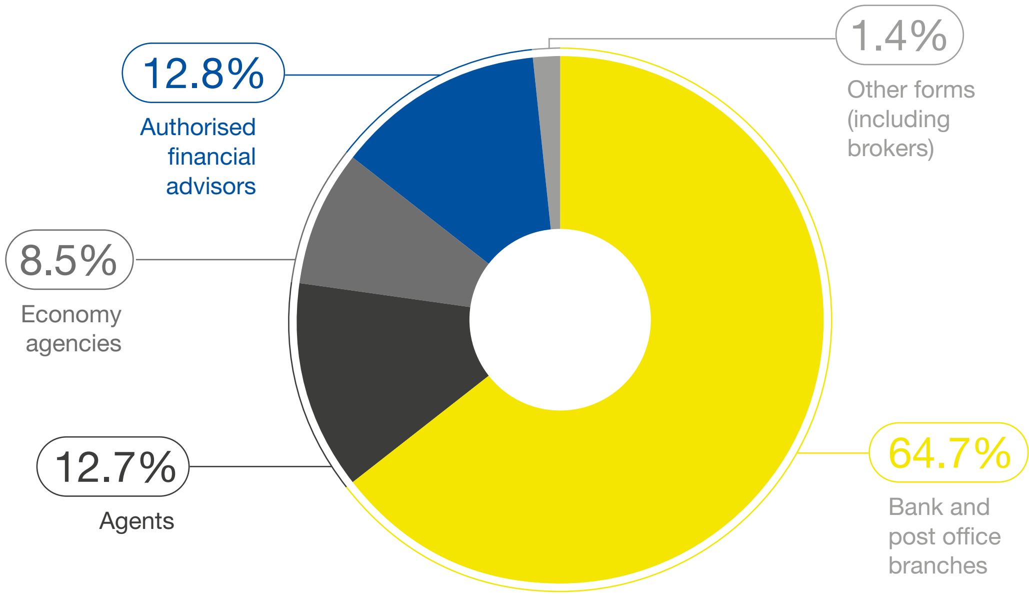
With regard to the distribution channel, 64.7% of new business was brokered through banks and post offices at the end of December 2023, with premium revenue of € 48 billion, a decrease (-1.3%) compared with the same period of 2022. On the other hand, with regard to the entire agency channel, the volume of new business distributed reached € 15.7 billion, marking an increase of 1.1% in terms of volumes recorded compared to the same period of 2022, and with an incidence on total brokered business of 21.1%.

The performance of new business obtained through authorised financial advisors was € 9.5 billion, down (-15%) compared with the amount placed in the same period of the previous year and with an incidence compared to the total of brokered premiums equal to 12.8%.

11. ANIA Report - Year XIX - no. 12 - published on 1 February 2024.

Finally, the broker and distance sales channel recorded a decline of 29.6% in the period in question compared to the same period of 2022, with a volume of premiums placed of € 1 billion (or 1.4% of the total brokered).

NEW INDIVIDUAL AND COLLECTIVE LIFE BUSINESS BY DISTRIBUTION CHANNEL



Source: ANIA.

Italian non-life insurance market

Total direct Italian premiums in the **Non-Life insurance market**, thus including policies sold by Italian and overseas undertakings, based on the available official data (source: ANIA[12]), amounted to € 31.2 billion at the end of third quarter of 2023, an increase over the same period in 2022 (+7.5%), when the sector grew by 6.3%.

This growth is mainly attributable to the development of the non-automotive sector (+8%). Premiums in the Motor line also increased by 7%, mainly as a result of the increase in premiums in the Land Vehicle hulls line (+12.1%), and partly also the third-party liability insurance line, which recorded a premium increase of 5.4%.

The classes with the greatest weight in terms of premiums written, which showed a positive change during the period, were: the Accident class with premiums of € 2,807 million, up 4.3%; the Illness class with premiums of € 2,930 million, up 13.3%; the General Liability class with premiums of € 3,668 million, up 7.3%; Other property damage with premiums of € 3,022 million, up 7.7%; Fire and natural disaster with premiums of € 2,198 million, up 9.1% for the period. Also worth mentioning is the positive change achieved by the Credit and Legal Assistance classes, respectively 14.4% and 7.6%, with total premium revenue of € 677 million and € 812 million, respectively.

12. ANIA Report - Year IX - no. 35 - published on 30 November 2023.

DIRECT NON-LIFE PORTFOLIO PREMIUMS BY CLASS*

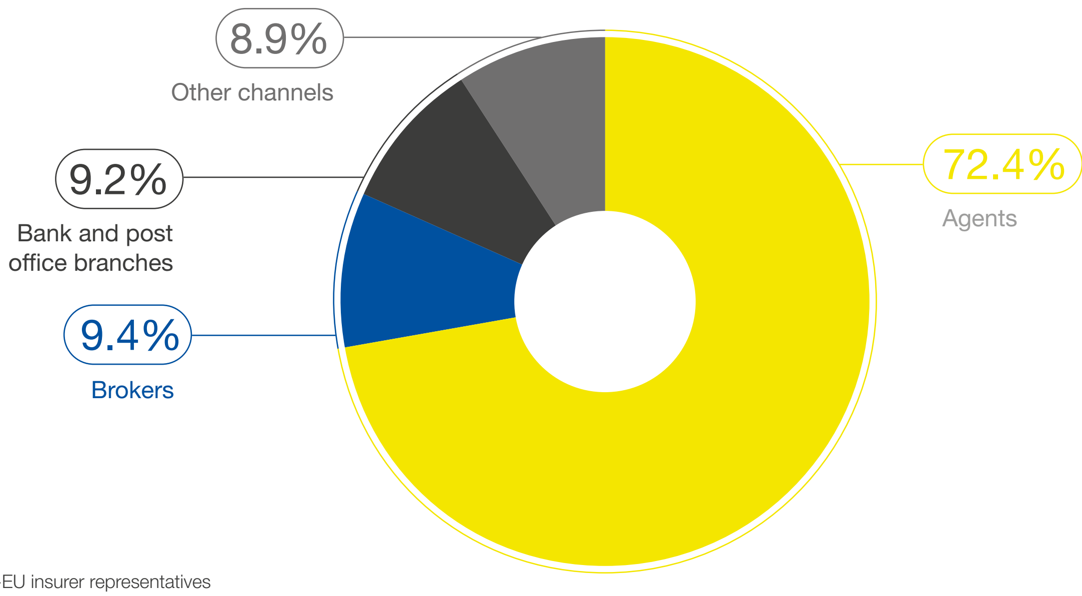
(data updated to March 2023 in €m)

Premiums by class**	Premiums YTD	Change % 31 March 2023 vs 31 March 2022
Total motor segment	12,747	7.0%
Other Non-Life classes	18,460	8.0%
Total Non-Life classes	**31,207**	**7.5%**

In terms of **distribution channels**, agents continue to lead the way with a market share of 72.4% at the end of September 2023 (73% at the end of September 2022). Brokers represent the second largest non-life premium distribution channel with a market share of 9.4% (8.7% at the end of September 2022), while bank and post offices recorded a market share of 9.2% (equal to the data recorded at the end of the third quarter of 2022).

As regards direct sales as a whole (including distance, telephone and internet sales), at the end of September 2023, there was an incidence of 8.5% (8.7% at the end of September 2022). The remaining 0.4% (0.4% at the end of the third quarter of 2022) relates to premiums brokered by qualified financial advisors.

BREAKDOWN OF DIRECT NON-LIFE PORTFOLIO PREMIUMS BY DISTRIBUTION CHANNEL*



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

3. Operating review

In 2023, **premium revenue** came to a total of € 18,576.6 million, up by 5.7% with respect to the € 17,571.6 million recorded in the same period of 2022, thanks to the significant contribution, as noted above, from premiums associated with traditional products. The following table shows the breakdown of premium revenue broken down by business, with a comparison with the figures recorded for the same period in 2022, specifying that during the period, the companies Net Insurance and Net Insurance Life also contributed to the formation of the figure, which contributed, respectively, premiums of € 85 million for the Non-Life business and € 106.4 million for the Life business.

Gross premium revenue (€m)	31.12.2023	31.12.2022	Change	
Class I	17,469.6	16,344.4	1,125.2	6.9%
Class III	439.8	755.6	(315.8)	(41.8%)
Class IV	9.7	9.4	0.2	2.6%
Class V	76.6	70.1	6.5	9.2%
Gross premium revenue - Life business	**17,995.6**	**17,179.5**	**816.1**	**4.8%**
Gross premium revenue - Non-Life business	**581.1**	**392.1**	**188.9**	**48.2%**
Total gross premium revenue	**18,576.6**	**17,571.6**	**1,005.0**	**5.7%**

Life business

Operating review

During 2023, the Parent Company Poste Vita launched the following Class I investment products:
- 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"[13]. The policy includes as ancillary cover the free serious illness policy "Poste protezione Mia[14]";
- 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;
- 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:
- 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;
- 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".

13. 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.
14. 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.

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 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 business 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.

Gross premium revenue (€m)	**31.12.23**	**Impact**	**31.12.22**	**Impact**	**delta**	**delta%**
Traditional revalued	12,683.8	70.5%	8,241.0	48.0%	4,442.7	53.9%
Pension products	1,071.8	6.0%	1,086.3	6.3%	(14.5)	(1.3%)
Multi-class	3,925.5	21.8%	7,578.6	44.1%	(3,653.0)	(48.2%)
Unit and index-linked	10.8	0.1%	17.3	0.1%	(6.5)	(37.4%)
Retail Protection	179.6	1.0%	70.4	0.4%	109.2	155.3%
Welfare Protection	48.2	0.3%	45.0	0.3%	3.2	7.0%
Capitalisation	75.9	0.4%	140.9	0.8%	(65.0)	(46.1%)
Total	**17,995.6**	**100.0%**	**17,179.5**	**100.0%**	**816.1**	**4.8%**

The schedule below provides an overview of premium revenue during the period by insurance class, in which build-up class I products prevail (including the relevant portion of multi-class products for € 3.5 billion), accounting for 97.1% of total revenue, with a 41.8% decrease in class III revenue.

Gross premium revenue (€m)	**31.12.2023**	**impact**	**31.12.2022**	**impact**	**Change**	
Class I	17,469.6	97.1%	16,344.4	95.1%	1,125.2	6.9%
Class III	439.8	2.4%	755.6	4.4%	(315.8)	(41.8%)
Class IV	9.7	0.1%	9.4	0.1%	0.2	2.6%
Class V	76.6	0.4%	70.1	0.4%	6.5	9.2%
Gross premium revenue - Life business	**17,995.6**	**100.0%**	**17,179.5**	**100.0%**	**816.1**	**4.8%**

The following table shows the breakdown of gross inflows by premium type, where single premiums dominate, accounting for 90.1% of total business (89.5% with reference to 2022), with volumes achieved in the period amounting to € 16.2 billion.

Breakdown of gross premium revenue (€m)	31.12.23	impact	31.12.22	impact	Change	
Regular premiums	**1,780.8**	**9.9%**	**1,805.5**	**10.5%**	**(24.7)**	**(1.4%)**
- of which first year	115.7	0.6%	164.3	1.0%	(48.6)	(29.6%)
- of which subsequent years	1,665.1	9.3%	1,641.2	9.6%	23.9	1.5%
Single premiums	**16,214.8**	**90.1%**	**15,374.0**	**89.5%**	**840.8**	**5.5%**
Total	**17,995.6**	**100.0%**	**17,179.5**	**100.0%**	**816.1**	**4.8%**

Non-Life business

With regard to Non-Life business, also during 2023, through its 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 is highlighted during the period:

- an 18.4% increase in premiums for the asset and personal protection line placed through the Poste Italiane's network, 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 relating to the asset and personal protection line 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 (ICC 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 insurance class, which shows in particular: i) the prevalence with respect to total premiums of the "Illness" (48%) and "Accident" (23%) classes; ii) the increase of € 91.1 million (+48.8%) in the Illness class recorded during the period, given the development of the aforementioned Employee Benefits business and iii) the increase of € 33.5 million in business relating to the Credit class, thanks to the contribution of the subsidiary Net Insurance during the period.

Gross premium revenue (€m)	31.12.23	Impact%	31.12.22	Impact%	Delta	Delta %
Accident	131.5	23%	118.6	30%	12.9	10.9%
Illness	277.9	48%	186.8	48%	91.1	48.8%
Fire and natural disaster	23.2	4%	17.7	5%	5.4	30.6%
Other damage to property	46.4	8%	12.5	3%	33.9	270.3%
General liability	25.0	4%	21.6	5%	3.4	15.8%
Credit	34.1	6%	0.7	0%	33.5	n/s
Financial losses	18.4	3%	17.8	5%	0.6	3.3%
Legal expenses	9.0	2%	3.5	1%	5.5	159.9%
Assistance	15.6	3%	12.9	3%	2.7	20.5%
Total	**581.1**	**100%**	**392.1**	**100%**	**189.0**	**48.2%**

Trend in Payments

Payments amounted to € 14,703.3 million during the period in question, marking an increase of € 4,952.4 million (+50.8%) with respect to the € 9,748.4 million in the same period of the previous year, as detailed below:

Payments (€m)	31.12.23	31.12.22	Change	
Non-Life business				
Claims paid	280.1	159.5	120.6	75.6%
Costs for settling claims	20.7	14.2	6.5	46.2%
Total Non-Life claims paid	**300.8**	**173.6**	**127.1**	**73.2%**
Life business				
Claims paid	14,393.3	9,568.4	4,824.9	50.4%
of which: Claims	2,300.7	5,245.2	(2,944.5)	(56.1%)
Lapses	6,916.3	2,078.3	4,838.0	232.8%
Maturities	5,176.4	2,244.9	2,931.5	130.6%
Costs for settling claims	**9.2**	**6.4**	**2.8**	**44.1%**
Total Life claims paid	**14,402.5**	**9,574.8**	**4,827.8**	**50.4%**
Total	**14,703.3**	**9,748.4**	**4,954.9**	**50.8%**

With reference to life business, the item totalled € 14,402.5 million (of which € 23.2 million represents the contribution in the period of the subsidiary Net Insurance), up (+50.4%) compared to the values recorded in the same period of 2022 and refer to: i) maturities (including coupons) of € 5,176.4 million, up by € 3,098.1 million compared to the figure recorded in 2022; ii) claims of € 2,300.7 million (€ 2,244.9 million in the corresponding period of 2022) and iii) lapses of € 6,916.3 million, up (+31.9%) compared to the figure recorded in 2022 and with a ratio to opening provisions of 4.4%, up compared to 2022 (which was 3.5%). The data by insurance class show primarily an increase in claims expenses related to Class I products of € 4,287.5 million.

Claims expenses by class (€m)	31.12.23	31.12.22	Change	
Claims paid	**14,393.4**	**9,568.3**	**4,825.1**	**50.4%**
Class I	13,320.7	9,033.2	4,287.5	47.5%
Class III	900.4	371.5	528.9	142.4%
Class IV	2.7	3.0	(0.3)	(9.2%)
Class V	169.7	160.7	9.0	5.6%
Costs for settling claims	**9.1**	**7.1**	**2.0**	**28.2%**
Total claims expenses	**14,402.5**	**9,575.4**	**4,827.1**	**50.4%**

As far as the Non-Life business is concerned, the item amounted to € 298.8 million (of which € 55.6 million represents the contribution in the period of the subsidiary Net Insurance), including payment costs and direct costs of € 20.7 million, up 70.3% on the figure in 2022 (€ 123.4 million), mainly due to the trend in the claims rate of the "Illness" class in the corporate domain and the Other property damage class.

	31.12.23			31.12.22				
Claims Expense (€K) (€m)	claims paid	costs for settling claims	Total	claims paid	costs for settling claims	Total	delta	delta%
Accident	43.6	1.9	45.5	28.2	1.7	30.0	15.6	51.9%
Illness	174.5	15.7	190.3	124.3	11.1	135.4	54.9	40.5%
Fire and natural disaster	2.6	0.4	3.0	1.0	0.2	1.3	1.7	130.7%
Other damage to property	34.8	1.2	36.0	2.3	0.5	2.7	33.2	1210.0%
General liability	1.7	0.7	2.4	1.4	0.4	1.8	0.5	29.3%
Credit	19.9	0.3	20.3	-	-	-	20.3	n/s
Security deposit	0.0	0.0	0.0	-	-	-	0.0	n/s
Financial losses	1.9	0.5	2.4	1.7	0.2	1.8	0.6	31.8%
Legal expenses	0.6	0.0	0.6	0.4	0.0	0.4	0.2	50.0%
Assistance	0.3	0.0	0.4	0.1	0.0	0.2	0.2	122.9%
Total	**280.1**	**20.7**	**300.8**	**159.5**	**14.2**	**173.7**	**127.2**	**73.2%**

Distribution

The Poste Vita Group distributes its products primarily through the post offices of the Ultimate Parent, Poste Italiane SpA – BancoPosta RFC, duly registered under letter D in the single register of insurance intermediaries as per ISVAP Regulation no. 5 of 16 October 2006.

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

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

Below is the weighting of commissions recognised by channel and by business.

Distribution channel	Non-Life	Life	Total
Post Offices	74.0%	97.4%	92.8%
Brokers/Agents	18.8%	0.3%	3.9%
Bancassurance	7.2%	2.3%	3.3%
Total	**100.0%**	**100.0%**	**100.0%**

Reinsurance strategy

Life business

In 2023, for the Life business, and with regard to the Parent Company Poste Vita, the effects of existing treaties continued, entered into with leading reinsurers, relating to Term Life Insurance policies and reinsurance coverage with regard to LTC (Long-Term Care) and CPI (Credit Protection Insurance) insurance. The subsidiary Net Insurance Life, in the area of salary-backed loans, has concluded pure quota share treaties in the area of death benefits cover.

For business other than salary-backed loans, the subsidiary Net Insurance Life, using highly rated international operators has:
- renewed the current proportional treaty, with a pure quota transfer and supplemented the reinsurance protection with the conclusion of a corresponding treaty with a pure quota transfer;
- renewed a proportional risk premium treaty - referring to specific new products;
- renewed the risk premium treaty, with an assignment fee, for Long Term Care products (Class IV).

At the end of the period, the Life business ceded showed a negative result of € 5 million (positive € 0.5 million in the same period of 2022).

Non-Life business

With regard to the Non-Life business, the reinsurance strategy adopted by the subsidiary Poste Assicura is geared towards a non-proportional approach, thus allowing Poste Assicura to:
- mitigate risks, stabilising the variability of insurance business results and ensuring the technical balance of the portfolio;
- mitigate risks arising from peak exposures or catastrophic events;
- support the development of underwriting activities;
- strengthen financial soundness, in terms of capital allocation and optimisation.

The reinsurance structure applied in the period provides:
- for the Accident and Illness classes, a non-proportional excess-of-loss agreement per risk and/or event, aimed at protecting against peak exposures and catastrophic events. The excess-of-loss treaty covers the retained share;
- for the adoption of a non-proportional excess-of-loss agreement for the Fire, ADB and General third-party liability insurance classes, including the Professional third-party liability insurance component, aimed at protecting large losses, including catastrophic risks (e.g. Earthquake);
- for some accident risks underwritten prior to 2013, the treaties in quota share remain valid, with risk-attaching coverage basis;
- for all health insurance risks (excluding those arising from the CPI line), effective 01.10.2023, a proportional assignment: quota share reinsurance structure, with scalar reinsurance commission on a risk-attaching basis;
- for risks related to the cyber module, a proportional assignment: reinsurance structure in quota share, with fixed reinsurance commission and profit sharing on a loss-occurring coverage basis;

- for risks related to Legal Protection, a proportional assignment. Reinsurance structure in quota share, with fixed reinsurance commission and profit sharing on a loss-occurring coverage basis;
- use of optional and/or special acceptance reinsurance treaties, primarily in cases where the risk is not covered by the existing reinsurance treaty. In particular, this principle is valid for underwriting 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. The entity of the risk retained by Poste Assicura and the most appropriate reinsurance structure are decided on, from time to time, based on the nature of the risk involved.

Also within the non-life business, the reinsurance strategy adopted by the subsidiary Net Insurance was aimed at achieving a balanced net retention. During the Period, the plan of assignments has been set up as described below:

- with reference to the Credit class, with respect to the salary-backed loan business, four separate pure quota proportional treaties were entered into; the treaties were all underwriting year and, therefore, reinsurance protection followed the entire insurance period of each security issued in 2023, according to the risk-attaching principle;
- with regard to the Fire class ("CAT" risks) - a proportional treaty was renewed: the treaty covers Earthquake and Flood guarantees allocated to multi-risk or stand-alone products;
- with reference to the Financial Loss and General Liability classes ("Cyber" risks) - a pure quota proportional treaty was renewed: the treaty covers Financial losses and General Liability guarantees allocated to a multi-risk product for SMEs related to damages resulting from cyber attacks;
- with reference to the Security deposits class - a pure quota proportional treaty was renewed;
- with respect to the Accident, Fire and General Liability classes - "excess-of-loss" treaties were concluded. This treaty has been addressed to cover retained risks and operates 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/Assistance class - a pure quota proportional treaty was renewed, on a risk-attaching basis;
- with respect to the Assistance/Illness class - a proportional risk-premium treaty was provided. This treaty is extended, but limited to "Travel" products, to the Illness class;
- With reference to the Other damage to property class - a proportional risk-premium treaty was renewed. The treaty relates to a new product line with a theft guarantee on residential properties equipped with ENEL-X home protection devices;
- with reference to multi-risk policies of school administrations - an "excess-of-loss" protection programme was renewed;
- 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.

At the end of the period, the Non-Life business showed a negative balance of € 10 million (-€ 8.6 million in 2022).

Complaints

During 2023, the Parent Company Poste Vita received 3,045 new complaints, compared to 2,523 received in 2022. The average time taken to respond to complaints in 2023 was roughly 29 days (24 days in 2022). Poste Vita received 1,316 complaints regarding its Personal Accident Protection (PIP) product in 2023 (992 in the previous year). The average time taken to respond to complaints during the period was around 28 days (24 days in 2022).

During 2023, the subsidiary Poste Assicura received 3,528 new complaints, compared to 2,229 in 2022. The average time taken to respond to complaints in 2023 was around 29 days (21 days in 2022), lower than the maximum 45-day time limit set by IVASS.

During the same period, the subsidiary Net Insurance received 7 complaints. Five of these complaints related to the Elementary classes and two to the salary-backed loan class. The average time taken to respond to complaints at 31 December 2023 is 8 days.

Finally, no new complaints were received in the Period for the subsidiary Net Insurance Life.

4. Financial review

Below is a reclassified statement of financial position at 31 December 2023 with a comparison with the figures at the end of 2022:

Assets (€m)	31.12.23	31.12.22	Change	
Financial investments	**156,502.0**	**142,460.3**	**14,041.8**	**9.9%**
Investments in subsidiaries, associates and joint ventures	110.0	111.3	(1.3)	-1.2%
Financial assets measured at amortised cost	2,370.0	2,387.3	(17.3)	-0.7%
Financial assets measured at fair value through other comprehensive income	105,852.1	96,500.9	9,351.2	9.7%
Financial assets measured at fair value through profit or loss	48,169.9	43,460.7	4,709.2	10.8%
Cash and cash equivalents	**3,543.1**	**2,729.7**	**813.4**	**29.8%**
Available-for-sale assets	**49.5**	**0.0**	**49.5**	**n/s**
Insurance assets	**232.9**	**43.7**	**189.1**	**432.5%**
Of which Life Business	*142.2*	*29.4*	*112.8*	*384.3%*
Of which Non-Life Business	*90.7*	*14.4*	*76.3*	*530.8%*
Tangible and intangible assets	**171.4**	**11.2**	**160.3**	**n/s**
Receivables and other assets	**3,396.8**	**3,526.1**	**(129.2)**	**-3.7%**
Total Assets	**163,895.7**	**148,770.9**	**15,124.8**	**10.2%**
Liabilities				
Equity	**6,687.7**	**5,986.6**	**701.1**	**11.7%**
Insurance Liabilities	**154,919.8**	**140,980.5**	**13,939.3**	**9.9%**
Of which Life Business	*154,432.9*	*140,712.6*	*13,720.3*	*9.8%*
Of which Non-Life Business	*487.0*	*267.9*	*219.1*	*81.8%*
Provision for risks	**16.6**	**20.6**	**(4.0)**	**-19.4%**
Financial liabilities	**380.4**	**264.2**	**116.2**	**44.0%**
Payables and other liabilities	**1,891.1**	**1,519.0**	**372.2**	**24.5%**
Total Liabilities	**163,895.7**	**148,770.9**	**15,124.8**	**10.2%**

Financial investments

At 31 December 2023, financial investments totalled € 156,502 million (€ 142,460.3 million at the end of 2022).

(€m)	31.12.23	31.12.22	Change	
Investments	110.0	111.3	(1.3)	(1.2%)
Financial assets measured at amortised cost	2,370.0	2,387.3	(17.3)	(0.7%)
Financial assets at fair value through other comprehensive income	105,852.1	96,500.9	9,351.2	9.7%
Financial assets at fair value through profit or loss	48,169.9	43,460.7	4,709.2	10.8%
Total Financial investments	**156,502.0**	**142,460.3**	**14,041.8**	**9.9%**

The item **equity investments** of € 110 million refers to the investment valued using the equity method in the affiliate Europa Gestioni Immobiliari SpA ("EGI") for € 107.9 million and in Eurizon Capital Real Asset SGR SpA ("ECRA") for € 2.1 million and for the remainder, equal to € 36.9 thousand, to the cost of the investment, equal to 5% of the share capital, in the company Consorzio Logistica Pacchi Scpa ("the Consorzio Logistica Pacchi").

With regards to EGI, the company, owned by the Parent Company Poste Vita and the Ultimate Parent Poste Italiane SpA with 45% and 55% equity interests, operates primarily in the real estate sector, managing and developing real estate assets no longer used by the Ultimate Parent. The figures at 31 December 2023 show a positive result for the Period of € 1.1 million and equity at 31 December 2023 of € 239.8 million. In relation to this investee company, it should be noted that the Company's Shareholders' Meeting of 3 April 2023 resolved to pay a dividend to Poste Vita totalling € 1.9 million when allocating earnings.

ECRA, a company in which the Parent Company Poste Vita holds 20% of the share capital and 12.25% of the voting rights, closed the period with equity of € 7.6 million and a positive net result for the period of € 0.4 million.

Lastly, Consorzio Logistica Pacchi, a company in which the subsidiary Poste Assicura holds 5% of the share capital, mainly performs the instrumental activities of distribution, tracking and delivery in relation to the parcel service, which the Ultimate Parent Poste Italiane SpA is committed to providing, and closes the present period with equity of € 787.9 thousand.

The decrease in the period of € 1.3 million is attributable to the dividend distributed by EGI during the period in the amount of € 1.9 million, net of the revaluation of the investments in EGI and ECRA to the extent of the share of profits earned in 2023.

It is noted that at 31 December 2023, the investment in Cronos Vita Assicurazioni SpA ("Cronos") was classified as an available-for-sale asset in accordance with IFRS 5. For details on valuation, please refer to the section "Group structure" as well as the measurement criteria set out in the notes to the financial statements.

Financial instruments measured at amortised cost, i.e. securities held to collect cash flows represented solely by payment of principal and interest (SPPI) amounted to € 2,370 million at 31 December 2023, showing a decrease of € 17.3 million with respect to the end of 2022 figure and mainly relate to Free Capital.

(€m)	31.12.23	31.12.22	Change	
Equity instruments				
Debt securities	2,069.0	2,159.1	(90.2)	(4.2%)
of which: government bonds	2,047.0	2,142.4	(95.4)	(4.5%)
corporate bonds	22.0	16.8	5.2	31.1%
UCITS units				
Receivables and loans	301.0	228.2	72.9	31.9%
Total	**2,370.0**	**2,387.3**	**(17.3)**	**(0.7%)**

Debt securities measured at amortised cost at 31 December 2023 had a carrying amount of € 2,069 million and mainly related to the free capital of the Parent Company Poste Vita and debt securities held by the subsidiary Poste Assicura. The decrease of € 90.2 million compared to 2022 was mainly due to net divestments made during the period.

The item Receivables and loans amounting to € 301 million in 2023 refers primarily to: i) the balance of the running current account with the Ultimate Parent Poste Italiane for € 247.2 million (equal to € 194.3 million at 31 December 2022); ii) receivables for commissions on internal funds for € 42 million (€ 33.1 million at the end of 2022); and iii) receivables for fund units sold for € 11.6 million (€ 0.8 million at the end of 2022).

Financial assets measured at FVTOCI amount to a total of approximately € 105,852.1 million, refer almost exclusively to fixed-income securities and show an increase of € 9,351.2 million (+9.7%) compared to the € 96,550.9 million recognised at 31 December 2022, mainly due to the net investments made during the period and the positive change in fair value. These investments refer to: i) securities assigned to Poste Vita's separately managed accounts for € 101,778.5 million; ii) the free capital of the Parent Company Poste Vita for € 2,970.9 million; iii) securities (specific assets) for € 337.6 million linked to a new single-premium Class I insurance investment product placed in November and December 2023; and iv) investments held by the subsidiaries Poste Assicura, Net Insurance and Net Insurance Life for € 765.1 million.

(€m)	31.12.23	31.12.22	Change	
Equity instruments	4.8	-	4.8	n/s
Debt securities	105,847.2	96,500.9	9,346.3	9.7%
of which: government bonds	86,664.2	77,726.2	8,938.0	11.5%
corporate bonds	19,183.0	18,774.7	408.3	2.2%
UCITS units				
Receivables				
Total	**105,852.1**	**96,500.9**	**9,351.2**	**9.7%**

Given the improved dynamics of the financial markets, these financial instruments recorded a positive change in fair value of € 5,749.1 million during the period, of which € 5,619.2 million contributed to the revaluation of insurance liabilities.

Financial assets at fair value through profit or loss (FVTPL) amounted to a total of roughly € 48,169.9 million (of which € 22 million refer to the security issued by Cassa Depositi e Prestiti as a private placement).

(€m)	31.12.23	31.12.22	Change	
Equity instruments	485.8	264.1	221.6	83.9%
Debt securities	2,585.8	2,306.0	279.8	12.1%
of which: government bonds	13.5	13.6	(0.1)	(0.5%)
corporate bonds	2,572.3	2,292.5	279.8	12.2%
UCITS units	45,098.4	40,780.6	4,317.7	10.6%
Receivables	-	109.9	(109.9)	(100.0%)
Total	**48,169.9**	**43,460.7**	**4,709.2**	**10.8%**

These investments increased by € 4,709.2 million compared to € 43,460.7 million at the end of 2022, mainly due to net investments and the change in fair value recorded in the Period. At the end of 2023, this item consisted mainly of:

- investments included in the Parent Company Poste Vita's Separately Managed Accounts for € 35,635.9 million relating mainly to: i) equity and bond funds (primarily multi-asset open-end harmonised UCITS funds) for € 30,913.8 million, and ii) real estate funds for € 2,251.3 million;
- financial instruments hedging unit-linked products held by the Parent Company Poste Vita for € 12,381.4 million, mainly relative to mutual investment funds;
- financial instruments included in Poste Vita's free capital for € 97 million and mainly relative to corporate bonds;
- corporate bonds (specific assets) in the amount of € 26.3 million linked to a new single-premium Class I insurance investment product being placed from November 2023.

The improved dynamics of the financial markets with respect to 2022 (period impacted in particular by the development of interest rates), resulted in the recognition of net unrealised losses totalling € 2,597.1 million during the period, compared to net unrealised gains of € 5,065.8 million recognised in 2022.

Said net unrealised gains recognised during the period mainly refer to: i) € 1,476.7 million in investments included in Poste Vita's Separately Managed Accounts and hence almost entirely reflected in the measurement of insurance liabilities and ii) € 1,109.5 million in assets covering unit-linked products of Poste Vita which, therefore, are substantially offset by the corresponding remeasurement of the relevant insurance liabilities and iii) € 5.5 million in Poste Vita's free capital and iv) -€ 0.2 million relating to unrealised losses connected to the investments held by the subsidiaries.

Income - FVTPL (€m)	31.12.23	31.12.22	Delta
Ordinary income	553.2	323.1	230.1
Realised gains/losses	102.0	(178.1)	280.1
Unrealised gains/losses	2,591.5	(5,047.6)	7,639.0
Total	**3,246.7**	**(4,902.6)**	**8,149.2**

The breakdown of the bond portfolio according to issuing country is substantially in line with the situation recorded in the previous year, marked by a strong prevalence of securities issued by Italian issuers, accounting for 51.8% of the total, down slightly compared to 56.0% at 31 December 2022.

Country (€m)	FVTPL	FVOCI	CA	TOTAL	weight %
AUSTRIA	67.8	1,299.1	-	1,366.9	0.9%
AUSTRALIA	42.5	306.4	-	349.0	0.2%
BELGIUM	19.4	4,290.7	11.8	4,321.8	2.8%
BERMUDA	-	4.8	-	4.8	0.0%
CANADA	0.9	266.6	-	267.6	0.2%
SWITZERLAND	232.9	265.1	-	498.0	0.3%
CHILE	0.2	0.4	-	0.6	0.0%
CYPRUS	-	1.8	-	1.8	0.0%
CZECH REPUBLIC	-	60.7	-	60.7	0.0%
GERMANY	371.5	2,526.3	-	2,897.9	1.9%
DENMARK	50.3	163.2	-	213.5	0.1%
SPAIN	130.3	3,905.8	7.7	4,043.7	2.6%
EUROPE	-	2,528.2	67.8	2,596.0	1.7%
FINLAND	41.8	1,255.6	-	1,297.5	0.8%
FRANCE	1,941.7	9,301.6	4.0	11,247.3	7.2%
UNITED KINGDOM	1,690.1	1,580.0	-	3,270.1	2.1%
GUERNSEY	-	2.8	-	2.8	0.0%
GREECE	-	17.0	-	17.0	0.0%
HONK KONG	0.1	-	-	0.1	0.0%
IRELAND	1,188.6	1,022.1	-	2,210.7	1.4%
ISRAEL	-	0.8	-	0.8	0.0%
ISLE OF MAN	4.0	16.0	-	19.9	0.0%
ITALY	**10,456.4**	**67,557.3**	**1,977.7**	**79,991.3**	**51.2%**
JERSEY	-	14.2	-	14.2	0.0%
JAPAN	2.0	315.2	-	317.3	0.2%
SOUTH KOREA	-	0.5	-	0.5	0.0%
CAYMAN ISLANDS	-	11.7	-	11.7	0.0%
LIECHTENSTEIN	-	41.6	-	41.6	0.0%
LITHUANIA	-	2.2	-	2.2	0.0%
LUXEMBOURG	31,058.6	1,444.4	-	32,503.0	20.8%
LATVIA	-	1.2	-	1.2	0.0%
MEXICO	24.6	42.1	-	66.6	0.0%
NETHERLANDS	500.7	2,873.4	-	3,374.0	2.2%
NORWAY	-	146.7	-	146.7	0.1%
NEW ZEALAND	-	170.7	-	170.7	0.1%
PANAMA	-	-	-	-	0.0%
POLAND	-	26.9	-	26.9	0.0%
PORTUGAL	12.9	472.5	-	485.4	0.3%
SWEDEN	41.3	613.2	-	654.5	0.4%
SINGAPORE	3.7	17.3	-	21.0	0.0%
USA	287.7	3,168.1	-	3,455.7	2.2%
VENEZUELA	-	108.6	-	108.6	0.1%
SUPRANATIONAL BODY	-	9.8	-	9.8	0.0%
TOTAL	**48,169.9**	**105,852.5**	**2,068.9**	**156,091.5**	**100.0%**

The distribution of the financial investment portfolio at 31 December 2023 by duration class is shown below, indicating that the portfolio is heavily weighted towards securities with durations of 1-10 years (50.6%), in line with the figure at the end of 2022 (50.7%).

Remaining duration (€m)	Remaining duration	FVOCI	CA	Total	IMPACT
up to 1	951.3	13,371.4	130.6	14,453.3	9.3%
1 to 3	1,266.2	14,046.7	226.6	15,539.5	10.0%
3 to 5	2,474.8	15,784.2	293.1	18,552.1	11.9%
5 to 7	1,362.9	10,366.1	211.1	11,940.1	7.6%
7 to 10	664.5	17,549.5	259.2	18,473.2	11.8%
10 to 15	2,092.0	12,192.3	434.1	14,718.4	9.4%
15 to 20	88.6	7,716.8	248.6	8,054.0	5.2%
20 to 30	274.4	11,323.5	265.7	11,863.6	7.6%
more than 30	38,995.2	3,501.6	-	42,496.8	27.2%
Overall total	**48,169.9**	**105,852.1**	**2,069.0**	**156,091.0**	**100.0%**

The yields of Poste Vita's Separately Managed Accounts in the Period were 2.52% (2.59% at the end of 2022) for the PostaValorePiù management scheme; 2.76% (2.68% at 31 December 2022) for the PostaPensione management scheme and 3.05% for the Poste Vita Valore Solidità[15] management scheme, with an average invested capital of € 146,583.9 million for the management schemes in the portfolio (€ 140,486.5 million in 2022).

	31.12.23		31.12.22	
	Gross Return	Average Invested Capital	Gross Return	Average Invested Capital
Separately Managed Accounts	rates %	€m	rates %	€m
Posta Valore Più	2.52%	134,078.7	2.59%	130,102.4
Posta Pensione	2.76%	11,269.1	2.68%	10,384.1
Poste Vita Valore Solidità	3.05%	1,236.1		
Total		**146,583.9**		**140,486.5**

It should also be noted that at 31 December 2023, no derivative transactions were outstanding.

Cash and cash equivalents amounted to € 3,543.1 million at the end of the reporting period (€ 2,729.7 million at the end of 2022). The item includes financial investments, referring mainly to Separately Managed Accounts, which may be invested in relation to the evolution of market performance.

Insurance business totalled € 232.9 million at the close of 2023 (of which € 142.2 million related to Life business and € 90.7 million to Non-Life business). This item increased by € 189.1 million compared to 31 December 2022 (€ 43.7 million), mainly due to the contribution of the subsidiaries Net Insurance and Net Insurance Life.

A breakdown of this item by Life and Non-Life business is shown below.

15. The start of marketing of the product linked to the separately managed account took place in April 2023.

Life business

Assets under insurance contracts (€m)	31.12.23	31.12.22	Delta	delta %
Asset for remaining coverage (LRC)	**133.1**	**21.3**	**111.8**	**5.1**
Net gain/cost	(2.5)	-	(2.5)	n/s
PVFCF - Present Value of future cash flow	129.7	21.3	108.4	5.1
Risk Adjustment	5.9	-	5.9	n/s
Asset for incurred claims (LIC)	**9.1**	**8.1**	**1.0**	**0.1**
PVFCF - Present Value of future cash flow	9.1	8.1	1.0	0.1
Risk Adjustment	-	-	-	n/s
Total	**142.2**	**29.4**	**112.8**	**5.2**

Assets for insurance contracts relating to Life business amounted to € 142.2 million (€ 29.4 million at the end of 2022) and related mainly for: i) € 138.8 million to the present value of future cash flows (of which € 129.7 million related to assets for remaining coverage; ii) € 5.9 million to the adjustment for non-financial risks; and iii) -€ 2.5 million to the Contractual Service Margin. The increase is solely attributable to the contribution of the subsidiary Net Insurance Life, which entered into the scope of consolidation as of 1 April 2023.

Non-Life business

Assets under insurance contracts (€m)	31.12.23	31.12.22	Delta	delta %
Asset for remaining coverage (LRC)	**44.3**	**0.5**	**43.8**	**49.3**
Net gain/cost	(22.9)	0.7	(23.6)	-3576%
PVFCF - Present Value of future cash flow	58.8	0.6	58.2	9757%
Risk Adjustment	8.4	(0.7)	9.2	-1251%
Asset for incurred claims (LIC)	**46.4**	**13.9**	**32.5**	**3.8**
PVFCF - Present Value of future cash flow	44.4	13.0	31.4	241%
Risk Adjustment	2.0	0.8	1.2	140%
Total	**90.7**	**14.4**	**76.3**	**531%**

Assets for insurance contracts relating to Non-Life business amounted to € 90.7 million (€ 14.4 million at the end of 2022) and related mainly for: i) € 103.2 million to the present value of future cash flows (of which € 58.8 million related to assets for remaining coverage); ii) € 10.4 million to the adjustment for non-financial risks; and iii) -€ 22.9 million to the Contractual Service Margin. The increase is attributable to the contribution of the subsidiary Net Insurance, which entered into the scope of consolidation as of 1 April 2023 for € 79.6 million, only partially mitigated by the decrease relative to the subsidiary Poste Assicura for € 3.3 million, mainly attributable to the increase in receivables from reinsurers connected to the assignment of claims related to catastrophic events.

Tangible and intangible assets amounted to € 171.4 million (€ 11.2 million at 31 December 2022), of which € 144.9 million related to intangible assets and € 26.5 million to tangible assets.

Intangible assets include: i) € 123.8 million of 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. See the section on extraordinary transactions for more details. The remaining even portion 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.

On the other hand, *tangible assets* of € 26.5 million mainly refers for: i) € 10.2 million to the right of use of assets subject to contracts falling within the scope of application of IFRS 16 and referring mainly to the property owned by the Ultimate Parent Poste Italiane leased by the Parent Company Poste Vita and the subsidiary Poste Assicura; ii) € 7.7 million (of which € 1.1 million arising from the higher value allocated as a result of the aforementioned PPA) to the property held since 2015 and headquarters of the subsidiaries Net Insurance and Net Insurance Life; and iii) € 8.2 million (of which € 0.2 million arising from the higher value allocated as a result of the PPA) to the land owned by the subsidiaries Net Insurance and Net Insurance Life.

Equity and solvency margin

Equity, at 31 December 2023, amounted to € 6,687.7 million, up by € 701.1 million with respect to the figure at the end of 2022, when it was € 5,986.5 million. The increase is mainly attributable to the profit for the period of € 1,014.3 million as well as the positive change, given the improved financial market dynamics, in the reserve arising from the measurement of securities belonging to the FVOCI category (net of the Poste Vita's mirroring effect) for € 219.2 million and € 74.4 million due to the recognition during the period of the portion of equity attributable to non-controlling interests (attributable for € 73.1 million to the sale in April 2023 by Poste Vita to IBL Banca of its 40% stake in Net Holding). This increase was partially offset by the distribution of dividends to the Ultimate Parent Poste Italiane in the amount of € 450 million, as resolved by the Shareholders' Meeting of 28 April 2023, and by the recognition of interest related to hybrid subordinated loans in the period totalling € 43.3 million in addition to the value of put options exercisable by IBL on its interest (equal to 40%) in Net Holding in favour of the Parent Company Poste Vita starting from April 2028 for a total value of € 95.7 million at the end of the period and two put options exercisable (the first in 2024 and the second in 2025) by the Chief Executive Officer of Net Insurance in favour of the Parent Company Poste Vita on its interest (equal to 2.2%) in Net Insurance for a total value of € 5 million.

Changes in equity during the period are shown below:

EQUITY

(€m)	31.12.22	Allocation of 2022 profit	dividends	ECL reserve	FVOCI reserve	*Mirroring*	Other gains or losses recognised directly through equity	Tier 1 Perpetual Capital Instruments	Non-controlling interests	12 2023 profit	31.12.23
Share capital	**1,216.6**										**1,216.6**
Other equity instruments	**800.0**										**800.0**
Revenue reserve and other equity reserves:	**3,248.4**	**1,064.2**	**(450.0)**				**(101.3)**	**(43.3)**			**3,718.0**
Legal reserve	242.6										242.6
Extraordinary reserve	0.6										0.6
Organisation fund	2.6										2.6
Consolidation reserve	0.4						(0.6)				(0.2)
Retained earnings for previous years	3,738.8	1,064.2	(450.0)				(100.7)	(43.3)			4,209.0
FTA reserve	(736.7)										(736.7)
Valuation reserves	**(342.6)**			**2.5**	**3,978.3**	**(3,761.7)**	**(12.0)**				**(135.5)**
of which - AFS/FVOCI Reserve	(8,271.0)				3,978.3						(4,292.7)
of which ECL Reserve	52.3			2.5							54.8
of which Mirroring	7,851					(3,761.7)					4,089.0
of which Direct and Transferred OCI	25						(12.6)				12.8
other reserves	0						0.6				0.6
Net profit/(loss) attributable to the owners of the Parent	**1,064.2**	**(1,064.2)**								**1,009.0**	**1,009.0**
Net profit/(loss) attributable to non-controlling interests										**5.3**	**5.3**
Equity attributable to non-controlling interests									**74.4**		**74.4**
Total	**5,986.6**	**(0.0)**	**(450.0)**	**2.5**	**3,978.3**	**(3,761.7)**	**(113.3)**	**(43.3)**	**74.4**	**1,014.3**	**6,687.7**

The **share capital** at 31 December 2023 was € 1,216.6 million and consisted of 1,216.6 million registered ordinary shares with a nominal value of € 1 each.

The item **other equity instruments** as mentioned above, includes the issue value of the two perpetual, non-convertible, fixed-rate regulatory capital instruments issued respectively on 26 July 2021 and 3 August 2022 for a nominal amount of € 300 million and € 500 million, respectively, and fully subscribed by the Ultimate Parent Poste Italiane net of interest expense (net of related taxation) already paid at 31 December 2023 in the amount of € 54.7 million (of which € 43.3 million paid in 2023).

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

The item **revenue reserves and other equity reserves** includes the negative impact of the first-time application of IFRS 17 in the amount of € 736.7 million (net of related taxation), mainly due to the increase, compared to IFRS 4 valuations, of the technical provisions of the direct business.

The item **valuation reserves** includes: i) capital losses/gains arising from the valuation of financial instruments measured at fair value through other comprehensive income almost exclusively related to the Separately Managed Accounts, which at 31 December 2023 showed a negative balance, including expected credit losses on financial instruments related to the Separately Managed Accounts, of € 4,237.9 million (negative € 8,218.7 million at 31 December 2022) and ii) the reserve for insurance contracts issued and outward reinsurance of € 4,101.8 million at 31 December 2023 (€ 7,876 million at 31 December 2022) which includes the change in the fair value of instruments related to insurance contracts, attributable to policyholders and allocated to insurance liabilities following the adoption of the OCI option on the IFRS 17 liability portfolio, with the intention of aligning the financial and mirroring effects between the OCI reserve and the effects on the Statement of profit or loss.

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With regard to the solvency position of the Poste Vita Group, at 31 December 2023, eligible own funds amounted to € 14,099 million. In addition, capital requirements decreased by a total of € 464 million (from € 5,056 million at the end of 2022 to € 4,592 million at 31 December 2023), determining a Solvency Ratio for the Poste Vita SpA Group of 307.1% (up from 253.3% at 31 December 2022).

SCR coverage (€m)	**31.12.2023**	**31.12.2022**	**delta**
EOF with SCR coverage	14,099	12,805	1,294
SCR	4,592	5,056	(464)
Solvency Ratio	**307.1%**	**253.3%**	**53.8%**

MCR coverage (€m)	**31.12.2023**	**31.12.2022**	**delta**
EOF with MCR coverage	12,349	11,055	1,294
MCR	2,066	2,291	(225)
Solvency Ratio	**597.6%**	**482.5%**	**115.1%**

The increase in the Solvency Ratio compared to 31 December 2022 was determined by an increase in the own funds of the Group and a decrease in the Capital Requirement.

	31.12.2023				**31.12.2022**			
Available own funds (dati in migliaia di Euro)	**TOTAL**	**TIER 1 Unrestricted**	**TIER 1 Restricted**	**TIER 2**	**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	12,804,895	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	11,054,895	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	12,804,895	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	11,054,895	11,314,423	765,326	269,074

With regard to the Capital Requirement, there was a decrease of roughly € 464 million compared to 31 December 2022, mainly due to the fall in life underwriting risk and market risk.

Insurance technical liabilities

Insurance technical liabilities at 31 December 2023 amounted to € 154,920 million, an increase of € 13,939 million compared to the figure recorded at the end of the previous year, equal to € 140,980.5 million, and are made up as follows. The following table breaks down this item by business and by measurement:

LIABILITIES UNDER INSURANCE CONTRACTS

Description (€m)	Balance at 31.12.2023			Balance at 31.12.2022			Delta		
	GMM-VFA	PAA	Total	GMM-VFA	PAA	Total	GMM-VFA	PAA	Total
Life business									
Liability for remaining coverage	153,468.7		153,468.7	139,896.5		139,896.5	13,572.2		13,572.2
Liability for incurred claims	964.2		964.2	816.1		816.1	148.1		148.1
Total Life business	**154,432.9**		**154,432.9**	**140,712.6**		**140,712.6**	**13,720.3**		**13,720.3**
of which:									
Future cash flows	*139,783.9*		*139,783.9*	*126,267.0*		*126,267.0*	*13,516.9*		*13,516.9*
Contractual Service Margin	*11,898.8*		*11,898.8*	*11,391.7*		*11,391.7*	*507.1*		*507.1*
Adjustment for non-financial risk	*2,750.1*		*2,750.1*	*3,053.8*		*3,053.8*	*(303.7)*		*(303.7)*
Non-Life business									
Liability for remaining coverage	220.3	-9.2	211.1	84.9	(33.0)	51.9	135.4	23.9	159.3
Liability for incurred claims	15.3	260.5	275.8	8.2	207.8	216.0	7.1	52.8	59.8
Total Non-Life business	**235.6**	**251.3**	**487.0**	**93.2**	**174.7**	**267.9**	**142.4**	**76.6**	**219.1**
of which:									
Future cash flows	*153.9*	*251.3*	*405.2*	*60.8*	*174.7*	*235.5*	*93.0*	*76.6*	*169.7*
Contractual Service Margin	*67.0*		*67.0*	*24.1*		*24.1*	*42.8*		*42.8*
Adjustment for non-financial risk	*14.8*		*14.8*	*8.2*		*8.2*	*6.6*		*6.6*
Overall total	**154,668**	**251**	**154,920**	**140,806**	**175**	**140,980**	**13,863**	**77**	**13,939**

Insurance liabilities include at the end of the period:

- the **Liability for remaining coverage** of € 153,679.8 million (of which € 153,468.7 million related to insurance contracts pertaining to the Life business and measured under the VFA[16] model and the remainder of € 211.1 million pertaining to the Non-Life business and mostly referring to contracts measured under the GMM[17] method. This item includes the Contractual Service Margin (CSM) totalling € 11,965.8 million (of which € 11,898.8 million related to the Life business);
- the **Liability for incurred claims** amounted to € 1,240.0 million and related for € 979.5 million to insured contracts measured under the GMM and VFA methods (of which € 964.2 million related to the Life business).

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

16. The VFA (Variable Fee Approach) is a measurement methodology for insurance contracts based on discounting expected cash flows, Risk Adjustment (adjustment of cash flows for non-financial variables) and a Contractual Service Margin (expected profit that applies to insurance contracts with direct profit-sharing features, such as segregated and unit-linked schemes.
17. The GMM (General Measurement Model) is a measurement methodology for insurance contracts based on the discounting of expected cash flows, Risk Adjustment (adjustment of cash flows for non-financial variables) and of a Contractual Service Margin (expected profit), which applies to non-life insurance contracts with a multi-year term and to life insurance contracts without direct profit-sharing elements (e.g. TCM, LTC).

GMM/VFA - Life Business (€m)	Present value of future cash flows	Adjustment for non-financial risk	Contractual Service Margin	Total
Liabilities under insurance contracts at 1 January 2023	**126,267.0**	**3,053.8**	**11,391.7**	**140,712.6**
CSM release	-	-	(1,111.8)	(1,111.8)
Risk Adjustment change	-	(112.3)	-	(112.3)
Experience Variance	(1,984.8)	-	1,810.9	(173.9)
Financial costs/revenue	11,170.7	-	720.4	11,891.1
Changes in non-financial assumptions	1,837.8	(336.0)	(1,501.8)	-
Loss Component change	(3.5)	-	-	(3.5)
New Business	(682.4)	137.7	545.8	1.1
LIC change	142.9	-	-	142.9
Net cash flows	2,863.4	-	(3.4)	2,859.9
NET Group Integration	172.8	6.9	47.0	226.7
Liabilities under insurance contracts at 31 December 2023	**139,783.9**	**2,750.1**	**11,898.8**	**154,432.9**
Change	**13,516.9**	**(303.7)**	**507.1**	**13,720.3**

With reference to the Life business, the value of insurance liabilities related to contracts measured under the GMM-VFA method increased during the period by € 13,720.3 million, mainly due to net cash flows and improved financial market dynamics compared to 2022. It should also be noted that the acquisition of the companies Net Insurance and Net Insurance Life on 1 April 2023 led to an increase in insurance liabilities of € 226.7 million.

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

The present value of future cash flows increased by € 13,516.9 million compared to 2022, mainly due to: i) the result of financial management for € 11,170.7 million and ii) actual net cash flows for € 2,863.4 million, only slightly offset by adjustments on future performance related to experience (-€ 1,984.8 million).

The Adjustment for non-financial risk decreased, compared to the balance at 31 December 2022, by € 303.7 million related mainly to the period release of this component for € 112.3 million and to the change in the Group's exposure to non-financial risks which resulted in a revision of estimates for future services for a total of € 336 million, partially offset by the effect arising from new business for € 137.7 million.

The Contractual Service Margin increased by € 507.1 million during the period, mainly attributable to the positive effects of new business (by € 545.8 million), mainly related to investment products and financial changes (+€ 720.4 million) due to improved financial market dynamics compared to 31 December 2022. The release of the CSM to the Statement of profit or loss for the period amounted to € 1,111.8 million.

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

GMM/VFA - PAA - Non-Life Business (€m)	Present value of future cash flows	Adjustment for non-financial risk	Contractual Service Margin	Total
Liabilities under insurance contracts at 1 January 2023 - GMM	**60.8**	**8.2**	**24.1**	**93.2**
CSM release	-	-	*(23.0)*	*(23.0)*
Risk Adjustment change	-	*(7.6)*	-	*(7.6)*
Experience Variance	*7.7*	-	*(4.4)*	*3.3*
Financial costs/revenue	*9.6*	-	*2.3*	*11.9*
Changes in non-financial assumptions	*26.5*	*(10.2)*	*(16.3)*	*0.0*
Loss Component change	*0.4*	*(1.5)*	-	*(1.1)*
New Business	*(41.0)*	*9.8*	*31.2*	*(0.0)*
LIC change	*3.6*	*(0.3)*	-	*3.3*
Net cash flows	*(4.0)*	-	-	*(4.0)*
NET Group Integration	*90.3*	*16.3*	*53.0*	*159.6*
Liabilities under insurance contracts at 31 December 2023 - GMM	**153.9**	**14.8**	**67.0**	**235.6**
Liabilities under insurance contracts at 1 January 2023 - PAA	**174.7**	**-**	**-**	**174.7**
change in PAA insurance liability	*76.6*	-	-	*76.6*
Liabilities under insurance contracts at 31 December 2023 - PAA	**251.3**	**-**	**-**	**251.3**
Total liabilities under insurance contracts at 31 December 2023	**405.2**	**14.8**	**67.0**	**487.0**
GMM change	**93.0**	**6.6**	**42.8**	
PAA change	**76.6**	**-**	**-**	

With reference to Non-Life business and with respect to liabilities measured using the GMM method, the following emerges:

The **present value of future cash flows** increased by € 93 million compared to 2022 mainly due to the contribution of Net Insurance, which became part of the Group as of 1 April 2023.

The **adjustment for non-financial risk** increased by € 6.6 million, mainly due to the contribution of the subsidiary Net Insurance, partly offset by the change in the exposure to non-financial risks, which involved a revision of estimates for current services for a total of € 7.6 million.

The **Contractual Service Margin** ("**CSM**") increased by € 42.8 million, mainly due to the contribution of new business on future margins of € 31.2 million and the contribution of the subsidiary Net Insurance of € 53 million. The release of the Contractual Service Margin recorded in the period was € 23 million.

With regard to the liability for insurance contracts measured using the *PAA method*[18], the increase of € 76.6 million in the period is primarily attributable to the growth in premiums issued during the year, a portion of which will be accrued in the next financial year.

The provision for risks and charges at 31 December 2023, amounted to € 16.6 million (€ 20.6 million at the end of 2022) and included the amounts allocated to cover any probable liabilities, whether they exist and/or their quantity. The breakdown of this item and a comparison with the figures recorded at the end of the previous period are shown below:

Breakdown (€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)**

18. The PPA (Premium Allocation Approach) is an optional and alternative model to the general model, is applicable to contracts characterised by a coverage period of no more than one year, as well as to groups of contracts for which the company considers that the simplification linked to the model would not lead to a significantly different result from that obtained with the general model (e.g. no variability of cash flows associated with the group of contracts).

Below is a breakdown of the provision for risks at the end of the period:

- 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 for:
  - € 5.6 million to certain cases of fraud involving mainly the payments of life insurance policies accompanied by falsified documentation sent directly to the Company, as a result of which insurance payments were made to parties found not to be legitimate;
  - € 1.5 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 relating to the policy underwritten by Fondazione Enasarco and € 0.7 million in 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 2004[19], which gave rise during the period to the payment by the Company, 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.

Financial liabilities amounted to € 380.4 million at 31 December 2023 (€ 264.2 million at the end of 2022) related mainly to: i) the subordinated loan with indefinite maturity for € 253.7 million, taken out entirely by the Parent Company Poste Vita with the Ultimate Parent Poste Italiane, inclusive of accrued interest expense and ii) financial liabilities arising from the application of IFRS 16 for € 10.8 million, a balance representing the remainder of the fees to be settled at the end of the period and iii) the subordinated loan issued in September 2021 by the subsidiary Net Insurance for € 9.7 million and iv) the put options exercisable from April 2028 by IBL to Poste Vita on its interest (equal to 40%) in Net Holding for a value of € 95.7 million at the end of the period.

With regard to the above subordinated loans measured at amortised cost, the subordinated loan issued by the Parent Company Poste Vita on 18 April 2008 and subscribed to the Ultimate Parent Poste Italiane, with a nominal value of € 250 million and indefinite maturity, for Solvency purposes can be included in the full amount as TIER2 until 1 January 2026, while the subordinated loan issued by the subsidiary Net Insurance on 28 September 2021 with a nominal value of € 12.5 million can be included as TIER2 for Solvency purposes; it has a ten-year term, except for the right of the issuer to call the financial instrument in advance, starting from the fifth year.

The above-mentioned loans are remunerated at market conditions, regulated in accordance with the conditions set out in Article 45, chapter IV, title III of Legislative Decree no. 209 of 7 September 2005 and subsequent amendments, and are fully available for the purpose of hedging the solvency position.

19. 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.

Receivables and other assets

The item *receivables and other assets* amounting to € 3,396.8 million at 31 December 2023 (€ 3,526.1 million at the end of 2022) mainly refers to:

- amounts due from the tax authorities for advances pursuant to Law 209/2002, for € 2,210.7 million (€ 2,269.4 million at the end of the previous year) representing the advance on withholdings and the substitute tax on capital gains for life policies;
- deferred tax assets of € 949.3 million (€ 930.5 million at 31 December 2022). The amount recorded in the financial statements at 31 December 2022 mainly refers to the receivable recognised with reference to the non-deductible portion of the change in the mathematical provisions;
- amounts due from policyholders for stamp duty on Class III and Class V policies amounting to € 126.2 million (€ 110.7 million at the end of 2022); this item refers: i) for € 73.9 million to the amount of stamp duty determined at 31 December 2023 on the aforementioned policies and balanced by the amounts due to tax authorities for stamp duties commented on below and ii) for € 52.3 million to the advance on stamp duty paid by the Parent Company Poste Vita over the years, used to offset tax due upon expiry/lapse of policies;
- current tax assets at the end of the period for € 31 million (€ 172 million at the end of the previous year).

Payables and other liabilities

The item *payables and other liabilities* amounted to € 1,891.1 million at the end of 2023 (€ 1,519.0 million at 31 December 2022) and mainly refers to:

- the amount due to tax authorities for the advance of the tax on the mathematical provisions accruing during the period for € 500.2 million (€ 419.7 million at the end of the previous year);
- amounts due to brokers relating mainly to commissions accrued for the placement of insurance products and the maintenance of the portfolio during the year amounting to € 335.2 million (€ 304.2 million at the end of the previous year);
- deferred tax liabilities for € 487 million (€ 444.6 million at the end of 2022), mainly attributable to the change in finance income and technical items between international accounting standards and statutory standards, as well as the change in the reserve deriving from measurement of securities in the FVTOCI category during the period;
- amounts due to suppliers and Group companies for services received during the period totalling € 128.9 million (€ 155.2 million at the end of the previous year);
- the amount due to the tax authorities for stamp duty on life insurance policies in class III and V of € 73.9 million (€ 51.7 million at the end of 2022);
- current tax liabilities of € 182.6 million at the end of 2023 (€ 33.3 million at the end of the previous year).

5. Operating results

The reclassified statement of profit or loss by type of business for the period ended 31 December 2023 is shown below, compared with the same period of 2023. The Life Business statement, commented on below, includes the data of the Parent Company Poste Vita, excluding the part pertaining to the Non-Life segment and the data referring to the subsidiaries Net Holding SpA and Net Insurance Life SpA.

Statement of profit or loss (€m)	Life business			
	31.12.23	31.12.22	Delta	Delta %
Insurance revenue from insurance contracts issued	**2,015.7**	**2,094.6**	**(78.9)**	**-3.8%**
- CSM release	*1,111.8*	*1,376.9*	*(265.1)*	*-19.3%*
- Risk Adjustment release	*112.3*	*86.7*	*25.6*	*29.5%*
- Release of PVFCF Expense and Claims Flows	*552.5*	*422.5*	*130.0*	*30.8%*
- IACF release	*239.0*	*208.5*	*30.6*	*14.7%*
Insurance costs from insurance contracts issued	**(758.2)**	**(634.9)**	**(123.3)**	**19.4%**
- Loss component	*2.4*	*(0.1)*	*2.5*	*-2674.1%*
- Attributable Expenses and Claims (excl. Inv. Component)	*(378.6)*	*(400.0)*	*21.3*	*-5.3%*
- Change in liability for incurred claims	*(142.9)*	*(26.3)*	*(116.6)*	*442.5%*
- IACF depreciation	*(239.0)*	*(208.5)*	*(30.6)*	*14.7%*
Insurance proceeds from outward reinsurance	**11.8**	**0.0**	**11.8**	**n/s**
Insurance costs from outward reinsurance	**(16.9)**	**0.5**	**(17.4)**	**n/s**
Result of insurance services (A)	**1,252.5**	**1,460.3**	**(207.8)**	**-14.2%**
Income/expenses from financial assets measured at the FVTPL	3,246.2	(4,902.2)	8,148.4	-166.2%
Income/expenses from other financial assets	3,210.5	3,360.3	(149.9)	-4.5%
Investment income and expenses (B)	**6,456.6**	**(1,541.9)**	**7,998.5**	**-518.7%**
Net financial costs/revenue related to insurance contracts issued	(6,367.1)	1,538.7	(7,905.8)	-513.8%
Net financial revenue/costs related to outward reinsurance	2.5	(0.0)	2.5	n/s
Net financial result (C)	**92.1**	**(3.2)**	**95.3**	**n/s**
Net insurance revenue (A+B+C)	**1,344.6**	**1,457.1**	**(112.5)**	**-7.7%**
Other revenue/costs	(1.0)	(2.9)	1.9	-64.7%
Operating expenses	(35.2)	(31.2)	(4.0)	12.9%
EBIT	**1,308.4**	**1,423.1**	**(114.7)**	**-8.1%**
Net financial income relating to free capital	128.1	111.9	16.2	14.5%
Interest and commission payable	(77.6)	(69.2)	(8.3)	12.0%
Profit (loss) for the year before tax	**1,358.9**	**1,465.7**	**(106.8)**	**-7.3%**
Taxes	(390.3)	(433.0)	42.8	-9.9%
Profit (loss) for the year after tax	**968.7**	**1,032.7**	**(64.0)**	**-6.2%**

Life revenue from insurance services for the period amounted to € 2,015.7 million, a decrease of € 78.9 million (-3.8%) compared to 2022, mainly due to the lower release (-€ 265.1 million) of the contractual service margin ("CSM") attributable to the additional release component. This decrease is only partially offset by: i) the greater release of risk adjustment (+€ 25.6 million); ii) the greater release of claims and expected expenses (+€ 130 million); and iii) the greater release (+€ 30.6 million) of acquisition costs (recognised in the financial statements for disclosure purposes only, but offset by the impact of the related amortisation recognised as an expense).

Insurance revenue - direct business (€m)	31.12.23	31.12.22	Delta	Delta %
CSM release	1,111.8	1,376.9	(265.1)	-19.3%
Risk Adjustment release	112.3	86.7	25.6	29.5%
Release of PVFCF Expense and Claims Flows	552.5	422.5	130.0	30.8%
IACF release	239.0	208.5	30.6	14.7%
Overall total	**2,016**	**2,095**	**(78.9)**	**-3.8%**

Costs arising from insurance contracts issued, amounted to € 758.2 million at the end of 2023, an increase of € 123.3 million (+19.4%) compared to € 634.8 million in 2022, mainly due to: i) the change in liabilities for attributable incurred claims (+€ 116.6 million) and ii) higher costs (+€ 30.6 million) related to the amortisation of acquisition costs, which are however offset by the impact on gross revenue of the related release, as described above.

Insurance costs - direct business (€m)	31.12.23	31.12.22	Delta	Delta %
Incurred claims and other directly attributable costs	2.4	(0.1)	2.5	-2674.1%
Changes in the liability for incurred claims	(378.6)	(400.0)	21.3	-5.3%
Losses on onerous contracts and recovery of such losses	(142.9)	(26.3)	(116.6)	442.5%
IACF depreciation	(239.0)	(208.5)	(30.6)	14.7%
Overall total	**(758.2)**	**(634.9)**	**(123.3)**	**19.4%**

The **result deriving from outward reinsurance** in the period was negative for € 5 million and worsened compared to the result achieved in 2022 (negative for € 0.5 million) mainly due to the contribution of the subsidiary Net Insurance Life in the period.

As a result of the aforementioned dynamics, the result from insurance services at the end of 2023 amounted to € 1,252.5 million, down by € 207.8 (-14.2%) million compared to the figure recorded 2022.

Net income from financial instruments at fair value through profit or loss was a positive € 3,246.2 million at the end of the period, compared to a negative result of € 4,902.2 million in 2022. The increase in the item totalling of € 8,148.4 million is due mainly to the favourable trend in the financial markets during the period, which gave rise to the recognition of net unrealised gains for € 2,591.4 million, compared to net unrealised losses of € 5,047.2 million in 2022 (period heavily influenced by the trend in interest rates). For Poste Vita's separately managed accounts, unrealised gains recognised in the period are retroceded to policyholders net of the over-coverage portion (mirroring) and reflected within insurance liabilities.

31.12.23 (€m)	Interest	Other income and expenses	Net realised gains	Net unrealised gains	Total income and expenses
From financial assets measured at fair value through profit or loss	**102.6**	**450.3**	**101.9**	**2,591.4**	**3,246.2**
31.12.22					
From financial assets measured at fair value through profit or loss	95.6	227.5	(178.1)	(5,047.2)	(4,902.2)
Change	**7.0**	**222.8**	**280.0**	**7,638.6**	**8,148.4**

Net income from investments classified as financial assets through other comprehensive income and from investments measured at amortised cost totalled € 3,210.5 million at the end of the period, down € 149.9 million compared to 2022 due to lower ordinary income (-€ 313.7 million) recorded compared to 2022, due to the higher contribution of ordinary income related to the inflation trend recorded in 2022.

31.12.23 (€m)	Interest	Other income and expenses	Total ordinary income	Realised gains/ (losses)	Unrealised gains/(losses)	Total
Deriving from financial instruments at CA and FVOCI	**3,217.4**	**3.3**	**3,220.6**	**(3.4)**	**(6.7)**	**3,210.5**
31.12.22						
Deriving from financial instruments at CA and FVOCI	3,541.4	(5.4)	3,536.0	(179.6)	4.0	3,360.3
Change	**(324.0)**	**8.7**	**(315.3)**	**176.2**	**(10.7)**	**(149.9)**

The **net financial result**, which takes into account the mirroring effect, i.e., the portion of financial income relating to the Parent Company Poste Vita's separately managed accounts and unit-linked products reversed to policyholders net of the over-coverage, was a positive € 92.1 million in 2023, compared to a negative € 3.2 million in the same period of the previous year.

Non-attributable operating expenses (mainly related to personnel expenses, IT service costs and professional consultancy/services) at the end of the reporting period amounted to € 35.2 million, an increase of € 4 million (+12.9%) compared to the figure in 2022 (amounting to € 31.2 million), to support business development.

Net financial income related to the investment of the Parent Company Poste Vita's free capital, mainly related to ordinary fees accrued on the portfolio mainly consisting of Italian bonds, resulted in a positive result of € 128.1 million, an increase (+€ 16.2 million) compared with the figure recorded in the previous year due, given the improvement in financial market conditions, to the recognition of net unrealised gains of € 5.5 million in the period compared to net unrealised losses of € 18.5 million recorded in 2022.

Free Capital Income (€m)	31.12.23	31.12.22	Delta	Delta %
Ordinary income	118.9	130.7	(11.8)	-9.0%
Realised gains/losses	(3.1)	0.9	(4.0)	-423.8%
Unrealised gains/losses	5.7	(18.3)	24.0	-130.8%
ECL PL securities (FVOCI+AC)	(0.2)	(0.2)	0.0	-14.3%
Other - not securities	6.7	(1.2)	8.0	-654.5%
Total	**128.1**	**111.9**	**16.2**	**14.4%**

Interest and commission expense of € 77.6 million (€ 69.2 million in 2022) related to: i) commission expense on ancillary funds paid to the Ultimate Parent Poste Italiane SpA, for € 40.4 million; ii) interest expense on the subordinated loan underwritten with the Ultimate Parent for € 15.7 million and iii) € 21.5 million related to the premium to be paid for the period in respect of an insurance contract entered into in 2022 with a two-year term on the coverage of the mass lapse risk.

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Due to the aforementioned trends, **gross profit for the period** came to € 1,358.9 million, compared to € 1,465.7 million in 2022. Considering the tax burden, determined with a tax rate of 29%, the Poste Vita Group closed Life business with a **net profit** of € 968.7 million, a decrease of € 64 million (-6.2%) on the € 1,032.7 million recorded in 2022.

The reclassified statement of profit or loss relative to **Non-Life Business**, commented on below, includes amounts for the subsidiaries Poste Assicura, Net Insurance and Poste Insurance Broker and Poste Vita's Non-Life business.

Statement of profit or loss (€m)	Non-Life business			
	31.12.23	31.12.22	Delta	Delta%
Insurance revenue from insurance contracts issued	**511.8**	**339.8**	**172.0**	**51%**
- CSM release	*23.0*	*6.9*	*16.1*	*232%*
- Risk Adjustment release	*7.9*	*2.2*	*5.7*	*260%*
- Release of PVFCF Expense and Claims Flows	*50.8*	*9.0*	*41.8*	*467%*
- IACF release	*13.9*	*1.8*	*12.0*	*657%*
- Other	*1.0*	*0.3*	*0.7*	*245%*
- Contracts measured under PAA	*415.3*	*319.6*	*95.7*	*30%*
Insurance costs from insurance contracts issued	**(430.4)**	**(281.0)**	**(149.4)**	**53%**
- Claims paid and attributable expenses	*(55.4)*	*(4.6)*	*(50.8)*	*1101%*
- Change in liability for incurred claims	*(3.3)*	*1.1*	*(4.4)*	*-409%*
- IACF depreciation	*(13.9)*	*(1.8)*	*(12.0)*	*657%*
- Loss component	*1.1*	*0.0*	*1.1*	*n/s*
- Contracts measured under PAA	*(359.0)*	*(275.7)*	*(83.3)*	*30%*
Insurance proceeds from outward reinsurance	**61.9**	**(1.2)**	**63.2**	**-5184%**
Insurance costs from outward reinsurance	**(71.9)**	**(7.4)**	**(64.5)**	**876%**
Result of insurance services (A)	**71.5**	**50.1**	**21.3**	**43%**
Income/expenses from financial assets measured at the FVTPL	0.5	(0.3)	0.8	-247%
Income/expenses from other financial assets	21.3	12.9	8.4	65%
Investment income and expenses (B)	**21.8**	**12.6**	**9.2**	**73%**
Net financial costs/revenue related to insurance contracts issued	(5.7)	0.0	(5.7)	n/s
Net financial revenue/costs related to outward reinsurance	2.6	0.0	2.6	n/s
Net financial result (C)	**18.6**	**12.6**	**6.1**	**48%**
Net insurance revenue (A+B+C)	**90.1**	**62.7**	**27.4**	**44%**
Other revenue/costs	0.7	(1.3)	2.0	-150%
Non-attributable operating expenses	(19.9)	(13.3)	(6.7)	50%
EBIT	**70.9**	**48.1**	**22.7**	**47%**
Net financial income relating to free capital	**0.0**	**0.0**	**0.0**	**n/s**
Profit (loss) for the year before tax	**70.9**	**48.1**	**22.7**	**47%**
Taxes	(25.3)	(16.6)	(8.7)	52%
Profit (loss) for the year after tax	**45.6**	**31.5**	**14.1**	**45%**

Revenue from insurance contracts issued amounted to € 511.8 million during the period, an increase of € 172 million (+51%) compared to 2022, mainly due to: i) the € 95.7 million change in the LRC relating to the portfolio measured under the PAA method, given the growth in gross inflows; ii) the higher release (+€ 16.1 million) of the contractual service margin in the period due to the contribution of the subsidiary Net Insurance; and iii) the higher release of claims and expected expenses (+€ 41.8 million).

Insurance revenue - direct business (€m)	31.12.23	31.12.22	Delta	Delta %
CSM release	23.0	6.9	16.1	232.3%
Risk Adjustment release	7.9	2.2	5.7	260.4%
Release of PVFCF Expense and Claims Flows	50.8	9.0	41.8	466.5%
IACF release	13.9	1.8	12.0	657.2%
Other	1.0	0.3	0.7	245.0%
Contracts measured under PAA	415.3	319.6	95.7	29.9%
Overall total	**511.8**	**339.8**	**172.0**	**50.6%**

Costs arising from insurance contracts issued, amounted to € 430.4 million in 2023 and increased by € 149.4 million (+53.1%) compared to 2022, mainly due to: (i) the growth in claims paid of € 50.8 million; (ii) the amortisation of insurance acquisition cash flows (IACFs), which increased by € 12 million compared to 2022 due to higher commissions related to the growth in inflows; and (iii) the increase (+€ 83.3 thousand) in insurance service costs related to contracts measured using the PAA method and attributable mainly to claims and expenses paid and the amortisation of IACFs related to business development.

Insurance costs - direct business (€m)	31.12.23	31.12.22	Delta	Delta %
Claims paid and attributable expenses	(55.4)	(4.6)	(50.8)	1101.4%
Change in the liability for incurred claims	(3.3)	1.1	(4.4)	-408.6%
IACF depreciation	(13.9)	(1.8)	(12.0)	657.2%
Loss component	1.1	0.0	1.1	n/s
Other	0.0	0.0	0.0	n/s
Contracts measured under PAA	(359.0)	(275.7)	(83.3)	30.2%
Overall total	**(430.4)**	**(281.0)**	**(149.4)**	**53.1%**

The **result deriving from outward reinsurance** in the period was negative for € 10 million and worsened compared to the result achieved in 2022 (negative for € 8.6 million) mainly due to the contribution of the subsidiary Net Insurance in the period.

Insurance costs/revenue from outward reinsurance (€m)	31.12.23	31.12.22	Delta
CSM release	(7.2)	(0.2)	(7.0)
Risk Adjustment release	(3.3)	(0.0)	(3.2)
Release of PVFCF Expense and Claims Flows	(20.6)	(0.3)	(20.3)
Other	0.4	0.5	(0.1)
Contracts measured under PAA	(41.3)	(7.3)	(33.9)
Total costs from outward reinsurance	(71.9)	(7.4)	(64.5)
Amount of claims and expenses recovered	**29.9**	**0.2**	**29.7**
Change in the asset for incurred claims	(1.7)	(1.1)	(0.6)
Other	0.3	-	0.3
Contracts measured under PAA	33.4	(0.4)	33.7
Total revenue from outward reinsurance	61.9	(1.2)	63.2
Balance of work transferred	**(10.0)**	**(8.6)**	**(1.4)**

In relation to the aforementioned dynamics, the **result from insurance services** amounted to € 71.5 million in 2023, up € 21.3 million compared to 2022.

The **net financial result** at the end of the period was a positive € 18.6 million and increased by € 6.1 million (+48%) compared to € 12.6 million in 2022, mainly due to accrued fees on government securities as the portfolio grew.

Non-attributable operating expenses, totalling about € 19.9 million, mainly relate to personnel expenses, IT service costs, and consultancy/professional services and are up € 6.7 million compared to 2022, given the growth in volumes.

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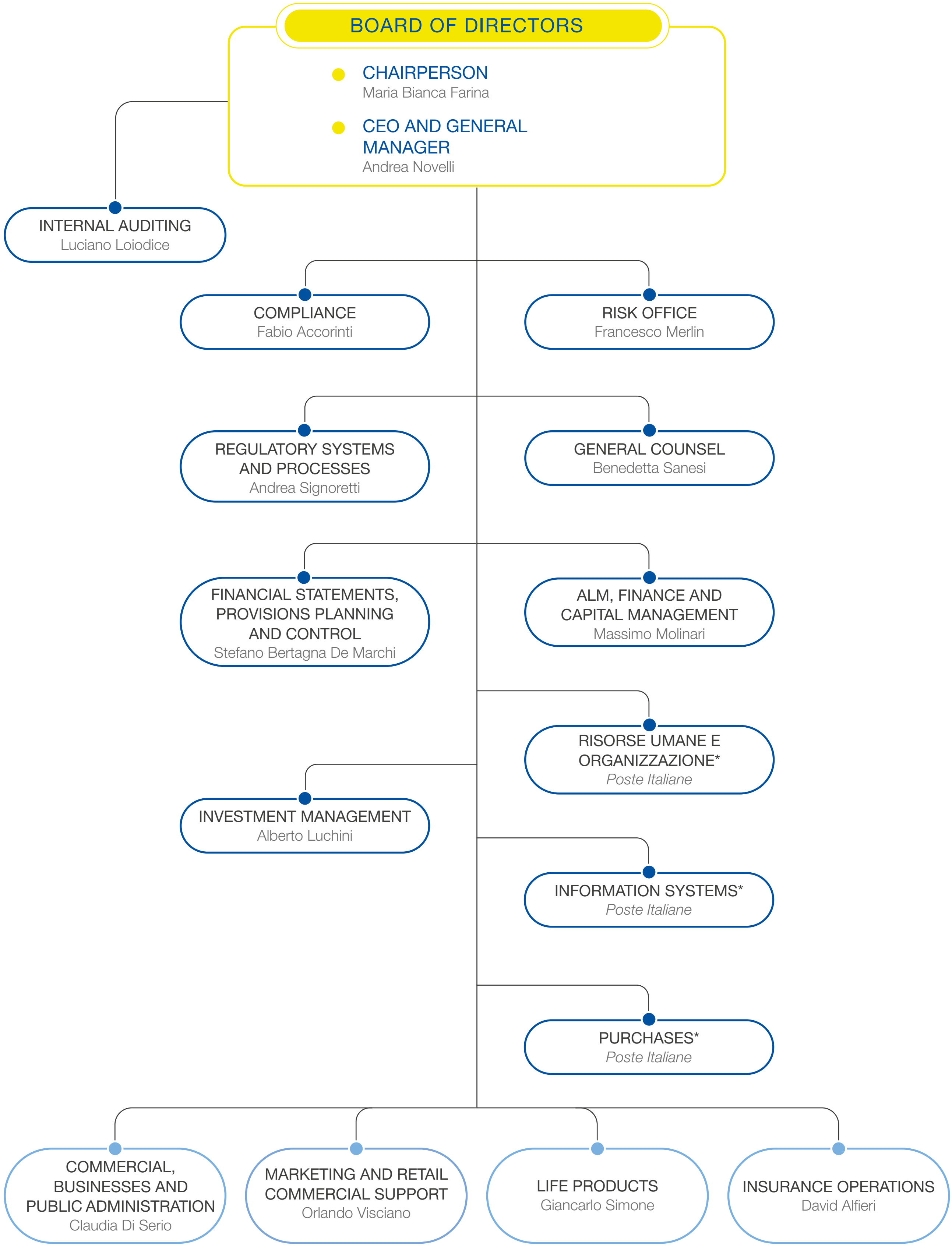
Due to the aforementioned trends, **gross profit for the period** came to € 70.9 million, compared to € 48.1 million in 2022. Considering the tax burden, the Poste Vita Group closed Non-Life business with a **net profit** of € 45.6 million, an increase of € 14.1 million (+45%) on the € 31.5 million recorded in 2022.

6. Organisation of the Poste Vita Group

Organisational Structure

With reference to the organisational structure of the Parent Company Poste Vita, the main initiatives carried out during the period relate to the assignment of responsibility for the Financial Statements, Provisions Planning and Control function, previously assigned ad interim to the Chief Executive Officer and General Manager, the strengthening of control and staff functions (i.e. the Compliance and General Counsel functions), and the consolidation of the structure of the units dedicated to core corporate processes (i.e. the Insurance Operations and Marketing and Retail Commercial Support functions), with a review of the related internal organisation. Furthermore, the Chief Executive Officer's powers in the area of privacy were supplemented, identifying him as the representative of the Poste Vita's "Data Controller";

The organisational chart of the Parent Company Poste Vita at 31 December 2023, including the main outsourced functions, is shown below:



** Funzioni in outsourcing.*

It should be noted that, in the first quarter of 2024, responsibility for the Internal Auditing function was assigned to Marta Fraganza, and a dedicated oversight unit was introduced for the corporate offer related to non-life business, which is co-insured with other insurance companies.

Corporate Governance

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

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

The Board of Directors, as described above, meets periodically to review and adopt resolutions on strategy, operations, results, and proposals regarding the operational structure, strategic transactions and any other obligations under current industry regulations. It represents the main governing body of the Company and is vested with the widest possible powers to manage the company in the pursuit and implementation of the corporate purpose, which it exercises within the scope of the functions, duties and powers set out in current laws and regulations and in the Articles of Association.

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

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

The Chairperson of the Board of Directors has the role of guiding and overseeing the work of the Board of Directors. In addition to the authority provided for by law and in the bylaws with regard to the activities of corporate bodies and legal representation of the Company, including the power to sign on the Company's behalf and to represent it before the courts, the Chairperson, without prejudice to the non-executive role and without any management function, is assigned by the Board of Directors powers relating to the following areas: maintaining relations with the Key Functions (Internal Auditing, Compliance, Risk Management and Actuarial Function) for the purpose of liaison with the Board of Directors and Institutional Relations with Parliament, the Government, Ministries, institutional bodies and Authorities in general.

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

The General Manager is also an established position, who is granted specific powers within the Company, in line with the scope of responsibility assigned.

Finally, in accordance with the provisions of IVASS Regulation no. 38/2018, the Board of Directors has established specific internal committees, composed of non-executive directors, mostly independent, with investigative, consultative and propositional tasks, in order to increase the efficiency and effectiveness of its work and to facilitate decision-making in areas of operations where there is a high risk of conflict of interest.

Specifically, the Board of Directors is supported by the following committees:
a. Internal Control and Risks and Related Party Transactions Committee;
b. Remuneration Committee.

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

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

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

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

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

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

Lastly, to ensure compliance with the more advanced governance models and in accordance with the Company's articles of association, a manager responsible for financial reporting has been appointed.

After outsourcing of the IT systems to the Ultimate Parent Poste Italiane SpA, since March 2020 a two committee governance model has been contractually established:
- Operating Committee, responsible for monitoring service levels;
- Governance Committee, responsible for issues of a strategic nature.

Internal control system

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

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

- **Governance:** defines, implements, maintains and monitors the Corporate Governance System (and in this context, the SCI and the SGR). It consists of the Administrative Body (duly supported by the Board Committees) and Senior Management. Specifically:
  - the Board of Directors is the ultimate guarantor and responsible for the Corporate Governance System and, to this end, does not limit its role to defining its strategic guidelines and orientations, but monitors its results and ensures its constant completeness, functionality and effectiveness, also with reference to outsourced activities, consistently with the provisions of the relevant regulations;
  - Senior Management is responsible for the implementation, maintenance and monitoring of the Corporate Governance System and the promotion of the internal control culture in accordance with the instructions issued by the Board of Directors and in compliance with the relevant regulations.
- **First level of control:** identifies, assesses, manages, and monitors those risks in relation to which it implements specific actions aimed at identifying and correcting any anomalies to ensure operational compliance. It is made up of all the control activities that the individual "business" and "staff" organisational units of the Company (Operating Functions) perform on their own processes as an integral part of each business process. The Operating Functions are, therefore, primarily responsible for the internal control and risk management process (as established by the Board of Directors and Senior Management) as they are called upon, in the course of day-to-day operations, to identify, measure, assess, monitor, mitigate and report risks arising from ordinary business activities in accordance with the risk management process and applicable internal procedures.
- **Second level of control:** monitors company risks, proposes guidelines on all related control systems, and verifies their adequacy in order to ensure the efficiency and effectiveness of the operations, sufficient risk control, prudent business practices, reliability of all disclosures, compliance with laws, regulations and internal procedures. The functions to whom such controls are delegated are autonomous, independent, and distinct from operating functions; they contribute to the definition of risk management policies and the risk management process. Specifically:
  - the **Risk Management function** has the task of controlling and maintaining the entire SGR, whose effectiveness it helps to ensure also through support activities for the Board of Directors and the Company's Senior Management in defining and implementing the same;
  - the **Compliance function** identifies the applicable rules on an ongoing basis and ensures the management of the risk of non-compliance in accordance with the reference legislation, the Integrated Compliance System of the Poste Italiane Group and the Compliance Framework approved by Poste Vita's Board of Directors;
  - the **Actuarial function** contributes to the application of the Risk Management System through the performance of specific tasks relating to technical provisions, underwriting policies and reinsurance agreements;
  - the **Anti-Money Laundering function** continuously monitors the Company's exposure to the risk of money laundering and terrorist financing. The head of the function supports the Board of Directors in defining the policies/guidelines for governing this risk;
  - the **Information Security function** performs the tasks of assistance and reporting to the Administrative Body on information security matters, as well as monitoring and coordinating the related activities.
- **Third level of control:** the Internal Auditing function is responsible for evaluating and monitoring the effectiveness, efficiency and adequacy of the SCI and the other components of the corporate governance system and the need to adapt it (through independent assurance on the operating effectiveness of the first and second levels of control and, in general, on the Corporate Governance System, and any consulting activities to other corporate functions).

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

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

The Board Committees (the Appointments and Remuneration Committee and the Internal Control and Risks and Related Party Transactions Committee) also contributes to the operation of the model, as do the other functions and persons responsible for corporate control, such as: the Financial Reporting Manager pursuant to Law no. 262/2005, the Supervisory Board pursuant to Legislative Decree no. 231/01, the Suspicious Transactions Reporting Manager, the Tax Manager, the Data Protection Officer and the Single Contact Person for Statistical Reports, etc.

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

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

The activities carried out during the year by the key functions and control functions contribute, as far as they are concerned, to the assessment of the Corporate Governance System of the Company Poste Vita and the Poste Vita Insurance Group, pursuant to art. 215-bis of the Private Insurance Code (Legislative Decree 209/2005 and subsequent additions and amendments).

Finally, with reference to the acquisition of the subsidiary Net Insurance, as outlined in more detail in the paragraph "Extraordinary Transactions", the Company identified an alignment plan, also within the Internal Control System and the Risk Management System, and is overseeing the related activities.

Organisational structure and personnel

During 2023, the organisational structure saw an increase of 171 staff available to the Poste Vita Group (of which 136 staff attributable to the acquisition of Net Insurance and Net Insurance Life as from 1 April 2023) and, secondly, attributable to an increase in the number of personnel directly supporting the business, with a focus on the inclusion of staff with technical-insurance and financial skills to support the business objectives and strategic projects and the functions impacted by them (USP project, IFRS17, valuation and actuarial models, risk management, product development and the finance area functions: asset liability management and investment management) by accessing the external market pool.

The number of direct employees at 31 December 2023 was 631 (expressed in full time equivalent, 460 at 31 December 2022). Below is a breakdown of staff, divided by contract type and the relative changes with respect to the previous year:

Workforce Breakdown	31.12.23	31.12.22	Change
Executives	47	38	9
Middle managers	325	252	73
Operational staff	254	169	85
Flexible contracts	5	1	4
Direct employees	**631**	**460**	**171**

With regard to training, in 2023, the delivery of training activities took place mainly in "virtual" classroom mode (webinars) and in e-learning mode through the HCM platform. Only the practical training activities for emergency workers within the framework of the Health and Safety at Work refresher programmes were delivered in person, as well as some sessions as part of managerial training projects and professional refresher initiatives compliant with insurance legislation (Ivass Regulation 40/2018). In this context, 2023, training provided mainly involved the following areas: i) "insurance compliance", with specific reference to Market Abuse, ESG, IVASS and insurance product training; ii) regulatory/compliance training, with particular reference to the following aspects: Anti-corruption, Legislative Decree no. 231/2001, GDPR, IT Security, Occupational Health and Safety, Diversity & Inclusion, Fraud Management; iii) "technical-specialist" training in the insurance field; and iv) "managerial" training aimed mainly at developing soft skills (leadership, management empowerment, effective communication, problem solving, time management, team-working, employee management). In particular, a specific focus was given to the training project "*With agility - New perspectives to guide change*" dedicated to "new generation leaders". The "With agility" programme, which involved 30 participants from the Poste Vita Group, was conducted with the support of a leading training company, with the aim of developing self-awareness in the role and basic skills of an "Agile Leader".

Information on international accounting standards

Share-based payments - IFRS 2

Goods and services acquired and liabilities taken on for which share-based payments are established, settled with cash, equity instruments or other financial instruments, are recognised at their fair value. If the payment is made in cash, the fair value of the liability must be remeasured at the end of each reporting period, recognising any changes in profit or loss, until the amount is extinguished. In the case of employee benefits, the expense is recognised in personnel expenses over the period in which the employee renders the relevant service.

Risk Analysis and Monitoring - IFRS7/IFRS 17

The note "Analysis and Monitoring of Risks" presents information on the Group's exposure to risks of various kinds and includes a discussion of financial risks (pursuant to IFRS 7 - Financial Instruments: Disclosures), risks of an insurance nature (pursuant to the new IFRS 17 - Insurance Contracts) as well as other risks for which it is deemed appropriate/necessary to provide disclosure.

Qualitative information on the Group's objectives, policies and processes for risk measurement and management is provided in a single section, while the quantitative information required by the aforementioned principles is provided in separate paragraphs within this note, unless otherwise indicated.

Financial risks

Financial instruments held by the companies in the Poste Vita Group primarily relate to investments designed to cover its contractual obligations to policyholders on traditional life policies that can be revalued and unit-linked products. For these types of products, therefore, the financial results recorded not only change the value of financial assets, but also have an impact on insurance liabilities. Other investments in financial instruments regard investment of the insurance companies' Free Capital.

As regards life business, in particular for the Parent Company Poste Vita, traditional life policies, classified under Class I and V, primarily include products whose benefits are revalued based on the return generated through the management of pools of financial assets, which are separately identifiable in accounting terms only, within the company's assets (Separately Managed Accounts). In the case of policies sold in previous years, the company has guaranteed a minimum return payable at maturity on such products (at 31 December 2023, this minimum return at maturity on existing policies ranged between 0% and 2%). Unrealised gains and losses are retroceded to policyholders and recognised in the Statement of profit or loss and/or in a special reserve recognised in the Statement of Comprehensive Income, net of the over-coverage component. The recognition technique, referred to as mirroring, sets forth that the component to be passed on to policyholders is identified by analysing the income generated by the securities portfolio related to the Separately Managed Accounts.

As anticipated, the economic impact of financial risks on investments impacts both the pure investment component, i.e. the financial assets backing the insurance liabilities, and the insurance liability itself, as there is a financial component in the valuation. These effects may be partly passed on to the policyholders. More specifically, this absorption is generally based on the level and structure of minimum return guarantees and the profit sharing mechanisms for the policyholders' Separately Managed Accounts. The company determines the sustainability of minimum returns through periodic analyses using an internal financial-actuarial (Asset-Liability Management) model which simulates, for each Separately Managed Account, the change in value of the financial assets and the expected returns, as well as the relevant impacts on insurance liabilities, under a "central scenario" (based on current financial and commercial assumptions) and under stress and other scenarios based on different sets of assumptions. This model makes it possible to manage the risks assumed by Poste Vita on a quantitative basis, thereby fostering reduced earnings volatility and optimal allocation of financial resources.

Unit-linked products, relating to Class III insurance products, regard policies where the premium is invested in mutual investment funds. Poste Vita constantly monitors developments in the risk profiles of individual products.

The investment policies of the insurance companies Poste Assicura, Net Insurance and Net Insurance Life, which are characterised by businesses that do not envisage a direct correlation between the products placed and the financial investments, are aimed at preserving the Group's capital solidity, as outlined in the framework resolution approved by Poste Vita's Board of Directors. Regular analyses of the macroeconomic context and market trends for the different asset classes, with the relevant effects on integrated asset-liability management, are conducted, targeted at optimal management to meet compensation claims.

Within the above context, balanced financial management and monitoring of the main risk/return profiles are carried out and ensured by dedicated organisational structures that operate separately and independently. In addition, specific processes are in place governing the assumption and management of and control over financial risks, including the progressive introduction of appropriate information systems.

From an organisational viewpoint, the model consists of:
- the Investment Committee of the insurance Company Poste Vita, based on analyses by the relevant company functions, which provides advice to senior management on the definition, implementation and oversight of the investment strategy;
- appropriate functions established within the Parent Company and at the investee companies that perform Risk Measurement and Control activities, in compliance with the principle of organisational separation of structures with risk control functions from those with management responsibilities; the results of these activities are examined by the relevant advisory Committees, which are responsible for carrying out an integrated assessment of the main risk profiles;
- the Investment Committee of the Companies Net Insurance and Net Insurance Life, which is entrusted with investment-related tasks, as well as the verification and monitoring of the companies' compliance with investment policies, guidelines and recommendations;
- the Internal Control, Risks and Related Parties Committee of the insurance companies Net Insurance and Net Insurance Life, set up in order to strengthen the control and risk management system, assists the respective boards of directors in evaluating and deciding on the internal control and risk management system.

The financial risks to which the Group as a whole is exposed are broken down into the following types of risk. The sensitivity analyses performed on individual risks at the reporting date of this Annual Report, described at a theoretical level below, are common to all operating segments, unless otherwise indicated in the context of insurance operations. In fact, the application of the new accounting standard *IFRS 17-Insurance Contracts* has forced a revision of the way in which the insurance business is monitored and managed for risks to which it is exposed, as well as the way in which sensitivity analyses are performed, in order to better represent the exposure to risks and the close correlation of the impacts of these on financial assets and insurance liabilities in a manner that is consistent with the accounting representation.
- **Market risk**, defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Market risk comprises three types of risk:
  - **Fair value interest rate risk**: the risk that the value of a financial instrument fluctuates as a result of movements in market interest rates. The analyses conducted on said type of risk mainly refer to the effects of changes in market rates on the price of fixed rate financial instruments or instruments linked to a fixed rate through a cash flow hedge and, residually, the effects of changes in market rates on the fixed component of floating-rate financial instruments or instruments linked to a floating rate through fair value hedges. The impact of these effects is directly related to the financial instrument's duration. The sensitivity analysis to the interest rate risk of the positions concerned was calculated as a result of a hypothetical parallel shift in the market rate curve of +/- 100 bps, providing a baseline reference that can be used to appreciate potential changes in fair value in the event of interest rate fluctuations;
  - **Price risk**: this is the risk that the value of a financial Instrument will fluctuate as a result of changes in market prices, when the changes derive both from specific factors of the individual instrument or its issuer, and from factors that affect all the instruments traded on the market. The analyses conducted refer to financial items classified as *measured at fair value through other comprehensive income* (FVTOCI) or *measured at fair value through profit or loss* (FVTPL), and certain derivative financial instruments where changes in value are recognised in profit or loss. The sensitivity analysis took into account positions potentially exposed to fluctuations in value. Financial statement balances have been subjected to a stress test, based on actual volatility during the year, considered to be representative of potential market movements. In the context of its insurance operations, the Group considered a sensitivity analysis represented by a parallel shift in the price curve of +/-25% to be more representative of its risk exposure, departing from what had been done in the past;

   - **Currency risk**: this is the risk that the value of a financial instrument will fluctuate as a result of changes in the exchange rates of currencies other than the accounting currency. Sensitivity analysis of the items subject to foreign exchange risk was based on the most significant positions, assuming a stress scenario determined by the levels of exchange rate volatility applicable to each foreign currency position. More specifically, a change in the exchange rate equal to historic one year volatility was applied, held to represent possible market changes;
- **Spread risk** (including country risk): this is the risk attributable to possible reductions in the prices of bonds held in the portfolio, due to deterioration of the market valuation of the credit quality of the issuer. This is due to the importance that the impact of the spread of returns on government bonds had on the fair value of Eurozone government and corporate bonds, reflecting the market's perception of the credit rating of issuers. The value of the portfolio of bonds issued or guaranteed by the Italian government is much more sensitive to the credit risk associated with the Italian Republic than to changes in risk-free interest rates. This is due to the fact that changes in credit spreads are not hedged and regard the entire investment portfolio, meaning both the fixed and floating rate components. In this latter case, in fact, fair value derivatives, used to convert the instrument to floating rate, hedge only the risk-free interest rate risk and not credit risk. Therefore, a change in the credit spread has an equal impact on both fixed rate and floating rate securities. Spread sensitivity is calculated by applying a shift of +/- 100 bps to the yield curve of Italian government bonds. For insurance operations, since the portfolio is also diversified over securities belonging to the corporate sector, stresses are applied and evaluated separately between the purely government and private issue portfolios. Furthermore, in assessing the actual risk exposure, the Group considered only a worst-case scenario of stress conditions, i.e. a parallel shift of the curve of +100 bps, to be more significant in terms of potential impact on results;
- **Credit risk**: this is the risk of default of the counterparties with which receivable positions exist, with the exception of investments in equities and mutual fund units;
- **Liquidity risk**: defined as the risk of encountering difficulties in raising funds, at market conditions, to meet liabilities. In order to minimise this risk, the Group applies a financial policy based on diversification of the various forms of short-term and long-term borrowings and counterparties, availability of relevant lines of credit in terms of amounts and the number of banks; gradual and consistent distribution of the maturities of medium/long-term borrowings; and use of dedicated analytical models to monitor the maturities of assets and liabilities;
- **Cash flow interest rate risk**: this is defined as the uncertainty related to the achievement of future cash flows following fluctuations of interest rates on the market. Such risk may arise from the mismatch – in terms of interest rate, interest rate resets and maturities – of financial assets and liabilities until their contractual maturity and/or expected maturity (banking book), with effects in terms of interest spreads and, as such, an impact on future results. The analyses conducted refer to the uncertainty over future cash flows generated by floating rate instruments and floating rate instruments created through fair value hedges following fluctuations in market interest rates. Sensitivity to cash flow interest rate risk relating to these instruments is calculated by assuming a parallel shift in the market yield curve of +/- 100 bps;
- **Cash flow inflation rate risk**: this is defined as the uncertainty related to future cash flows due to changes in the rate of inflation observed in the market.

Insurance risks

This type of risk emerges as a consequence of the placement, by insurance companies belonging to the Group, of products that fall under the definition of insurance contracts. These contracts have conditions, such as technical bases adopted, premium calculation, lapse conditions, etc., which bring out risks typical of the insurance business.

In order to combine strategic and business objectives with those of profitability and quality of the risks assumed, and to mitigate exposure to said typical risks, in the risk assumption phase, the Group defined an underwriting policy which provides for the following:

- the development of products consistent with the needs and characteristics of the various customer segments;
- the assumption of risks for the management of which there are adequate supporting skills and resources;
- the assumption of risks consistent with the Risk Strategy and Risk Appetite;
- the elimination or non-renewal, where possible, of "accepted" risks that are not consistent with the Risk Appetite Framework and/or that imply exceeding the limits established by the specific guidelines of the Group;
- the underwriting of risks that ensure adequate mitigation techniques, in particular consistency between reinsurance treaties underwritten, product characteristics (e.g. guarantees covered, contract duration) and portfolio mix;
- the adequacy of procedures and control systems to ensure the completeness, relevance and accuracy of the accounting and statistical data used for risk pricing/analysis purposes;
- the evaluation, when designing a new product and/or a new commercial initiative, of the following aspects:
  - adequate reinsurance structures;
  - assumption limits;
  - contractual clauses (possibility of splitting the premium, possibility of tacit renewal, withdrawal in the event of a claim, etc.);
  - expenses (for the acquisition, management and administration of contracts including claims settlement expenses, etc.);
  - changes (in terms of risk and concentration) to the portfolio mix that the issuance of the new product may entail;
  - assessment of the impact of non-payment of premiums (e.g. impossibility of recovering expenses and commissions) with relative repercussions on solvency.

In the risk assumption phase, the Group therefore undertakes to guarantee the sufficiency of the premiums collected with respect to the future commitments made to policyholders and the costs of managing and acquiring contracts, developing the skills and professionalism of the parties involved in product definition, assumption of risks and, more generally, of all parties involved in the underwriting process.

The Group also guarantees ever-increasing quality standards in the management of underwriting activities in order to avoid reputational losses and anti-selection phenomena.

The underwriting policy is aimed at strengthening the Group's market position, increasing its share in the various insurance lines in which it operates by developing a profitable risk portfolio.

As a result of the assumption of risks typical of the insurance business, types of exposures emerge that are significant for the Group and for which specific monitoring and containment activities need to be implemented. Specifically:

- **Lapse risk:** insurance contracts may theoretically contain implicit options such as lapse options, guaranteed minimum return options and/or annuity conversion options. These options give the policyholder the right or the ability to obtain profits or changes in the relationship that give rise to a risk borne by the Company, assuming a risk other than the insurance risk associated with taking out the contract. In the specific case of the Group, for almost all the products in the portfolio, no penalties are envisaged in the event of lapse by the policyholder, so that this risk becomes significant in the event of mass lapse, which cannot be foreseen and are concentrated in specific, excessively short periods of time that would not allow for easy management of the potential divestments in the portfolio. This would entail a significant monetary outlay for the companies belonging to the Group, which would find themselves in the situation of having to dispose of assets to cover their liabilities, with the possible realisation of potential capital losses in the event of unfavourable market situations, as well as to use their cash and cash equivalents to cover the contractually guaranteed minimum levels. It is emphasised that, considering the historical trend observed to date, the probability of this scenario occurring is considered remote (lapse rate for 2023 of approximately 4.4%), and furthermore, any adverse event would be covered by specific reinsurance contracts to cover mass lapse phenomena. The aforementioned phenomenon has a greater impact on the portfolios associated with the Separately Managed Accounts, for which any devaluation of securities would entail a loss in the current year and a carry-over effect on future returns, resulting in a significant reduction that could compromise the sound and prudent management of the company, as well as the dynamics of short- and medium-term inflows. In the current context of economic

uncertainty, an increase in the rate at which customers are exercising the policy lapse option can be observed in the Italian market. This phenomenon in the policy portfolio of the subsidiary Poste Vita remains well below the level observed in the market; however, the characteristics of the multi-class products placed in recent years, which envisage a progressive transfer of investments to the target unit-linked quota chosen by the customer, will lead to a gradual increase in the stock of reserves pertaining to Class III products, which have historically shown a higher lapse rate than traditional build-up products. In light of this consideration, the **risk related to lapse dynamics** was considered significant by the Group, and a sensitivity analysis was performed on this risk equal to an instantaneous shift of +10% in the lapse rate of investment products. Considering the portfolio structure of the Group's companies, the decision was taken to apply only an incremental lapse stress scenario, i.e. only the worst-case scenario for the Group;
- **Provisioning risk:** linked to the quantification of inadequate technical provisions with respect to the commitments made to policyholders and damaged parties. This insufficiency may be due to incorrect estimates by the company and/or changes in the general environment. This risk was considered significant for the Group's Non-Life business, and a sensitivity analysis was performed to measure exposure under scenarios involving a +/-2% change in the loss ratio[20].
- **Concentration risk**: it is the risk that the business is excessively concentrated only on certain types of risk, products, customers and geographical areas and is therefore not adequately diversified. The Group assesses its exposure to this risk differently between Life and Non-Life business, evaluating the concentration based on the types of products placed.

The expected evolution of the portfolio and the different degree of risk of the products distributed required the adoption of a careful reinsurance policy, aimed at mitigating the risks to which the Group is exposed.

The reinsurance strategy adopted by Poste Assicura, based mainly on a non-proportional approach, makes it possible to:
- Mitigate risks, stabilising the variability of insurance business results and ensuring the technical balance of the portfolio;
- Mitigate risks arising from peak exposures or catastrophic events;
- Support the development of underwriting activities;
- Strengthen the financial solidity of the company.

In particular, reinsurance treaties were entered into with market operators of primary standing, with non-proportional cover in the form of "excess loss" (per risk and per event) separately for the various insurance classes, to cover all Poste Assicura's risks (Retail and Employee Benefits) such as: risks included in accident, illness, fire and other property damage, third-party liability, and "catastrophic risks" such as earthquake or pandemic. For all risks related to illness guarantees (excluding those arising from the Credit Protection line), the reinsurance policy provides for an additional "quota share" treaty[21]. While for some accident and credit protection risks, the treaties on a proportional risk-attaching basis[22], signed in the start-up phase of the Company, remain in force.

With regard to Net Insurance and Net Insurance Life companies, the expected evolution of the portfolio and the different degree of risk of the products distributed required the adoption of a careful reinsurance policy. The reinsurance strategy, based mainly on a proportional approach, but also on some non-proportional covers (especially for hail, suretyship and, to a lesser extent, other insurance classes), makes it possible to:
- Mitigate unfavourable technical trends and risks arising from peak exposures;
- Optimise reinsurance structures with a view to risk transfer and, if possible, improve overall costs in economic and capital allocation terms;
- Increase the efficiency of reinsurance structures from a management point of view;
- Mitigate risks, stabilising the variability of insurance business results;
- Stabilise the Solvency Ratio.

The Group assesses the exposure of the insurance business under stress scenarios in order to verify the solvency of companies even under adverse market conditions, also in line with the Solvency II regulatory framework.

20. Indicator of the cost-effectiveness of insurance technical management representing the ratio of incurred claims to premiums collected in the same financial year and administrative period.
21. Quota share treaties are defined as agreements under which the insurer transfers insurance risk (through the transfer of premiums, claims and reserves) based on a contractually defined percentage share.
22. Reinsurance on a risk-attaching basis defined as a contract under which all policies issued or renewed during the validity period are covered for which the reinsurer is liable for all claims related to the policies issued during the term of the treaty.

Other non-significant insurance risks

From a technical point of view, one of the main risk factors characterising Life underwriting risk is **mortality risk,** i.e. any risk related to the randomness of the life span of policyholders. Particular attention is paid in selling Term life insurance policies, an area where procedures set underwriting limits to the capital and the age of the policyholder. In terms of "term life" insured amounts the Group's insurance companies transfer their risks to reinsurers in keeping with the nature of the products sold and conservation levels adequate to the companies' capital structure.

For products with the capital sum subject to positive risk, such as term life insurance, this risk has negative consequences if the actual frequency of death exceeds the death probabilities realistically calculated (second order technical bases).

For products with the capital sum subject to negative risk, such as annuities, there are negative consequences when actual death frequencies are lower than the death probabilities realistically calculated (longevity risk).

That said, at 31 December 2023, mortality risk is considered to be of low significance for the Group, considering the characteristics of the products offered, although this risk represents almost the entire life underwriting risk for Net Insurance Life, given the characteristics of the products offered. The only area where this risk is somewhat significant is term life insurance. With reference to these products, a comparison is periodically made between actual deaths and those predicted by the demographic bases adopted for pricing. On the basis of the above, for risk management purposes it was decided not to subject mortality risk to sensitivity analysis, but to continuous monitoring over time to identify any changes in its significance in the context of the Group.

The **longevity risk** is also small, being represented by a small share of insurance exposures to class IV (Long Term Care policies). In fact, for most life insurance products, the probability of conversion into an annuity is very close to zero as historical evidence shows that the conversion option has never been exercised by policyholders to date. Pension products, in particular, still account for a marginal share of insurance liabilities. For these products, the Group may also, if certain conditions materialise, change the demographic base and the composition by sex used to calculate the annuity rates.

With regard to **pricing risk**, it is defined as the risk of incurring losses due to inappropriate pricing of the insurance products sold, for example: inappropriate choice of technical bases (demographic or financial), incorrect valuation of the options implicit in the products, and/or incorrect valuation of the parameters for calculating loadings for expenses. Since the products placed by the Group mostly relate to insurance contracts issued by Poste Vita, i.e. build-up products of mixed or whole-life type, with a predominantly financial character, in cases with a technical rate of zero, the technical basis adopted does not affect the calculation of the premium (and/or the insured capital). The pricing risk arising from the choice of technical bases, with the exception of what has been mentioned above in relation to products of the Term life insurance type, is almost entirely absent in the Group's portfolio.

Insurance risks relating to Non-Life business, on the other hand, include:

Underwriting risk: this is the risk arising from the commitments entered into by the underwriting of insurance contracts, taking into account all the risks covered and the procedures used in the conduct of business. This risk can be subdivided into provisioning risk, already mentioned in the previous paragraph, and **pricing risk** arising from the underwriting of insurance contracts and associated with the events covered, the processes followed for underwriting and selecting risks, the processes followed for pricing, and the unfavourable trend in the actual loss ratio compared to the estimated one.

Early termination risk: this risk refers to the possibility of the policyholder's early termination of the contract resulting in a claim for reimbursement of the premium. This dynamic, unlike the one represented above for the lapse risk, does not depend directly on economic trends and the dynamic behaviour of policyholders, and is therefore less related to the current economic condition. The specific risk of early termination is not assessed at Group level as a significant risk because:
- it depends solely on the willingness to pay off insurance policies on mortgages and loans early, and does not depend directly on market income dynamics;
- is limited to a portfolio considered non-material, as this business is residual for the Group.

Finally, the Group considers **Catastrophe Risk,** which represents the risk of loss resulting from extreme or exceptional events, including major epidemics covered by insurance, as not significant.

Quantitative information

As defined in the introduction, quantitative information on exposure to risks of various kinds is provided separately by operating segment.

Insurance operations

In relation to insurance liabilities, given the way they are constructed, it is impractical to identify which component of the unit of account is exposed to individual risks of a financial nature, also in relation to the concept of mutuality that governs the products issued by the Poste Vita Group. For this reason, the Group's exposure to risks is represented by the totality of its insurance liabilities, which are therefore subjected to individual stresses, assessing their impacts in complexity.

Fair value interest rate risk

INSURANCE OPERATIONS - FAIR VALUE INTEREST RATE RISK

Description (€m)	Risk exposure		
	31 December 2023	Delta value	
	Fair value	+100bps	-100bps
Financial assets	146,477	(8,359)	9,482
Financial assets at FVTOCI	105,847	(6,792)	7,754
Financial assets at FVTPL	40,630	(1,567)	1,728
Insurance liabilities	154,922	(8,102)	9,394

INSURANCE OPERATIONS - FAIR VALUE INTEREST RATE STRESS EFFECTS

Description (€m)	Delta value	
	+100bps	-100bps
Contractual Service Margin	(15)	(262)
Profit/(Loss) before tax	12	(57)
Equity reserves before tax	(135)	152

In terms of **financial assets measured at fair value through other comprehensive income**, the risk in question primarily relates to:

- fixed-income government bonds held by Poste Vita SpA, totalling € 86,096 million; of this amount, € 83,976 million is used to cover Class I and V policies linked to separately managed accounts, and € 2,120 million relates to the Company's free capital;
- non-government debt securities held by Poste Vita for a total fair value of € 18,991 million, used mainly to meet obligations towards policyholders;
- the remainder relates to approximately € 760 million in investments in fixed-income securities, both government and corporate exposures made by the other companies in the sector.

Financial assets at fair value through profit or loss, which are relevant to the risk in question, are held primarily to cover commitments to policyholders. They relate to a portion of the investments used in fixed-income securities totalling € 2,564 million, of which € 2,556 million related to Poste Vita, and to the position in *Other investments* totalling € 38,044 million, consisting mainly of units in Class III funds and multi-asset funds linked to the Separately Managed Accounts. Finally, the remaining € 22 million is represented by the bond issued by Cassa Depositi e Prestiti as a private placement.

The **insurance liabilities** relevant to the risk in question relate to insurance contracts placed by companies in the sector, totalling € 154,922 million.

With respect to Class I and Class V policies issued by the Company Poste Vita, the duration of the hedging assets went from 6.95 at 31 December 2022 to 6.27 at 31 December 2023, whilst the duration of the liabilities went from 7.50 to 7.45 (assessment of the duration was carried out using the new Coherent Duration method[23]. Financial instruments covering the technical provisions for Class III have maturities which coincide with those of the liabilities.

The results of the sensitivity analyses[24] show that:

- as a result of the increase in the interest rate curve, a negative change in the contractual service margin of € 15 million would be generated due to capital losses impacting the returns of products linked to the Separately Managed Accounts; an increase in the result before tax of € 12 million due to the higher release of the contractual service margin determined by the increase in the coverage unit, only partly offset by the financial result[25]; and finally, a negative change in Equity Reserves of € 135 million generated by the decrease in the financial result of FVOCI securities not retroceded to policyholders;
- as a result of the decrease in the interest rate curve, a negative change in the contractual service margin of € 262 million would be generated due to a reduction in commissions on assets under management; a negative impact of € 57 million on profit/(loss) before tax due to the lower release of the contractual service margin as a result of the reduction in the coverage unit, partially offset by the financial result; and finally, a positive change of € 152 million in OCI Reserves generated mainly by the increase in the financial result of FVOCI securities not retroceded to policyholders.

23. The Coherent Duration of assets and liabilities is defined as changes in the value of assets and liabilities, in proportion to the total amount of assets exposed to interest rate risk, following parallel shocks raising and lowering interest rates by 10 basis points.
24. For sensitivity purposes, the swap component was stressed by the end-2023 risk-free curve as published by EIOPA.
25. IFRS9 income from FVTPL securities not retroceded to policyholders.

Price risk

INSURANCE OPERATIONS - PRICE RISK

Description (€m)	Risk exposure		
	31 December 2023 Fair value	Delta value	
		+ Vol	- Vol
Financial assets	40,785	2,425	(2,440)
Financial assets at FVTOCI	-	-	-
Financial assets at FVTPL	40,785	2,425	(2,440)
	-	-	-
Insurance liabilities	154,157	2,396	(2,410)

INSURANCE OPERATIONS - PRICE RISK STRESS EFFECTS

Description (€m)	Delta value	
	+25%	-25%
Contractual Service Margin	235	(250)
Profit/(Loss) before tax	29	(30)
Equity reserves before tax	-	-

Financial Assets at FVTPL include mutual funds; the nominal value of these funds indicates the number of units held without taking into account the face value of the equity security.

Financial assets measured at fair value through profit or loss exposed to the risk in question refer to:
- investments in units of mutual investment funds held by Poste Vita, with a fair value of € 40,300 million, including approximately € 28,392 million used to cover Class I policies, and roughly € 11,908 million used to cover Class III policies;
- equity instruments held by Poste Vita, totalling € 485 million, used to cover Class I policies linked to Separately Managed Accounts and to cover Class III policies.

Insurance liabilities exposed to the risk in question refer to insurance contracts placed by Group companies with investments in assets exposed to the risk in question, i.e. Poste Vita, totalling € 154,157 million.

The results of the sensitivity analyses show that:
- in the scenario characterised by the increase in the value of market prices, the sensitivity results show an increase in contractual service margin of about € 235 million as a result of the increase in commissions received on investments related to the unit-linked portfolio, as well as an increase in Profit/(loss) before tax of about € 29 million as a result of the combined effect of a higher release of the contractual service margin (due to the increase in the stock) and a higher financial result for the portion not retroceded to policyholders;
- the opposite scenario, i.e. characterised by a decrease in the value of market prices, would entail a decrease in the contractual service margin of about € 250 million as a result of the simultaneous decrease in commissions received on investments related to the unit-linked portfolio, and a decrease in the Profit/(loss) before tax of about € 30 million as a result of the combined effect of the lower release of the contractual service margin (due to the reduction in the stock) and lower financial result for the portion not retroceded to policyholders.

Currency risk

INSURANCE OPERATIONS - CURRENCY RISK

Description (€m)	31.12.2023			
			Profit (loss) before tax	
	Position in USD	Position in Euro	+ Vol 260days	- Vol 260days
Financial assets				
Financial assets at FVTOCI	-	-	-	-
Financial assets at FVTPL	106	95	7	-7
Total	**106**	**95**	**7**	**-7**

In the context of insurance operations, the **financial assets** exposed to the risk in question refer exclusively to units of US dollar-denominated mutual funds held by the insurance Company Poste Vita. The company considers the exposure to currency risk in relation to the effects on insurance liabilities to be insignificant, as these positions are held in Separately Managed Accounts.

Government spread risk

INSURANCE OPERATIONS - FAIR VALUE GOVERNMENT SPREAD RISK

Description (€m)	Risk exposure	
	31 December 2023 Fair value	Delta value +100bps
Financial assets	99,021	(4,286)
Financial assets at FVTOCI	86,663	(4,258)
Financial assets at FVTPL	12,358	(29)
Insurance liabilities	154,922	(4,089)

INSURANCE OPERATIONS - FAIR VALUE GOVERNMENT SPREAD RISK

Description (€m)	Delta value +100bps
Contractual Service Margin	(84)
Profit/(Loss) before tax	13
Equity reserves before tax	(92)

In the period under review, the portfolio of *Financial assets at fair value through other comprehensive income* exposed to this risk, referring exclusively to fixed-income government bonds, amounted to € 86,663 million.

Financial assets at fair value through profit or loss exposed to the risk in question amounted to approximately € 12,358 million, which mainly refer to units of mutual funds held by the Company Poste Vita SpA.

Insurance liabilities exposed to risk amounted to approximately € 154,922 million.

The results of the sensitivity analyses[26] show a negative change in the contractual service margin of about € 84 million due to capital losses impacting the returns of the underlying assets related to the portfolios of the Separately Managed Accounts; a positive effect on the profit/(loss) before tax of € 13 million, mainly due to the higher release of the contractual service margin determined by the increase in the coverage unit, partially offset by the financial result; and, lastly, a negative change in Equity Reserves of € 92 million, generated by the deterioration of the financial result of FVOCI instruments not retroceded to policyholders, which represent the majority of securities under stress.

Corporate spread risk

INSURANCE OPERATIONS - FAIR VALUE CORPORATE SPREAD RISK

Description (€m)	Risk exposure	
	31 December 2023 Fair value	Delta value +100bps
Financial assets	59,800	(1,901)
Financial assets at FVTOCI	19,184	(941)
Financial assets at FVTPL	40,616	(961)
Insurance liabilities	154,922	(1,754)

INSURANCE OPERATIONS - FAIR VALUE CORPORATE SPREAD RISK

Description (€m)	Delta value +100bps
Contractual Service Margin	(132)
Profit/(Loss) before tax	(19)
Equity reserves before tax	(19)

The portfolio of *financial assets at fair value through other comprehensive income* exposed to this risk amounted to approximately € 19,184 million, exclusively related to exposures to corporate debt securities.

Financial assets at fair value through profit or loss exposed to risk amounted to approximately € 40,616 million, of which € 38,004 million related to mutual investment funds held by the Company Poste Vita, € 2,550 million to exposures to debt securities issued by corporate counterparties, and € 22 million to bonds issued by Cassa Depositi e Prestiti.

Insurance liabilities exposed to risk amounted to approximately € 154,922 million.

The results of the sensitivity analyses[27], resulted in a negative change in the contractual service margin of approximately € 132 million, due to capital losses impacting the returns of the underlying assets; a negative pre-tax result of € 19 million due to the reduction in the financial result; and, finally, a negative change of € 19 million in Equity Reserves, generated by the worsening of the financial result of the FVOCI securities not retroceded to policyholders.

26. For the purposes of sensitivity analysis on government bonds, the end-2023 risk-free curve was used as published by EIOPA with the Illiquidity Premium calibrated to the outstanding government portfolio and including the 100 bps stress on the Italian government spread.
27. For the purposes of sensitivity analysis on corporate securities, the risk-free curve of end-2023 as published by EIOPA was used, with the Illiquidity Premium calibrated to the outstanding corporate portfolio and including the 100 bps stress on the corporate spread.

Credit risk

Information on credit risk exposure is presented in the following section for financial assets only.

The following table presents an analysis of the risk exposure at 31 December 2023 of **financial assets** belonging to the insurance segment for which the general deterioration model is used. The analysis shows exposure by class of financial assets, broken down by stages. The amounts refer to the gross (amortised cost before ECL), if not otherwise indicated, and do not consider guarantees or other instruments which attenuate credit risk.

INSURANCE OPERATIONS - CREDIT RISK - RATING

Description (€m)	from AAA to AA-	from A+ to BBB-		from BB+ to C			Total
	Stage 1	Stage 1	Stage 2	Stage 1	Stage 2	Stage 3	
2023							
Financial assets at amortised cost							
Gross carrying amount	380	1,988		2			2,370
Provision to cover expected losses	0	-1					-1
Total amortised cost at 31 December 2023	**380**	**1,987**		**2**			**2,369**
Financial assets at FVTOCI							
Gross carrying amount	13,486	95,735	46	20	2,640	124	112,051
Provision to cover expected losses - OCI	-1	-44			-8	-2	-55
Carrying amount - Fair value at 31 December 2023	**13,103**	**90,072**	**44**	**20**	**2,493**	**114**	**105,847**

Financial assets at amortised cost, which are exposed to this risk, refer exclusively to fixed-income securities held by the Poste Vita Group for a gross carrying amount of € 2,369 million, decreased by a total of € 1 million to account for the related impairment provision.

Financial assets at fair value through other comprehensive income which are exposed to this risk refer for a gross carrying amount of € 112,051 million exclusively to fixed-income securities, amounting to € 105,847 million net of the impairment provision.

The following is an analysis of credit risk concentration by financial asset class on the basis of counterparty. The amounts shown refer to the gross carrying amount. Of the provision to cover expected losses on financial instruments at fair value through other comprehensive income, an amount of approximately € 53 million was retroceded to policyholders.

CREDIT RISK - CONCENTRATION OF CREDIT RISK

(€m)	31.12.2023	
	Gross carrying amount	Provision to cover expected losses
Financial assets at amortised cost	**2,370**	**-1**
Sovereign	2,050	-1
Corporate	311	0
Banking	9	0
Financial assets at FVTOCI	**112,051**	**-55**
Sovereign	88,892	-38
Corporate	16,270	-14
Banking	6,889	-3
Total	**114,175**	**-56**

Exposure to credit risk - insurance components

The following table presents information on the credit quality of net receivables from reinsurers and the exposure of assets for outward reinsurance (totalling € 233 million) and receivables from policyholders, classified under insurance liabilities and amounting to € 154,922 million (of which € 170 million related to the balance of receivables from customers at 31 December 2023). In particular, the table below presents an analysis of the risk exposure in question at 31 December 2023, by counterparty rating class, generated as a result of the placement of outstanding insurance and reinsurance contracts.

Description (€m)	from AAA to AA-	from A+ to BBB-	from BB+ to C	Not rated	Total
2023					
Assets for outward reinsurance					**233**
of which net receivables from reinsurers	(21)	(13)	0	0	(34)
Insurance liabilities	**-**	**-**	**-**	**-**	**154.922**
of which receivables from policyholders	-	-	-	170	170

Assets for outward reinsurance that are relevant for the risk in question refer to the component of the item relating to the net exposure to reinsurers, included in the valuation. These receivables are not subject to impairment as the credit or debit balance is used to offset the payment or collection of reinsurance items. The reinsurance structure has very tight deadlines, annual at most, so the possibility of balances remaining unpaid for a period longer than 12 months is remote. Moreover, since these receivables are related to contracts falling under IFRS 17, they are not to be impaired as required by IFRS 9. At 31 December 2023, the balance of these net receivables was nil, as the exposure to reinsurers was a liability at the reporting date.

The **insurance liabilities** that are taken into account in the valuation of this risk refer to the component relating to receivables from policyholders. Receivables from policyholders relate to contracts issued at the reporting date for which the customer has not yet paid the premium. As is the case for net receivables from reinsurers, this type of receivable arises as a result of insurance contracts, and is therefore not subject to impairment as required by IFRS 9. In any case, the Group performs recoverability analyses of the receivable in question, and in fact a full write-down of the receivable is made if it is more than 6 months old.

Guarantees and other credit risk mitigation instruments

In order to mitigate its exposure to credit risk, the Poste Vita Insurance Group invests, among other things, in corporate securities backed by guarantees to mitigate its overall exposure to credit risk.

At 31 December 2023, the Insurance Group did not hold any financial instruments backed by guarantees or other credit risk mitigation instruments for which a provision to cover losses was not recognised.

Within insurance operations, the main types of credit risk mitigation instruments relate to fixed-income securities held by insurance companies. In detail, debt securities backed by guarantees or other credit risk mitigation instruments are mainly represented by bonds held by the Poste Vita Group, with a nominal amount of € 6,485 million at 31 December 2023. In such cases, the guarantee covers 100% of the nominal value of the securities. The guarantees backing the financial instruments under review are as follows:
- corporate bonds backed by a personal guarantee provided by the parent company or other associate for a nominal amount of € 5,569 million;
- covered bonds backed by mainly residential mortgages, for a nominal amount of € 179 million;
- bonds guaranteed by Sovereign States for a nominal amount of € 737 million.

For instruments backed by a personal guarantee provided by the sovereign state or one or more companies, the rating of the guarantor entity was taken into account in calculating expected losses. With regard to covered securities, account was taken of the underlying guarantees by means of upgrades according to the type of guarantee.

Cash flow interest rate risk

INSURANCE OPERATIONS – CASH FLOW INTEREST RATE RISK

Description (€m)	31.12.2023		
	Risk exposure	Profit (loss) before tax	
	Nominal	+100 bps	-100 bps
2023 effects			
Financial assets			
Financial assets at FVTOCI	3,332	2	(2)
Financial assets at FVTPL	112	-	-
Cash and cash equivalents	2,852	7	(7)
Total	**6,296**	**9**	**(9)**

Within **Financial Assets**, the cash flow interest rate risk concerns:

- a portion of the securities portfolio held by Poste Vita for a total nominal value of € 3,361 million, mainly referring to fixed-income securities;
- a portion of the securities portfolio held by Poste Assicura for a total nominal value of € 67 million;
- a portion of the securities portfolio held by Net Insurance and Net Insurance Life for a total nominal value of € 16 million;
- floating-rate bank deposits held by companies in the insurance sector.

With regard to insurance liabilities, the Group considers that the risk exposure does not entail a significant risk and, for this reason, deemed it inappropriate to stress test.

Cash flow inflation rate risk

INSURANCE OPERATIONS- CASH FLOW INFLATION RATE RISK

Description (€m)	31.12.2023			
	Risk exposure		Profit (loss) before tax	
	Nominal	Carrying amount	+100bps	-100bps
Financial assets				
Financial assets at amortised cost	72	91	0	0
Financial assets at FVTOCI	6676	7893	1	-1
Financial assets at FVTPL	-	-	-	-
Total	**6,748**	**7,984**	**1**	**-1**

At 31 December 2023, cash flow inflation rate risk relates to inflation-linked government securities not subject to cash flow hedges or fair value hedges. Of the total nominal value, € 6,701 million is held by Poste Vita and € 41 million by Poste Assicura, € 2 million by Net Insurance and € 4 million by Net Life.

With regard to insurance liabilities, the Group considers that the risk exposure does not entail a significant risk and, for this reason, deemed it inappropriate to stress test.

Lapse risk

The sensitivity analysis at 31 December 2023 took into consideration insurance liabilities exposed to fluctuations in value and subjected to a variability stress test, calculated with reference to the possible variations in the lapse rate (increase of 10%). Exposures to this risk are set out below:

INSURANCE OPERATIONS - LAPSE RISK

Description (€m)	31 December 2023	Delta value					
	Risk exposure	Contractual Service Margin		Profit/(Loss) before tax		Equity reserves before tax	
	Fair value	+10%		+10%		+10%	
		Gross reinsurance	Net reinsurance	Gross reinsurance	Net reinsurance	Gross reinsurance	Net reinsurance
Insurance liabilities	154,157	(345)	(345)	(7)	(7)	-	-

The sensitivity analysis shows that a possible 10% increase in the lapse rate would generate a negative change in the Contractual Service Margin of € 345 million, mainly attributable to the reduction in the duration of liabilities due to the higher outflows, and a negative change in the profit/(loss) before tax of € 7 million, mainly attributable to the lower release of CSM resulting from the reduction in the stock.

With regard to the effects net of reinsurance mitigation, these are substantially in line with what is presented in the table since the existing cover is not activated in the event of a 10% increase in the lapse rate.

Provisioning risk

The sensitivity analysis at 31 December 2023 took into consideration insurance liabilities exposed to fluctuations in value and subjected to a variability stress test, calculated with reference to the possible variations in the loss ratio (increase/decrease of 2%). Below are the exposures to this risk both gross and net of the mitigation effect related to reinsurance:

INSURANCE OPERATIONS - GROSS REINSURANCE PROVISIONING RISK

Description (€m)	31 December 2023	Delta value					
	Risk exposure	Contractual Service Margin		Profit/(Loss) before tax		Equity reserves before tax	
	Fair value	+2%	-2%	+2%	-2%	+2%	-2%
Insurance liabilities	486	(1.6)	1.6	(1.8)	1.8	(0.0)	0.0

The sensitivity analysis shows that a possible 2% increase in the loss ratio would generate a reduction in the Contractual Service Margin of about € 2 million and a reduction in the profit/(loss) before tax of about € 2 million, attributable to the negative change in the loss component.

The sensitivity analysis for the opposite case, i.e. an eventual decrease in the loss ratio of 2%, would generate an increase in the Contractual Service Margin before reinsurance of about € 2 million, an increase in the profit/(loss) before tax of about € 2 million, due to the positive change in the loss component. The values net of reinsurance are in line with the gross values shown.

Concentration risk

As regards the Life business, the products currently placed have fairly standardised characteristics and relatively low minimum guarantees for the majority of the portfolio that are not consolidated year by year. The geographical distribution of these products is homogeneous throughout the country as a result of the widespread distribution network. The Group's product portfolio is still highly concentrated in traditional build-up products. On the basis of these considerations, the concentration risk of the Life business is medium.

Below is a representation of the concentration of Life business at 31 December 2023 by product type, where it can be seen that the highest concentration of risks relates to build-up products (Separately Managed Accounts).

INSURANCE OPERATIONS - CONCENTRATION RISK - LIFE

Product type	31 December 2023
Products linked to Separately Managed Accounts	92%
Protection products	0%
Index/Unit-linked products	8%

With regard to Non-Life business, the products currently placed by the Group have fairly standardised characteristics. The geographical distribution of these products is homogeneous throughout the country as a result of the widespread distribution network. The product portfolio is mainly concentrated on health products (Medical Expenses and Income Protection Line of business). On the basis of these considerations, the concentration risk of the Non-Life business is medium.

Below is a breakdown of gross inflows at 31 December 2023 by product type, which shows that the highest concentration of risks relates to products belonging to the "modular" line and the "Welfare" segment, the latter referring to collective policies taken out with corporate customers (Employee Benefits).

INSURANCE OPERATIONS - CONCENTRATION RISK - NON-LIFE

Product type	31 December 2023
Asset and personal protection on the Poste Italiane network	37%
Asset and personal protection on third-party networks	8%
Payments (ICC and salary-backed loans)	14%
Integration of Life and Non-Life	3%
Welfare and other management	38%

Disclosure of interests in other entities - IFRS 12

Adopted with Regulation (EU) 1254/2012, IFRS 12 combines, strengthens and replaces disclosure requirements regarding subsidiaries, joint control agreements, associates and unconsolidated structured entities. This standard summarises all the information an entity must provide in order to allow financial statement users to assess the nature of and risks deriving from their investments in other entities, as well as the effects of these investments on the equity/financial situation, economic results and cash flows. A structured entity is an entity configured so that voting or similar rights are not the deciding factor in establishing control over the entity, as in the case in which voting rights refer solely to administrative activities and the relative operating activities are guided through contractual agreements.

At 31 December 2023, this definition includes the investments held by the Parent Company Poste Vita in the funds described below.

As required under the provisions of IFRS 12 paragraphs 24 - 31, supported by paragraphs B25 – B26, the disclosure in the Poste Vita financial statements must provide information able to allow financial statement users to assess, for each unconsolidated structured entity:

- the nature and extent of its interest in the entity;
- the nature of the risk associated with its interest in the entity.

The required information is below.

Nature of the interest in the unconsolidated structured entity (IFRS 12. 26)

With reference to the first point, we provide qualitative and quantitative information regarding the nature, extent, size and business of the unconsolidated structured entity.

For each of the Funds indicated below, the Parent Company Poste Vita holds a stake in excess of 50%, including multi-asset funds. Quantitative information relative to these investments is provided in the following tables, together with the other funds. The investments of the Parent Company, Poste Vita, in the funds do not qualify as controlling interests as defined by IFRS10 and have not been consolidated, but, in any event, fall within the scope of application of IFRS12 in that they are unconsolidated structured entities. The purpose of these investments 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.

Below is a table containing the information required under IFRS 12.26, noting that the NAV found in the table represents the total value of the fund. For the carrying amount, the percentage stake held must be considered. Specifically, note that for the “SHOPPING PROPERTY FUND 2” funds, the Company does holds stake of less than 100%, equal to 64.93%:

ISIN (€m)	Name	LOCAL classification	Nature of entity	Fund activity	% investment*	Fund NAV Ref. date**	Fund NAV Amount
LU1379774190	MULTIFLEX-DIVERSIFIED DIS-CM	Fixed Assets	Open-end harmonised UCITS	Investment in a mix of asset classes (corporate bonds, government bonds and equities)	100%	29/12/23	5,621,261
LU1407711800	MULTIFLEX-DYN MLT/AST FD-CM	Fixed Assets	Open-end harmonised UCITS	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100%	29/12/23	4,044,301
LU1500341752	MULTIFLEX-DYNAMIC LT M/A-CM	Current Assets	Open-end harmonised UCITS	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100%	29/12/23	539,017
LU1193254122	MULTIFLEX-GLB MA INC-CM	Fixed Assets	Open-end harmonised UCITS	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100%	29/12/23	3,804,444
LU1407712014	MULTIFLEX-GLB OPT M/A FD-CM	Fixed Assets	Open-end harmonised UCITS	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100%	29/12/23	4,656,732
LU1500341240	MULTIFLEX-LT OPTIMAL M/A-CM	Current Assets	Open-end harmonised UCITS	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100%	29/12/23	824,569
LU1808839242	MULTIFLEX-OLYMP INSURN MA-CM	Current Assets	Open-end harmonised UCITS	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100%	29/12/23	840,415
LU1500341166	MULTIFLEX-OLYMPIUM DYNAMIC-MULTIASSET FUND	Current Assets	Open-end harmonised UCITS	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100%	29/12/23	293,087
LU1808838863	MULTIFLEX-OLYMPIUM OPT MA-CM	Current Assets	Open-end harmonised UCITS	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100%	29/12/23	562,993
LU2051218035	MULTIFLEX-OLYMPIUM SEV-CMEUR	Current Assets	Open-end harmonised UCITS	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100%	29/12/23	436,500
LU1407712287	MULTIFLEX-STRAT INS DIST-CM	Fixed Assets	Open-end harmonised UCITS	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100%	29/12/23	4,493,177
Total Multi-asset funds							**26,116,495**

ISIN (€m)	Name	LOCAL classification	Nature of entity	Fund activity	% investment*	Fund NAV	
						Ref. date**	Amount
QU0006746865	ALC Prima European Private Credit Feeder Fund	Fixed Assets	Open-ended fund falling within the scope of Directive 2011/61/EU	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100.00%	30/09/23	268,882
LU1581282842	Indaco SICAV SIF - Indaco CIFC US Loan	Fixed Assets	Open-ended fund falling within the scope of Directive 2011/61/EU	Investment in a mix of asset classes (corporate bonds, government bonds, loans and equities).	100.00%	30/11/23	85,544
QU0006738854	PrimA Credit Opportunity Fund	Current Assets	Open-ended fund falling within the scope of Directive 2011/61/EU	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100.00%	30/11/23	130,400
QU0006738052	Prima EU Private Debt Opportunity Fund	Fixed Assets	Open-ended fund falling within the scope of Directive 2011/61/EU	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100.00%	30/09/23	507,245
QU0006744795	Prima European Direct Lending 1 Fund	Fixed Assets	Open-ended fund falling within the scope of Directive 2011/61/EU	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100.00%	30/09/23	455,669
QU0006742476	PRIMA GLOBAL EQUITY PARTNERS FUND	Fixed Assets	Open-ended fund falling within the scope of Directive 2011/61/EU	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100.00%	30/09/23	204,277
IE00BK1KDS71	Prima Hedge Platinum Growth	Current Assets	Fund of Hedge Funds falling within the scope of Directive 2011/61/EU	Pursuit of absolute returns, with low long-term volatility and correlation with the main financial markets	100.00%	30/11/23	431,756
IT0005247819	DIAMOND CORE	Fixed Assets	Closed-end real estate alternative investment fund under Italian law falling within the scope of Directive 2011/61/EU	Investment in real estate assets, real property rights, including those resulting from property lease-translational arrangements, concessions and other similar rights in accordance with the legislation from time to time in effect.	100.00%	30/06/23	282,648

ISIN (€m)	Name	LOCAL classification	Nature of entity	Fund activity	% investment*	Fund NAV	
						Ref. date**	Amount
IT0005210387	DIAMOND EUROZONE RETAIL PROPERTY FUND	Fixed Assets	Closed-end real estate alternative investment fund under Italian law falling within the scope of Directive 2011/61/EU	Investment in "core" and "core plus" real estate assets for retail use, located in the Eurozone and euro-denominated	100%	30/06/23	90,357
IT0005210593	DIAMOND OTHER SECTORS ITALIA	Fixed Assets	Closed-end real estate alternative investment fund under Italian law falling within the scope of Directive 2011/61/EU	Investment in real estate assets, real property rights, including those deriving from real estate lease contracts, participating interests in property companies and the professional management and development of the fund's assets.	100%	30/06/23	107,999
IT0005215113	CBRE DIAMOND FUND	Fixed Assets	Closed-end real estate alternative investment fund under Italian law falling within the scope of Directive 2011/61/EU	"Investment in real estate assets, real property rights, including those deriving from real estate lease contracts, in any case carried out without particular geographical location constraints but in any case in Italy, may be used for the following purposes: logistics, retirement homes, residential, hotel, mixed-use and office or commercial use."	100%	30/09/23	156,901
IT0005174450	DIAMOND EUROZONE OFFICE UBS FUND	Fixed Assets	Closed-end real estate alternative investment fund under Italian law falling within the scope of Directive 2011/61/EU	Investment in "core" and "core plus" real estate assets for working use (offices), located in the Eurozone and euro-denominated	100%	30/09/23	398,886
IT0005212193	DIAMOND ITALIAN PROPERTIES FUND	Fixed Assets	Closed-end real estate alternative investment fund under Italian law falling within the scope of Directive 2011/61/EU	Investment in real estate assets, real property rights, including those resulting from property lease-translational arrangements, concessions and other similar rights in accordance with the legislation from time to time in effect.	100%	30/06/23	159,309
IT0005386666	i3-Dante comparto Convivio Fund	Fixed Assets	Italian-registered, closed-end multi-segment alternative real estate investment fund	Investment in "core" and "core plus" income real estate located in the central areas of the main Italian cities, starting with Rome and Milan.	100%	30/06/23	266,756
QU0006745081	Prima Real Estate Fund I	Fixed Assets	Open-ended fund falling within the scope of Directive 2011/61/EU	Investment in a mix of asset classes (corporate bonds, government bonds and equities).	100.0%	30/09/23	329,352
LU1081427665	SHOPPING PROPERTY FUND 2	Fixed Assets	Closed-end fund within the scope of Directive 2011/61/EU	Invests in the Shopping Property Fund 2: master fund which invests primarily in commercial properties and, marginally, in office buildings and alternative sectors. It does not invest in property debt	64.93%	30/09/23	54,403
Total other funds							**3,930,383**
Overall total							**30,046,878**

* Figure supplied by Investments Management Function.
** Figure supplied by Investment Operations Office, most recent NAV available.

Nature of the risk (IFRS 12. 29 – 31)

With reference to the second point, below we provide:

- the carrying amount of the assets and liabilities recognised in the financial report relative to the unconsolidated structured entity;
- the account (macro-account) in which these assets and liabilities are classified;
- the maximum exposure to losses deriving from the interest in the unconsolidated structured entity and the method used to calculate the amount;
- a comparison of the carrying amount of the unconsolidated structured entity's assets and liabilities and the maximum exposure amount.

The table below provides the information required for each unconsolidated structured entity:

ISIN (€m)	Name	IFRS 9 classification	Carrying amount	Maximum loss exposure***	Difference between carrying amount and maximum loss exposure	Method to determine maximum loss exposure***
LU1379774190	MULTIFLEX-DIVERSIFIED DIS-CM	FVTPL	5,621,261	553,122	5,068,139	Annual VaR at 99.5% over 5 years and a half-life of 1 year
LU1407711800	MULTIFLEX-DYN MLT/AST FD-CM	FVTPL	4,044,301	368,414	3,675,887	Annual VaR at 99.5% over 5 years and a half-life of 1 year
LU1500341752	MULTIFLEX-DYNAMIC LT M/A-CM	FVTPL	539,017	48,278	490,740	Annual VaR at 99.5% over 5 years and a half-life of 1 year
LU1193254122	MULTIFLEX-GLB MA INC-CM	FVTPL	3,804,444	211,119	3,593,325	Annual VaR at 99.5% over 5 years and a half-life of 1 year
LU1407712014	MULTIFLEX-GLB OPT M/A FD-CM	FVTPL	4,656,732	401,365	4,255,367	Annual VaR at 99.5% over 5 years and a half-life of 1 year
LU1500341240	MULTIFLEX-LT OPTIMAL M/A-CM	FVTPL	824,569	87,183	737,386	Annual VaR at 99.5% over 5 years and a half-life of 1 year
LU1808839242	MULTIFLEX-OLYMP INSURN MA-CM	FVTPL	840,415	64,781	775,633	Annual VaR at 99.5% over 5 years and a half-life of 1 year
LU1500341166	MULTIFLEX-OLYMPIUM DYNAMIC-MULTIASSET FUND	FVTPL	293,087	26,626	266,461	Annual VaR at 99.5% over 5 years and a half-life of 1 year
LU1808838863	MULTIFLEX-OLYMPIUM OPT MA-CM	FVTPL	562,993	46,750	516,243	Annual VaR at 99.5% over 5 years and a half-life of 1 year
LU2051218035	MULTIFLEX-OLYMPIUM SEV-CMEUR	FVTPL	436,500	69,198	367,302	Annual VaR at 99.5% over 5 years and a half-life of 1 year
LU1407712287	MULTIFLEX-STRAT INS DIST-CM	FVTPL	4,493,177	340,796	4,152,380	Annual VaR at 99.5% over 5 years and a half-life of 1 year
Total Multi-asset funds			**26,116,495**	**2,217,632**	**23,898,863**	

ISIN (€m)	Name	IFRS 9 classification	Carrying amount	Maximum loss exposure***	Difference between carrying amount and maximum loss exposure	Method to determine maximum loss exposure***
QU0006746865	ALC Prima European Private Credit Feeder Fund	FVTPL	268,882	29,644	239,238	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
LU1581282842	Indaco SICAV SIF - Indaco CIFC US Loan	FVTPL	85,544	23,000	62,544	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
QU0006738854	PrimA Credit Opportunity Fund	FVTPL	130,400	10,040	120,361	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
QU0006738052	Prima EU Private Debt Opportunity Fund	FVTPL	507,245	54,853	452,392	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
QU0006744795	Prima European Direct Lending 1 Fund	FVTPL	455,669	52,630	403,039	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
QU0006742476	PRIMA GLOBAL EQUITY PRTNERS FUND	FVTPL	204,277	114,269	90,007	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
IE00BK1KDS71	Prima Hedge Platinum Growth	FVTPL	431,756	66,303	365,453	Annual VaR at 99.5% over 5 years and a half-life of 1 year
IT0005247819	DIAMOND CORE	FVTPL	282,648	93,456	189,192	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets

ISIN (€m)	Name	IFRS 9 classification	Carrying amount	Maximum loss exposure***	Difference between carrying amount and maximum loss exposure	Method to determine maximum loss exposure***
IT0005210387	DIAMOND EUROZONE RETAIL PROPERTY FUND	FVTPL	90,357	34,547	55,810	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
IT0005210593	DIAMOND OTHER SECTORS ITALIA	FVTPL	107,999	38,912	69,087	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
IT0005215113	CBRE DIAMOND FUND	FVTPL	156,901	50,682	106,219	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
IT0005174450	DIAMOND EUROZONE OFFICE UBS FUND	FVTPL	398,886	162,237	236,649	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
IT0005212193	DIAMOND ITALIAN PROPERTIES FUND	FVTPL	159,309	55,404	103,905	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
IT0005386666	i3-Dante comparto Convivio Fund	FVTPL	266,756	66,689	200,067	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
QU0006745081	Prima Real Estate Fund I	FVTPL	329,352	120,202	209,151	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
LU1081427665	SHOPPING PROPERTY FUND 2	FVTPL	35,324	23,796	11,528	VaR at 99.5% over a time horizon of 1 year calculated from SII sensitivity markets
Total other funds			**3,911,303**	**996,664**	**2,914,640**	
Overall total			**30,027,798**	**3,214,296**	**26,813,503**	

*** Figure provided by Risk Management Office.

Fair value changes during the period for the above-mentioned Funds contributed to the valuation of the insurance liabilities net of the mirroring effect, as they refer to financial instruments in Separately Managed Accounts.

Below are schedules providing details about the funds in question, by asset class and reference market at 31 December 2023:

Asset class* (€k)	Fair Value*
Financial instruments	**29,967,493**
Shares	1,528,187
Government bonds	9,052,504
Corporate bonds	14,585,693
Cash and cash equivalents	1,274,446
Other investments	3,526,663
Derivative financial instruments**	**60,305**
Exchange rates and interest rates forward contracts	59,259
Futures (exchange rates forward contracts)	2,067
Floating-rate hedging swaps	(1,022)
Total	**30,027,798**

* Figures supplied by the Investment Operations Office.
** Such instruments are not included in Multi-asset Funds.

Reference market* (€k)	Fair Value*
Dublin	1,459
Luxembourg	106,016
Singapore	769,524
London	2,380,212
Eurotlx	334,374
Euromtf	471,731
Euronext	4,068,251
Germany	4,331,377
Trace	3,818,039
New York	2,019,443
Hong Kong	247,943
Paris	341,639
Tokyo	747,498
Other	9,589,482
Funds	800,810
Total	**30,027,798**

* Figures supplied by the Investment Operations Office.

Fair value measurement techniques - IFRS 13

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

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

That being said, in order to take into account the provisions of the Letter to the Market published by IVASS on 14 July 2021 (concerning the valuation and prudential treatment of investments in complex and/or illiquid financial instruments), it should be noted that at 31 December 2023, the Company had completed the improvements needed to carry out the “full look through approach” on all categories of mutual funds and other complex investments held in the Company’s portfolio with the exception of a residual portion of class III funds, amounting to 6.34% of the total market value, and the Prima Hedge fund, for which in-depth investigations are in progress in order to validate the effectiveness of the database received.

During the Period, therefore, in compliance with both the Poste Italiane Group’s Fair Value Guidelines, as well as the supplementary requirements set forth in the above-mentioned Additional Guidelines and the related Technical Annex, at 31 December 2023 the following were reclassified:

- about € 1.7 billion of financial instruments from fair value level 1 to level 2, mainly referring for € 1.5 billion to listed open-end funds (ETFs) that do not comply with the liquidity criteria provided for by the Technical Annex and for € 0.2 billion to BTP strip government bonds and corporate securities that, at the measurement date, do not comply with the liquidity criteria provided for by the Fair Value policy for the attribution of level 1;
- approximately € 4.2 billion of financial instruments from fair value level 2 to level 1, referring mainly to government bonds, which at the measurement date met the liquidity criteria mentioned above;
- roughly € 0.5 billion of financial instruments from fair value level 3 to fair value level 2, referring mainly to Class III UCITs, reclassified following the completion of look-through analyses;
- approximately € 78 million of financial instruments from fair value level 1 and 2 to level 3, referring to corporate bonds that at the measurement date did not meet the required liquidity criteria.

The Company 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.

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

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

The hierarchy consists of 3 levels.

Level 1: this level consists of fair value measurements made using prices listed (unadjusted) in active markets for identical assets or liabilities which the entity can access at the measurement date.

Level 2: this level is comprised of fair values based on inputs other than Level 1 listed market prices that are either directly or indirectly observable for the asset or liability. Types of input include prices listed on active markets for similar assets or liabilities, prices listed for identical or similar assets or liabilities on non-active markets, observable data other than listed prices (e.g. interest rates and return curves, implicit volatility and credit spreads), input corroborated by the market.

Level 3: this level consists of fair value measurements made using not only level 2 inputs but also inputs not observable for the asset or liability.

Fair value hierarchy

The following table shows an analysis of financial instruments measured at fair value at 31 December 2023, classified by level in the fair value hierarchy.

Financial assets (€m)	Level 1	Level 2	Level 3	FV Hierarchy
Financial assets				
Financial assets at FVOCI	**103,472.7**	**2,279.8**	**99.6**	**105,852.1**
Shares at FVOCI	0.0	-	4.8	4.8
Fixed income securities at FVOCI	103,472.6	2,279.8	94.8	105,847.2
Financial assets at fair value through profit or loss	**4,440.6**	**35,891.7**	**7,837.6**	**48,169.9**
Structured bonds at FVTPL	-	22.0	-	22.0
Fixed income securities at FVPL	2,440.0	120.4	3.5	2,563.8
Other investments at FVTPL	1,518.8	35,745.9	7,833.6	45,098.4
Shares at FVTPL	481.8	3.4	0.5	485.8
total financial assets at FV	**107,913.3**	**38,171.5**	**7,937.2**	**154,022.0**

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

Financial assets (€m)	Level 1	Level 2	Level 3	FV Hierarchy
Financial assets at FVOCI	**(137.2)**	**137.2**	**3,996.0**	**(3,996.0)**
Fixed income securities at FVOCI	(137.2)	137.2	3,996.0	(3,996.0)
Financial assets at fair value through profit or loss	**(1,528.7)**	**1,528.7**	**166.8**	**(166.8)**
Fixed income securities at FVPL	(43.3)	43.3	61.9	(61.9)
Other investments at FVTPL	(1,484.2)	1,484.2	-	-
Shares at FVTPL	(1.2)	1.2	104.8	(104.8)
Net transfers between level 1 and level 2	**(1,665.9)**	**1,665.9**	**4,162.8**	**(4,162.8)**

The reclassifications from level 1 to level 2 amounted to € 1,665.9 million, mainly referring for € 1,484.2 million to listed open-end funds (ETFs) that do not meet the liquidity criteria provided for by the Technical Annex and for € 180.5 million to BTP strip government bonds and corporate securities that, at the measurement date, do not meet the liquidity criteria provided for by the Fair Value policy for the attribution of level 1.

Reclassifications from level 2 to level 1 in the amount of € 4,162.8 million, referring mainly to government bonds, which at the measurement date met the liquidity criteria mentioned above.

Below are the **changes in level 3** which occurred during the period under review:

(€m)	Financial assets at FVOCI	Financial assets at fair value through profit or loss
Opening balance	**42.1**	**8,150.0**
Purchases - disbursements	23.7	678.3
Disposals	(26.6)	(482.3)
Change FVTPL	-	(81.4)
Transfers to level 3	66.0	13.1
Transfers to other levels	(16.0)	(461.3)
Write-downs	(0.3)	(0.4)
Other changes	10.7	21.6
Closing balance	**99.6**	**7,837.6**

Level 3 instruments generally refer to funds which mainly invest in unlisted instruments, for which fair value measurement is done on the basis of the most recently available Net Asset Value communicated by the fund manager, updated with regards to calls and redemptions communicated by managers during the period between the last official NAV measurement and the measurement date. The aforementioned financial instruments primarily consist of investments in private equity and, to a lesser extent, real estate funds hedging Class I products related to Separately Managed Accounts. The changes relate to the purchase of new investments, redemptions of unlisted closed-end fund units, and changes in fair value during the period.

At 31 December 2023, € 477.3 million of financial instruments were reclassified from fair value level 3 to fair value level 2, referring mainly to class III UCITS reclassified following the analyses carried out from a look-through perspective, and approximately € 79.1 million of financial instruments from fair value level 1 and 2 to fair value level 3, referring to corporate bonds that at the measurement date did not meet the required liquidity criteria.

7. Relations with the parent and other Poste Italiane Group Companies

Transactions between the Parent Company, Poste Vita, and its subsidiaries Poste Assicura, Net Holding, Net Insurance and Net Insurance Life, as well as transactions with Poste Insurance Broker, have been eliminated from the consolidated financial statements as part of the elimination of intercompany transactions and, therefore, are not shown in this section.

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

Below are the balances of commercial and financial operations carried out between Group companies, including the Parent Company, and the internal and external entities related to the same.

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

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

Additionally, at 31 December 2023, the Ultimate Parent Poste Italiane had subscribed subordinate loans issued by the Company Poste Vita for a total of € 1,050 million, remunerated at market conditions reflecting the credit standing of the insurance Company.

The value of the investments held in the associates EGI and ECRA amounting to € 110 million (of which € 107.9 million related to the investment in EGI) is reported under assets at 31 December 2023, and the dividend received from EGI during 2023 amounting to € 1.9 million under income.

In addition to relations with the Ultimate Parent Poste Italiane, Poste Vita Group companies also have operating relations with other Poste Italiane Group companies, with particular reference to:

- management of free capital and part of the investments in the portfolio of the Separately Managed Accounts (BancoPosta Fondi SGR, Anima SGR);
- printing, enveloping and delivery of mail via information systems, management of incoming mail, dematerialisation and archiving of paper documents (Postel);
- shipping services (SDA Express Courier);
- TCM (Poste Air Cargo) policies;
- policies relating to the Accident class (BancoPosta Fondi SGR), the General Liability class (PostePay) and the All Risk policies (Consorzio Logistica Pacchi and Europa Gestioni Immobiliari);
- services involving e-Procurement of forms, consumables, stationery and related services (Consorzio Logistica Pacchi);
- service contract and recovery of costs related to staff secondments (Cronos);
- mobile phone services (PostePay);
- liquidation management (Poste Welfare Servizi);
- printing, enveloping and delivery of mail via information systems, management of incoming mail, dematerialisation and archiving of paper documents (Postel);
- services related to electricity utility (EGI).

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

8. Other information

Information on treasury 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 treasury 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 Company's Key Management Personnel. The Government and public bodies other than the MEF and its subsidiaries are not considered related parties; moreover, transactions with related parties do not include those generated by financial assets and liabilities represented by financial instruments, with the exception of those issued by companies belonging to the Cassa Depositi e Prestiti Group.

In particular, at 31 December 2023, the Parent Company Poste Vita held a bond issued by Cassa Depositi e Prestiti as private placement for a nominal value of € 22 million and a total market value of € 22 million, acquired under market conditions.

Research and Development Activities

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

Legal disputes

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

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

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

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

The disputes initiated against the subsidiary Poste Assicura 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 the 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 (Over-insurance) - 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, Poste Vita 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 SpA 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 art. 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 SpA ("Net Insurance"), in consultation with certain shareholders.

Following the takeover bid and squeeze-out procedure, in April 2023, Net Holding came to hold a controlling interest of 97.8% in Net Insurance (which in turn holds 100% of Net Insurance Life SpA), 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. Below are the total carrying amounts of the assets acquired and liabilities assumed at the date of acquisition of Net Insurance and its subsidiary.

(€m)	Carrying amount (A)	Fair Value Adjustments (B)	Fair Value (A) + (B)
Net assets acquired			
Intangible assets	9.1	10.8	19.9
Tangible assets	14.9	1.4	16.3
Financial assets	231.3	-	231.3
Cash and equivalents	13.1	-	13.1
Insurance assets	157.8	-	157.8
Trade receivables and other assets	53.7	-	53.7
Insurance liabilities	(386.4)	3.4	(383)
Financial liabilities	(10.2)	-	(10.2)
Trade payables and other liabilities	(35.9)	(4.8)	(40.7)
Total net assets acquired	**47.5**	**10.8**	**58.2**
Equity attributable to non-controlling interests	-	-	1.3
Net assets acquired by the Group	**-**	**-**	**56.9**
Goodwill	**-**	**-**	**123.8**
Total fee	**-**	**-**	**180.8**

The Group engaged an independent expert to support the Purchase Price Allocation ("PPA") process, aimed at (i) allocating the Price Consideration to the Fair Value of the net assets of the acquired entity (regardless of whether or not they are already recognised in the financial statements) and (ii) deriving the goodwill value as the difference between the purchase price and the fair value of the net assets acquired (expressed net of deferred tax liabilities).

From the valuation activities performed to date, an adjustment to the fair value of the net assets acquired was recognised for a total of € 10.8 million, of which:

- an increase in intangible assets for € 10.8 million related to brand enhancement;
- increase in property, plant and equipment for € 1.4 million mainly related to the property owned;
- reduction of insurance liabilities by € 3.4 million for cash flows related to amounts repayable by the distributing banks;
- deferred tax effects related to the above adjustments in the amount of € 4.8 million.

For other intangible assets already recognised in the opening financial statements of the acquired companies, as well as for all other assets and liabilities included in the opening financial statements of Net Insurance, the net carrying amount already represents a proxy for fair value.

The residual difference between the consideration transferred (€ 180.8 million) and the fair value of the net assets acquired by the Group, adjusted as a result of the PPA process, (€ 57.0 million) was allocated to Goodwill in the amount of € 123.8 million.

The results outlined above are still considered provisional at 31 December 2023, as Poste Vita availed itself of the option provided for in paragraphs 45 et seq. of IFRS 3 to complete the measurement of the business combination within twelve months from the date of acquisition.

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. As part of the aforementioned transaction, on 18 September 2023, Poste Vita participated in the first capital increase of Cronos, with a stake of approximately € 1.7 million.

On 17 October 2023, IVASS authorised Cronos to carry out insurance business (resulting in a change of company name from "Cronos Vita S.p.A" to "Cronos Vita Assicurazioni SpA"). On 27 October 2023, Poste Vita participated, together with the other shareholders of Cronos, in proportion to its 22.5% stake, in the second capital increase of this company of approximately € 212.5 million, of which approximately € 47.8 million was attributable to Poste Vita. 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 Vita.

It was also verified that the fair value of the investment, net of costs to sell, was not lower than its carrying amount.

Regulatory developments

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

Amendments to IAS 1 - Presentation of Financial Statements - aimed at helping drafters of financial statements to provide information on accounting policies that is more useful to investors and primary users of financial statements by replacing the requirement to disclose information on "significant" accounting standards with the requirement to provide relevant information on accounting standards and how they are applied within the company.

Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - to clarify the distinction between changes in accounting estimates, changes in accounting policies and error corrections.

Amendments to IAS 12 - Income Taxes - to clarify how deferred taxes should be accounted for on certain transactions involving the simultaneous recognition of an asset and a liability of equal amount, such as leases and decommissioning obligations. The purpose of this amendment is to reduce diversity in the recognition of deferred tax assets and liabilities on such transactions.

Amendments to IAS 12 - Income Taxes: **International Tax Reform-Model Rules (Second Pillar)**. The amendments to the *standard* introduced a temporary exception to the accounting for deferred taxes related to the application of the provisions of Pillar Two published by the *Organisation for Economic Co-operation and Development* (**OECD**), as well as targeted supplementary information for affected companies.

EU Regulation 2021/2036 introduced **new accounting standard IFRS 17** - Insurance Contracts, which fully replaces the provisions of IFRS 4, and aims to:
- ensure that an entity provides information that fairly represents the rights and obligations arising from the insurance contracts issued;
- eliminate inconsistencies and weaknesses in existing accounting policies by providing a single principle-based framework to account for all types of insurance contracts (including reinsurance contracts); and
- improve comparability between entities belonging to the insurance sector by providing for specific presentation and disclosure requirements.

The standard changes the representation of the profitability of the insurance business from a presentation of results by volume (premiums written and claims expenses) to a representation more focused on contract margins.

The following section provides information on the nature and effects of the new accounting standard and the related impact of the first-time adoption of the standard on the Poste Vita Group's statement of financial position. The methodological choices and impacts resulting from the first-time application of IFRS 17 are described in the section "**Changes to accounting policies**" in the notes.

Accounting standards, amendments and improvements applicable as of 1 January 2024

IFRS 16 - Leases: Lease Liability in a Sale and Leaseback. The purpose of the amendment is to specify how the selling lessee is to measure the lease liability arising from a sale and leaseback transaction in such a way that it does not recognise income or loss in respect of the retained right of use.

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Letter to the market of 3 January 2023 - IAS/IFRS Consolidated Financial Statements - Disclosures on the Transition to IFRS 17 as per Annex 4 of Reg. no. 7/2007 as amended by Measure 121/2022.

As part of the revision of Regulation no. 7 of 13 July 2022, amended by IVASS measure no. 121 of 7 June 2022, in order to mainly incorporate the changes in the presentation and disclosure of insurance contracts provided for by IFRS 17, Annex 6 "Report on items in the consolidated financial statements relating to contracts issued by insurance companies" was replaced by the new Annex 4 "Report on items in the consolidated financial statements relating to contracts attributable to insurance companies", in order to take into account the provisions of IFRS 17 "Insurance Contracts".

Annex 4 provides, inter alia, that with reference to the financial year 2023 only, a disclosure on the transition to IFRS 17 must be provided, distinguishing between insurance contracts issued, outward reinsurance and investment contracts issued with discretionary participation features. This information must be submitted to the Authority together with the documentation relating to the consolidated half-yearly report, exclusively in electronic format.

Measure no. 127 of 14 February 2023 amending and supplementing IVASS Regulation no. 52 of 30 August 2022 and ISVAP Regulation no. 38 of 3 June 2011 for the implementation of the provisions on the temporary suspension of capital losses for non-durable securities, following the amendments to Decree Law Aiuti (Aid) quater

The document contains the amendments to IVASS Regulation no. 52/2022, following the entry into force of Decree Aiuti (Aid) quater, through which the legislator provided the possibility, solely for insurance companies, to deduct from the amount of the unavailable reserve the portion, attributable to policyholders, of the non-impairment of securities, referring to the year of the financial statements and up to the five subsequent years (shadow accounting). The amendment has the effect of tying up a smaller part of the company's equity allowing for a higher distribution of profits.

In addition, said initiative by the Legislator, made amendments to ISVAP Regulation no. 38/2011, in particular, Article 8, paragraph 2, to clarify that, in determining the minimum amount of assets to be compared to the mathematical provisions of policies pertaining to a separately managed account, companies must refer to Local Gaap criteria even if they prepare their financial statements in accordance with international accounting standards.

IVASS - Letter to the market of 16 March 2023: Dormant Policies - Request for Information on payment of policies to beneficiaries

This follows on from the IVASS Letter to the Market of 6 December 2022 in which the Authority requested from companies operating in the life and/or accident insurance business, the list of the tax codes of insured persons in order to ascertain the possible death of insured persons and the date thereof. With the Letter of 16 March 2023, in order to allow the verification of the payment status of the sums relating to the policies resulting from the cross-referenced data, both life and accident, IVASS requests the companies to provide a report by 30 June 2023 on the activities carried out for the payment, including an update on the policies cross-referenced in past years. With regard to life insurance policies only, the enclosed prospectus, completed in accordance with the instructions contained in the file, must also be provided. The prospectus also requests a set of data on the payments of policies that have been cross-referenced in past years.

The Parent Company Poste Vita and the subsidiary Poste Assicura submitted the required information to the Supervisory Authority on 30 June 2023, while the subsidiaries Net Insurance and Net Insurance Life submitted the information in question on 28 June 2023.

IVASS - Letter to the market of 30 March 2023: Data collection on collective agreements signed in the health class

With its Letter to the Market of 30/03/2023, IVASS intends to carry out the fifth edition of the survey on collective agreements signed in the health insurance sector in 2023. Undertakings with a registered office in Italy that have written at least 10 million direct premiums in health insurance for the financial year 2022 are required to participate.

The transmission of the data to IVASS is to be made by 28 April 2023 for the data listed in point a), i.e. the amount of gross premiums written in 2022, and by 26 May 2023 for those listed in points b), c) and d) of the aforementioned Letter concerning, respectively, the claims expenses for 2022; development by generation of paid and reserved claims at the end of the financial year 2022 and the number of risk units for the financial year 2022, in accordance with the procedures indicated.

The requested information was submitted by the subsidiary Poste Assicura on 28 April and 26 May 2023, respectively.

Commission Implementing Regulation (EU) 2023/894 of 4 April 2023 laying down implementing technical standards for the application of Directive 2009/138/EC with regard to the templates for the submission by insurance and reinsurance undertakings to their supervisory authorities of the information necessary for their supervision and repealing Implementing Regulation (EU) 2015/2450.

Commission Implementing Regulation (EU) 2023/895 of 4 April 2023 laying down implementing technical standards for the application of Directive 2009/138/EC with regard to the procedures, formats and templates for the disclosure by insurance and reinsurance undertakings of their report on their solvency and financial condition and repealing Implementing Regulation (EU) 2015/2452

Measure no. 131 of 10 May 2023 for adaptation to European legislation on sustainable finance and Report to the Measure

IVASS has adapted the Regulatory Provisions no. 24 of 6 June 2016, no. 38 of 3 July 2018, no. 40 of 2 August 2018 and no. 45 of 4 August 2020, in order to comply with the provisions of the European Legislator, in particular with the Solvency II regulatory framework (EU Delegated Regulation 2015/35) and the Insurance Distribution Directive “IDD” (EU Delegated Regulation 2017/2358 and EU Delegated Regulation 2017/2359) on sustainable finance.

Necessary adjustments have been addressed in the recently established ESG Working Group.

IVASS Measure no. 132 of 6 June 2023 containing amendments and additions to IVASS Regulation no. 18 of 15 March 2016 concerning the application rules for the determination of technical provisions

It introduces two new EIOPA guidelines on the valuation of technical provisions and the determination of contractual limits, applicable from 1 January 2023.

Measure no. 138 of 25 September 2023 - amending IVASS Regulation no. 52 of 30 August 2022

Following the issuance of the MEF Decree of 14 September 2023, published in the Official Gazette no. 223 of 23 September 2023, through which the temporary suspension of capital losses already in force for the 2022 financial statements is also extended to the 2023 financial statements, IVASS published Measure no. 138 with which it made changes to Regulation no. 52/2022, amending Article 5 of the aforementioned IVASS Regulation governing the unavailable reserve.

In particular, IVASS intervenes by providing, in compliance with the provisions of the aforementioned Decree of the Ministry of Economy and Finance, that, in the calculation of the unavailable reserve, referred to the financial statements and the half-yearly report (2023), the company must also disregard the effect of the securities write-downs on the existing commitments towards policyholders referred to the financial year of the financial statements and up to five subsequent financial years.

IVASS Measure no. 143 of 12 March 2024

In order to implement the changes introduced by the Ministerial Decree of 8 February 2024, IVASS published on 12 March 2024 this measure amending IVASS Regulation no. 52 of 30 August 2022.

It should be noted that the Parent Company Poste Vita availed itself of the option introduced by the aforementioned regulation by sterilising an amount of value adjustments equal to approximately € 2.7 billion before tax effects for the purposes of preparing the separate financial statements at 31 December 2023. In addition to the Parent Company, the subsidiaries Net Insurance and Net Insurance Life also availed themselves of this option, sterilising capital losses of € 2.2 million and € 4.2 million, respectively.

Establishment of the Life Insurance Guarantee Fund

Article 1, paragraphs 131 and 132 of Law no. 213 of 30 December 2023 "Budget of the State for the financial year 2024 and multi-year budget for the 2024-2026 three-year period" published in the Official Gazette no. 303 of 30 December 2023 established the "Life Insurance Guarantee Fund". The fund is an associative body established between insurance companies and member intermediaries with the aim of intervening to protect those entitled to benefit from the insurance benefits of those companies. It makes payments in cases of compulsory liquidation of member insurance undertakings and, if provided for in the articles of association, it also intervenes in transactions involving the disposal of assets, liabilities, companies, business units, assets and identifiable legal relationships. The life insurance guarantee fund settles protected benefits up to a maximum amount of € 100 thousand per claimant. From a subjective point of view, Italian insurance undertakings authorised to conduct business in one or more of the life classes and, where the amount of premiums intermediated in the life classes in the previous year is equal to or greater than € 50 million, and members of the Single Register of Insurance Intermediaries (RUI) are required to join the Fund.

The Guarantee Fund is governed by private law and its endowment is constituted by financing made available to its members, so as to reach an amount equal to at least 0.4% of the amount of the life business technical provisions at 31 December of the previous year. With regard to technical provisions, the rule explicitly refers to Title III, Chapter II of the CAP, i.e., the provisions determined according to the Solvency II calculation methodologies (best estimate liabilities plus risk margin).

The Budget Law specifies that the endowment is to be reached in stages, starting on 1 January 2024 and ending on 31 December 2035 (which can be further extended, up to a maximum of two years, by decree of the Ministry of Economy and Finance). If, after 31 December 2035, the endowment falls below the target endowment, members will be required to replenish it through periodic contributions, to be paid within three years if the endowment falls to less than two-thirds of the required target. The endowment constitutes an autonomous asset, on which actions by the Fund's creditors and those of individual members' creditors are not allowed. The money must be invested by the Guarantee Fund in low-risk assets with sufficient diversification. The annual funding, which is determined by the Guarantee Fund using its own internal risk assessment methods, approved by IVASS, is to be borne by the participating insurance companies for at least 80% (four-fifths), while the remaining not more than one-fifth (20%) is to be paid by the participating intermediaries. In particular, in the first application phase, companies contribute 0.4‰ of life technical provisions calculated with reference to Title III, Chapter II of the CAP, or according to a solvency regime deemed equivalent in accordance with European Union law; banking, postal and financial intermediaries contribute 0.1‰ of life technical provisions corresponding to intermediated contracts and other intermediaries - in particular agents, brokers and direct producers - 0.1‰ of life premiums intermediated in the previous year. The rule also specifies that where the Guarantee Fund is called upon to intervene in the event of insufficient endowment, it will have to ask the members to supplement the endowment through the payment of extraordinary contributions. IVASS may order the deferral, in whole or in part, of the payment of contributions if this may endanger the liquidity or solvency of members.

The Guarantee Fund intervenes in cases of compulsory administrative liquidation of member insurance undertakings and, if provided for in the Articles of Association, to prevent or overcome a crisis situation or to intervene, under certain conditions, in transactions involving the transfer of assets, liabilities, companies, business units, assets and legal relationships that can be identified en bloc. The Articles of Association of the Fund define the terms and conditions of the actions, while following an intervention the regulations establish the methods used by the members to provide the Guarantee Fund with resources equal to those used for the intervention.

With regard to the Parent Company Poste Vita, the contribution for the year 2024, determined on the basis of the technical provisions at 31 December 2023, is estimated at about € 58 million, while the contribution of the subsidiary Net Insurance Life is estimated at about € 85 thousand.

Main new tax legislation relevant to the Poste Vita Group

Below are the main changes of interest contained in Law no. 213/2023 (the "Budget Law 2024"), in Legislative Decree no. 216/2023 ("IRPEF-IRES Decree") and in Legislative Decree no. 1/2024 ("Compliance Decree"), implementing the "Fiscal Delegation", published respectively in the Official Gazette General Series no. 303 of 30 December 2023 and in the Official Gazette General Series no. 9 of 12 January 2024.

Amendments to the transitional regime for the deductibility of write-downs and loan losses of banks and insurance companies - Article 1, paragraphs 49-51 of Law no. 213/2023 ("2024 Budget Law")

The provision intervenes on the tax deductibility portions relating to the reversal of write-downs of receivables due from policyholders made by insurance companies, as provided for by Article 16 of Decree Law no. 83/2015 (which has already been amended in the past), providing for the deferral, on a straight-line basis, to the tax period in progress at 31 December 2027 and to the following (i.e. financial years 2027 and 2028 for "solar" taxpayers) of the 1% portion of the amount of the negative components envisaged for the tax period in progress on 31 December 2024 and the 3% portion of the amount of the negative components envisaged for the tax period in progress on 31 December 2026.

There is also an obligation to recalculate the IRES and IRAP advance payments for the tax periods affected by the amendments. In particular, on the basis of the intervening rules, the tax that would have been determined by disapplying the aforementioned transitional provisions, limited to 1% of the amount of the aforementioned negative components, must be taken as the tax for the previous period when determining the advance payments due for the 2024 tax period. In practice, as things stand at present, the 2024 advances will be determined by considering a tax base for the 2023 financial year that takes into account 14% of the "allowance for doubtful accounts and bad debts".

Offsetting of tax credits by means of the F24 form and prohibition of offsetting for overdue tax rolls - Article 1, paragraphs 94-96 of Law no. 213/2023 ("2024 Budget Law")

The rule introduces a generalised obligation to use the electronic services made available by the Agenzia delle Entrate (Revenue Agency) for the submission of F24 forms containing offsets, pursuant to Article 17 of Legislative Decree no. 241/1997; in particular, this obligation also applies to the use of credits accrued in respect of INPS contributions and INAIL (National Institute for Insurance against Accidents at Work) credits by offsetting through the F24 form. This new provision will be applicable as of 1 July 2024; with specific reference to INPS and INAIL credits, however, it is envisaged that the starting date of the effectiveness, including progressively, of the new provisions and the relevant implementation modalities will be defined with specific provisions to be adopted by the Director of the Revenue Agency in agreement with the general directors of INPS and INAIL.

In addition, the provision under review provides - in the presence of "tax assessments and related accessories (i.e., penalties, interest, fees due to the Collection Agent and other expenses related to the tax assessment, such as those for the notification of the tax assessment) or enforceable assessments entrusted to the collection agents for amounts in excess of € 100,000 - an absolute prohibition on, namely applicable on "horizontal' offsetting referred to in Article 17 of Legislative Decree no. 241/1997 and not on "vertical' offsets, even if they are shown on the F24 form. Given the wording of the rule, based on the first articles of legal theory published, it is reasonable to assume that this prohibition also applies in relation to tax credits of a concession nature in the RU box of the tax return.

Repeal of the ACE (aid for economic growth) rules and introduction of the "super deductions for 2024 new hires" - Article 4-5 of Legislative Decree no. 216/2023 ("IRPEF-IRES Decree")

The provision provides for the repeal of the ACE concession rules introduced by Article 1 of Decree Law no. 201/2011, effective as of the tax period following the one in progress on 31 December 2023 (i.e., the 2024 financial year for "solar" subjects). By express provision of the law, the beneficiary companies will be able to use the unused surplus at the end of the financial year 2023, without any limitation in time. As a brief reminder, unused ACE surpluses due to insufficient income may be (i) carried forward for offset against any taxable income in subsequent years or (ii) transformed into a tax credit, usable for IRAP purposes only and divided into five equal annual instalments.

The repeal of the ACE was followed by the introduction of the "super deductions for 2024 new hires" (applicable to all persons with business income), pursuant to which the cost of newly hired personnel with an open-ended employment contract is increased, for the purposes of determining business income, by an amount equal to 20% of the cost attributable to the employment increase. In particular, in order to benefit from this "super deduction", the number of employees with an open-ended employment contract at the end of 2024 must be higher than the average number of employees with an open-ended employment contract employed in 2023. In addition, in the presence of an increase in employment, the cost to be assumed is equal to the lower of the amount actually attributable to the new hires and the total increase in the cost of employees, as shown in the Statement of profit or loss, compared to the year 2023; at the same time, the total number of employees (including those on fixed-term contracts) at the end of 2024 must be higher than the number of employees employed on average during 2023.

For the purposes of determining the advance payment for IRES (corporate income tax) purposes due for FY 2024, the rule expressly provides that the provisions under review are to be disregarded; as regards the determination of the advance payment for FY 2025, the tax for the previous period is to be assumed to be that which would have been determined had the provisions under review not been applied.

Elimination of the Single Tax Certificate for flat-rate taxpayers and persons in the tax advantage scheme - Article 3 of Legislative Decree no. 1/2024 ("Compliance Decree")

The rule introduces an exemption for tax withholding agents from the obligation to issue the Single Certificates in favour of taxpayers who apply the flat-rate scheme and the tax advantage scheme for young entrepreneurs referred to in Article 27, paragraphs 1 and 2, of Decree Law no. 98/2011.

Revision of the deadlines for submitting tax returns - Article 11 of Legislative Decree no. 1/2024 ("Compliance Decree")

The rule introduces, for persons with a tax period coinciding with the solar year, the obligation to file income tax and IRAP (regional business tax) returns by 30 September, starting with returns for FY 2023.

In addition, from the year 2025, IRES and IRAP declarations can be submitted from 1 April.

Rules on withholding tax in insurance relationships - Article 1, paragraphs 89-90 of Law no. 213/2023 ("2024 Budget Law")

The provision intervenes by modifying the tax scheme provided for in Article 25-bis of Presidential Decree no. 600/1973 on the application of withholding taxes on commissions paid to agents. In particular, the aforementioned Article 25-bis provided for the application of a withholding tax of 23%, commensurate to 50% of the amount of the commissions received by intermediaries with the possibility of benefiting from (i) a reduction of the taxable base to the extent of 20% of the commissions if the recipients declare to their principals that in the exercise of their activity they make use "on a continuous basis of the work of employees or third parties" through a special declaration or (ii) the total exemption from the withholding tax itself when the commissions are paid to insurance agents for services rendered directly to insurance companies and to insurance brokers for their direct dealings with insurance companies. This exemption was also granted for commissions paid for the placement of insurance products to intermediaries under Article 109 of the CAP (limited to direct dealings with the company), under bancassurance agreements.

As of 1 April 2024, the rule in question has eliminated the possibility of exemption, making the withholding tax on intermediaries' commissions (possibly reduced in the presence of the aforementioned declarations) generally applicable. It follows that, as of this date, brokerage commissions paid to insurance agents and brokers are subject to a 23% withholding tax. The relevant tax base differs depending on whether or not insurance agents and brokers make use of employees or third parties on a continuous basis in the exercise of their activities:
- where insurance intermediaries use employees or third parties, the 23% withholding tax is applied on 20% of the commissions paid;
- if insurance intermediaries do not use employees or third parties, the 23% withholding tax is applied on 50% of the commissions paid.

The application of withholding tax on 20% of the commissions paid is subject to the submission of a declaration by insurance agents and brokers that they meet the requirements; the declaration may be sent by certified electronic mail (P.E.C.) or registered letter. The current rules governing the declaration, to which the application of the reduced rate is subject, are set out in the Ministerial Decree of 16 April 1983; in particular, Article 3 of the Ministerial Decree provides that this declaration must be sent, for each solar year, by 31 December of the preceding year, or, if the conditions occur during the year, within 15 days of the day on which they occurred. On this point, clarifications are pending on the timing of the request that insurance agents and brokers will have to make to their principals in order to be entitled to the reduction of the withholding tax.

9. Significant events after year-end

Poste Assicura capital increase

In a letter dated 6 March, the Supervisory Authority initiated proceedings to assess the application of a capital increase 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 USPs - 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.

Approval of 2024-2028 Strategic Plan

In March 2024, the Board of Directors approved the Poste Italiane Group's 2024-2028 Business Plan, called the "2024-2028 Strategic Plan: The Connecting Platform", and aimed at ensuring the capital, financial and economic sustainability of the Group in line with the relevant legal and regulatory provisions. The Poste Vita Group's strategic ambition is to respond to all the insurance and pension needs of its customers, positioning itself as the "safe place for the life plans of Italians".

For each of the operating segments, the Poste Vita Group aims to pursue its strategic ambition by developing its business plan on the basis of the following development guidelines: (i) Investments - protecting savings from risk and inflation, (ii) Protection - popularising insurance protection, and (iii) Insurance Platform (Net Insurance) - increasing the channels of access to insurance supply.

At the same time as the Business Plan, the Board of Directors approved the update of the Strategic Asset Allocation, based on the assumption that, in the current market scenario, traditional asset classes are relatively more attractive than in the past, also in relation to their ability to generate stable returns from a management perspective and to mitigate interest rate risk with respect to the evolution of liabilities. Accordingly, SAA expects an increase in government bonds, geographically diversified, a reduction in the share of corporate bonds and a limited increase in investments in alternative funds, with a particular focus on those with regular and predictable dividend distributions for separately managed accounts.

Internal model

The project to develop an internal model for determining the solvency capital requirement **("Internal Model")** was launched by the Parent Company Poste Vita in 2020, following a specific resolution passed by the Board of Directors.

In consideration of the development of the project regarding the Internal Model, the Board of Directors of the Parent Company Poste Vita, at its meeting of 19 February 2024, assigned a mandate to the CEO of Poste Vita to initiate discussions with IVASS aimed at the pre-application process for the authorisation of the use of the Group's partial Internal Model including, in addition to the market and life underwriting risk modules, also non-life underwriting risk.

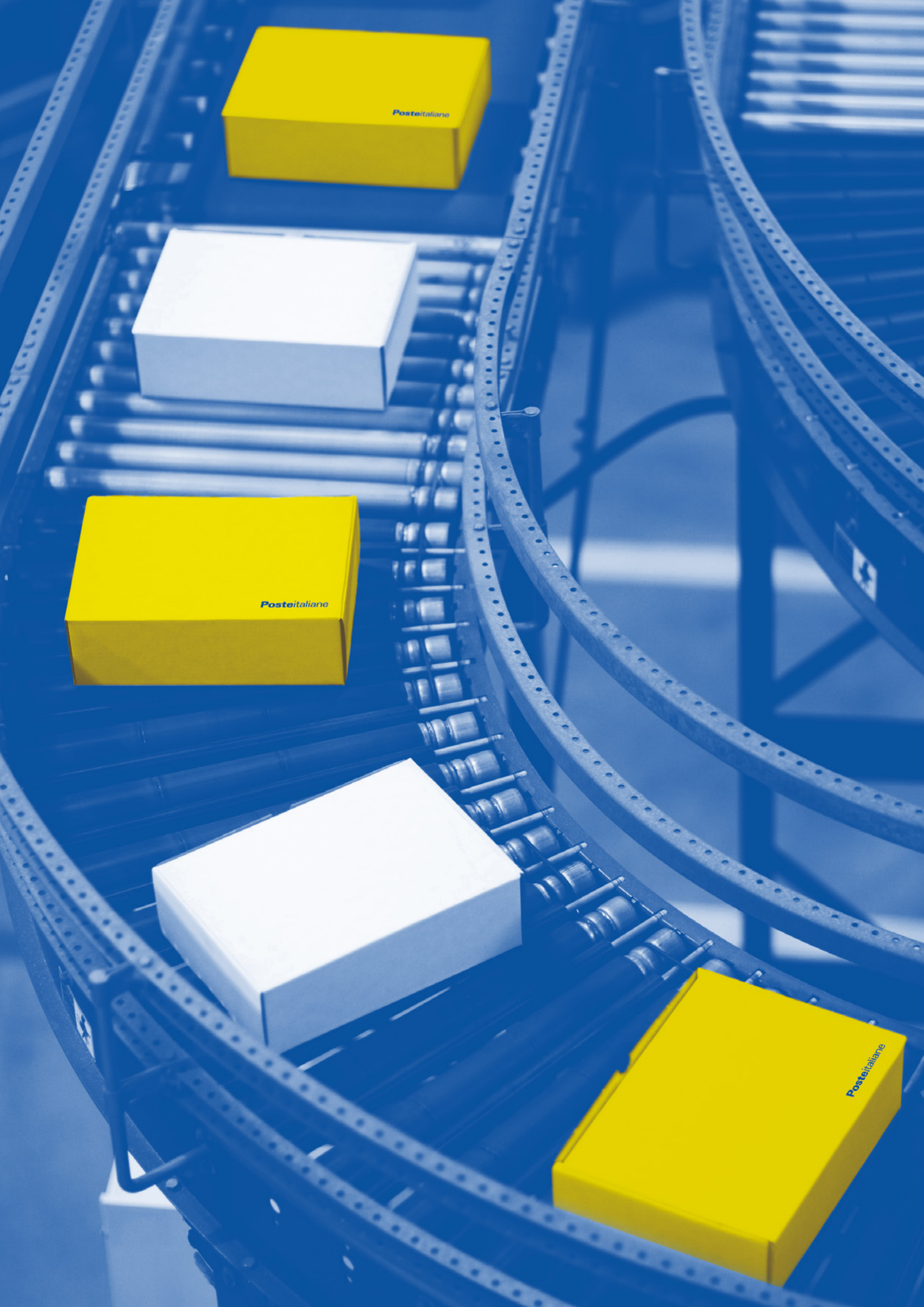
10. Business outlook

In line with the strategic guidelines of the 2024-2028 strategic plan “The Connecting Platform”, the Poste Vita Group aims to pursue its strategic ambition by developing its business plan on the basis of the following development guidelines:

- Investments: to protect customers’ savings from risk and inflation, both in the life investment and pension fields, by continuously evolving the offer, taking into account market dynamics, and optimising the quality of the service offered to customers;
- Protection: to reduce under-insurance in the area of protection by making insurance protection more accessible; central to this is the evolution of the offer, including through an integrated advisory model, and excellence in service;
- Insurance Platform: to increase access channels to the insurance offer, including by enhancing Net Insurance as a Poste Vita Group product factory for physical and digital third-party networks.

Rome, 19 April 2024

The Board of Directors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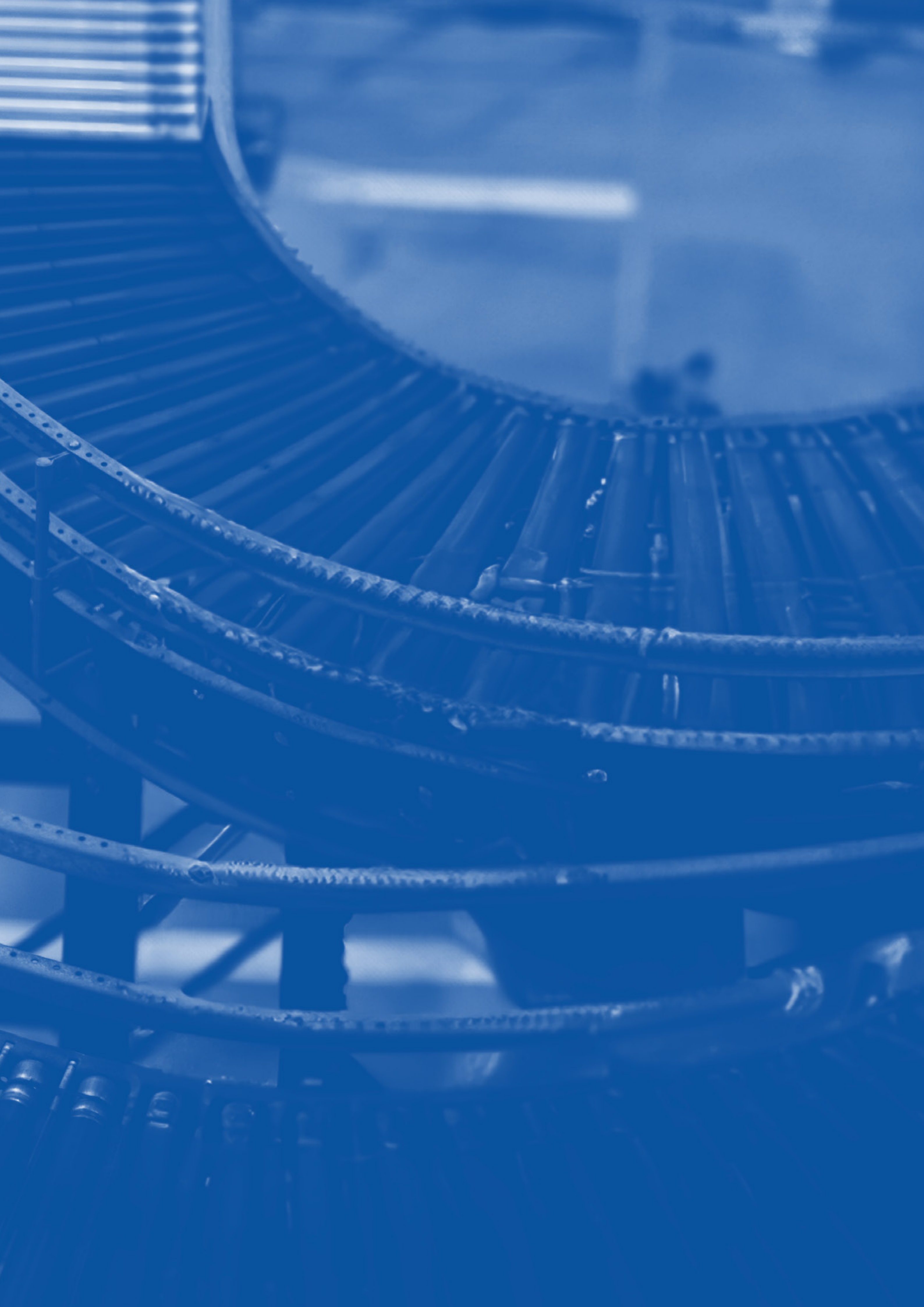


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02

Consolidated Financial Statements

02 Consolidated Financial Statements

Contents

1. Consolidated accounting schedules

Below are the accounting schedules at 31 December 2023, with comparison figures from 31 December 2022.

Statement of Financial Position - Assets

(€k)		31.12.23	31.12.22
1.	**INTANGIBLE ASSETS**	**144,915**	
	of which: goodwill	*123,821*	
2.	**TANGIBLE ASSETS**	**26,526**	**11,153**
3.	**INSURANCE ASSETS**	**232,854**	**43,730**
3.1	Insurance contracts issued constituting assets		
3.2	Outward reinsurance constituting assets	232,854	43,730
4.	**INVESTMENTS**	**156,502,020**	**142,460,251**
4.1	Investment property	-	-
4.2	Investments in associates and joint ventures	110,010	111,323
4.3	*Financial assets measured at amortised cost*	2,370,000	2,387,301
4.4	Financial assets measured at fair value through other comprehensive income	105,852,070	96,500,899
4.5	Financial assets measured at fair value through profit or loss	48,169,940	43,460,728
	a) financial assets held for trading	*33,487,117*	*31,725,533*
	b) Financial assets designated at fair value		
	c) Other financial assets mandatorily measured at fair value	*14,682,822*	*11,735,195*
5.	**OTHER FINANCIAL ASSETS**	**128,803**	**101,062**
6.	**OTHER ASSETS**	**3,317,524**	**3,425,008**
6.1	Non-current assets or disposal groups held for sale	49,500	
6.2	Tax assets	3,265,006	3,423,637
	a) current	*2,315,661*	*2,493,128*
	b) deferred	*949,344*	*930,509*
6.3	Other assets	3,018	1,371
7.	**CASH AND CASH EQUIVALENTS**	**3,543,102**	**2,729,706**
	TOTAL ASSETS	**163,895,745**	**148,770,910**

Statement of Financial Position - Equity and Liabilities

(€k)		31.12.23	31.12.22
1.	**EQUITY**	**6,687,740**	**5,986,595**
1.1	Share capital	1,216,608	1,216,608
1.2	Other equity instruments	800,000	800,000
1.3	Capital reserves	-0	
1.4	Revenue reserves and other equity reserves	3,717,968	3,248,436
1.5	Treasury shares (-)	-	
1.6	Valuation reserves	(135,481)	(342,637)
1.7	Equity attributable to non-controlling interests (+/-)	74,387	
1.8	Net profit/(loss) for the year attributable to owners of the Parent (+/-)	1,008,960	1,064,189
1.9	Net profit/(loss) for the year attributable to non-controlling interests (+/-)	5,297	
2.	**PROVISIONS FOR RISKS AND CHARGES**	**16,633**	**20,640**
3.	**INSURANCE LIABILITIES**	**154,919,818**	**140,980,478**
3.1	Insurance contracts issued constituting liabilities	154,919,818	140,980,478
3.2	Outward reinsurance constituting liabilities	-	-
4.	FINANCIAL LIABILITIES	380,404	264,238
4.1	Financial liabilities measured at fair value through profit or loss	100,700	
	a) financial liabilities held for trading	*100,700*	
	b) financial liabilities designated at fair value		
4.2	Financial liabilities measured at amortised cost	279,704	264,238
5.	PAYABLES	637,467	560,136
6.	**OTHER LIABILITIES**	**1,253,682**	**958,822**
6.1	Liabilities included in disposal groups held for sale		
6.2	Tax liabilities	1,243,672	949,286
	a) current	*756,707*	*504,676*
	b) deferred	*486,965*	*444,610*
6.3	Other liabilities	10,010	9,536
	TOTAL EQUITY AND LIABILITIES	**163,895,745**	**148,770,910**

Statement of profit or loss

(€k)		31.12.23	31.12.22
1.	Insurance revenue from insurance contracts issued	2,527,537	2,434,378
2.	Costs for insurance services arising from insurance contracts issued	(1,188,577)	(915,913)
3.	Insurance proceeds from outward reinsurance	73,789	(1,179)
4.	Costs for insurance services arising from outward reinsurance	(88,781)	(6,862)
5.	**Result of insurance services**	**1,323,968**	**1,510,425**
6.	Income/expenses from financial assets and liabilities measured at fair value through profit or loss	3,098,507	(5,039,126)
7.	Income/expenses from investments in associates and joint ventures	582	2,176
8.	Income/expenses from other financial assets and liabilities and from investment property	3,294,760	3,453,536
8.1	*- Interest income calculated using the effective interest method*	*3,365,310*	*3,689,052*
8.2	*- Interest expense*	*(56,250)*	*(53,195)*
8.3	*- Other income/expenses*	*(50)*	*(7,590)*
8.4	*- Realised gains/losses*	*(7,362)*	*(178,704)*
8.5	*- Unrealised gains/losses*	*(6,888)*	*3,972*
	of which: Connected with impaired financial assets	-	3,972
9.	**Investment income and expenses**	**6,393,849**	**(1,583,414)**
10.	Net financial costs/revenue related to insurance contracts issued	(6,372,748)	1,538,733
11.	Net financial revenue/costs related to outward reinsurance	5,047	(31)
12.	**Net financial result**	**26,148**	**(44,712)**
13.	Other revenue/costs	140,045	95,302
14.	Operating expenses:	(55,076)	(44,398)
14.1	*- Investment management expenses*	*(10,279)*	*(7,268)*
14.2	*- Other administrative expenses*	*(44,797)*	*(37,131)*
15.	Net provisions for risks and charges	(1,189)	(1,340)
16.	Impairment losses/(reversals of impairment losses) on tangible assets	(131)	(823)
17.	Impairment losses/(reversals of impairment losses) on intangible assets	-	-
	of which: Goodwill adjustments	-	-
18.	Other operating income/expenses	(3,995)	(616)
19.	**Profit (loss) for the year before tax**	**1,429,771**	**1,513,838**
20.	Taxes	(415,513)	(449,649)
21.	**Profit (loss) for the year after tax**	**1,014,257**	**1,064,189**
22.	Profit (loss) from discontinued operations	-	-
23.	**Consolidated profit (loss)**	**1,014,257**	**1,064,189**
	of which: attributable to owners of the Parent	*1,008,960*	-
	of which: attributable to non-controlling interests	*5,297*	-

Statement of comprehensive income

(€k)	31.12.23	31.12.22
1. Profit/(loss) for the year	**1,014,257**	**1,064,189**
Other comprehensive income after tax not to be reclassified to profit or loss	**187**	**201**
Share of valuation reserves of equity-accounted investments	609	-
Change in valuation reserve for intangible assets	-	-
Change in valuation reserve for tangible assets	-	-
Financial revenue or costs relating to insurance contracts issued	-	-
Profits or losses for non-current assets or disposal groups held for sale	-	-
Actuarial gains/(losses) and adjustments to defined benefit plans	(11)	201
Gains or losses on equity instruments designated at fair value through other comprehensive income	(411)	-
Change in own credit rating for financial liabilities measured at fair value through profit or loss	-	-
Other items	-	-
Other comprehensive income after tax to be reclassified to profit or loss	**206,969**	**(477,567)**
Change in reserve for currency translation differences	-	-
Gains or losses on financial assets (other than equity instruments) measured at fair value through other comprehensive income	3,981,211	(16,221,571)
Gains or losses on cash flow hedges	-	-
Gains or losses on hedges of a net investment in a foreign operation	-	-
Share of valuation reserves of equity-accounted investments	-	-
Financial revenue or costs relating to insurance contracts issued	(3,774,890)	15,744,768
Financial revenue or costs related to outward reinsurance	649	(764)
Profits or losses for non-current assets or disposal groups held for sale	-	0
Other items	-1	0
2. TOTAL OTHER COMPREHENSIVE INCOME	**207,155**	**(477,367)**
TOTAL CONSOLIDATED COMPREHENSIVE INCOME (Items 1 and +2)	**1,221,413**	**586,822**
of which: attributable to owners of the Parent	**1,214,863**	**586,822**
of which: attributable to non-controlling interests	**6,550**	**-**

Statement of changes in equity

(€k)	Share capital	Other equity instruments	Share capital Other equity instruments	Valuation reserves	Profit (loss) for the year	Equity of the parent company	Revenue reserves and other equity reserves attributable to non-controlling interests	Profit (loss) for the year	Equity attributable to non-controlling interests	Total equity
Amounts at 1.1.2022	**1,216,608**	**300,000**	**2,798,523**	**134,780**	**826,119**	**5,276,030**	**-**	**-**	**-**	**5,276,030**
Reserves	-	-	826,119	-	-	826,119	-	-	-	826,119
Dividends and other allocations	-	-	(397,339)	-	-	(397,339)	-	-	-	(397,339)
Statement of comprehensive income	-	-	(5)	(477,412)	-	(477,417)	-	-	-	(477,417)
Other changes (+)	-	500,000	32,537	-	238,070	770,607	-	-	-	770,607
Other changes (-)	-	-	(11,400)	(5)	-	(11,405)	-	-	-	(11,405)
Amounts at 31.12.2022	**1,216,608**	**800,000**	**3,248,436**	**(342,637)**	**1,064,189**	**5,986,595**	**-**	**-**	**-**	**5,986,595**
Reserves	-	-	1,064,184	-	-	1,064,184	-	-	-	1,064,184
Dividends and other allocations	-	-	(450,000)	-	-	(450,000)	-	-	-	(450,000)
Changes in investments	-	-	-	-	-	-	74,387	5,297	79,685	79,685
Statement of comprehensive income	-	-	-	208,347	-	208,347	-	-	-	208,347
Other changes (+)	-	-	-	5	-	5	-	-	-	5
Other changes (-)	-	-	(144,657)	-	(55,229)	(199,885)	-	-	-	(199,885)
Business combinations - external	-	-	5	(1,196)	-	(1,190)	-	-	-	(1,190)
Amounts at 31.12.2023	**1,216,608**	**800,000**	**3,717,968**	**(135,481)**	**1,008,960**	**6,608,055**	**74,387**	**5,297**	**79,685**	**6,687,740**

Statement of cash flows

(€k)	31.12.23	31.12.22
Net cash generated/absorbed by:		
- Net profit (loss) for the year (+/-)	**1,014,257**	**1,064,189**
- net income and expenses from insurance contracts issued and outward reinsurance (-/+)	5,043,733	(3,049,127)
- Capital gains/losses on financial assets measured at fair value through profit or loss (-/+)	(2,597,105)	5,065,780
- Other non-cash income and expense from financial instruments, investment property and investments (+/-)	(631,760)	(1,338,153)
- Net provisions for risks and charges (+/-)	(4,007)	1,340
- Interest income, dividends, interest expenses, taxes (+/-)	(2,763,189)	(1,874,710)
- Other adjustments (+/-)	(486,580)	762,952
- interest income received (+)	2,835,679	2,172,472
- dividends received (+)	399,273	205,082
- interest expense paid (-)	(56,250)	(53,195)
- Income tax paid (-)	(687,957)	(1,010,261)
Net cash generated/absorbed by other monetary elements relating to operating activities		
- Insurance contracts issued constituting assets/liabilities (+/-)	2,984,681	7,133,971
- Outward reinsurance constituting assets/liabilities (+/-)	(38,219)	(4,992)
- Liabilities from financial contracts issued by insurance companies (+/-)	-	0
- Receivables of banking subsidiaries (+/-)	-	0
- Liabilities of banking subsidiaries (+/-)	-	-
- Other financial assets and liabilities measured at fair value through profit or loss (+/-)	-	-
- Other financial assets and liabilities (+/-)	(1,173)	3,004
TOTAL NET CASH GENERATED BY/USED FOR OPERATING ACTIVITIES	**5,011,384**	**9,078,351**
Net cash generated/absorbed by:		
- Sale/purchase of investment property (+/-)	-	-
- Sale/purchase of investments in associates and joint ventures (+/-)	1,313	(2,478)
- Dividends received on investments (+)	-	-
- Sale/purchase of financial assets measured at amortised cost (+/-)	113,000	(128,972)
- Sale/purchase of financial assets measured at fair value through other comprehensive income (+/-)	(1,907,000)	(7,232,072)
- Sale/purchase of tangible and intangible assets (+/-)	(36,467)	(7,955)
- Sale/purchase of subsidiaries and business units (+/-)	-	-
- Other net cash flows from investing activities (+/-)	(2,035,000)	(3,673,441)
TOTAL NET CASH GENERATED BY/USED FOR INVESTING ACTIVITIES	**(3,864,154)**	**(11,044,918)**
Net cash generated/absorbed by:		
- Issues/purchases of equity instruments (+/-)	-	500,000
- Issues/purchases of treasury shares (+/-)	-	-
- Dividend distribution and other purposes (-)	(450,000)	(397,339)
- Sale/purchase of third-party control (+/-)	-	-
- Issues/purchases of subordinated liabilities and participating financial instruments (+/-)	100,700	-
- Issues/purchases of liabilities measured at amortised cost (+/-)	15,466	9,544
TOTAL NET CASH GENERATED BY/USED FOR FINANCING ACTIVITIES	**(333,834)**	**112,205**
TOTAL NET CASH GENERATED/USED DURING THE YEAR	**813,396**	**(1,854,362)**

Cash and cash equivalents at the beginning of the year	**2,729,706**	**4,584,068**
Total net cash generated/absorbed during the year	813,396	(1,854,362)
Cash and cash equivalents: effect of changes of exchange rates		
Cash and cash equivalents at the end of the year	**3,543,102**	**2,729,706**

2. Notes

Part A – general preparation criteria and accounting standards adopted

Declaration of conformity with international accounting standards

The Consolidated Financial Statements of the Poste Vita Group (the "Group") at 31 December 2023, consisting of the Statement of Financial Position, Statement of Profit or Loss, Statement of Changes in Equity, the Statement of Cash Flows, the Notes to the Financial Statements and the annexes to the Notes, were prepared in compliance with the schedules defined by the Supervisory Authority with Regulation 7 of 13 July 2007[1] and following the instructions contained in the same Regulation.

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

The Consolidated Financial Statements at 31 December 2023 were audited by Deloitte & Touche SpA[2].

Financial statements used for consolidation

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

Date of the Consolidated Financial Statements

The reporting date for the consolidated financial statements is 31 December 2023, coinciding with the end of the financial year for the Parent Company Poste Vita SpA ("Poste Vita" or the "Parent Company") and the companies included in the scope of consolidation.

Consolidation techniques

The scope of consolidation includes the Parent Company Poste Vita, the companies Poste Assicura and Net Holding, wholly-owned by Poste Vita, the companies Net Insurance and Net Insurance Life owned by Poste Vita through Net Holding and Poste Insurance Broker, a wholly-owned subsidiary of Poste Assicura.

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

1. Amended and supplemented by IVASS Measure no. 121 of 7 June 2022.
2. The Ordinary Shareholders' Meeting, which met on 28 November 2019, approved the early consensual termination of the engagement of BDO Italia SpA to audit the consolidated financial statements for the years 2014-2022, effective from the date of Board approval of the parent company Poste Vita's financial statements at 31 December 2019 and, at the same time, the engagement of Deloitte & Touche SpA to audit the consolidated financial statements of the Poste Vita Group for the nine-year period 2020-2028, Group auditor selected following a single tender launched by Poste Italiane SpA in compliance with the provisions of Regulation (EU) no. 573 of 16 April 2014 and Legislative Decree no. 39 of 17 January 2010, as amended by Legislative Decree no. 135/2016.

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 of the investees are as follows:

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

Investments in companies over which the Group exerts significant influence (assumed when the Group holds an interest of between 20% and 50%), hereinafter "associates", are accounted for using the equity method.

The equity method calls for the following:

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

The list of and key information for subsidiaries consolidated on a line-by-line basis and associates measured with the equity method is provided in the annexes to the Notes.

Consolidation differences

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

Accounting standards

The Poste Italiane Group's annual accounts have been prepared on a historical cost basis, with the exception of certain items for which fair value measurement is obligatory.

The consolidated financial statements were prepared in compliance with the international financial reporting standards (IFRS), issued by the International Accounting Standards Board (IASB) and endorsed by the European Commission.

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

Statement of financial position - Assets

Intangible Assets

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

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

Brand

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

Goodwill

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

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

Tangible assets

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

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

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.

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

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

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

Leased assets

Pursuant to the new accounting standard for leases (IFRS 16 - *Leases*), when a contract is stipulated the Group determines whether the contract is a lease or if it contains a lease component. During the contractual life, the initial measurement is revised only if there are substantial changes in the conditions of the contract (e.g. changes in the subject of the contract or in the requirements which affect the right to control the underlying asset). If the lease contract also contains a non-lease component, the Group separates this component and treats it in accordance with the related accounting standard, unless separation is not possible on the basis of objective criteria: in this case, the Group treats the lease component and any non-lease components together.

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

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

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

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

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

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

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

Impairment of assets

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

Regardless of any impairment indicator, the assets listed below are tested for impairment every year:
- intangible assets with an indefinite useful life or that are not yet available; the impairment test can take place at any time during the year, provided that it is performed at the same time in each of the following years;
- goodwill acquired in a business combination.

An impairment loss is recognised in profit or loss for the amount by which the net carrying amount of the asset, or the CGU to which it belongs, exceeds its recoverable amount. In particular, if the impairment loss regards goodwill and is higher than the related carrying amount, the remaining amount is allocated to the assets included in the CGU to which the goodwill has been allocated, in proportion to their carrying amount[3]. Except in the case of goodwill, if the impairment indicators no longer exist, the carrying amount of the asset or CGU is reinstated and the reversal recognised in profit or loss. The reversal must not exceed the carrying amount that would have been determined had no impairment loss been recognised and depreciation or amortisation been charged.

Insurance assets

Insurance contracts issued constituting assets

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

3. When the amount of the impairment is not entirely absorbed by the carrying amount of the asset/CGU, no liability is recognised pursuant to IAS 36, unless a liability pursuant to an international accounting standard other than IAS 36 is established.

The international accounting standard for accounting for insurance contracts was issued by the IASB on 18 May 2017 and amended on 25 June 2020, with first application on 1 January 2023.

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

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

Please refer to the section on insurance liabilities.

Investments

Investment property

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

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

Equity investments in associates

This item includes the equity investments in the associates Europa Gestioni Immobiliari SpA, Eurizon Capital Real Asset SGR SpA and Consorzio Logistica Pacchi Scpa.

The first two are measured using the equity method, proportional to the interest held by the Group, in that the Parent Company Poste Vita has significant influence. The third is measured at cost.

It is noted that at 31 December 2023, the investment in Cronos Vita Assicurazioni SpA ("Cronos") was classified as an available-for-sale asset in accordance with IFRS 5. To this end, taking into account the requirements of the accounting standard, account has been taken of the existence ab origine of the manifest intent by the Shareholder companies to hold the investment in Cronos within a limited time-frame, consistent with what was agreed upon in the broader approval process of the transaction and the scheme of the initiative, in addition to the planned stipulation within 12 months of a firm purchase commitment for the transfer of the company assets between the shareholder Companies and Cronos, as required by the standard. It was also verified, in line with IFRS 5, that the fair value of the investment, net of costs to sell, was not lower than the carrying amount.

Financial assets

On initial recognition, financial assets are classified in one of the following categories, based on the business model adopted to manage them and the characteristics of their contractual cash flows:

- **Financial assets measured at amortised cost**
  This category reflects financial assets held to collect the contractual cash flows (the held to collect or HTC business model) representing solely payments of principal and interest (SPPI). These assets are measured at amortised cost, that is the value of the asset at initial recognition minus principal payments, plus or minus accumulated amortisation, using the effective interest method, on all differences between the initial value and that at maturity, adjusted for any provisions to cover losses. The business model on which the classification of financial assets is based permits the sale of such assets; if the sales are not occasional, and are not immaterial in terms of value, consistency with the HTC business model should be assessed.
- **Financial assets measured at fair value through other comprehensive income (OCI)**
  This category includes financial assets held both to collect the relevant contractual cash flows and for sale (the held to collect and sell or HTC&S business model), with the contractual cash flows representing solely payments of principal and interest. These assets are measured at fair value and unrealised gains or losses are recognised among other comprehensive income, with the exception of impairment gains or losses and gains or losses on exchange rates, until the financial asset is derecognised or reclassified. If the financial asset is derecognised, the accumulated gains/(losses) previously recognised in OCI are reclassified from equity to profit or loss. This category also includes, beyond debt securities having the above characteristics, equity instruments that would otherwise be recognised through profit or loss, for which the irrevocable choice was made to recognise changes in fair value through OCI (the FVTOCI option). This option entails the recognition of dividends alone through profit or loss.
- **Financial assets measured at fair value through profit or loss**
  This category, which is residual, refers to: (a) financial assets primarily acquired for trading; (b) those designated as such at initial recognition, exercising the fair value option; (c) financial assets that must be recognised at fair value through profit or loss; (d) derivative instruments, with the exception of the effective portion of those designated as cash flow hedges; (e) instruments representing equity, for which the company does not make use of the FVTOCI option. Financial assets belonging to the category in question are measured at fair value and the related changes are recognised in profit or loss. Financial instruments in this category are classified as short-term if they are held for trading or they are expected to be disposed of within twelve months of the reporting date. Derivative instruments at fair value through profit or loss are recognised as assets or liabilities depending on whether the fair value is positive or negative; positive and negative fair values deriving from transactions with the same counterparty are offset during the collateralisation/liquidation phase, where contractually provided for.

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

Impairment and stage allocation

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

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

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

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

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

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

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

Determining fair value for financial instruments

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

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

It is important to remember that the concept of an active market refers to a market for which prices are readily and regularly available in a price list or systematically traded on trading circuits that are alternative to the official ones, the prices of which are considered reliable, as well as those that can be found by contributors acting as primary brokers on the various markets, where the prices offered are representative of potential transactions and represent actual market transactions that regularly take place in normal trading.

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

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

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

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

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

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

Derivatives

Derivatives are initially recognised at fair value on the date the derivative contract is executed and if they do not qualify for hedge accounting treatment, gains and losses arising from changes in fair value are accounted for in profit or loss for the period. If, on the other hand, derivative financial instruments qualify for hedge accounting, subsequent fair value changes are accounted for in accordance with the specific criteria indicated below. Recognition of derivatives designated as hedges continues to follow the rules contained in IAS 39. The relationship between each hedging instrument and the hedged item is documented, as well as the risk management objective, the strategy for undertaking the hedge transaction and the methods used to assess effectiveness. Assessment of whether the hedging derivative is effective takes place both when each derivative instrument is obtained and during its life.

Fair value hedges[4]

When the hedge is related to recognised assets or liabilities, or an unrecognised firm commitment, the changes in fair value of both the hedging instrument and the hedged item are recognised in profit or loss. When the hedging transaction is not fully effective, resulting in differences between the above changes, the ineffective portion represents a loss or gain recognised separately in profit or loss for the period. IAS 39 allows, in addition to individual assets and liabilities, the designation of a cash amount, representing a group of financial assets and liabilities (or portions thereof) so that a group of derivative instruments may be used to reduce exposure to fair value interest rate risk (a macro hedge). Macro hedges cYeart be used for net amounts deriving from differences between assets and liabilities. Like micro hedges, macro hedges are deemed highly effective if, at their inception and throughout the term of the hedge, changes in the fair value of the cash amount are offset by changes in the fair value of the hedges, and if the effective results fall within the interval required by IAS 39.

Cash flow hedges[5]

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges after initial recognition is recognised in a specific equity reserve, with movements in the reserve accounted for in Other comprehensive income (Cash flow hedge reserve). A hedging transaction is generally considered highly effective if, both at inception of the hedge and on an ongoing basis, changes in the expected future cash flows of the hedged item are substantially offset by changes in the fair value of the hedging instrument. Amounts accumulated in equity are recycled to profit or loss in the period in which the hedged item affects profit or loss. In the case of hedges associated with a highly probable forecast transaction (such as, forward purchases of fixed income debt securities), the reserve is reclassified to profit or loss in the period or in the periods in which the asset or liability, subsequently accounted for and connected to the aforementioned transaction, will affect profit or loss (for example, an adjustment to the return on the security).

If the hedging transaction is not fully effective, the gain or loss arising from a change in fair value relating to the ineffective portion is recognised in profit or loss for the period. If, during the life of the derivative, the forecast hedged transaction is no longer considered highly probable, the related gains and losses accumulated in the cash flow hedge reserve are immediately reclassified to profit or loss for the period. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, the related gains and losses accumulated in the cash flow hedge reserve at that time remain in equity and are recognised in profit or loss at the same time as the original underlying.

4. A hedge of the exposure to a change in fair value of a recognised asset or liability or of an unrecognised firm commitment attributable to a particular risk, and that could have an impact on profit or loss.
5. A hedge of the exposure to the variability of cash flows attributable to a particular risk associated with an asset or liability recognised or with a highly probable forecast transaction, and that could have an impact on profit or loss.

Other financial assets

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

Other assets

This category consists of:

Assets included in disposal groups held for sale

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

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

In the case the disposal of an equity investment in a subsidiary consolidated on a line by line basis is planned within the timeframe established under IFRS 5, all the assets of the entity to be disposed of are reclassified in the statement of financial position under the item "Non-current assets or disposal groups held for sale" (item 6.1 of the Assets) and the liabilities are reclassified in a similar manner under the item.

"Liabilities included in disposal groups held for sale" (item 6.1 of the Liabilities). Both items are shown in the Consolidated Financial Statements net of infragroup transactions with the entity in question.

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

It should be noted that at 31 December 2023, the investment in Cronos was classified as an available-for-sale asset in accordance with IFRS 5, as illustrated above in the section "Equity investments".

Current and deferred tax assets

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

Other assets

"Other assets" includes, among other things, deferred fee and commission expense relative to investment contracts, which does not fall under the scope of IFRS 4 but rather that of IFRS 9 and, as such, is classified among liabilities measured at fair value through profit and loss and accrued income and prepaid expense.

Cash and cash equivalents

Cash and cash equivalents mainly include cash and demand deposits.

Current account overdrafts are accounted for in current liabilities.

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

Impairment

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

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

Statement of financial position - Liabilities

Equity Attributable to owners of the parent and non-controlling Interests

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

Share capital

This item includes capital subscribed and paid in by shareholders.

Other equity instruments

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

Capital reserves

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

Treasury shares

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

Revenue reserves and other equity reserves

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

Valuation reserves

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

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

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

Equity attributable to non-controlling interests

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

Options on minority interests

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

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

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

Provisions for risks and charges

Provisions for risks and charges are recorded to cover losses that are either probable or certain to be incurred, for which, however, there is an uncertainty as to the amount or as to the date on which they will occur.

This item includes the liabilities defined and governed by IAS 37. Provisions are recognised in the financial statements at the moment in which the Group has a current obligation as a result of a past event and it is probable it will be asked to fulfil this obligation. Amounts relative to provisions are identified based on estimates of the costs required to satisfy the obligation as of the reporting date and, if deemed significant, are discounted.

Insurance liabilities

Insurance contracts issued constituting liabilities

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

Outward reinsurance constituting liabilities

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

The new standard changed the representation of the profitability of the insurance business from a presentation of results by volume (premiums written and claims expenses) to a representation more focused on contract margins.

In accordance with the new accounting standard, it is necessary to identify those contracts that meet the definition of an insurance contract, thus defining its scope of application.

The insurance contracts falling within the scope, i.e. insurance contracts and investment contracts with discretionary participation features issued by the Companies belonging to the Poste Vita Group as well as reinsurance contracts held by them, are subject to a level of aggregation that provides for an initial distinction between Life and Non-Life business and then a distinction into different Unit Of Accounts. Units of Account contain contracts with similar contractual and risk characteristics that are managed on a unitary basis. For the Life business, groups of contracts are aggregated by product type (e.g. Pure Separately Managed Accounts, Multi-class, Term Life, etc.), while for the Non-Life business the level of aggregation coincides with the lines of business (e.g. those defined for Solvency II reporting); in some cases they are further subdivided in order to respect the characteristics of specific products. For business related to reinsurance contracts held, the Unit of Account is equivalent to the individual treaty with the counterparty.

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

The general model for measuring insurance contracts, called the Building Block Approach - BBA, involves defining the cash flows associated with the insurance contract, consisting of:
- cash inflows and outflows;
- an adjustment that takes into account the time value of money and the financial risks associated with the flows themselves;
- an adjustment for non-financial risk (Risk adjustment).

The final result of the sum of the preceding components, if positive, determines the Contractual Service Margin (CSM) that will be issued over the life of the insurance contract according to the Coverage Unit, while if negative the Loss Component, recognised immediately in the Statement of profit or loss.

The standard provides for two further measurement models:
- Premium Allocation Approach - PAA, an optional and alternative model to the general model, is applicable to contracts characterised by a coverage period of no more than one year, as well as to groups of contracts for which the company considers that the simplification linked to the model would not lead to a significantly different result from that obtained with the general model (e.g. no variability of cash flows associated with the group of contracts);
- Variable Fee Approach - VFA, a mandatory measurement model for contracts with direct participation features, such as separately managed accounts and unit-linked insurance schemes.

Groups of insurance contracts with at least one of the following features are measured using the PAA method:
- Annual duration;
- Multi-year duration and membership of the Collective policies segment;
- Multi-year duration and membership of a portfolio where the weight of the multi-year business is less than or equal to 5% in the last 3 financial years.

With reference to the VFA, adopted exclusively for the Life business, the eligibility for the model for the following types of products was assessed:
- With Profit Participation (Separately Managed Accounts);
- Unit-linked standalone insurance;
- hybrid products with investment components (Multi-class policies).

The PAA model applies exclusively to Poste Assicura, with the exception of CPI (Credit Protection Insurance) products. The latter together with the products placed by the subsidiary Net Insurance and the subsidiary Net Insurance Life are measured through the adoption of the BBA as they do not meet the conditions for the application of the simplified model. The BBA was also adopted for products placed by the Parent Company Poste Vita for which the VFA model is not applied.

It should be noted that the determination of Insurance Liabilities is based on complex estimation processes and requires the use of assumptions and hypotheses of a technical, demographic, actuarial and financial nature that concern, among other things, the forecast of future cash flows related to the performance of contracts falling within the scope of IFRS 17, the determination of the discount rate to be applied in discounting them to present value, the change in the amount of the Group's share of the fair value of the underlying items and the component relating to the adjustment for non-financial risks, as well as the quantification of the portion of the contractual service margin to be released to the statement of profit or loss.

Financial liabilities

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

Financial liabilities measured at amortised cost

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

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

Financial liabilities measured at fair value through profit or loss

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

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

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

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

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

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

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

Specifically, the item includes financial liabilities designated at fair value through profit or loss related to:
- investment contracts outside the scope of IFRS17 issued by index- and unit-linked insurance companies;
- the management of pension funds by insurance companies;
- negative position in derivative contracts held for both trading and hedging purposes.

Payables

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

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

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

Short-term benefits

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

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

Post-employment benefits

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

Defined benefit plans

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

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

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

The calculation takes into account the employee termination benefits accrued for work already performed and is based on actuarial assumptions that mainly concern: demographic assumptions (such as employee turnover and mortality) and financial assumptions (such as rate of inflation and a discount rate consistent with that of the liability). In the case of companies with at least 50 employees, as the company is not liable for employee termination benefits accruing after 31 December 2006, the actuarial calculation of employee termination benefits no longer takes account of future salary increases. Actuarial gains and losses at the end of each reporting period, based on the difference between the carrying amount of the liability and the present value of the Group's obligations at the end of the period, due to changes in the actuarial assumptions above, are recognised directly in equity in the Statement of other comprehensive income.

Defined benefit plans also include pension funds to guarantee members and their survivors a supplementary pension in addition to that managed by INPS to the extent and in the manner provided for by specific regulations, collective labour contracts and the law. In relation to this case, the principles of initial recognition and subsequent measurement indicated for employee termination benefits apply. In addition, as for employee termination benefits, the liability recognised in the financial statements is based on calculations performed by independent actuaries.

Defined contribution plans

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

Termination benefits

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

Other long-term employee benefits

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

Other liabilities

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

Liabilities in disposal groups held for sale

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

Current and deferred tax liabilities

These items include tax liabilities governed by IAS 12.

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

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

Other liabilities

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

Statement of profit or loss

IFRS 17 requires that the amounts recognised in the statement of profit or loss and other comprehensive income be disaggregated into:
1. a result of insurance services which includes:
   - insurance revenue from insurance contracts issued;
   - costs for insurance services arising from insurance contracts issued.
2. financial income or expenses related to insurance contracts.

Revenue and expenses arising from insurance contracts are separated from revenue and expenses arising from reinsurance contracts held. For reinsurance contracts held, an entity may present income and expenses, other than finance income and expense, as a single net amount or as separate amounts.

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

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

Result of insurance services

This item includes insurance revenue and costs for insurance services arising from insurance contracts issued or outward reinsurance.

Insurance revenue from insurance contracts issued

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

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

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

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

Costs for insurance services arising from insurance contracts issued

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

Insurance revenue from outward reinsurance

The Poste Vita Group has opted to present the amounts recovered from reinsurers and the allocation of paid premiums for the year separately.

Otherwise, Reg. 7 gives the option of representing only item 3.5 “Net insurance revenue/costs from outward reinsurance” in which the algebraic balance between revenue and costs for insurance services from outward reinsurance that would have been reported in this item and in item 4 below is to be reported.

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

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

Costs for insurance services arising from outward reinsurance

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

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

Investment income and expenses

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

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

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

Income/expenses from investments in subsidiaries, associates and joint ventures

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

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

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

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

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

Interest income and Interest expense

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

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

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

Other income/expenses

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

Realised gains/losses

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

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

Unrealised gains/losses

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

Net financial result

The net financial result consists of investment income, financial costs/revenue related to insurance contracts issued, and financial costs/revenue related to outward reinsurance.

Net financial costs/revenue related to insurance contracts issued

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

Net financial revenue/costs related to outward reinsurance

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

Other revenue/costs

The item includes, in particular:
- the positive or negative balance between revenue and costs deriving from the sale of goods, the provision of services other than financial and from third-party utilisation of tangible and intangible assets and other business assets according to IFRS 15;
- the release to the statement of profit or loss of deferred commission income and deferred commission expense associated with contracts outside the scope of IFRS 17 (e.g. investment contracts);
- the release to the statement of profit or loss of valuation reserves relating to cash flow hedges of non-financial assets and liabilities;
- balance, positive or negative, between realised gains and losses on tangible and intangible assets.

Operating expenses

The following are accounted for in this item:

Investment management expenses

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

Other administrative expenses

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

Net provisions for risks and charges

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

Impairment losses/(reversals of impairment losses) on tangible assets

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

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

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

Other operating income/expenses

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

Uncertainties involved with the use of estimates

As requested in paragraph 116 of IAS 1, we note here that the Consolidated Financial Statements for 2023 were prepared in respect of the principles of clearly, truly and accurately representing the equity and financial situation and the economic results for the year.

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

Use of such estimates and assumptions affects the final amounts reported in the financial statements and related disclosures. The final amounts for the items in the financial statements relative to which these estimates or assumptions have been applied may differ due to uncertainties regarding the assumptions and the conditions on which estimates are based. Estimates and assumptions are periodically reviewed and the impact of any changes is reflected in the financial statements for the period in which the estimate is revised if the revision only influences the current period, or also in future periods if the revision influences both current and future periods.

Estimates were used in the following cases during the period under review:
- in determining the fair value of financial assets and liabilities;
- in estimating the recoverability of deferred tax assets;
- in quantifying provisions for risks and charges and provisions for employee benefits, in consideration of the indeterminate nature of the amount and date on which they will arise and the actuarial assumptions applied;
- in determining the estimate of insurance liabilities;
- in determining the valuation of insurance assets;
- in allocating goodwill following the Parent Company’s acquisition of the shareholding in Net Holding;
- in assessing the sale options of the shares held by the shareholder of Net Holding and the shareholder of Net Insurance in favour of the Parent Company Poste Vita.

Statement of comprehensive income

The statement of comprehensive income was introduced in the version of IAS 1 published by the IASB in September 2007 and endorsed by EC Regulation no. 1274/2008. The statement includes income components, other than those in the statement of profit or loss, recognised directly in equity for transactions other than those with shareholders. In accordance with ISVAP Regulation no. 7 of 13 July 2007[6], income and cost items are shown net of tax. The total of the consolidated statement of comprehensive income is broken down by separating the portion pertaining to the parent company from that pertaining to non-controlling interests.

Statement of changes in equity

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

Statement of cash flows

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

Other information

Fair value measurement techniques – IFRS 13

In compliance with IFRS 13, the assets and liabilities involved (specifically, assets and liabilities recognised at fair value and assets and liabilities recognised at cost or at amortised cost, for which the fair value is provided in the Notes to the statements) are classified on the basis of a hierarchical scale that reflects the significance of the sources used in making the measurements.

The hierarchy consists of 3 levels.

Level 1: this level includes the financial instruments for which prices listed on active markets are available. The existence of official prices on an active market constitutes the best evidence of fair value. A market is defined as active when transactions take place with sufficient frequency and volume to provide information about prices on a continuous basis. For the Poste Vita Group the following categories of financial instrument apply:

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

6. Amended by Article 12 of IVASS Measure no. 121 of 7 June 2022.

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

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

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

For the Poste Vita Group the following categories of financial instrument apply:
- Residual bonds that do not meet the previous indications.
- All listed open-end funds that, on the basis of the checks carried out, cYeart 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 Poste Vita this category includes: Private Equity Funds; Real Estate Funds; Infrastructure Equity Funds; Infrastructure Debt Funds; Private Debt Funds and Hedge Funds.
- The equity investments in the associates EGI and ECRA measured using the equity method.
- Financial liabilities measured at amortised cost.

For multi-asset funds, the majority of the underlying investments are represented by financial instruments listed on liquid and active markets. These funds have been classified as level 2 in the fair value hierarchy adopted by the Poste Vita Group for financial reporting purposes as they are unlisted open-ended mutual funds for which the NAV (Net Asset Value) reported daily by the custodian bank is available and which, based on specific analyses conducted on a sample of the funds' assets, have an insignificant proportion of Level 3 financial instruments in relation to the funds' overall NAV.

To that end, note that the report on operations contains an analysis of financial instruments measured at fair value at 31 December 2023, broken down by fair value hierarchy level and outlines Fair Value transfers and level 3 changes recorded during the period in question.

Disclosure of financial and insurance risks

In addition, in accordance with IFRS 7 and IFRS 17, the report on operations includes additional information concerning the Group's exposure to financial and insurance risks, how these are managed, and the results of sensitivity analyses prepared on the end-of-period data with reference to risks deemed significant.

Disclosure of interests in unconsolidated structured entities

Finally, the report on operations also includes information on investments in other unconsolidated entities as required by IFRS 12.

Representation of results

The activities of the Poste Vita Group can be subdivided into different branches according to the products and services offered and, in particular, in compliance with the provisions of Reg. 7 IVASS, two business were identified:
- Life Business, which mainly comprises the insurance activities carried out in the Life segment and, in particular, the economic and financial results achieved by the Parent Company Poste Vita and its Subsidiaries Net Insurance Life and Net Holding;
- Non-Life Business, which mainly comprises the insurance activities carried out in the Non-Life segment and, in particular, the economic and financial results achieved by the subsidiaries Poste Assicura S.p.A, Net Insurance and Poste Insurance Broker.

Accounting standards applied from 1 January 2023

Amendments to IAS 1 - Presentation of Financial Statements - aimed at helping drafters of financial statements to provide information on accounting policies that is more useful to investors and primary users of financial statements by replacing the requirement to disclose information on “significant” accounting standards with the requirement to provide relevant information on accounting standards and how they are applied within the company.

Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - to clarify the distinction between changes in accounting estimates, changes in accounting policies and error corrections.

Amendments to IAS 12 - Income Taxes - to clarify how deferred taxes should be accounted for on certain transactions involving the simultaneous recognition of an asset and a liability of equal amount, such as leases and decommissioning obligations. The purpose of this amendment is to reduce diversity in the recognition of deferred tax assets and liabilities on such transactions.

Amendments to IAS 12 - Income Taxes: ***International Tax Reform-Model Rules(Second Pillar)***. The amendments to the *standard* introduced a temporary exception to the accounting for deferred taxes related to the application of the provisions of Pillar Two published by the *Organisation for Economic Co-operation and Development* (**OECD**), as well as targeted supplementary information for affected companies.

EU Regulation 2021/2036 introduced **new accounting standard IFRS 17** - Insurance Contracts, which fully replaces the provisions of IFRS 4, and aims to:
- ensure that an entity provides information that fairly represents the rights and obligations arising from the insurance contracts issued;
- eliminate inconsistencies and weaknesses in existing accounting policies by providing a single principle-based framework to account for all types of insurance contracts (including reinsurance contracts); and
- improve comparability between entities belonging to the insurance sector by providing for specific presentation and disclosure requirements.

The standard changes the representation of the profitability of the insurance business from a presentation of results by volume (premiums written and claims expenses) to a representation more focused on contract margins.

In accordance with the new accounting standard, it is necessary to identify those contracts that meet the definition of an insurance contract, thus defining the scope of application of the new standard.

Insurance contracts that fall within the scope of application will initially be subdivided according to the year they were underwritten and according to their profitability. In fact, the standard provides that groups of insurance contracts, following the performance of an “onerousness test”, are divided into:
- profitable contracts;
- onerous contracts;
- contracts that at the time of initial recognition do not have a high probability of becoming onerous.

The groups of contracts identified can be measured by applying the General Model (also referred to as the Building Block Approach - BBA); this approach involves defining the cash flows associated with the insurance contract, consisting of:

- future cash inflows and outflows;
- an adjustment that takes into account the time value of money and the financial risks associated with the flows themselves;
- an adjustment for non-financial risk (so-called risk adjustment);
- the final result of the sum of the preceding components, if positive, determines the contractual service margin (CSM), which will be released throughout the life of the insurance contract, while if negative, it creates the loss component, which is immediately recognised in the statement of profit or loss.

The standard also provides for the possibility of using two further measurement models:

- Premium Allocation Approach (PAA), an optional and alternative model to the general one, is applicable for those contracts characterised by a coverage period not exceeding one year. The model can also be applied to those groups of contracts for which the company considers that the simplification linked to the model would not lead to a significantly different result from that obtained with the general model;
- Variable Fee Approach (VFA), a mandatory measurement model for investment contracts with discretionary participation features, such as separately managed accounts and unit-linked insurance schemes.

The provisions of the new standard are to be applied to insurance contracts issued, reinsurance contracts issued and held, and investment contracts with a discretionary participation feature (DPF);

Amendments to IFRS 17 - Insurance Contracts, the purpose of the amendment to the new standard on insurance contracts is to provide a transition option in respect of comparative information on financial assets presented at the date of initial application of IFRS 17. The amendment is intended to avoid temporary accounting mismatches between financial assets and liabilities of insurance contracts, and thus to improve the usefulness of comparative information for financial statement readers. With reference to the aforementioned accounting standard, the effects resulting from the transition to the new standard (the “First Time Adoption” or “FTA”), which made provision for the determination of the new opening balances at 1 January 2022, are described together with comparative statement of profit or loss and statement of financial position data in the opposite sections.

Changes to accounting policies

As of 1 January 2023, the Poste Vita Group adopted IFRS 17 - Insurance Contracts issued by Commission Regulation (EU) no. 2021/2036 of 19 November 2021.

In line with the new standard, when an insurance contract, or an investment contract with discretionary participation features, is entered into, an insurance liability or asset is recognised, the amount of which is based on discounting the expected cash flows required to fulfil the contract, determining a non-financial risk adjustment (Risk Adjustment), and the Contractual Service Margin that will be released over the life of the insurance contract.

The following provides information on the nature and effects of the new accounting standard and the related impact of the first-time adoption of the standard on the Poste Vita Group’s statement of financial position.

Scope of application

IFRS 17 introduces new recognition, measurement and valuation rules for contracts that meet the definition of an “insurance contract”[7]; the new standard applies to insurance contracts issued, reinsurance contracts held, and investment contracts with discretionary participation features. Within the Poste Vita Group, therefore, insurance contracts and investment contracts with discretionary participation features issued by the companies belonging to the Poste Vita Group[8], as well as reinsurance contracts held by them, fall within the scope of the new standard.

7. An insurance contract is a contract under which one party accepts a significant insurance risk from another party, agreeing to indemnify the policyholder or the beneficiary in the event that the latter suffers loss as a result of a specific event, i.e. the insured event.
8. Poste Vita SpA, Poste Assicura SpA, Net Insurance SpA and Net Insurance Life SpA.

Level of portfolio aggregation

The Poste Vita Group has defined a process for aggregating contracts falling within the scope of IFRS 17 that envisages an initial distinction between Life and Non-Life business and then a distinction into different Units Of Account. Units of Account contain contracts with similar contractual and risk characteristics that are managed on a unitary basis. For the Life business, groups of contracts are aggregated by product type (e.g. Pure Separately Managed Accounts, Multi-class, Term Life, etc.), while for the Non-Life business the level of aggregation coincides with the lines of business (e.g. those defined for Solvency II reporting); in some cases (such as for Net Insurance and Net Insurance Life) they are further subdivided in order to respect the characteristics of specific products. For business related to reinsurance contracts held, the Unit of Account is equivalent to the individual treaty with the counterparty.

The Units of Account are further disaggregated according to the underwriting year of the policies (cohorts)9 and the level of profitability. For this purpose, an onerousness test of the products is carried out to divide the Units of Account into:
- profitable;
- onerous;
- which at the time of initial recognition do not have a high probability of becoming onerous.

The following describes the process for defining the onerousness test according to the relevant business:
- Life business: for contracts issued by the Parent Company Poste Vita, the test is performed at the product level (where applicable also at the cohort level) at the design stage of the same (ex-ante) exclusively for newly produced products, determining the estimated future fulfilment flows at the date. For contracts issued by the subsidiary Net Insurance Life, on the other hand, the test is carried out on individual tariffs. The analysis is repeated in the event of significant events that may affect the costliness of the product in the first year of life;
- Non-Life business: for contracts issued by the subsidiary Poste Assicura, the test is performed on the basis of the Combined Ratio[10] at the time of the initial recognition of the group of contracts by defining the onerousness on a permanent basis until the maturity of the policies. For contracts issued by the subsidiary Net Insurance, the test takes into account estimated future fulfilment flows at the date and is performed at the contract group level according to business type;
- Reinsurance business: the process defined for testing differs according to the measurement model applied.

Groups of insurance contracts are recognised at the date of initial recognition. The Poste Vita Group has defined in detail, for each type of business and its underlying products, the date that identifies the start of the contractual relationship. These dates (e.g. effective date, renewal date, subscription date, etc.) were chosen according to the specific characteristics of the products issued. For the insurance contracts acquired as a result of the business combinations of the subsidiaries Net Insurance and Net Life, the initial recognition date was set at 1 April 2023, the date identified for the Purchase Price Allocation process.

Measurement models

The general model for measuring insurance contracts, called the Building Block Approach-BBA, involves defining the cash flows associated with the insurance contract, consisting of:
- cash inflows and outflows;
- an adjustment that takes into account the time value of money and the financial risks associated with the flows themselves;
- an adjustment for non-financial risk (so-called risk adjustment).

The final result of the sum of the preceding components, if positive, determines the Contractual Service Margin (CSM) that will be issued over the life of the insurance contract according to the Coverage Unit, while if negative the Loss Component, recognised immediately in the Statement of profit or loss.

The standard provides for two further measurement models:
- Premium Allocation Approach - PAA, an optional and alternative model to the general model, is applicable to contracts characterised by a coverage period of no more than one year, as well as to groups of contracts for which the company considers that the simplification linked to the model would not lead to a significantly different result from that obtained with the general model (e.g. no variability of cash flows associated with the group of contracts);
- Variable Fee Approach - VFA, a mandatory measurement model for contracts with direct participation features, such as separately managed accounts and unit-linked insurance schemes.

9. For Separately Managed Accounts and Multi-class insurance products, the exemption in the application of annual cohorts permitted by Regulation (EU) no. 2021/2036 has been implemented.
10. Ratio of claims and expenses incurred to premium volume, also taking into account the Adjustment for non-financial risk.

Within the Poste Vita Group, groups of insurance contracts with at least one of the following features are measured using the PAA method:

- Annual duration;
- Multi-year duration and membership of the Collective policies segment;
- Multi-year duration and membership of a Portfolio where the weight of the multi-year business is less than or equal to 5% in the last 3 financial years.

With reference to the VFA, adopted exclusively for the Life business, the Group assessed the eligibility for the model for the following types of products:

- With Profit Participation (separately managed accounts);
- Unit-linked standalone insurance;
- Hybrid products with investment components (multi-class).

The PAA model is applied exclusively by the subsidiary Poste Assicura for all Non-Life business, with the exception of the CPI products[11], which are measured through the adoption of the BBA as they do not meet the conditions for the application of the simplified model. The BBA model is also fully adopted by the subsidiaries Net Insurance and Net Insurance Life. For the Parent Company Poste Vita, the BBA is adopted exclusively for protection products belonging to the Life business but for which the VFA model is not applied.

Elements for determining future fulfilment flows

In application of the BBA and VFA models, future cash flows associated with insurance contracts are estimated by also taking into account the "contract boundaries", in order to identify whether a particular contractual option should be included in the cash flow projection as soon as the contract is issued or whether the exercise of that option would result in the recognition of a new group of contracts. The Poste Vita Group has borrowed contract boundary identification techniques from the Solvency II framework[12], except for the case of Non-Life business contracts with tacit renewal that can no longer be terminated at the measurement date, which define the generation of a new group of contracts and, therefore, a new cohort. In the Life business, pure risk policies, cases of conversion into annuities, automatic maturity deferrals and additional payouts can generate a new fulfilment cash flow; while in the Non-Life business, additional considerations can be made about product repricing clauses, the presence of variable sums insured and cases of lapse with return of unearned premium.

In accordance with the provisions of the standard, all costs directly attributable to the management of insurance contracts, including costs incurred in the acquisition of contracts, are also taken into account in the construction of the fulfilment cash flows. With specific reference to acquisition costs, the Group considers placement commissions paid to the network outside the Group (mainly to the subsidiaries Net Insurance and Net Life), *rappels*[13] and other direct and indirect acquisition costs to be directly attributable to insurance contracts.

Adjustment for non-financial risk

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

11. Credit Protection Insurance: is a special multi-risk insurance contract that seeks to protect the insured against a series of events that may occur during the term of a loan (mortgage, personal loan or other form of credit), thus preventing adverse situations from impairing its regular repayment capacity.
12. Legal references "*Eiopa Guidelines on Contract Boundaries - Consolidated Version*" of 31 January 2023 and Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, Article 18 "Contract Boundaries".
13. Additional remuneration over and above the commission paid to intermediaries (agents and brokers) on the achievement of predetermined objectives (production, technical, etc.).

In order to determine the amount of the Adjustment for non-financial risk, among other elements, the Solvency II valuation framework was taken into account by considering most of the underlying risks. For details of the risks considered, please refer to the section "*Method for determining the Adjustment for non-financial risk*" in this document.

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

Discount rate

For the purposes of determining the discount rate to be used for discounting future cash flows, the Poste Vita Group has decided to adopt a "bottom-up approach" for the derivation of discount curves borrowed from Solvency II, in which the reference Basic Risk-Free Curve is based on the Risk-Free Rate curve provided by EIOPA.

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

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

Effects on the statement of profit or loss

The new standard has changed the representation of the profitability of the insurance business from a presentation of results by volume (premiums written and claims expenses) to a representation more focused on contract margins.

Revenue from the insurance business consists of the releases of insurance contract liabilities for the period, including the Contractual Service Margin (CSM) component. In addition, costs directly related to insurance contracts, including costs incurred by the network for insurance contract placement and distribution activities performed by the Parent Company and outside the Group, are allocated to revenue.

For non-profitable insurance contracts, the relevant Loss Component is recognised immediately in the Statement of profit or loss. In the event that, at subsequent reporting dates, there is an improvement in the group of onerous contracts, the Poste Vita Group companies have provided for a method of recovering the loss component based on a risk-based approach by which the release of the loss component is calculated in proportion to the period's release of cash flows related to claims, expenses and risk adjustment.

In the case of an onerous contract, if reinsurance cover is provided, it is necessary to identify the Loss Recovery Component. The result of the reinsurance contract (Net Gain/Net Cost) will be adjusted in each reporting period to take into account the recovery of the loss component of the direct covered contract.

In addition to the issuance of the CSM and the possible recognition of the loss component, further elements capable of impacting the Statement of profit or loss in the reporting period are described below:

- Investment component i.e. the amount under the insurance contract that the issuing entity must pay to the counterparty even if the insured event does not occur, for which the standard does not require recognition in the underwriting result. The Group identifies the investment component for contracts in the Life business and defines it, for investment products and annuities in the accumulation phase, as the difference between the settled value and the lapse value net of penalties; for certain annuities in the payout phase, the value of the investment component corresponds to the value of the benefits paid out. Finally, with respect to the reinsurance business, the investment component is identified in the context of contracts or treaties that provide for scaled commissions or profit sharing;
- Financial costs/revenue relating to the insurance business refer to the effects of changes in the time value of money and financial risk which, as required by the standard, are calculated separately per measurement model. For the VFA portfolio, financial costs/revenue are recognised either in the statement of profit or loss or in Other Comprehensive Income (OCI) in relation to the fair value result of the Underlying Items and depending on the IFRS 9 classification of the underlying assets themselves; for the BBA measurement model, on the other hand, financial costs/revenue are calculated on the basis of the valuation curves adopted for the calculation of IFRS 17 flows.

In the statement of profit or loss tables, for the sake of clarity, cost components that are allocated to insurance margins in accordance with IFRS 17 are shown in the item "Allocation of costs directly attributable to insurance contracts".

Accounting policy under IFRS 17

The choices made by the Group in applying the provisions of the standard are summarised below:
- Risk mitigation: the Poste Vita Group does not envisage the adoption of risk mitigation, i.e. the option not to recognise changes in CSM to account for some or all of the changes in the time effect of money and non-financial risk;
- OCI Option: for insurance contracts with direct participation features for which the underlying elements are owned, the Group opts to disaggregate the financial income or expenses between profit for the period and Other Comprehensive Income, based on the results of IFRS 9, which defines the valuation of the underlying elements. The Poste Vita Group also provides that, for contracts measured using the VFA model, the fair value income generated by the underlying assets measured under IFRS 9, relating to financial income from separately managed accounts, commissions and technical interest attributable to unit-linked policies, is passed on to policyholders based on the percentage weight of the Mathematical Provisions at the date (mirroring). The value of the returns generated by the assets related to the insurance liabilities is first deducted from the profit retained by the Group (over-coverage) and then allocated to the individual Units of Account;
- Exception of the use of annual cohorts[14]: the Poste Vita Group adopts the exemption option[15] limited to the portfolios pertaining to the Line of Business "With Profit Participation" and the hybrid products with separately managed accounts of Poste Vita. These contracts will therefore not be divided into annual cohorts, but will be managed together due to the mutualisation effect of returns[16], typical of separately managed accounts. The exception is not applicable for Non-Life business;
- *Method of presentation of the result of outward reinsurance business*: the Group chooses a net presentation for the reinsurance result.

Insurance liabilities

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

Input data, assumptions and estimate techniques used

For contracts measured with the VFA model, the estimate of future flows related to the Liability for Remaining Coverage is made considering the following inputs:
- Non-financial assumptions, such as mortality, lapses, conversions, expenses, etc. Expense assumptions, consistent with the principle, are parametrised taking into account only attributable costs;
- Financial assumptions, such as returns on assets backing insurance liabilities, asset allocation, etc.;
- Stochastic economic scenarios[17] differentiated by Separately Managed Account and by type of business.

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

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

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

Projected cash flows include claims paid, reimbursements for early extinguishment of contracts, acquisition commissions, other directly attributable administrative expenses, other directly attributable acquisition expenses, premiums written and recoveries.

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

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

- Cash flows of undiscounted Best Estimate Liabilities (UBEL[18]), which are the best estimate of cash outflows for both reported claims and late claims;
- Discount effect, calculated by discounting the cash flows referred to in the previous point using the defined discount curve;
- Adjustment for non-financial risks, estimated using the methodology defined by the Group.

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

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

Investment component

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

For contracts with discretionary participation features and annuities in the accumulation phase, the expected investment component is equal to the lapse value net of penalties, whereby the estimate in future fulfilment flows is obtained as the difference between the estimated payout amount and the countervalue calculated on the basis of the lapse value net of penalties. For annuities that are certain to be paid out, the value of the investment component is not an estimate since it corresponds to the value of the benefits to be paid out, while for annuities that are certain to be paid out and pure risk products, there is no investment component.

Method for determining the discount rate used

Below are details, by individual portfolio, of the discount curves used by the Poste Vita Group in determining its insurance liabilities and the adjustments made to the reference Basic Risk-Free Curve to take into account the counterparty's level of liquidity (Illiquidity Premiums):

- in relation to the Separately managed account participating business and the Unit Linked portfolio connected to Separately managed accounts (Multi-class products), the Illiquidity Premium is calibrated on the basis of the composition of the reference portfolio (e.g. Separately managed accounts or Company) using approaches and metrics borrowed from the Solvency II approach;
- in relation to the non-participating Life business and for the Unit Linked portfolio not connected to Separately managed accounts, Illiquidity Premium values are used which are consistent with the Volatility Adjustment value provided by EIOPA, in line with Solvency II. This approach is replicated in Net Insurance Life's pure risk life business;
- the Basic Risk Free curve with Volatility Adjustment is adopted for the Non-Life business of the companies Poste Assicura and Net Insurance.

18. *Undiscounted Best Estimate Liabilities*.

In operational terms, the Poste Vita Group has defined the curves at the date of initial recognition of the contract, in particular:

- for the Life business related to contracts issued by Poste Vita, the initial recognition curve of contracts is set equal to the Based Risk-Free curve with illiquidity premium related to the previous quarter;
- for the Non-Life business related to contracts issued by Poste Vita, the initial recognition curve of contracts is set equal to the Based Risk-Free curve for the previous year with illiquidity premium equal to the Volatility Adjustment provided by EIOPA;
- for the Non-Life business, relating to contracts issued by Net Insurance, and for the Life business, relating to contracts issued by Net Insurance Life, the initial recognition curve of contracts is the Based Risk-Free with Volatility Adjustment relative to the previous year (31/12/t-1)[19].

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

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

Method for determining the Adjustment for non-financial risk

The Poste Vita Group adopts the percentile approach, with a 70% confidence level for both Life and Non-Life business. The amount of the adjustment for non-financial risk is determined by considering the scope of technical risks to which group companies are exposed, using risk module ratings (SCRs) borrowed from the Solvency II framework. In particular, the adjustment for non-financial risk for the groups of contracts belonging to the Life business is estimated using the typical Life business risk and underwriting risk exposures net of the loss-absorbing capacity of technical provisions (LAC TP) and gross of reinsurance, as this is not significant. Operational risk and counterparty default risk are also excluded from the analyses.

For insurance contracts belonging to the Non-Life business, exposures to pricing risk, reserving risk, catastrophe risk, and the risk of early exits typical of the type of business are considered. In the Non-Life business, the adjustment for non-financial risk component is determined, unlike in the Life business, also for the liability for incurred claims and the assets deriving from outward reinsurance.

Methods for determining the CSM coverage unit

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

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

In the context of the CSM release pattern of the Non-Life business, for contracts valued with the BBA Model, the Group has decided to use, for the business characterised by constant insured capital, a release driver based on earned premiums gross of commissions (also considering the effect of any premium refunds and related commission reversals); with the exception of the Non-Life business characterised by decreasing insured capital (Cessione del Quinto - CQ (salary-backed loan) of Net Insurance), the use of a method based on insured sums was defined as for the Life business.

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

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

19. It is specified, for the companies Net Insurance SpA and Net Insurance Life SpA, having entered the Poste Italiane Group scope on 1 April 2023, that the date of 31 March 2023 was used as the initial recognition curve.

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

Interactions with IFRS 9

The Poste Vita Group, and thus also the two insurance companies Poste Vita and Poste Assicura, have been applying IFRS 9 since 1 January 2018. Following the adoption of IFRS 17, there were no changes to the classification and measurement rules for financial assets. It should be noted that the companies Net Insurance and Net Insurance Life were acquired in April 2023 and, therefore, after the transition date of 1 January 2022.

Business combination effects - Net Insurance

The acquisition of the companies Net Insurance and Net Insurance Life is accounted for in the Poste Vita Group's consolidated financial statements in accordance with IFRS 3 - *Business Combinations*.

According to the provisions of this standard, the combination must be accounted for by applying the purchase method, which provides for the process of allocation of the cost of acquisition (Purchase Price Allocation - PPA).

In April 2023, the aforementioned acquisition transaction was finalised, which was accounted for in the consolidated financial statements of the Poste Vita Group in accordance with IFRS 3 - Business Combinations.

According to the provisions of this standard, the combination was accounted for by applying the purchase method, which provides for the process of allocation of the cost of acquisition (Purchase Price Allocation - PPA). In particular, the Poste Vita Group, in order to integrate the balances subject to acquisition, made an initial estimate of the fair value of the Assets for outward reinsurance and insurance liabilities at 1 April 2023, assumed to be the date of acquisition of control pursuant to IFRS 3, based on the Fair Value Approach on the entire portfolio.

For the purpose of defining fair value, the premium reserve net of commissions at 1 April 2023 was considered for the Non-Life business issued, while the reinsurance business was considered to be the gross ceded premium reserve, adjusted for the future contribution of reinsurance commissions already collected at the acquisition date.

By contrast, for contracts relating to Life business issued, the Mathematical and Expense Provisions were taken into account net of commissions at 1 April 2023, while for the Reinsurance business, the Mathematical and Ceded Expense Provisions were taken into account, adjusted for the future contribution of reinsurance commissions already collected at the acquisition date.

For the purposes of the consolidated financial statements at 31 December 2023, an adjustment was made to the fair value of the net assets acquired, comprising:
- increase in intangible assets related to brand enhancement;
- increase in property, plant and equipment related mainly to the property owned;
- reduction of insurance liabilities for cash flows related to amounts repayable by the distributing banks;
- deferred taxation effects related to the above adjustments.

For other intangible assets already recognised in the opening financial statements of the acquired companies, as well as for all other assets and liabilities included in the opening financial statements of Net Insurance, the net carrying amount already represents a proxy for fair value.

The residual difference between the consideration transferred and the fair value of the net assets acquired by the Group, adjusted as a result of the PPA process, was allocated to Goodwill.

The results outlined above are still considered provisional at 31 December 2023, as Poste Vita availed itself of the option provided for in paragraphs 45 et seq. of IFRS 3 to complete the measurement of the business combination within 12 months from the date of acquisition.

For details on this process, please refer to what is explained in the section on “Extraordinary transactions”.

Impacts of first-time adoption of IFRS 17

The Poste Vita Group has chosen to apply IFRS 17 from its effective date of 1 January 2023, without early application. As required by the new standard, the transition date to IFRS 17 has been set at 1 January 2022. On that date, the Group defined the following transition methods for the insurance companies Poste Vita and Poste Assicura:

- for the Life business, the Modified Retrospective Approach was adopted for the investment portfolio and the Fair Value approach for the pure risk portfolio;
- for the Non-Life business, on the other hand, the Fair Value Approach was adopted.

It should be noted that the companies Net Insurance and Net Insurance Life were acquired in 2023 and, therefore, after the transition date of 1 January 2022.

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

In the application of the Modified Retrospective Approach, as required by the standard, Poste Vita adopted simplifications with respect to the Full Retrospective Approach, mainly related to the profit on contracts net of the adjustment for non-financial risk. In applying this approach, a historical depth of contracts of about 10 years was also considered, including policies issued since 2012 and still outstanding at the transition date. This simplification was adopted because the portfolio thus constructed is a good approximation of the overall portfolio, as positions issued prior to 2012 have a percentage weight that is considered residual. In the application of the Fair Value Approach (FVA), the value of the CSM of the Non-Life business was determined as the premium reserve net of the acquisition commissions, while for the Life business, used for the groups of contracts measured through BBA, the value of the insurance liability was determined as future fulfilment flows net of the Adjustment for non-financial risk.

The following is the quantitative impact on 1 January 2022, resulting from the application of the aforementioned accounting standard, where it can be seen that equity decreases by a total of € 659.9 million (net of the tax effect), mainly due to the increase in the technical provisions of the direct business calculated with the application of IFRS 17 compared to the values previously determined with IFRS 4.

The following tables show the effects of the transition to IFRS 17 at 1 January 2022 recognised by individual item in the financial statements.

ASSETS €m	31.12.2021 IFRS 4	IFRS 17 TRANSITION EFFECTS	01.01.2022 IFRS 17
Financial investments	**158,695.8**		**158,695.8**
Cash and cash equivalents	**4,584.1**		**4,584.1**
Insurance assets	**50.4**	**(2.3)**	**48.1**
Tangible and intangible assets	**21.0**		**21.0**
Receivables and other assets	**3,029.6**	**202.8**	**3,232.4**
of which deferred taxes	466.7	293.9	760.5
of which commissions to be amortised	42.2	(42.2)	0.0
of which receivables from policyholders	48.9	(48.9)	0.0
Total Assets	**166,380.9**	**200.5**	**166,581.4**
LIABILITIES AND EQUITY			
Equity	**5,935.8**	**(659.9)**	**5,276.0**
of which FTA		(736.7)	(736.7)
Insurance Liabilities	**159,089.9**	**860.4**	**159,950.3**
Provision for risks	**19.3**		**19.3**
Payables and other liabilities	**1,335.8**		**1,335.8**
Total Liabilities	**166,380.9**	**200.5**	**166,581.4**

The value of Assets increased by € 200.5 million; this effect is attributable to:

- derecognition of the balance of technical provisions attributable to reinsurers in the amount of € 50.4 million (only to be recognised under IFRS 4);
- recognition of Assets for outward reinsurance of € 48.1 million, which represents the valuation at 1 January 2022 of the Poste Vita Group's exposures related to reinsurance contracts assumed;
- recognition of deferred tax assets determined on the First Time Adoption reserve of IFRS 17 related to the accounting of Liabilities under insurance contracts of € 293.9 million;
- reversal of amortisation commissions under IFRS 4 (not required for IFRS 17 presentation purposes) in the amount of € 42.2 million;
- reclassification of due from policyholders in the amount of € 48.9 million, which are removed from receivables and other assets to be considered under Liabilities under insurance contracts, specifically under Liabilities for residual coverage, which is reported under Liabilities.

The value of Liabilities and Equity also increased by € 200.5 million, as the combined result of a € 659.9 million decrease in Equity and a € 909.2 million increase in Insurance Liabilities (equal to € 860.4 million net of policyholder receivables reclassified to LRC), in particular as a result of the derecognition of the carrying amount of Insurance Technical Provisions recognised in accordance with IFRS 4 and the consequent recognition of the carrying amount of Insurance Contract Liabilities, measured in accordance with IFRS 17.

The following is a reconciliation of equity between 31 December 2021, accounted for under IFRS 4, and 1 January 2022, which incorporates the effects of the changes in the new accounting standard:

Equity (€m)	31.12.2021 IFRS 4	Effects of First-Time Adoption of IFRS 17	FTA Fiscal Effect	Mirroring	01.01.2022 IFRS 17
Share capital	**1,216.6**				**1,216.6**
Other equity instruments	**300.0**				**300.0**
Revenue reserves and other equity reserves	**3,535.2**	**(736.7)**			**2,798.5**
Legal reserve	242.6				242.6
Extraordinary reserve	0.6				0.6
Organisation fund	2.6				2.6
Consolidation reserve	0.4				0.4
of which retained earnings for previous years	3,288.9				3,288.9
of which FTA Reserve		(736.7)			(736.7)
Valuation reserves	**58.1**			**76.8**	**134.9**
of which FVOCI Reserve	58.1				58.1
of which Mirroring				76.8	76.8
Other gains/losses recognised directly through equity	**(0.2)**				**(0.2)**
Profit/(loss) for the year	**826.1**				**826.1**
Total	**5,935.8**	**(736.7)**	**0.0**	**76.8**	**5,276.0**

Application of the new accounting standard to the Poste Vita Group's equity has resulted in a reduction in equity of € 736.7 million (net of tax effects), partially offset by € 76.8 million related to the mirroring effect, i.e., recognition in the statement of comprehensive income, in the new item "*Reserves for insurance contracts issued and outwards reinsurance*", of the change in the fair value of financial instruments measured at FVTOCI linked to the separately managed accounts following the adoption of the OCI option exercised by the Poste Vita Group. The final net effect was a reduction of € 659.9 million in equity.

In addition, it is specified that the measurement of contract groups according to the methodology applied by the Poste Vita Group results in a Contractual Service Margin of € 9,275 million at 1 January 2022, which will be released in subsequent years. As required by the new accounting standard, the expected profit on contracts (CSM) will be suspended within insurance liabilities and released over the life of the contracts, resulting in an increase in the value of insurance liabilities in the transition from IFRS 4 to the new IFRS 17. The following table provides the value of liabilities under insurance contracts issued at the transition date of the Poste Vita Group:

LIABILITIES UNDER INSURANCE CONTRACTS (€m)	Balance at 1 January 2022
Liability for remaining coverage (LRC)	**158,988**
LRC Premium Allocation Approach (PAA)	45
PVFCF - Present Value of future cash flow	148,336
Risk Adjustment	1,324
Loss Component	8
Contractual Service Margin (CSM)	9,275
Liability for incurred claims (LIC)	**962**
Cash Flow related to past services	952
Risk Adjustment	10
TOTAL	**159,950**

For a better understanding of the dynamics of the new standard, a comparison of the opening IFRS17 statement of financial position balances at 1 January 2022 compared with those at 31 December 2022, appropriately adjusted, is shown below.

ASSETS (€m)	1/1/2022 IFRS 17	2022 IFRS 17	DELTA
INTANGIBLE ASSETS	**18**	**-**	**(18)**
TANGIBLE ASSETS	**3**	**11**	**8**
INSURANCE ASSETS	**48**	**44**	**(4)**
INVESTMENTS	**158,696**	**142,460**	**(16,236)**
OTHER FINANCIAL ASSETS	**121**	**101**	**(20)**
OTHER ASSETS	**3,111**	**3,425**	**314**
CASH AND CASH EQUIVALENTS	**4,584**	**2,730**	**(1,854)**
TOTAL ASSETS	**166,581**	**148,771**	**(17,810)**
LIABILITIES AND EQUITY			
EQUITY	**5,276**	**5,987**	**711**
PROVISIONS FOR RISKS AND CHARGES	**19**	**21**	**1**
INSURANCE LIABILITIES	**159,951**	**140,980**	**(18,970)**
Liability for remaining coverage (LRC)	*158,988*	*139,948*	*(19,039)*
PVFCF - Present Value of future cash flow	*148,381*	*122,458*	*(25,923)*
Risk Adjustment	*1,324*	*6,049*	*4,725*
Loss Component	*8*	*25*	*17*
Contractual Service Margin (CSM)	*9,275*	*11,416*	*2,141*
Liability for incurred claims (LIC)	*963*	*1,032*	*69*
Cash Flow related to past services	*952*	*1,016*	*64*
Risk Adjustment	*11*	*17*	*6*
FINANCIAL LIABILITIES	**255**	**264**	**9**
PAYABLES	**369**	**560**	**191**
OTHER LIABILITIES	**711**	**959**	**248**
TOTAL EQUITY AND LIABILITIES	**166,581**	**148,771**	**(17,810)**

Liabilities under insurance contracts amounted to € 140,980 million at 31 December 2022 and decreased by approximately € 18,970 million compared to the balance at 1 January 2022. This change is mainly attributable to the decrease in the present value of future cash flows as a result of the negative financial market dynamics experienced in 2022 compared to the transition date. The Adjustment for non-financial risk, on the other hand, increased by € 4,731 million as a result of the updated calculation assumptions used. These dynamics led to a positive effect on the Contractual Services Margin, which, together with the effect of new production and experience variance, resulted in an increase of € 2,141 million. Equity at 31 December 2022, modified following the application of IFRS 17, decreased by approximately € 807 million.

Below is a comparison of the summary movement in OCI, net of tax effect, prepared in application of IFRS 4 and that resulting from the application of the new IFRS 17 standard, with reference to the financial year 2022:

STATEMENT OF COMPREHENSIVE INCOME 31 December 2022 (€m)	IFRS17	IFRS4	Change
Profit/(loss) for the year	**1,064**	**977**	**87**
Other comprehensive income after tax not to be reclassified to profit or loss	**0.2**	**0.2**	**(0.0)**
Actuarial gains/(losses) and adjustments to defined benefit plans	0.2	0.2	(0.0)
Other comprehensive income after tax to be reclassified to profit or loss	**(478)**	**(243)**	**(234)**
Gains or losses on financial assets (other than equity instruments) measured at fair value through other comprehensive income	(16,222)	(243)	(15,978)
Financial revenue or costs relating to insurance contracts issued	15,745	0	15,745
Financial revenue or costs related to outward reinsurance	(1)	0	(1)
TOTAL OTHER COMPREHENSIVE INCOME	**(477)**	**(243)**	**(234)**
TOTAL CONSOLIDATED COMPREHENSIVE INCOME	**587**	**734**	**(147)**

As is known, the financial year 2022 was characterised by a negative trend in the financial markets, which affected the result of the Statement of comprehensive income already at 31 December 2022. In the restated situation, the negative effect remains but is presented differently, as the new standard does not provide for the application of the shadow accounting technique.

In fact, the unrealised capital losses generated by the securities portfolio, amounting to € -16,222 million, are shown, gross of the reversal to policyholders, as the mirroring component of the financial result is accounted for in the statement of comprehensive income under the item "financial revenue or costs relating to insurance contracts issued", consistent with the requirements of the new standard and the amendments to IAS 1. Although the change in the fair value of the securities portfolio remains unchanged in the application of IFRS 17, what does change is the presentation of the "over-coverage", i.e. the component of the financial result related to insurance liabilities that is not passed on to policyholders.

Accounting standards, amendments and improvements applicable as of 1 January 2024

IFRS 16 - Leases: Lease Liability in a Sale and Leaseback. The purpose of the amendment is to specify how the selling lessee is to measure the lease liability arising from a sale and leaseback transaction in such a way that it does not recognise income or loss in respect of the retained right of use.

Part B – Scope of consolidation

The Poste Vita Group's financial statements for the year ended 31 December 2023 has been prepared in compliance with IVASS Regulation no. 7 of 13 July 2007, as amended, as described in part A of this document.

The scope of consolidation includes:

1. Poste Assicura SpA ("Poste Assicura") an insurance company founded in 2010 to provide non-life insurance, excluding motor insurance, wholly-owned by the Parent Company Poste Vita;
2. Poste Insurance Broker Srl ("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 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. 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.

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.

It should also be noted that Cronos Vita Assicurazioni ("Cronos") was incorporated on 3 August 2023 by Poste Vita, Allianz SpA, Intesa Sanpaolo Vita SpA, Generali Italia SpA and UnipolSai Assicurazioni SpA; the company's share capital amounts to € 220,000 thousand, of which Poste Vita has subscribed and paid up a total of € 49,500 thousand, 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, as illustrated above.

Finally, Poste Assicura SpA, as non-controlling investor, holds 5% of the share capital of Consorzio Logistica Pacchi Scpa; the latter exercises primarily sorting, tracking and delivery activities relating to the Parcel service for Poste Italiane SpA. This investment is measured at cost.

Name	Country	Assets	Type of ownership	% Direct/indirect ownership	Consolidation Method
Poste Assicura SpA	Italy	Insurance	Subsidiary	100	Line-by-line
Poste Insurance Broker Srl	Italy	Insurance brokerage	Indirect subsidiary	100	Line-by-line
Europa Gestioni Immobiliare SpA	Italy	Real Estate Management	Associate	45	Equity Method
Eurizon Capital Real Asset SGR	Italy	Investment Management	Associate	20	Equity Method
Consorzio Logistica Pacchi Scpa	Italy	Logistics/Shipping	Associate	5	Cost
Cronos Vita Assicurazioni SpA	Italy	Insurance	Associate	22.5	IFRS 5 measurement
Net Holding SpA	Italy	Investment Purchase/ Management	Subsidiary	60	Line-by-line
Net Insurance SpA	Italy	Insurance	Subsidiary	58.7	Line-by-line
Net Insurance Life SpA	Italy	Insurance	Subsidiary	58.7	Line-by-line

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

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

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

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

Pursuant to IAS 28, an associate is an entity in which the investor has significant influence, but which is neither a subsidiary nor an entity under joint control. Significant influence is present if the Parent Company holds at least 20% of voting rights in the Shareholders' Meeting, either directly or indirectly. A discussion of this equity investment can be found in the section "Consolidation techniques".

Part C - Information on the Consolidated Statement of Financial Position

Assets

1. Intangible assets

Intangible assets amounted to € 144,915 thousand at the end of 2023 (not valued at the end of 2022).

The following schedule provides a breakdown:

Intangible assets (€k)	31.12.23	31.12.22	Change	
Goodwill	123,821		123,821	n/s
Trademarks, concessions and licences	19,645		19,645	n/s
Assets under construction	562			n/s
Development costs	887		887	n/s
Gross amount	**21,094**	**-**	**21,094**	**n/s**

(€k)	31.12.22	31.12.21	Change	
Gross amount	153,607		153,607	n/s
Accumulated amortisation	(8,692)		(8,692)	n/s
Carrying amount	**144,915**	**-**	**144,915**	**n/s**

The changes recorded during the period are shown below:

(€k)	31.12.22	Business Combination	Increases	Decreases	31.12.23
Trademarks, concessions and licences		21,583	5,615		27,198
- Accumulated amortisation		*(4,928)*	*(2,625)*		*(7,553)*
Goodwill		123,821			123,821
Development costs		*1,042*	*220*		*1,262*
- Accumulated amortisation		*(123)*	*(252)*		*(375)*
Assets under construction		1,885		(559)	1,326
- Write-downs / Impairment				*(764)*	*(764)*
Total	**-**	**143,280**	**2,958**	**(1,323)**	**144,915**

The item refers for € 123,821 thousand to goodwill arising from the residual difference between the consideration transferred (€ 180,791 thousand) and the fair value of the net assets acquired of Net Insurance by the Parent Company Poste Vita (€ 56,970 thousand) and for the remaining portion of € 21,094 thousand refers to: ii) € 19,645 thousand to trademarks, concessions and licences of the subsidiaries Net Insurance and Net Insurance Life. The remainder, amounting to € 1,449 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.

Goodwill allocation

As previously reported, Net Holding acquired a controlling interest of 97.8% in Net Insurance during the year. 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. Below are the carrying amounts of the assets acquired and liabilities assumed at the date of acquisition of Net Insurance and its subsidiary.

(€m)	Carrying amount (A)	Fair Value Adjustments (B)	Fair Value (A) + (B)
Net assets acquired			
Intangible assets	9.1	10.8	19.9
Tangible assets	14.9	1.4	16.3
Investments	231.3		231.3
Cash and cash equivalents	13.1		13.1
Insurance assets	157.8		157.8
Other assets	53.7		53.7
Insurance liabilities	(386.4)	3.4	(383.0)
Financial liabilities	(10.2)		(10.2)
Other liabilities	(35.9)	(4.8)	(40.7)
Total net assets acquired	**47.4**	**10.8**	**58.2**
Equity attributable to non-controlling interests			1.3
Net assets acquired by the Group			**56.9**
Goodwill			**123.8**
Total fee			**180.8**

The Group engaged an independent expert to support the Purchase Price Allocation ("PPA") process, aimed at (i) allocating the Price Consideration to the Fair Value of the net assets of the acquired entity (regardless of whether or not they are already recognised in the financial statements) and (ii) deriving the goodwill value as the difference between the purchase price and the fair value of the net assets acquired (expressed net of deferred tax liabilities).

From the valuation activities performed to date, an adjustment to the fair value of the net assets acquired was recognised for a total of € 10,780 thousand, of which:

- increase in intangible assets of € 10,780 thousand related to brand enhancement;
- increase in property, plant and equipment for € 1,363 thousand mainly related to the property owned;
- reduction of insurance liabilities by € 3,420 thousand for cash flows related to amounts repayable by the distributing banks;
- deferred tax effects related to the above adjustments in the amount of € 4,797 thousand.

For other intangible assets already recognised in the opening financial statements of the acquired companies, as well as for all other assets and liabilities included in the opening financial statements of Net Insurance, the net carrying amount already represents a proxy for fair value.

The residual difference between the consideration transferred (€ 180,791 thousand) and the fair value of the net assets acquired by the Group adjusted as a result of the PPA process (€ 56,970 thousand) was allocated to Goodwill in the amount of € 123,821 thousand.

The results outlined above are still considered provisional at 31 December 2023, as Poste Vita availed itself of the option provided for in paragraphs 45 et seq. of IFRS 3 to complete the measurement of the business combination within twelve months from the date of acquisition.

Impairment test on goodwill, cash-generating units

In performing the impairment test on the Net Insurance group, to which the intangible assets with an indefinite useful life as shown above were allocated, a CGU was identified that included the company Net Insurance and the subsidiary Net Insurance Life as the cash-generating unit. A Discount Dividend Model (DDM) method was used to estimate the value in use of the CGU; reference was made to the 2024 -2028 Strategic Plan approved by the Board of Directors of the respective companies, assuming a discount rate (Ke) of 9.31% and a growth rate of 2%. Based on the results of the test performed at 31 December 2023, there was no need for impairment losses. sensitivity analyses performed on the impairment test lead to a substantial alignment between the recoverable amount and the net assets of the CGU with a discount rate of 12.6%.

2. Tangible assets

Tangible assets totalled € 26,526 thousand at the end of 2023 (€ 11,153 thousand at the end of 2022). The breakdown of the item is shown below:

Assets/Values (€k)	Assets for own use			
	At cost		At restated value	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Owned assets	**16,293**	**223**	**-**	**-**
a) land	8,193		-	-
b) buildings	7,707		-	-
c) office furniture and machines	377	223	-	-
d) plant and equipment	16	0	-	-
e) other assets	0		-	-
Rights of use acquired through leases	**10,234**	**10,930**	**-**	**-**
a) land			-	-
b) buildings	9,346	10,281	-	-
c) office furniture and machines			-	-
d) plant and equipment	161		-	-
e) other assets	727	650	-	-
Total	**26,526**	**11,153**	**-**	**-**

Tangible assets mainly refers for: i) € 10,234 thousand to the right of use of assets subject to contracts falling within the scope of application of IFRS 16 and referring mainly to the property owned by the Ultimate Parent Poste Italiane leased by the Parent Company Poste Vita and the subsidiary Poste Assicura; ii) € 7,707 thousand (of which € 1,136 thousand arising from the higher value allocated as a result of the aforementioned PPA) to the property held since 2015 and headquarters of the subsidiaries Net Insurance and Net Insurance Life; and iii) € 8,193 thousand (of which € 209 thousand arising from the higher value allocated as a result of the PPA) to the land owned by the subsidiaries Net Insurance and Net Insurance Life. The table below shows the changes in the item, which reflects the recognition of the property and land in the current period, following the acquisition of Net Insurance and Net Insurance Life finalised in April 2023.

Other tangible assets (€k)	31.12.22	Business Combinations	Increases	Decreases	31.12.23
Land	-	8,193	-	-	8,193
Buildings	-	10,414	197	(18)	10,593
- Accumulated depreciation	-	(2,607)	(279)	-	(2,886)
Electronic machines and furniture and furnishings	531	780	94	-	1,405
- Accumulated depreciation	(308)	(533)	(186)	-	(1,027)
Telephone system	682	143	-	-	825
- Accumulated depreciation	(682)	(122)	(5)	-	(809)
Right of use - Properties not used in operations and guest quarters IFRS 16	22,219	111	-	(1,195)	21,135
- Accumulated depreciation	(11,739)	-	(54)	167	(11,626)
Right of use - Vehicles for mixed use IFRS 16	1,066	129	283	-	1,478
- Accumulated depreciation	-616	-	(298)	-	(914)
Right of use - Plant and equipment IFRS 16	-	196	-	-	196
- Accumulated depreciation	-	-	(35)	-	(35)
Total	**11,153**	**16,704**	**(283)**	**(1,047)**	**26,526**

3. Insurance assets

The item totalled € 232,854 thousand at the end of 2023, an increase of € 189,124 thousand compared to 31 December 2022 (€ 43,730 thousand).

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

Description (€k)	Balance at 31.12.2023			Balance at 31.12.2022			Delta		
	GMM	PAA	Total	GMM-VFA	PAA	Total	GMM-VFA	PAA	Total
Life business									
Asset for remaining coverage	133,087		133,087	21,278		21,278	111,809	-	111,809
Asset for incurred claims	9,069		9,069	8,075		8,075	994	-	994
Total Life business	**142,156**	**-**	**142,156**	**29,353**	**-**	**29,353**	**112,803**	**-**	**112,803**
Non-Life business									
Asset for remaining coverage	36,410	7,920	44,329	268	253	521	36,142	7,667	43,808
Asset for incurred claims	13,999	32,370	46,369	3,295	10,561	13,856	10,704	21,809	32,513
Total Non-Life business	**50,408**	**40,290**	**90,699**	**3,563**	**10,815**	**14,378**	**46,845**	**29,476**	**76,321**
Overall total	**192,564**	**40,290**	**232,854**	**32,916**	**10,815**	**43,730**	**159,648**	**29,476**	**189,124**

This item relates to assets for outward reinsurance by Poste Vita Group companies. The increase in assets of € 189,124 thousand during the year was mainly due to the acquisition of Net Insurance and Net Insurance Life.

The following table presents a reconciliation of business by residual cover and incurred claims relating to outward reinsurance measured using the GMM method and distinguished between Life and Non-Life business:

CHANGE IN ASSETS FOR OUTWARD REINSURANCE SEPARATED BETWEEN LIC AND LRC_GMM

	Life business				Non-Life business				Total
	Asset for remaining coverage		Asset for incurred claims	Total Life business	Asset for remaining coverage		Asset for incurred claims	Total Non-Life business	
Description (€k)	**Excluding the loss recovery component**	**Loss recovery component**			**Excluding the loss recovery component**	**Loss recovery component**			
Assets for outward reinsurance	21,278	-	8,075	29,353	268	-	3,295	3,563	32,916
Liabilities for outward reinsurance	-	-	-	-	-	-	-	-	-
Net carrying amount at the beginning of the period	**21,278**	**-**	**8,075**	**29,353**	**268**	**-**	**3,295**	**3,563**	**32,916**
Reinsurance premiums paid	-15,466	-	-	-15,466	-30,659	-	-	-30,659	-46,125
Amounts recovered from reinsurers					-	-	-	-	-
Claims and other recovered costs	-1,451	-	12,690	11,238	-	-	29,895	29,895	41,133
Change in the asset for incurred claims	-	-	-842	-842	-	-	-1,655	-1,655	-2,497
Losses and loss recovery on onerous contracts	-	-	-	-	-	315	-	315	315
Effects of changes in reinsurers' default risk	30	-	-	30	17	-	-4	13	43
Result of insurance services	**-16,887**	**-**	**11,848**	**-5,039**	**-30,642**	**315**	**28,236**	**-2,091**	**-7,130**
Net financial revenue/costs	4,088	-	-	4,088	3,255	-	344	3,599	7,688
Investment components and premium refunds	-	-	-	-	-	-	-	-	-
Total changes recognised through profit or loss and OCI	**-12,799**	**-**	**11,848**	**-951**	**-27,387**	**315**	**28,580**	**1,508**	**558**
Cash flows									
Premiums paid net of amounts not related to claims recovered from reinsurers	32,708	-	-	32,708	13,188	-	-	13,188	45,897
Amount of claims recovered by reinsurers	2,049	-	-13,793	-11,743	-	-	-32,912	-32,912	-44,655
Other changes	89,850	-	2,938	92,789	50,025	-	15,035	65,060	157,849
Net carrying amount at 31 December	**133,087**	**-**	**9,069**	**142,156**	**36,094**	**315**	**13,999**	**50,408**	**192,564**
Assets for outward reinsurance	133,087	-	9,069	142,156	36,094	315	13,999	50,408	192,564
Liabilities for outward reinsurance	-	-	-	-	-	-	-	-	-

In addition, with respect to outward reinsurance business measured using the GMM method, the following is a reconciliation broken down by Life and Non-Life business and by underlying elements of measurement: (i) present value of cash flows; (ii) adjustment for non-financial risks; and (iii) contractual service margin.

ASSETS/(LIABILITIES) FOR OUTWARD REINSURANCE BROKEN DOWN BY ITEMS UNDERLYING THE MEASUREMENT_GMM

	Life business				Life business				Total
Description (€k)	**Present value of cash flows**	**Adjustment for non-financial risk**	**Contractual Service Margin**	**Total Life business**	**Present value of cash flows**	**Adjustment for non-financial risk**	**Contractual Service Margin**	**Total Non-Life business**	
Assets for outward reinsurance	29,353	-	-	29,353	2,810	94	659	3,563	32,916
Liabilities for outward reinsurance	-	-	-	-	-	-	-	-	-
Net carrying amount at 1 January	**29,353**	**-**	**-**	**29,353**	**2,810**	**94**	**659**	**3,563**	**32,916**
Changes in current services									-
Contractual service margin recognised in the statement of profit or loss	-	-	1,005	1,005	-	-	-7,216	-7,216	-6,211
Change for overdue non-financial risks	-	-1,020	-	-1,020	-	-3,276	-	-3,276	-4,296
Adjustments based on past experience	-5,722	-	1,509	-4,213	7,449	-	2,279	9,728	5,515
Changes in future services					-	-	-	-	-
Changes in estimates that alter the contractual service margin	3,849	81	-3,929	-	-1,394	-2,368	3,762	-	-
Effects of contracts initially recognised in the reference period	-6,731	2,116	4,615	-	-11,783	4,053	7,730	-	-
Adjustment of CSM related to recoveries on initial recognition of onerous underlying insurance contracts	-	-	-	-	-	-	208	208	208
Release of loss recovery component other than changes in cash flows of outward reinsurance contracts	-	-	-	-	-	-	-	-	-
Change in cash flows of outward reinsurance from onerous underlying insurance contracts	-	-	-	-	-	-	108	108	108
Changes in past services					-	-	-	-	-
Adjustments to the asset for incurred claims	-842	-	-	-842	-1,486	-169	-	-1,655	-2,497
Effect of changes in reinsurers' default risk	30	-	-	30	13	-	-	13	43
Result of insurance services	**-9,417**	**1,178**	**3,200**	**-5,039**	**-7,201**	**-1,760**	**6,870**	**-2,091**	**-7,130**
Net financial revenue/costs	4,118	-	-29	4,088	3,001	-	599	3,599	7,688
Total changes through profit or loss and OCI	**-5,299**	**1,178**	**3,171**	**-951**	**-4,200**	**-1,760**	**7,469**	**1,508**	**558**
Cash flows									
Premiums paid net of amounts not related to claims recovered from reinsurers	32,708	-	-	32,708	13,188	-	-	13,188	45,897
Amounts recovered from reinsurers	-11,743	-	-	-11,743	-32,912	-	-	-32,912	
Other changes	93,772	4,706	-5,689	92,789	42,462	8,684	13,914	65,060	157,849
Net carrying amount at 31 December	**138,791**	**5,884**	**-2,519**	**142,156**	**21,349**	**7,018**	**22,041**	**50,408**	**192,564**
Assets for outward reinsurance	138,791	5,884	-2,519	142,156	21,349	7,018	22,041	50,408	192,564
Liabilities for outward reinsurance									

In contrast, the following table shows the reconciliation of the asset by remaining coverage and incurred claims relating to outward reinsurance measured using the PAA method, which relate exclusively to Non-Life business:

ASSETS FOR OUTWARD REINSURANCE SEPARATED BETWEEN LIC AND LRC_PAA

Description (€k)	Asset for remaining coverage		Asset for incurred claims		Total
	Excluding the loss recovery component	Loss recovery component	Present value of cash flows	Adjustment for non-financial risk	
Assets for outward reinsurance	253	-	9,776	785	10,815
Liabilities for outward reinsurance					
Net carrying amount at the beginning of the period	**253**	**-**	**9,776**	**785**	**10,815**
Reinsurance premiums paid	-41,262	-	-	-	-41,262
Amounts recovered from reinsurers					
Claims recovery and other insurance expenses	-	-	9,927	-	9,927
Losses and loss recovery on onerous contracts	-	-	20,878	560	21,438
Change in the asset for incurred claims	-	2,024	-	-	2,024
Effects of changes in reinsurers' default risk	-	-	10	-	10
Result of insurance services	**-41,262**	**2,024**	**30,816**	**560**	**-7,862**
Net financial revenue/costs related to outward reinsurance	-	-	361	-	361
Investment components and premium refunds	-	-	-	-	-
Total changes recognised through profit or loss and OCI	**-41,262**	**2,024**	**31,177**	**560**	**-7,501**
Cash flows					
Premiums paid net of amounts not related to claims recovered from reinsurers	46,904	-	-	-	46,904
Amount of claims recovered by reinsurers	-	-	-9,927	-	-9,927
Other changes	-	-	-	-	-
Net carrying amount at 31 December	**5,896**	**2,024**	**31,026**	**1,345**	**40,290**
Assets for outward reinsurance	5,896	2,024	31,026	1,345	40,290
Liabilities for outward reinsurance					

The following table shows outward reinsurance issued and recognised at initial recognition in the reporting period.

OUTWARD REINSURANCE HELD AND INITIALLY RECOGNISED IN THE REFERENCE PERIOD

Description (€k)	Originated contracts		Contracts acquired under business combinations		
	Contracts without loss recovery component	Contracts with loss recovery component	Contracts without loss recovery component	Contracts with loss recovery component	
Life business					Total Life business
Estimate of the present value of future cash outflows	72,091	-	119,294	-	191,385
Estimate of the present value of future cash inflows	78,822	-	25,522	-	104,344
Estimate of the present value of net future cash flows	-6,731	-	93,772	-	87,040
Estimate of the adjustment for non-financial risk	2,116	-	4,706	-	6,822
Contractual Service Margin	4,615	-	-5,689	-	-1,074
Increase in the asset for new outward reinsurance	**-0**	**-**	**92,789**	**-**	**92,789**
Non-Life business					Total Non-Life business
Estimate of the present value of future cash outflows	33,078	402	34,600	-	68,080
Estimate of the present value of future cash inflows	-44,837	-794	7,863	-	-37,768
Estimate of the present value of net future cash flows	-11,759	-392	42,462	-	30,311
Estimate of the adjustment for non-financial risk	4,029	25	8,684	-	12,738
Contractual Service Margin	7,730	575	13,914	-	22,219
Increase in the asset for new outward reinsurance	**-0**	**208**	**65,060**	**-**	**65,268**
Overall total	**-0**	**208**	**157,849**	**-**	**158,057**

4. Investments

At 31 December 2023, financial investments totalled € 156,502,020 thousand (€ 142,460,251 thousand at the end of 2022).

Investments (€k)	**31.12.23**	**31.12.22**	**Change**	
Investments in associates	110,010	111,323	(1,313)	-1%
Financial assets measured at amortised cost	2,370,000	2,387,301	(17,300)	-1%
Financial assets at fair value through other comprehensive income	105,852,070	96,500,899	9,351,171	10%
Financial assets measured at fair value through profit or loss	48,169,940	43,460,728	4,709,212	11%
Total Financial investments	**156,502,020**	**142,460,251**	**14,041,769**	**10%**

4.2 - Investments in subsidiaries, associates and joint ventures

Equity investments of € 110,010 thousand refer to the investment measured using the equity method in the subsidiary EGI, for € 107,910 thousand, and in the company ECRA for € 2,065 thousand (equity investment acquired in 2022), and for the remaining € 37 thousand to the cost of the investment, equal to 5% of the share capital, in the company Consorzio Logistica Pacchi Scpa held by the subsidiary Poste Assicura.

With regard to EGI, the company, which is 45% owned by Poste Vita and 55% owned by Poste Italiane S.p.A, operates mainly in the real estate sector for the management and development of the Parent Company's non-instrumental property assets and recorded a net profit for the period of € 1,096,699 thousand and equity of € 239,800 thousand at 31 December 2023.

With reference to Eurizon Capital Real Asset SGR S.p.A, a company in which the Parent Company Poste Vita holds 20% of the share capital and 12.25% of the voting rights, the Company closed the Period with equity of € 7,603 thousand and a net profit for the period of € 443 thousand.

Lastly, Consorzio Logistica Pacchi, a company in which the subsidiary Poste Assicura holds 5% of the share capital, mainly performs the instrumental activities of distribution, tracking and delivery in relation to the parcel service, which the ultimate parent Poste Italiane SpA is committed to providing, and closes the present period with equity of € 787.9 thousand.

The decrease in the period of € 1,313 thousand is attributable to the dividend distributed by EGI during the period in the amount of € 1,935 thousand, net of the revaluation of the investments in EGI and ECRA to the extent of the share of profits earned in 2023.

For other information on the aforementioned investments, please refer to the annexes to the Notes.

4.3 - Financial assets measured at amortised cost

Financial instruments measured at amortised cost, i.e. securities held in order to obtain cash flows represented solely by the payment of principal and interest, amounted to € 2,370,000 thousand at 31 December 2023, down slightly (-1%) compared to the end of 2022, equal to € 2,387,301 thousand and mainly related to Free Capital.

The item is as follows:

Financial assets measured at amortised cost (€k)	**31.12.23**	**breakdown**	**31.12.22**	**breakdown**	**Change**	
Equity instruments						
Debt securities	2,068,960	87%	2,159,133	90%	(90,172)	-4.2%
of which: government bonds	2,047,000	86%	2,142,376	90%	(95,376)	-4.5%
corporate bonds	21,960	1%	16,757	1%	5,203	31.1%
UCITS units						
Receivables and loans	301,040	13%	228,168	10%	72,872	32%
Total	**2,370,000**	**100%**	**2,387,301**	**100%**	**(17,300)**	**-1%**

Debt securities measured at amortised cost at 31 December 2023 had a carrying amount of € 2,068,960 thousand and mainly related to the free capital of the Parent Company Poste Vita and debt securities held by the subsidiary Poste Assicura. The decrease of € 90,172 thousand compared to 2022 was mainly due to net divestments made during the period.

At 31 December 2023, the fair value of these securities was € 1,880,163 thousand. For the purposes of the fair value hierarchy, which reflects the relevance of the sources used for measurement purposes, the value indicated is Level 1 for € 1,825,631 thousand and Level 2 for € 54,532 thousand.

Debt securities recognised at amortised cost are adjusted to reflect the related impairment, the provision for which amounted to approximately € 933 thousand at 31 December 2023 (€ 910 thousand at 31 December 2022).

Loans and receivables recorded in this category at the end of 2023 of € 301,040 thousand (€ 228,168 thousand at the end of 2022) mainly refer to: i) € 247,277 thousand (€ 194,316 thousand at 31 December 2022) for the balance of the current account with the Ultimate Parent Poste Italiane SpA and ii) receivables for commissions on internal funds of € 41,906 thousand (€ 33,106 thousand at 31 December 2022).

The impairment at 31 December 2023 regarding loans and receivables measured at amortised cost, recognised as a direct adjustment to the carrying amounts of the same, amounted to € 236 thousand (€ 235 thousand at 31 December 2022).

With reference to information not presented in this section, please refer to the annexes to the Notes.

4.4 - Financial assets measured at fair value through other comprehensive income

The item is as follows:

(€k)	31.12.23	breakdown	31.12.22	breakdown	Change	
Equity instruments	4,848	0%				
Debt securities	105,847,222	100%	96,500,899	100%	9,346,323	10%
of which: government bonds	86,664,229	82%	77,726,214	81%	8,938,016	11%
corporate bonds	19,182,993	18%	18,774,685	19%	408,307	2%
UCITS units						
Receivables						
Total	**105,852,070**	**100%**	**96,500,899**	**100%**	**9,351,171**	**10%**

Financial assets measured at FVTOCI amounted to a total of € 105,852,070 thousand at the end of the reporting period, an increase of € 9,351,171 thousand compared to € 96,500,899 thousand at the end of 2022 due to the effect of net investments made and the change in fair value recorded during the period. These investments refer to securities allocated to Poste Vita's Separately Managed Accounts, amounting to € 101,778,506 thousand, to Poste Vita's free capital, amounting to € 2,970,921 thousand, and to € 337,604 thousand relating to securities (specific assets) linked to a new single-premium Class I insurance investment product of Poste Vita placed on the market from November 2023, and the remaining € 765,039 thousand relating to investments held by the subsidiaries Poste Assicura, Net Insurance and Net Insurance Life for € 765.1 million.

These financial instruments recorded a positive change in fair value of € 5,749,045 thousand, of which € 5,619,160 thousand contributed to the revaluation of insurance liabilities.

At 31 December 2023, debt securities referred to securities held by the Parent Company Poste Vita amounting to € 105,087,031 thousand (€ 95,645,666 thousand at 31 December 2022), corresponding to a nominal value of € 113,663,010 thousand (€ 109,593,461 thousand at 31 December 2022), mainly represented by listed instruments issued by European States and leading European companies. This item also includes bonds issued by Cassa Depositi e Prestiti SpA for a fair value of € 120,716 thousand.

The cumulative impairment with respect to debt securities at 31 December 2023 amounted to approximately € 54,764 thousand (€ 48,191 thousand at the end of 2022) almost entirely reflected within insurance liabilities.

In addition, following the consolidation of Net Insurance and Net Insurance Life, the item debt securities increased by approximately € 246,290 thousand, mainly related to listed instruments issued by European States and leading European companies.

For the purposes of the fair value hierarchy, which reflects the relevance of the sources used for measurement purposes, the value indicated is Level 1 for € 103,472,654 thousand, Level 2 for € 2,279,800 thousand and Level 3 for € 99,616 thousand.

With reference to information not presented in this section, please refer to the annexes to the Notes.

4.5 - Financial assets at fair value through profit or loss

At the end of the period, the item totals € 48,169,940 thousand, against € 43,460,728 thousand recorded at the end of the previous year and the breakdown is as follows:

(€k)	31.12.23	breakdown	31.12.22	breakdown	Change	
Equity instruments	485,758	1%	264,147	1%	221,611	84%
Debt securities	2,585,820	5%	2,306,049	5%	279,771	12%
of which: government bonds	13,526	0%	13,594	0%	(68)	-1%
corporate bonds	2,572,294	5%	2,292,455	5%	279,839	12%
UCITS units	45,098,362	94%	40,780,626	94%	4,317,736	11%
Receivables			109,907	0%	(109,907)	-100%
Total	**48,169,940**	**100%**	**43,460,728**	**100%**	**4,709,212**	**11%**

Debt securities amounted to € 2,585,820 thousand at the end of 2023, an increase of € 279,771 thousand compared to € 2,306,049 thousand at 31 December 2022, due mainly to the net investments and the change in fair value recorded in the period. They consist of:

- € 2,572,294 thousand (including € 21,981 thousand relating to the security issued by Cassa Depositi e Prestiti in the form of a private placement) from corporate instruments issued by leading issuers, used to hedge products linked to Poste Vita's Separately Managed Accounts in the amount of € 2,118,293 thousand, products linked to Poste Vita's Class III policies in the amount of € 305,679 thousand, € 92,178 thousand in investments of Poste Vita's free capital, € 26,287 thousand in products linked to specific assets of Poste Vita and € 29,857 thousand in corporate bonds held by the subsidiaries Poste Assicura, Net Insurance and Net Insurance Life;
- € 13,526 thousand in Stripped and Zero-Coupon BTPs, most of which used to cover Class III policies (of which € 13,342 thousand relating to Poste Vita).

For the purposes of the fair value hierarchy, which reflects the relevance of the sources used for measurement purposes, with reference to this category of investments, the value indicated is Level 1 for € 2,439,972 thousand, Level 2 for € 142,374 thousand and Level 3 for € 3,474 thousand.

Investments in shares amounted to € 485,758 thousand and are held almost exclusively by the Parent Company Poste Vita and are used to cover Class I and Class III products. The change in the period is attributable to the combined effect of net disinvestments of approximately € 120,796 thousand, with the consequent recording of income of € 100,276 thousand.

With reference to the shares, almost all of which are listed on active and liquid markets, a value of € 481,810 thousand was attributed to Level 1, € 3,411 thousand was attributed to Level 2 and the remainder, € 537 thousand, to Level 3 of the fair value hierarchy, pursuant to the Group's current Fair Value Policy.

The item **UCITS units**, amounting to € 45,098,362 thousand at 31 December 2023, includes units of mutual investment funds. During the period under review, net investments were made for € 1,839,304 thousand. Fair value increased by approximately € 2,378,569 thousand, an effect that contributed almost entirely to the revaluation of insurance liabilities.

At the end of the period, the investments are divided into: i) UCITS units (including multi-asset funds) totalling € 40,811,471 thousand; ii) units in mutual real estate investment funds totalling € 2,251,263 thousand and iii) mutual funds that primarily invest in bonds amounting to € 2,035,628 thousand.

Mutual funds mainly refer to Poste Vita's Separately Managed Account for about € 33,165,040 thousand and € 11,907,749 thousand refer to Poste Vita's Class III unit-linked products.

In addition, an amount of € 30,027,798 thousand refers to unconsolidated structured entities, for details of which please refer to the Report on Operations.

For the purposes of the fair value hierarchy, with reference to this category of investments, the value indicated is Level 1 for € 1,518,843 thousand, Level 2 for € 35,745,915 thousand and Level 3 for € 7,833,604 thousand.

With regard to *operations in derivatives*, it should be noted that at 31 December 2023, there were no open positions.

With reference to information not presented in this section, please refer to the annexes to the Notes.

5. Other financial assets

Sundry receivables amounted to € 128,803 thousand at the end of the period, up € 27,785 thousand compared to 31 December 2022, when the figure was € 17,655 thousand. The item is as follows:

(€k)	31.12.23	31.12.22	Change	
Premiums receivable from agents	38,519	25,264	13,255	52%
Stamp duty receivables	52,302	58,994	(6,692)	-11%
Due from companies	1,917	1,903	13	1%
Current account interest receivables	17,826	2,000	15,826	791%
Due from Group companies	6,098	4,452	1,646	37%
Other receivables	12,142	8,449	3,693	44%
Total	**128,803**	**101,062**	**27,742**	**27%**

Amounts due from intermediaries, totalling € 38,519 thousand at the end of 2023 (€ 25,264 thousand at 31 December 2022), refer mainly to premiums issued which, although already collected by the intermediary at 31 December 2023, were paid to the companies of the Poste Vita Group mostly in the first few days of January 2024.

Receivables for company current accounts, for € 1,917 thousand (€ 1,903 thousand at 31 December 2022), mainly refer to receivables from companies for coinsurance relationships.

Receivables for stamp duty, amounting to € 52,302 thousand (€ 58,994 thousand at the end of 2022), refer to the receivable from the Revenue Agency due to the excess of advance payments made during 2022 with respect to the tax withheld on the year's payments.

Receivables for interest income on current accounts amounted to € 17,826 thousand at the end of the period (€ 2,000 thousand at 31 December 2022). The increase is related to the development of interest rates.

Amounts due from Group companies amounting to € 6,098 thousand (€ 4,452 thousand at 31 December 2022) mainly refer to receivables from Poste Italiane Group companies for personnel secondment.

The item "other receivables", amounting to € 12,142 thousand (€ 8,449 thousand at 31 December 2022), mainly refers to receivables related to premiums collected yet to be matched to the related policy.

6. Other assets

The other assets totalled € 3,317,524 thousand (€ 3,425,008 thousand at the end of 2022). The item is as follows:

(€k)	31.12.23	31.12.22	Change	
Non-current assets or disposal groups held for sale	49,500	-	49,500	n/s
Current tax assets	2,315,661	2,493,128	(177,466)	-7%
Deferred tax assets	949,344	930,509	18,835	2%
Other assets	3,018	1,371	1,647	n/s
Total	**3,317,524**	**3,425,008**	**(107,484)**	**-3%**

Non-current assets or disposal groups held for sale amounted to € 49,500 thousand at the end of 2023 and refers exclusively to the investment in Cronos Vita Assicurazioni, held 22.5% by Poste Vita and classified as held for sale (IFRS 5) as reported in "Part A - General preparation criteria and accounting standards adopted". With regard to the valuation of the investment, it is recorded at its purchase value, as defined by *IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations*.

It should also be noted that the Poste Vita Group issued guarantees to banks that granted loans to Cronos Vita to cover part of the early lapses related to the policies linked to the Separately Managed Accounts distributed by the banks and included in the business compendium acquired by Cronos Vita itself in October 2023. This surety guarantee, enforceable in the event of default by Cronos Vita, has a maximum amount of € 1,094 million, calculated on the basis of the maximum amount of the loan commitments by the financial institutions.

Deferred tax assets, amounting to € 949,344 thousand (€ 930,509 thousand at the end of 2022), are calculated as the total amount of temporary differences between the carrying amount of assets and liabilities and the respective value based on that established in IAS 12 and to the extent recovery is likely.

Changes in deferred tax assets recognised at 31 December 2023 are shown below:

(€k)	
Deferred tax assets at 31 December 2022	**930,509**
- change accounted for in profit or loss	4,664
- change accounted for in equity	14,171
Deferred tax assets at 31 December 2023	**949,344**

Temporary differences with effect on profit loss mainly refer to the receivable with reference to the non-deductible portion pursuant to paragraph 1-bis of art. 111 of Presidential Decree no. 917/1986 (TUIR) of the change in compulsory life insurance technical provisions

Additional temporary differences that led to the recognition of deferred tax assets involve allocations made to provisions for risks, provisioning for employees and impairment recognised on shares recorded in the Parent Company Poste Vita's current assets, as well as other negative income components for which accrue for tax purposes in subsequent years, such as credit impairment and losses and the non-deductible excess of the change in the claims provision for Poste Assicura.

On the other hand, with reference to temporary differences with an effect on Equity, these mainly refer to the change in deferred tax assets recognised on the FTA reserve that arose upon the first-time application of the new accounting standard IFRS 17, as well as the stock of deferred tax assets pertaining to the subsidiaries Net Insurance and Net Insurance Life included in the scope of consolidation in 2023.

It should be noted that deferred tax assets and liabilities have been determined by applying the tax rates that are expected to apply in the year in which the asset will be realised, based on the information available at the end of the year.

Current tax assets, which amounted to € 2,315,661 thousand (€ 2,493,128 thousand at the end of 2022), mainly related to: i) the tax receivable on the mathematical provisions pursuant to Law 209/2002 of Poste Vita, in the amount of € 2,210,743 thousand (€ 2,269,432 thousand at the end of 2022), representing the advance payment of withholding taxes and substitute taxes on capital gains on life insurance policies; ii) current tax receivables in the amount of € 3,931 thousand at the end of 2023 (€ 153,954 thousand at the end of 2022); iii) receivables for stamp duty amounting to € 73,884 thousand (€ 51,681 thousand at the end of 2022) refer to the receivable due from policyholders in relation to the tax referred to in Article 13, paragraph 2-ter, of the Tariff, part one, annexed to the Presidential Decree no. 642/1972 relating to Class III and Class V policies, and iv) amounts due from the Revenue Agency for insurance payments on account in the amount of € 20,077 thousand (amounting to € 17,760 thousand at the end of the previous year).

(€k)	31.12.23	31.12.22	Change	
Tax credit on mathematical provisions Decree Law 209/2002	2,210,743	2,269,432	(58,689)	-2.6%
Receivables for IRES and IRAP	3,931	153,954	(150,022)	-97.4%
Payments on account of tax on insurance policies	20,077	17,760	2,317	13.0%
Due from policyholders for stamp duties	73,884	51,681	22,204	43.0%
Other	7,025	301	6,724	2235.7%
Total	**2,315,661**	**2,493,128**	**(177,466)**	**-7.1%**

Other assets of € 3,018 thousand at 31 December 2023 (€ 1,371 thousand at the end of 2022) mainly refer to prepaid expenses on costs of a commercial nature.

7. Cash and cash equivalents

Cash and cash equivalents at the end of the period totalled € 3,543,102 thousand, compared to € 2,729,706 thousand recorded at the end of the previous year. This item includes short-term bank and postal deposits, cash and revenue stamps. They refer to temporary available amounts, mainly relative to Separately Managed Accounts.

Equity and Liabilities

1. Equity

Equity amounted to € 6,687,740 thousand at 31 December 2023, an increase of € 701,145 thousand compared with the end of 2022, when it amounted to € 5,986,595 thousand. The increase is mainly attributable to the profit for the period of € 1,014,257 thousand as well as the positive change, given the improved financial market dynamics, in the reserve arising from the valuation of securities belonging to the FVOCI category (net of the mirroring effect of Poste Vita) for € 219,158 thousand and € 74,387 thousand due to the recognition during the period of the portion of equity attributable to non-controlling interests (attributable for € 73,116 thousand to the sale in April 2023 by Poste Vita to IBL Banca of its 40% stake in Net Holding). This increase was partially offset by the distribution of dividends to the Ultimate Parent Poste Italiane in the amount of € 450,000 thousand, as resolved by the Shareholders' Meeting of 28 April 2023, and by the recognition of interest related to hybrid subordinated loans in the period totalling € 43,320 thousand in addition to the value of put options exercisable by IBL on its interest (equal to 40%) in Net Holding starting from April 2028 for a total value of € 95,700 thousand at the end of the period and two put options exercisable (the first in 2024 and the second in 2025) by the Chief Executive Officer of Net Insurance in favour of the Parent Company Poste Vita on its interest (equal to 2.2%) in Net Insurance for a total value of € 5,000 thousand.

Changes in equity during the period are shown below:

(€k)	31.12.22	Allocation of 2022 profit	dividends	ECL reserve	FVOCI reserve	Mirroring	Other gains or losses recognised directly through equity	Tier 1 Perpetual Capital Instrument	Non-controlling interests	2023 profit	31.12.23
Share capital	**1,216,608**										**1,216,608**
Other equity instruments	**800,000**										**800,000**
Revenue reserve and other equity reserves:	**3,248,436**	**1,064,184**	**(450,000)**				**(101,331)**	**(43,320)**			**3,717,968**
Legal reserve	242,644										242,644
Extraordinary reserve	648										648
Organisation fund	2,582										2,582
Consolidation reserve	426						(636)	0			(210)
Other reserves	9	-	-				0	0			9
Retained earnings for previous years	3,738,798	1,064,184	(450,000)				(100,695)	(43,320)			4,208,967
FTA reserve	(736,662)										(736,662)
Valuation reserves	**(342,637)**			**2,522**	**3,978,289**	**(3,761,653)**	**(12,001)**				**(135,481)**
of which - AFS/FVOCI Reserve	(8,270,964)				3,978,289						(4,292,675)
of which ECL Reserve	52,279			2,522							54,802
of which Mirroring	7,850,663					(3,761,653)	-				4,089,009
of which Direct and Transferred OCI	25,384						(12,583)				12,802
of which Other reserves							581				581
Net profit/(loss) attributable to the owners of the Parent	**1,064,189**	**(1,064,189)**								**1,008,960**	**1,008,960**
Net profit/(loss) attributable to non-controlling interests										**5,297**	**5,297**
Equity attributable to non-controlling interests									**74,387**		**74,387**
Total	**5,986,595**	**(0)**	**(450,000)**	**2,522**	**3,978,289**	**(3,761,653)**	**(113,337)**	**(43,320)**	**74,387**	**1,014,257**	**6,687,740**

The item **other equity instruments**. The item other equity instruments, as mentioned above, includes the issuance value of the two perpetual, non-convertible, fixed-rate regulatory capital instruments issued on 26 July 2021 and 3 August 2022 for a nominal amount of € 300,000 thousand and € 500,000 thousand, respectively, and fully subscribed by the Ultimate Parent Poste Italiane SpA net of interest expense (net of related taxation) already paid at 31 December 2013 in the amount of € 54,720 thousand.

The item **revenue reserves and other equity reserves** includes the negative impact of the first-time application of IFRS 17 in the amount of 736,662 thousand(net of related taxation), mainly due to the increase, compared to IFRS 4 valuations, of the technical provisions of the direct business.

The item **valuation reserves** includes**:** i) capital losses/gains arising from the valuation of financial instruments measured at fair value through other comprehensive income almost exclusively related to the Separately Managed Accounts, which at 31 December 2023 showed a negative balance, including expected credit losses on financial instruments related to the Separately Managed Accounts, of 4,237,873 thousand (negative € 8,218,684 thousand at 31 December 2022) and ii) the reserve for insurance contracts issued and outward reinsurance of € 4,101,811 thousand at 31 December 2023 (€ 7,876,052 thousand at 31 December 2022) which includes the change in the fair value of instruments related to insurance contracts, attributable to policyholders and allocated to insurance liabilities following the adoption of the OCI option on the IFRS 17 liability portfolio, with the intention of aligning the financial and mirroring effects between the OCI reserve and the effects on the Statement of profit or loss.

2. Provisions for risks and charges

At 31 December 2023, provisions amounted to € 16,633 thousand (€ 20,640 thousand at the end of 2022) and include the amounts allocated to cover any liabilities, whether they exist and/or their quantity. The breakdown of this item and a comparison with the figures recorded at the end of the previous period are shown below:

Breakdown (€k)	31.12.23	31.12.22	delta
Legal disputes	6,028	5,860	168
Tax disputes	-	-	
Other liabilities	10,605	14,780	(4,174)
Total	**16,633**	**20,640**	**(4,007)**

Below is a breakdown of the provision for risks at the end of the period:

- outstanding legal disputes amounting to € 6,028 thousand (€ 5,860 thousand 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 € 10,605 thousand relating to:
  - € 5,556 thousand to certain cases of fraud involving mainly the payments of life insurance policies accompanied by falsified documentation sent directly to the Company, as a result of which insurance payments were made to parties found not to be legitimate;
  - € 1,467 thousand to accruals made in the period by the subsidiary Poste Assicura, including € 774 thousand for penalties for probable delays in the management of claims relating to the policy underwritten by Fondazione Enasarco and € 693 thousand in reference to the phenomenon of "over-insurance", as better described in the section "Other Information";
  - € 3,583 thousand to other provisions, of which mainly: i) € 1,604 thousand related to the provision for future charges in relation to the "Da Grande" product; ii) € 910 thousand related to pending mediation and iii) € 1,000 thousand related to the potential dispute of the 2014-2015 lapsed policies including penalties, interest and expenses.

The decrease of € 4,007 thousand 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 2004[20], which gave rise during the period to the payment by the Company, of an amount of € 5,195 thousand (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 € 1,357 thousand was set aside during the period for fraud cases.

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.

3. Insurance liabilities

Insurance liabilities at 31 December 2023 amounted to € 154,919,818 thousand, an increase of € 13,939,340 thousand compared to the figure recorded at the end of the previous year, equal to € 140,980,478 thousand, and are made up as follows. The following table breaks down this item by business and by measurement model.

LIABILITIES UNDER INSURANCE CONTRACTS

Description (€k)	Balance at 31.12.2023			Balance at 31.12.2022			Delta		
	GMM-VFA	PAA	Total	GMM-VFA	PAA	Total	GMM-VFA	PAA	Total
Life business									
Liability for remaining coverage	153,468,662		153,468,662	139,896,467		139,896,467	13,572,195	-	13,572,195
Liability for incurred claims	964,199		964,199	816,126		816,126	148,073	-	148,073
Total Life business	**154,432,861**	**-**	**154,432,861**	**140,712,593**	**-**	**140,712,593**	**13,720,268**	**-**	**13,720,268**
of which:									
Future cash flows	139,783,948		139,783,948	126,267,048		126,267,048	13,516,900	-	13,516,900
Contractual Service Margin	11,895,382		11,895,382	11,391,715		11,391,715	503,667		503,667
Adjustment for non-financial risk	2,750,112		2,750,112	3,053,830		3,053,830	-303,719	-	-303,719
Non-Life business									
Liability for remaining coverage	220,317	-9,169	211,148	84,927	-33,042	51,885	135,390	23,873	159,263
Liability for incurred claims	15,304	260,504	275,809	8,247	207,752	215,999	7,057	52,752	59,810
Total Non-Life business	**235,621**	**251,336**	**486,957**	**93,174**	**174,710**	**267,884**	**142,447**	**76,625**	**219,072**
of which:									
Future cash flows	153,862	251,336	405,198	60,831	174,710	235,542	93,031	76,625	169,657
Contractual Service Margin	66,966		66,966	24,123		24,123	42,843		42,843
Adjustment for non-financial risk	14,792		14,792	8,219	-	8,219	6,573	-	6,573
Overall total	**154,668,482**	**251,336**	**154,919,818**	**140,805,767**	**174,710**	**140,980,477**	**13,862,715**	**76,625**	**13,939,340**

Insurance liabilities include at the end of the period:

- the **Liability for remaining coverage** of € 153,679,810 thousand (of which € 153,468,662 thousand related to insurance contracts pertaining to the Life business and valued under the GMM-VFA model) and the remainder of € 211,148 thousand pertaining to the Non-Life business and mostly referring to contracts valued under the GMM method. This item includes the Contractual Service Margin (CSM) totalling € 11,965,768 thousand (of which € 11,898,802 thousand related to the Life business);
- the **Liability for incurred claims** amounted to € 1,240,008 thousand and related for € 979,503 thousand to insured contracts measured under the GMM and VFA methods (of which € 964,199 thousand related to the Life business).

The following table presents a reconciliation of the liability for remaining coverage and incurred claims of insurance contracts measured under the GMM or VFA methods and broken down by business:

CHANGE IN ASSETS FOR INSURANCE CONTRACTS SEPARATED BETWEEN LIC AND LRC_GMM/ VFA

	Life business				Non-Life business				Total
	Liability for remaining coverage		Liability for incurred claims	Total Life business	Liability for remaining coverage		Liability for incurred claims	Total Non-Life business	
Description (€k)	**Excluding loss component**	**Loss component**			**Excluding loss component**	**Loss component**			
Liabilities under insurance contracts	139,887,536	8,931	816,126	140,712,593	84,927	-	8,247	93,174	140,805,767
Assets under insurance contracts	-	-	-	-	-	-	-	-	-
Net carrying amount at 1 January	**139,887,536**	**8,931**	**816,126**	**140,712,593**	**84,927**	**-**	**8,247**	**93,174**	**140,805,767**
Insurance revenue	-2,015,715	-	-	-2,015,715	-96,512	-	-	-96,512	-2,112,227
Costs for insurance services	239,028	-2,392	521,544	758,181	13,866	-1,067	58,646	71,445	829,626
Incurred claims and other directly attributable costs	-	-	378,643	378,643	-	-	55,359	55,359	434,002
Changes in the liability for incurred claims	-	-	142,902	142,902	-	-	3,287	3,287	146,188
Losses and related recoveries on onerous contracts	-	-2,392	-	-2,392	-	-1,067	-	-1,067	-3,458
Amortisation of acquisition costs of contracts	239,028	-	-	239,028	13,866	-	-	13,866	252,894
Result of insurance services	-1,776,687	-2,392	521,544	-1,257,534	-82,646	-1,067	58,646	-25,067	-1,282,601
Financial costs/ revenue related to insurance contracts issued	11,890,720	394	-	11,891,115	11,339	45	495	11,879	11,902,994
Investment components and premium repayments	-14,319,382	-	14,319,382	-	-	-	-	-	-
Total changes recognised through profit or loss and OCI	**-4,205,348**	**-1,997**	**14,840,926**	**10,633,581**	**-71,307**	**-1,022**	**59,141**	**-13,188**	**10,620,392**
Cash flows									
Premiums received	17,913,286	-	-	17,913,286	90,737	-	-	90,737	18,004,024
Payments related to contract acquisition costs	-351,933	-	-	-351,933	-37,026	-	-	-37,026	-388,959
Paid claims and other cash outflows	-	-	-14,697,987	-14,697,987	-	-	-57,713	-57,713	-14,755,701
Other changes	218,187	-	5,134	223,321	151,643	2,364	5,630	159,637	382,958
Net carrying amount at 31 December	153,461,729	6,934	964,199	154,432,861	218,974	1,342	15,304	235,621	154,668,482
Liabilities under insurance contracts	153,461,729	6,934	964,199	154,432,861	218,974	1,342	15,304	235,621	154,668,482
Assets under insurance contracts									
Total change	**13,574,193**	**-1,997**	**148,073**	**13,720,268**	**134,047**	**1,342**	**7,057**	**142,447**	**13,862,715**

The value of insurance liabilities related to contracts measured using the GMM-VFA methods increased during the period by € 13,862,715 thousand (of which € 13,720,268 thousand was attributable to the Life business) mainly as a result of positive net inflows and as a result of improved financial market dynamics compared to 2022.

Again with regard to insurance liabilities measured under the GMM or VFA methods, the reconciliation broken down by underlying measurement elements is shown below: (i) present value of cash flows; (ii) adjustment for non-financial risks; and (iii) contractual service margin.

Life business

LIABILITIES/(ASSETS) FOR INSURANCE CONTRACTS_GMM VFA

Description (€k)	Life business 31.12.2023				Life business 31.12.2022			
	Present value of future cash flows	Adjustment for non-financial risk	Contractual Service Margin	Total	Present value of future cash flows	Adjustment for non-financial risk	Contractual Service Margin	Total
Liabilities under insurance contracts	126,267,048	3,053,830	11,391,715	140,712,593	148,941,275	1,318,346	9,248,419	159,508,040
Assets under insurance contracts	-	-	-	-	-	-	-	-
Net carrying amount at 1 January	**126,267,048**	**3,053,830**	**11,391,715**	**140,712,593**	**148,941,275**	**1,318,346**	**9,248,419**	**159,508,040**
Changes in current services								
Contractual service margin recognised in the statement of profit or loss	-	-	-1,111,837	-1,111,837	-	-	-1,376,927	-1,376,927
Change for overdue non-financial risks	-	-112,305	-	-112,305	-	-86,703	-	-86,703
Adjustments based on past experience	-1,810,891	-	1,810,891	-	-3,344,967	-	3,370,291	25,324
Changes in future services								
Changes in contractual service margin	1,837,825	-336,048	-1,501,777	-	-614,950	1,615,350	-1,000,400	0
Losses on groups of onerous contracts and related recoveries	-3,470	-	-	-3,470	142	-49	-	93
Effects of contracts initially recognised in the period	-682,421	137,717	545,783	1,079	-1,545,815	206,885	1,338,930	-
Changes in past services								
Adjustments to the liability for incurred claims	142,902	-	-	142,902	26,340	-	-	26,340
Experience-related changes	-173,902	-	-	-173,902	-47,857	-	-	-47,857
Result of insurance services	**-689,958**	**-310,636**	**-256,939**	**-1,257,534**	**-5,527,107**	**1,735,484**	**2,331,895**	**-1,459,729**
Financial costs/revenue	11,170,712	-	720,403	11,891,115	-24,202,433	-	-188,599	-24,391,032
Total changes recognised through profit or loss and OCI	10,480,753	-310,636	463,463	10,633,581	-29,729,540	1,735,484	2,143,296	-25,850,760
Cash flows								
Premiums received	17,913,286	-	-	17,913,286	17,096,485	-	-	17,096,485
Payments related to contract acquisition costs	-351,933	-	-3,420	-355,353	-311,646	-	-	-311,646
Paid claims and other cash outflows	-14,697,987	-	-	-14,697,987	-9,729,525	-	-	-9,729,525
Other changes	172,780	6,918	47,043	226,741	-	-	-	-
Net carrying amount at 31 December	**139,783,948**	**2,750,112**	**11,898,802**	**154,432,861**	**126,267,048**	**3,053,830**	**11,391,715**	**140,712,593**
Liabilities under insurance contracts	139,783,948	2,750,112	11,898,802	154,432,861	126,267,048	3,053,830	11,391,715	140,712,593
Assets under insurance contracts	-	-	-	-	-	-	-	-
Total change	**13,516,900**	**-303,719**	**507,087**	**13,720,268**	**-22,674,227**	**1,735,484**	**2,143,296**	**-18,795,447**

The **present value of future cash flows** increased by € 13,516,900 thousand compared to the value recorded at the end of 2022. The increase was mainly related to the financial management result of € 11,170,712 thousand and actual net cash flows of € 2,863,366 thousand, slightly offset by adjustments on future performance related to experience.

The **Adjustment for non-financial risk** decreased, compared to the balance at 31 December 2022, by € 303,719 thousand related mainly to the period release of this component for € 112,305 thousand and to the change in the Group's exposure to non-financial risks which resulted in a revision of estimates for future services for a total of € 336,048 thousand, partially offset by the effect arising from new production for € 137,717 thousand.

The **Contractual service margin** recorded pre-release growth of € 1,615,503 thousand, primarily related to the contribution of new production on future margins of € 545,783 thousand. The Contractual service margin also increased due to the positive performance of the markets, which generated growth in the fair value of the underlying assets that was more than proportional to the growth in the related liabilities, generating a benefit of € 720,403 thousand.

The release of Contractual service margin recorded in the period amounted to € 1,111,837 thousand, including € 115,756 thousand related to the additional release.

Non-Life business

	Non-Life business				Non-Life business			
	31-dic-23				31-dic-22			
Description (€k)	**Present value of future cash flows**	**Adjustment for non-financial risk**	**Contractual Service Margin**	**Total**	**Present value of future cash flows**	**Adjustment for non-financial risk**	**Contractual Service Margin**	**Total**
Liabilities under insurance contracts	60,831	8,219	24,123	93,174	61,358	7,835	26,783	95,977
Assets under insurance contracts				-	-	-	-	-
Net carrying amount at 1 January	**60,831**	**8,219**	**24,123**	**93,174**	**61,358**	**7,835**	**26,783**	**95,977**
Changes in current services								
Contractual service margin recognised in the statement of profit or loss	-	-	-22,977	-22,977	-	-	-6,914	-6,914
Change for overdue non-financial risks	-	-7,583	-	-7,583	-	-2,186	-	-2,186
Adjustments based on past experience	2,442	-	-4,379	-1,937	3,281	-	-3,569	-287
Changes in future services								
Changes in contractual service margin	26,509	-10,178	-16,331	0	-3,094	-577	3,671	-
Losses on groups of onerous contracts and related recoveries	-659	-1,475	-	-2,134	-	-	-	-
Effects of contracts initially recognised in the period	-39,940	9,796	31,211	1,067	-7,456	3,122	4,334	-
Changes in past services								
Adjustments to the liability for incurred claims	3,595	-309	-	3,287	-1,091	26	-	-1,065
Experience-related changes	5,209	-	-	5,209	-4,359	-	-	-4,359
Result of insurance services	**-2,843**	**-9,749**	**-12,475**	**-25,067**	**-12,718**	**384**	**-2,478**	**-14,812**
Financial costs/revenue	9,571	-	2,308	11,879	-5,818	-	-182	-6,000
Total changes recognised through profit or loss and OCI	**6,728**	**-9,749**	**-10,167**	**-13,188**	**-18,537**	**384**	**-2,660**	**-20,812**
Cash flows								
Premiums received	90,737	-	-	90,737	41,503	-	-	41,503
Payments related to contract acquisition costs	-37,026	-	-	-37,026	-18,885	-	-	-18,885
Paid claims and other cash outflows	-57,713	-	-	-57,713	-4,608	-	-	-4,608
Other changes	90,305	16,322	53,010	156,217				
Net carrying amount at 31 December	**153,862**	**14,792**	**66,966**	**232,201**	**60,831**	**8,219**	**24,123**	**93,174**
Liabilities under insurance contracts	153,862	14,792	66,966	235,621	60,831	8,219	24,123	93,174
Assets under insurance contracts	-	-	-	-	-	-	-	-
Total change	**93,031**	**6,573**	**42,843**	**139,027**	**-527**	**384**	**-2,660**	**-2,803**

The **present value of future cash flows** increased by € 93,031 thousand compared to the value recorded at the end of 2022. The increase is mainly related to the contribution of Net Insurance, which became part of the Group as of 1 April 2023.

The **Adjustment for non-financial risk** increased, compared to the balance at 31 December 2022, by € 6,573 thousand, mainly due to the contribution of the subsidiary Net Insurance during the period, partially offset by the change in the exposure to non-financial risks that resulted in a revision of estimates for current services for a total of € 7,583 thousand.

The **Contractual service margin** recorded pre-release growth of € 89,943 thousand, primarily related to the contribution of new production on future margins of € 31,211 thousand and of € 53,010 thousand to the contribution of the subsidiary Net Insurance. The release of the Contractual service margin recorded in the period was € 22,977 thousand.

The following table provides information on the timing with which the Poste Vita Group expects to recognise in profit or loss in future years the contractual service margin recognised in the Statement of financial position at 31 December 2023 in respect of both direct business contracts and outward reinsurance contracts.

	Life business		Non-Life business		Total	
Contractual Service Margin (€k)	**Insurance contracts issued**	**Reinsurance contracts held**	**Insurance contracts issued**	**Reinsurance contracts held**	**Insurance contracts issued**	**Reinsurance contracts held**
1 - 3 years	2,899,852	(980)	45,513	15,903	2,945,364	14,923
4 - 6 years	2,555,837	(381)	12,800	3,806	2,568,638	3,425
Over 6 years	6,443,112	(1,158)	8,653	2,331	6,451,766	1,174
Total	**11,898,802**	**(2,519)**	**66,966**	**22,041**	**11,965,768**	**19,522**

Below is a reconciliation of the liability for remaining coverage and incurred claims of insurance contracts, exclusively belonging to the Non-Life business, measured according to the PAA method:

CHANGE IN ASSETS FOR INSURANCE CONTRACTS SEPARATED BETWEEN LIC AND LRC_PAA

	31.12.2023					31.12.2022				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
Description (€k)	Excluding loss component	Loss component	Present value of cash flows	Adjustment for non-financial risk		Excluding loss component	Loss component	Present value of cash flows	Adjustment for non-financial risk	
Liabilities under insurance contracts	-45,696	12,655	191,848	15,904	174,710	-9,583	13,773	153,316	9,410	166,915
Assets under insurance contracts	-	-	-	-	-	-	-	-	-	-
Net carrying amount at 1 January	**-45,696**	**12,655**	**191,848**	**15,904**	**174,710**	**-9,583**	**13,773**	**153,316**	**9,410**	**166,915**
Insurance revenue	-415,310	-	-	-	-415,310	-319,593	-	-	-	-319,593
Costs for insurance services	56,882	4,418	301,569	-3,918	358,951	42,221	-1,118	228,071	6,494	275,668
Incurred claims and other directly attributable costs	-	-	249,147	-	249,147	-	-	180,610	-	180,610
Changes in the liability for incurred claims	-	-	52,423	-3,918	48,505	-	-	47,461	6,494	53,955
Losses and related recoveries on onerous contracts	-	4,418	-	-	4,418	-	-1,118	-	-	-1,118
Amortisation of acquisition costs of contracts	56,882	-	-	-	56,882	42,221	-	-	-	42,221
Result of insurance services	**-358,428**	**4,418**	**301,569**	**-3,918**	**-56,359**	**-277,372**	**-1,118**	**228,071**	**6,494**	**-43,925**
Financial costs/ revenue related to insurance contracts issued	-0	-	4,247	-	4,247	-	-	-8,928	-	-8,928
Investment components and premium repayments	-	-	-	-	-	-	-	-	-	-
Total changes recognised through profit or loss and OCI	**-358,428**	**4,418**	**305,817**	**-3,918**	**-52,112**	**-277,372**	**-1,118**	**219,143**	**6,494**	**-52,853**
Cash flows										
Premiums received	437,623	-	-	-	437,623	285,201	-	-	-	285,201
Payments related to contract acquisition costs	-59,740	-	-	-	-59,740	-43,942	-	-	-	-43,942
Paid claims and other cash outflows	-	-	-249,147	-	-249,147	-	-	-180,610	-	-180,610
Other changes	-	-	-	-	-	-	-	-	-	-
Net carrying amount at 31 December	**-26,241**	**17,072**	**248,518**	**11,986**	**251,336**	**-45,696**	**12,655**	**191,848**	**15,904**	**174,710**
Liabilities under insurance contracts	-26,241	17,072	248,518	11,986	251,336	-45,696	12,655	191,848	15,904	174,710
Assets under insurance contracts										
Total change	**19,455**	**4,418**	**56,670**	**-3,918**	**76,625**	**-36,113**	**-1,118**	**38,533**	**6,494**	**7,795**

With regard to the liability for insurance contracts measured using the PAA method, the increase of € 76,625 thousand in the period is mainly attributable to the growth in premiums issued during the year, a portion of which will be attributable to the next financial year.

For the sake of completeness, details of the increase in liabilities arising from insurance contracts, broken down according to the type of event that generated them, are provided below.

INSURANCE CONTRACTS ISSUED AND INITIALLY RECOGNISED IN THE REFERENCE PERIOD

	Originated contracts		Contracts acquired under business combinations		Contracts transferred by third parties		
Description (€k)	Onerous contracts	Non-onerous contracts	Onerous contracts	Non-onerous contracts	Onerous contracts	Non-onerous contracts	Total
Estimate of the present value of future cash outflows	-57,556	12,095,821	4,443	238,487	-	-	12,281,194
Estimate of the present value of future cash inflows	-58,452	12,819,713	456	-20,612	-	-	12,741,105
Estimate of the present value of net future cash flows	896	-723,893	3,986	259,099	-	-	-459,911
Estimate of the adjustment for non-financial risk	1,250	146,898	2,714	20,526	-	-	171,388
Contractual Service Margin	-	576,994	-	100,053	-	-	677,048
Increase in liability for new insurance contracts issued	**2,146**	**-0**	**6,700**	**379,678**	**-**	**-**	**388,524**

Finally, the table below shows the dynamics of the contractual service margin of insurance contracts issued broken down according to contracts existing at the time of transition to IFRS 17, and of insurance contracts issued and initially recognised in the reporting period and broken down between Non-Life and Life business:

TREND OF INSURANCE REVENUE AND CONTRACTUAL SERVICE MARGIN OF INSURANCE CONTRACTS ISSUED BROKEN DOWN BY EXISTING CONTRACTS AT THE TIME OF TRANSITION TO IFRS 17

	Life business				
Description (€k)	**New contracts and contracts measured at the transition date using the full retroactive application method**	**Contracts measured at the transition date using the modified retroactive application method**	**Contracts measured at the transition date using the fair value method**	**Carve-out contracts**	**Total Life business**
Insurance revenue	**47,282**	**-**	**83,430**	**1,885,003**	**2,015,715**
Contractual service margin - Opening balances	**681**	**-**	**92,817**	**11,298,216**	**11,391,715**
Changes in current services	**-4,750**	**-**	**-20,707**	**-1,086,379**	**-1,111,837**
Contractual Service Margin recorded in the statement of profit or loss for services provided	-4,750	-	-20,707	-1,086,379	-1,111,837
Changes in future services	**16,113**	**-**	**-19,706**	**837,781**	**834,187**
Changes in estimates that alter the Contractual Service Margin	-12,291	-	-19,706	320,402	288,405
Effects of contracts initially recognised in the reporting year	28,404	-	-	517,379	545,783
Financial revenue/costs	**1,821**	**-**	**2,555**	**718,336**	**722,711**
Total changes recognised in the statement of profit or loss and statement of comprehensive income	**13,183**	**-**	**-37,859**	**469,738**	**445,062**
Contractual service margin - Closing balances	**25,598**	**-**	**105,250**	**11,767,954**	**11,898,802**

Non-Life business					Total
New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Carve-out contracts	Total Non-Life business	
56,783	**-**	**39,730**	**-**	**96,512**	**2,112,227**
6,282	**-**	**17,841**	**-**	**24,123**	**11,415,838**
-6,142	**-**	**-16,835**	**-**	**-22,977**	**-1,134,813**
-6,142	-	-16,835	-	-22,977	-1,134,813
18,587	**-**	**-8,086**	**-**	**10,502**	**844,689**
-12,624	-	-8,086	-	-20,710	267,695
31,211	-	-	-	31,211	576,994
891	**-**	**1,418**	**-**	**2,308**	**725,019**
13,336	**-**	**-23,503**	**-**	**-10,167**	**434,895**
19,618	**-**	**47,348**	**-**	**66,966**	**11,965,768**

4. Financial liabilities

The schedule below shows the composition of financial liabilities:

Financial liabilities (€k)	31.12.23	31.12.22	Change	
Financial liabilities at fair value through profit or loss	100,700	-	100,700	n/s
Financial liabilities measured at amortised cost	279,704	264,238	15,466	6%
Total	**380,404**	**264,238**	**116,166**	**44%**

Financial liabilities measured at amortised cost, equal to € 279,704 thousand at 31 December 2023 (€ 264,238 thousand at 31 December 2022), mainly refer: i) for € 253,694 thousand, to the subordinated loan with indefinite maturity, remunerated at market rates, settled under the conditions established in Article 45, chapter IV, title III of Legislative Decree no. 209 of 7 September 2005, as amended, taken out with by the Parent Company Poste Vita entirely with the Ultimate Parent Poste Italiane, including the amount for interest expense accruing on the aforementioned loan (€ 3,694 thousand); ii) € 10,723 thousand to financial liabilities deriving from the application of IFRS 16, representing the residual amount of rent to be paid at the end of the period and iii) to the subordinated loan issued in September 2021 by the subsidiary Net Insurance for € 9,726 thousand.

The following table presents the contractual maturity analysis of financial lease liabilities (IFRS 16) mentioned above.

Description (€k)	Within 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	Over 5 years	Total
Property leases	1,087	934	934	934	934	4,753	9,576
Guest quarters	205	16					221
Vehicles for mixed use	457	133	133				723
Other (computer equipment)	203						203
Total	**1,952**	**1,083**	**1,067**	**934**	**934**	**4,753**	**10,723**

At 31 December 2023, financial liabilities at fair value through profit or loss amounted to € 100,700 thousand and related exclusively to the value of put options exercisable by IBL on its interest (equal to 40%) held in Net Holding in favour of the Parent Company Poste Vita starting from April 2028 for a value of € 95,700 thousand at the end of the period and two put options exercisable (the first in 2024 and the second in 2025) by the Chief Executive Officer of Net Insurance, again in favour of the Parent Company Poste Vita on its interest (equal to 2.2%) in Net Insurance for a total value of € 5,000 thousand.

5. Payables

Payables amounted to € 637,467 thousand at 31 December 2023 (€ 560,136 thousand at 31 December 2022). The breakdown of the item and changes with respect to the previous year can be seen in the following schedule:

Payables (€k)	31.12.23	31.12.22	Change	
Intermediaries payables	335,193	304,234	30,959	10%
Trade payables	128,853	155,239	(26,386)	-17%
Insurance payables	72,527	44,677	27,850	62%
Employees payables	8,025	6,481	1,544	24%
of which severance pay	1,401	893	508	57%
Financial payables	46,413	35,533	10,880	31%
Companies payables	18,073	4,732	13,341	282%
Other payables	26,981	8,347	18,634	223%
Total	**637,467**	**560,136**	**77,331**	**14%**

The item "Commissions payable to agents", totalling € 335,193 thousand (€ 304,234 thousand at 31 December 2022), refers mainly to payables to the Ultimate Parent Poste Italiane, for commissions earned on the placement and maintenance of insurance products in late 2023 and to be settled in the first quarter of 2024.

Amounts due to policyholders, which amounted to € 72,527 thousand (€ 44,677 thousand at 31 December 2022), mainly related to amounts collected and being reconciled at the end of the period.

The item "due to suppliers", for € 128,853 thousand (€ 155,239 thousand) refers to trade payables for services rendered for which the relative invoice had not yet been received at the end of the year.

Of this amount, € 95,967 thousand related to services rendered by Poste Italiane Group companies, of which € 73,410 thousand referred to the Ultimate Parent Poste Italiane and mainly related to invoices to be received for: i) services related to service contracts for the IT, communication, purchasing, anti-money laundering, human resources, administration and accounting functions; ii) charge-back of personnel costs and Board of Directors' fees; iii) Call Centre services; and iv) personnel transfers. For more information about the nature of these services, please see the section "Intercompany relations".

Amounts due to companies, amounting to € 18,073 thousand (€ 4,732 thousand at 31 December 2022), refer mainly to payables deriving from coinsurance relationships in effect at the end of the period.

"Financial payables", of € 46,413 thousand (€ 35,533 thousand at the end of 2022), refer to payables for commissions to be paid to managers of internal funds for € 39,610 thousand and for € 6,803 thousand refer to payables for funds acquired and not yet settled at the end of 2023.

Amounts due to employees of € 8,025 thousand (€ 6.481 thousand at the end of 2022) mainly refer to payables to employees for holidays not taken, variable compensation, contributions and employee termination benefits (discussed below).

In accordance with the provisions of IVASS, contained in Regulation no. 7, the liability relating to employee termination benefits has been entered under "other payables".

Relative to international accounting standards, and with respect to the indications provided by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretation Committee (IFRIC), employee termination benefits (TFR) are considered a defined-benefit plan.

Actuarial measurement of the employee termination benefits is done using an "accrued benefits" methodology, with a Projected Unit Credit (PUC) criteria, as established under paragraphs 64-66 of IAS 19.

Under this method, vested benefits are measured in proportion to the service rendered at the valuation date, considering each period of service as a source of an additional unit of benefit entitlement and measuring each unit separately for the purpose of calculating the final obligation.

In order to determine the present value of the defined benefit obligation and the related current service cost, the benefits of the Plan have been attributed to the periods of service according to the formula set out in the Fund regulations. This obligation arises when employees render their services in exchange for post-employment benefits that the Company expects to pay in future years. The expected benefits were then discounted on the measurement date using a hypothesised discount rate.

Actuarial gains or losses arise from the change and assumptions adopted or from changes in the population during the period observed as illustrated below. In accordance with IAS 19, actuarial gains and losses are recognised through Other Comprehensive Income (OCI).

The financial component for 2023 is recognised among financial costs, while other components of the provision of the year were recognised among personnel expense.

Changes during the year are shown below, noting that the item "other changes" only includes the opening balances of the subsidiaries Net Insurance and Net Insurance Life, which entered the scope of consolidation as of 1 April 2023.

Employee termination benefits (€k)	31.12.23	31.12.22	Change	
Carrying amount at the beginning of the period	**893**	**1,223**	**(330)**	**-27%**
Service Cost	64	42	22.4	53%
Interest cost	47	5	42	841%
Benefits paid	(55)	(1)	(54)	n/s
Transfers in/(out)	17	(28)	45	-161%
Actuarial (Gains)/Losses	20	(348)	368	-106%
Other changes	415	0	415	n/s
Carrying amount at the end of the period	**1,401**	**893**	**508**	**57%**

Actuarial gains recognised during the period are represented by the sum of the following components:

Details of actuarial gains/losses (€k)	31.12.23
Actuarial gains/(losses) due to movements in the relevant population	(18)
Actuarial gains/(losses) due to changes in financial assumptions	38
total	**20**

The main actuarial assumptions applied in calculating employee termination benefits (TFR) at 31 December 2023 are detailed below, with the hypotheses adopted at the end of 2022 for comparison:

Economic and financial assumptions	31.12.23	31.12.22
Annual discount rate	3.08%	3.63%
Inflation rates	2.00%	2.30%
Annual rate of increase of employee termination benefits	3.000%	3.23%
Real wage growth rate	0.95%	

6. Other liabilities

Other liabilities amounted to € 1,253,682 thousand at the end of 2023, compared to € 958,822 thousand at the end of the previous year. They are detailed in the table below:

Other liabilities (€k)	31.12.23	31.12.22	Change	
Current tax liabilities	756,707	504,676	252,031	50%
Deferred tax liabilities	486,965	444,610	42,355	10%
Other liabilities	10,010	9,536	474	5%
Total	**1,253,682**	**958,822**	**294,860**	**31%**

Below are changes in deferred tax liabilities recognised at 31 December 2023:

Deferred tax liabilities (€k)	
Deferred tax liabilities at 31 December 2022	444,610
- change accounted for in profit or loss	46,428
- change accounted for in equity	(4,073)
Deferred tax liabilities at 31 December 2023	**486,965**

With regard to temporary differences with effect on profit or loss, these mainly relate to the higher finance income recognised in accordance with IAS/IFRS in the financial statements of Poste Vita, compared with as determined in accordance with tax regulations. By contrast, with regard to temporary differences recognised directly in Equity, these mainly relate to the fair value measurement of financial assets measured at fair value through other comprehensive income (FVOCI) of the Parent Company Poste Vita and the subsidiary Poste Assicura.

The item "Current tax liabilities" amounted to € 756,707 thousand at 31 December 2023 (€ 504,676 thousand at 31 December 2022).

Current tax liabilities (€k)	31.12.23	31.12.22	Change	
Advance payment in relation to Italian Decree Law 209/2002	500,227	419,652	80,575	19%
Stamp duty payable	73,884	51,681	22,204	43%
Current tax liabilities	136,673	973	135,700	n/s
Substitute tax payable on individual pension plans (FIP) and life policies	38,369	31,079	7,290	23%
Other	7,553	1,291	6,262	485%
Total	**756,707**	**504,676**	**252,031**	**50%**

The item refers primarily to:
- € 500,227 thousand due to the tax authorities for the advance payment of tax on mathematical provisions for the period;
- the amounts due to tax authorities for stamp duty at 31 December 2023 on financial policies for Life classes III and V, totalling € 73,884 thousand;
- current tax payables in the amount of € 136,673 thousand. These payables are almost entirely offset by the corresponding current tax receivables at the end of the previous year;
- the payable for withholdings and substitute taxes for capital paid relative to life and FIP policies recognised at 31 December 2023, for € 38,369 thousand, referring to taxes accruing in December which will be paid the next month.

Other liabilities

Other liabilities at 31 December 2023 amounted to € 10,010 thousand (€ 9,536 thousand at 31 December 2022), mainly referring to amounts due to employees and other operating payables.

Part D – Information the Consolidated Statement of Profit or Loss

1. Insurance revenue from insurance contracts issued

Insurance revenue from insurance contracts issued amounted to € 2,527,537 thousand at the end of 2023 (€ 2,434,378 thousand at the end of 2022), of which € 2,015,715 thousand related to Life business and the remainder of € 511,822 related to Non-Life business.

The breakdown of revenue from insurance contracts by measurement model and by business is shown below.

Description (€k)	FY 2023	FY 2022	Changes
Life business			
Contracts measured according to GMM and VFA	**2,015,715**	**2,094,600**	**-78,884**
Change in liability for remaining coverage	1,776,687	1,886,141	-109,454
Incurred claims and other expected insurance service costs	552,545	422,512	130,033
Changes in the adjustment for non-financial risks	112,305	86,703	25,602
Contractual Service Margin recorded in the statement of profit or loss for services provided	1,111,837	1,376,927	-265,090
Other amounts	-	-	-
Acquisition costs of recovered insurance contracts	239,028	208,459	30,570
Total Life Business	**2,015,715**	**2,094,600**	**-78,884**
Non-Life business			
Contracts measured according to GMM and VFA	**96,512**	**20,186**	**76,326**
Change in liability for remaining coverage	82,646	18,355	64,291
Incurred claims and other expected insurance service costs	50,799	8,967	41,832
Changes in the adjustment for non-financial risks	7,879	2,186	5,693
Contractual Service Margin recorded in the statement of profit or loss for services provided	22,977	6,914	16,063
Other amounts	991	287	704
Acquisition costs of recovered insurance contracts	13,866	1,831	12,035
Contracts measured under PAA	**415,310**	**319,593**	**95,717**
Total Non-Life Business	**511,822**	**339,779**	**172,044**
Total	**2,527,537**	**2,434,378**	**93,159**

Revenue from Life insurance services in the period amounted to € 2,015,715 thousand, down € 78,884 thousand compared to € 2,094,600 thousand in 2022, mainly due to the lower release (-€ 265,090 thousand) of the contractual service margin ("**CSM**") mainly attributable to the additional release component. This change is only partially mitigated by: i) the greater release of risk adjustment (+€ 25,602 thousand); ii) the greater release of claims and expected expenses (+€ 130,033 thousand); and iii) the greater release (+€ 30,570 thousand) of acquisition costs (recognised in the financial statements for disclosure purposes only and which are, however, mitigated by the impact of the related amortisation recognised as an expense).

Revenue from insurance services related to Non-Life business amounted to € 511,822 thousand in the period, an increase of € 172,044 thousand compared to € 339,779 thousand in 2022 mainly due to: i) the increase of € 95,717 thousand in the LRC relating to the portfolio measured using the PAA method, due to the growth in gross inflows; ii) the higher release (+€ 16,063 thousand) of the contractual service margin in the period due to the contribution of the subsidiary Net Insurance; and iii) the higher release of claims and expected expenses (€ 41,832 thousand).

2. Costs for insurance services arising from insurance contracts issued

Costs for services arising from insurance contracts issued amounted to € 1,188,577 thousand at the end of 2023 (€ 915,913 thousand at the end of 2022), of which € 758,181 thousand related to Life business and the remainder of € 430,396 to Non-Life business.

The breakdown of revenue from insurance contracts by measurement model and by business is shown below.

Description (€k)	FY 2023	FY 2022	Changes
Life business			
Contracts measured according to GMM and VFA	**-758,181**	**-634,871**	**-123,310**
Incurred claims and other directly attributable costs	-378,643	-399,979	21,336
Changes in the liability for incurred claims	-142,902	-26,340	-116,561
Losses on onerous contracts and recovery of such losses	2,392	-93	2,484
Amortisation of acquisition costs of insurance contracts	-239,028	-208,459	-30,570
Other	-	-	-
Total Life Business	**-758,181**	**-634,871**	**-123,310**
Non-Life business			
Contracts measured according to GMM and VFA	**-71,445**	**-5,374**	**-66,071**
Incurred claims and other directly attributable costs	-55,359	-4,608	-50,751
Changes in the liability for incurred claims	-3,287	1,065	-4,352
Losses on onerous contracts and recovery of such losses	1,067	-	1,067
Amortisation of acquisition costs of insurance contracts	-13,866	-1,831	-12,035
Other	-	-	-
Contracts measured under PAA	**-358,951**	**-275,668**	**-83,283**
Total Non-Life Business	**-430,396**	**-281,042**	**-149,354**
TOTAL	**-1,188,577**	**-915,913**	**-272,664**

Costs for insurance services[21] of the Life business for the Period were € 758,181 thousand, an increase of € 123,310 thousand compared to € 634,871 thousand in 2022, mainly due to: i) the change in liabilities for attributable incurred claims (+€ 116,561 thousand) and ii) higher costs (+€ 30,570 thousand) related to the amortisation of acquisition costs, which are however offset by the impact on gross revenue of the related release, as described above.

The **cost of insurance services of the Non-Life business** amounted to € 430,396 thousand at the end of the period, an increase of € 149,354 thousand compared to € 281,042 thousand in 2022, mainly due to: i) the increase in claims paid of € 50,751 thousand; ii) the amortisation of insurance acquisition cash flows (IACFs) which increased by € 12,035 thousand compared to the previous period due to higher commissions related to the growth in inflows; and iii) the increase (+€ 83,283 thousand) of insurance service costs related to contracts measured using the PAA method and attributable mainly to claims and expenses paid and the amortisation of IACFs related to business development.

3. Insurance revenue from outward reinsurance

21. 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).

4. Costs for insurance services arising from outward reinsurance

Insurance revenue from outward reinsurance totalled € 73,789 thousand, of which € 11,848 thousand related to Life business and € 61,941 thousand to Non-Life business.

Costs for insurance services arising from outward reinsurance totalled € 88,781 thousand, of which € 16,887 thousand related to Life business and € 71,894 thousand to Non-Life business.

The breakdown of this item by model and business is shown below:

Description (€k)	FY 2023	FY 2022	Changes
Life business			
Outward reinsurance measured under GMM	**-16,887**	**547**	**-17,434**
Change in the asset for remaining coverage	-16,887	547	-17,434
Amount of claims and other expected recoverable costs	-16,903	547	-17,450
Changes in the adjustment for non-financial risks	-1,020	-	-1,020
Contractual Service Margin recorded in the statement of profit or loss for services received	1,005	-	1,005
Other	30	-	30
Other costs directly attributable to outward reinsurance	-	-	-
Total costs from outward reinsurance	**-16,887**	**547**	**-17,434**
Effects of changes in reinsurers' default risk	-	-	-
Amount of claims and other expenses recovered	16,199	-	16,199
Changes in the asset for incurred claims	-842	-	-842
Other recoveries	-3,509	-	-3,509
Total revenue from outward reinsurance	**11,848**	**-**	**11,848**
Total Life Business	**-5,039**	**547**	**-5,586**
Non-Life business			
Outward reinsurance measured under GMM	**-30,642**	**-52**	**-30,590**
Change in the asset for remaining coverage	-30,642	-52	-30,590
Amount of claims and other expected recoverable costs	-20,582	-306	-20,275
Changes in the adjustment for non-financial risks	-3,276	-27	-3,249
Contractual Service Margin recorded in the statement of profit or loss for services received	-7,216	-207	-7,009
Other	432	489	-57
Other costs directly attributable to outward reinsurance	-	-	-
Outward reinsurance measured under PAA	**-41,251**	**-7,317**	**-33,934**
Total costs from outward reinsurance	**-71,894**	**-7,369**	**-64,524**
Effects of changes in reinsurers' default risk	-4	-	-4
Amount of claims and other expenses recovered	29,895	210	29,685
Changes in the asset for incurred claims	-1,655	-1,075	-580
Other recoveries	315	-	315
Revenue from outward reinsurance measured under PAA	**33,389**	**-353**	**33,742**
Total revenue from outward reinsurance	**61,941**	**-1,218**	**63,159**
Total Non-Life Business	**-9,953**	**-8,588**	**-1,365**
TOTAL	**-14,992**	**-8,041**	**-6,951**

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

31.12.23	Interest	Other income and expenses	Net realised gains	Net unrealised gains	Total income and expenses
From financial assets measured at fair value through profit or loss	**105,590**	**293,683**	**102,130**	**2,597,105**	**3,098,507**
31.12.22					
From financial assets measured at fair value through profit or loss	95,592	109,490	(178,428)	(5,065,780)	(5,039,126)
Change	**9,997**	**184,194**	**280,558**	**7,662,885**	**8,137,634**

Net income from financial instruments at fair value through profit or loss was a positive € 3,098,507 thousand at the end of the year, compared to a negative € 5,039,126 thousand in 2022. The increase of € 8,137,634 thousand in the item is due mainly to the improved financial market conditions during the period which gave rise to the recognition of net unrealised gains for € 2,597,105 thousand, compared to net unrealised losses of € 5,065,780 thousand in 2022.

7-8 Income/expenses from investments in associates and joint ventures, other financial assets and liabilities and investment property

This item totalled € 3,295,342 thousand, compared with € 3,455,713 thousand recorded in 2022, and consists of the following:

Financial income/expense (€k)	Interest	Other income and expenses	Total ordinary income	Realised gains/ (losses)	Unrealised gains/ (losses)	Total income and expenses 2023
From financial assets measured at fair value through other comprehensive income	3,175,868	(50)	3,175,818	(7,362)	(6,746)	3,161,709
From financial assets measured at amortised cost	70,861		70,861		(142)	70,719
Income from cash and cash equivalents	118,581		118,581			118,581
From other financial liabilities measured at amortised cost	(56,250)		(56,250)			(56,250)
From investments in associates					582	582
Total	**3,309,061**	**(50)**	**3,309,010**	**(7,362)**	**(6,306)**	**3,295,342**

Financial income/expense	Interest	Other income and expenses	Total ordinary income	Realised gains/ (losses)	Unrealised gains/ (losses)	Total income and expenses 2022
From financial assets measured at fair value through other comprehensive income	3,611,272	(7,590)	3,603,682	(178,704)	4,067	3,429,046
From financial assets measured at amortised cost	70,420		70,420		(96)	70,324
Income from cash and cash equivalents	7,361		7,361			7,361
From other financial liabilities measured at amortised cost	(53,195)		(53,195)			(53,195)
From investments in associates					2176	2,176
Total	**3,635,858**	**(7,590)**	**3,628,268**	**(178,704)**	**6,148**	**3,455,713**
Change	**(326,798)**	**7,540**	**(319,257)**	**171,341**	**(12,454)**	**(160,371)**

Net income from investments classified as financial assets through other comprehensive income amounted to € 3,161,709 thousand, a decrease compared to the figure recognised in 2022 (€ 3,429,946 thousand), despite the growth in the portfolio, owing to greater contribution of ordinary income related to the trend in inflation recorded in 2022.

Net income from financial assets measured at amortised cost amounted to € 70,719 thousand at the end of the period, substantially in line with the € 70,324 thousand of 2022.

The remainder of net income, which amounted to € 62,914 thousand (- € 43,658 thousand at 31 December 2022) related to interest income on current accounts of € 118,581 thousand, commission expenses due to the Poste Italiane SpA on Ancillary Funds for € 40,282 thousand and interest expenses accrued on the subordinated loan for a total of € 15,683 thousand. The figure also includes the profit for the year recorded by the associates EGI and ECRA for the current financial year totalling € 582 thousand (of which € 494 thousand referred to EGI).

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

This item amounted to a negative € 6,372,748 thousand at the end of the period, compared to € 1,538,733 thousand at the end of the previous year, due to the effect of the retrocession to policyholders through the mirroring mechanism of the net unrealised gains mainly related to investments included in the Separately Managed Accounts. This effect is represented within the table under the heading “change in *fair value* of underlying assets of contracts measured under VFA”.

The breakdown by business is shown below.

(€k)	FY 2023	FY 2022	Changes
Life business			
Accrued interest	-6,729	11	-6,740
Effects of changes in interest rates and other financial assumptions	-887	116	-1,002
Change in fair value of underlying assets of contracts measured under VFA	-6,359,446	1,537,609	-7,897,055
Effects of exchange rate changes	-	-	-
Other	-	-	-
Total Life Business	**-6,367,061**	**1,537,736**	**-7,904,798**
Non-Life business			
Accrued interest	-5,983	182	-6,165
Effects of changes in interest rates and other financial assumptions	296	815	-519
Change in fair value of underlying assets of contracts measured under VFA	-	-	-
Effects of exchange rate changes	-	-	-
Other	**-**	**-**	**-**
Total Non-Life Business	**-5,687**	**997**	**-6,684**
TOTAL	**-6,372,748**	**1,538,733**	**-7,911,481**

11. Net financial revenue/costs related to outward reinsurance

This item amounted to € 5,047 thousand at the end of 2023 (€ 31 thousand at 31 December 2022).

(€k)	FY 2023	FY 2022	Changes
Life segment			
Accrued interest	2,497	-	2,497
Effects of changes in interest rates and other financial assumptions	-	-	-
Effects of exchange rate changes	-	-	-
Other	-	-	-
Total Life Segment	**2,497**	**-**	**2,497**
Non-Life segment			
Accrued interest	2,542	-3	2,545
Effects of changes in interest rates and other financial assumptions	8	-28	36
Effects of exchange rate changes	-	-	-
Other	**-**	**-**	**-**
Total Non-Life Segment	**2,550**	**-31**	**2,582**
TOTAL	**5,047**	**-31**	**5,078**

13. Other revenue/costs

They amounted to € 140,045 thousand at 31 December 2023 (€ 74,559 thousand at 31 December 2022) and mainly related to: i) commissions on internal funds, for € 156,576 thousand; ii) premium to be paid under an insurance contract on mass lapse risk coverage for -€ 21,500 thousand.

14. Operating expenses

Operating expenses amount to € 55,076 thousand at the end of the period, up from € 44,398 thousand at the end of 2022. The following table shows a breakdown of operating costs by business (Life or Non-Life):

(€k)	31.12.23	31.12.22	Change	
Non-Life business				
Operating expenses				
Investment management expenses	(1,514)	(1,076)	(438)	40.7%
Other administrative expenses	(18,404)	(12,177)	(6,228)	51.1%
Total Non-Life business	**(19,918)**	**(13,253)**	**(6,665)**	**50.3%**
Life business				
Operating expenses				
Investment management expenses	(8,765)	(6,192)	(2,573)	41.6%
Other administrative expenses	(26,392)	(24,954)	(1,439)	5.8%
Total Life business	**(35,157)**	**(31,145)**	**(4,012)**	**12.9%**
Total operating expenses	**(55,076)**	**(44,398)**	**(10,677)**	**24.0%**

This item includes investment management expenses, including custodial expenses, amounting to € 10,279 thousand (of which € 8,765 thousand related to the Life business) not included in the estimate of insurance liabilities. The increase of € 3,011 thousand compared to 2022 is mainly related to the growth of the portfolio

This item also includes other administrative expenses amounting to € 44,797 thousand (of which € 26,392 thousand related to the Life business), which mainly include general expenses of € 41,972 thousand not included in the calculation of insurance liabilities and therefore not allocated to acquisition costs of insurance contracts and investment management expenses. The item also includes general expenses of the subsidiaries (Poste Insurance Broker and Net Holding) that do not engage in insurance business in the amount of € 2,807 thousand. The increase for the period of € 7,666 thousand is attributable to expenses to support business development in addition to the contribution in the period of € 4,186 thousand from the subsidiaries Net Insurance and Net Insurance Life.

15. Net provisions for risks and charges

The item provisions for risks and charges amounted to € 1,188 thousand at the end of the period (€ 1,339 thousand at the end of 2022) mainly related to the allocation made during the period for fraud cases.

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

Net impairment losses/reversals of impairment losses) on tangible assets amounted to € 131 thousand at 31 December 2023 (€ 823 thousand at the end of 2022).

18. Other operating income/expenses

Other operating income/expenses totalled € 3,995 thousand at 31 December 2023 (€ 616 thousand at the end of 2022).

20. Taxes

Taxes for the year recorded in profit or loss totalled € 415,513 thousand. They consist of current IRES and IRAP taxes of € 373,750 thousand, in addition to net expense related to the net change in deferred tax assets and liabilities totalling € 41,764 thousand.

(€k)	31.12.23
Current taxes	**373,750**
- IRES	300,004
- IRAP	73,746
Deferred tax liabilities:	**41,764**
- deferred tax liabilities arising during the year	46,819
- deferred tax liabilities used during the year	(390)
- deferred tax assets arising during the year	(26,388)
- deferred tax assets used during the year	21,724
Total	**415,513**

The table below provides a reconciliation between taxes recognised in the financial statements and the theoretical tax burden, calculated using the IRES nominal rate of 24%. The effects of IRAP were not included, given that the taxable base for this tax uses criteria that are different from those established for IRES in the tax laws.

	31.12.2023	
(€k)	Amount	Rate
Profit/(Loss) before tax	**1,429,771**	
Income tax based on statutory tax rate (only IRES at 24%)	343,145	24.0%
Non-deductible interest expenses	698	0.1%
Non-deductible extraordinary expenses	1,718	0.1%
Tax free dividends	(4,767)	-0.3%
IRAP deduction from IRES	(968)	-0.1%
ACE (aid for economic growth) relief	(9,231)	-0.7%
Other	2,812	0.2%
IRES accrual taxes	**333,407**	**23.3%**
IRAP accrual taxes	**82,106**	**5.7%**
Income tax for the year	**415,514**	**29.1%**

Management and coordination

The Parent Company Poste Vita is wholly-owned by Poste Italiane SpA, which directs and coordinates the Group. The following schedule provides the key figures from the most recently approved financial statements of Poste Italiane SpA (31 December 2022). Reference should be made to the financial statements of Poste Italiane SpA which, together with the independent auditors' report, are available in the forms and manner required by law. For the sake of completeness, it should be noted that the Ultimate Parent Poste Italiane also prepares the Consolidated Financial Statements.

KEY FIGURES OF POSTE ITALIANE'S FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION (€k)		
ASSETS	31 December 2022	31 December 2021
Non-current assets	81,371,702	83,842,991
Current assets	34,681,071	37,229,519
Non-current assets held for sale	0	0
TOTAL ASSETS	**116,052,773**	**121,072,510**

EQUITY AND LIABILITIES	31 December 2022	31 December 2021
Equity		
Share capital	1,306,110	1,306,110
Treasury shares	(62,851)	(39,809)
Reserves	162,829	3,485,766
Retained earnings	2,401,421	2,282,304
Total	**3,807,510**	**7,034,371**
Non-current liabilities	14,157,530	18,822,087
Current liabilities	98,087,733	95,216,052
TOTAL LIABILITIES AND EQUITY	**116,052,773**	**121,072,510**

STATEMENT OF PROFIT OR LOSS FOR THE YEAR (€/000)	**FY 2022**	**FY 2021**
Revenue from sales and services	8,903,677	8,487,732
Other income from financial activities	427,965	523,114
Other operating income	721,244	680,375
Total revenue	**10,052,886**	**9,691,221**
Cost of goods and services	2,497,561	2,485,746
Other expenses from financial activities	215,135	177,864
Personnel expenses	4,986,728	5,235,410
Depreciation, amortisation and impairments	743,981	715,251
Capitalised costs and expenses	(36,896)	(30,766)
Other operating costs	473,146	209,129
Impairment losses/(reversals of impairment losses) on debt instruments, receivables and other assets	97,051	14,083
Operating profit/(loss)	**1,076,180**	**884,504**
Financial expenses	71,126	64,136
Financial income	94,605	76,054
Impairment losses/(reversals of impairment losses) on financial assets	(599)	(184)
Profit/(Loss) before tax	**1,100,258**	**896,606**
Income tax expense	253,145	99,414
PROFIT FOR THE YEAR	**847,113**	**797,192**

Part E - Other information

Information on related party transactions

Transactions between the Parent Company, Poste Vita SpA, and its subsidiaries Poste Assicura SpA, Net Holding, Net Insurance SpA and Net Insurance Life, as well as transactions with Poste Insurance Broker, have been eliminated from the consolidated financial statements as part of the elimination of intercompany transactions and, therefore, are not shown in this section.

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

Below are the balances of commercial and financial operations carried out between Group companies, including the Parent Company, and the internal and external entities related to the same.

INTERNAL RELATED PARTIES

Related party (€k)	31.12.23		31.12.22	
	Assets	Liabilities	Assets	Liabilities
Associate	110,101	453	109,411	-
Other related parties	959,828	1,589,956	570,643	1,452,048
Total	**1,069,929**	**1,590,410**	**680,054**	**1,452,048**

INTERNAL RELATED PARTIES

Related party (€k)	31.12.23		31.12.22	
	Assets	Liabilities	Assets	Liabilities
Associate	2,028	1,814	2,224	-6
Other related parties	30,602	922,197	7,112	763,432
Total	**32,630**	**924,011**	**9,336**	**763,426**

"Internal related parties" means companies in the Poste Italiane Group.

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

Relations with the Ultimate Parent Poste Italiane SpA, which holds all the shares, are governed by written contracts, settled by market conditions and regard mainly:
- the sale and distribution of insurance products at Post Offices and related activities;
- Post Office current accounts;
- the secondment of personnel to and from the Parent Company;
- support in organising the business and in the recruitment and management of personnel;

- the pick-up, packaging and shipping of ordinary mail;
- call centre services;
- service of the purchasing, human resources, communication, anti-money laundering, IT, administration and accounting functions.

Additionally, at 31 December 2023, Poste Italiane had subscribed subordinate loans issued by the Company Poste Vita for a total of € 1,050,000 thousand, remunerated at market conditions reflecting the credit standing of the insurance Company.

At 31 December 2023, assets include the value of the investments held in the associates Europa Gestioni Immobiliare SpA (EGI) and ECRA in the amount of € 109,973 thousand (of which € 107,910 thousand related to the investment in EGI) and the dividend received from EGI in 2023 in the amount of € 1,935 thousand under income.

In addition to relations with the Ultimate Parent Poste Italiane, Poste Vita Group companies also have operating relations with other Poste Italiane Group companies, with particular reference to:
- management of free capital and part of the investments in the portfolio of the Separately Managed Accounts (BancoPosta Fondi SGR, Anima SGR);
- printing, enveloping and delivery of mail via information systems, management of incoming mail, dematerialisation and archiving of paper documents (Postel);
- shipping services (SDA Express Courier);
- TCM (Poste Air Cargo) policies;
- policies relating to the Accident line (BancoPosta Fondi SGR), the General Liability line (PostePay) and the All Risk policies (Consorzio Logistica Pacchi and EGI);
- services involving e-Procurement of forms, consumables, stationery and related services (Consorzio Logistica Pacchi);
- service contract and recovery of costs related to staff secondments (Cronos);
- mobile phone services (PostePay);
- liquidation management (Poste Welfare Servizi);
- printing, enveloping and delivery of mail via information systems, management of incoming mail, dematerialisation and archiving of paper documents (Postel);
- services related to electricity use (Europa Gestioni Immobiliari).

Below is a table summarising relations with external related parties at 31 December 2023:

EXTERNAL RELATED PARTIES

Related party (€k)	31.12.23		31.12.22	
	Assets	Liabilities	Assets	Liabilities
Other related parties	21,981	1,784	561,864	485
Total	**21,981**	**1,784**	**561,864**	**485**

EXTERNAL RELATED PARTIES

Related party (€k)	31.12.23		31.12.22	
	Assets	Liabilities	Assets	Liabilities
Other related parties	21,121	1,497	18,236	1,720
Total	**21,121**	**1,497**	**18,236**	**1,720**

With regard to “external related parties”, assets totalling € 21,981 thousand at the end of 2023 include the unlisted security issued by the Cassa Depositi e Prestiti Group. The decrease from 2022 is attributable to the repayment in full in December of a private placement of the Constant Maturity Swap type by Cassa Depositi e Prestiti.

Liabilities, which amounted to € 1,784 thousand at the end of 2023, include the amount due to MEF for dormant policies.

Income, totalling € 21,121 thousand in 2023, mainly includes: i) financial income relative to CDP securities (€ 18,421 thousand) and ii) premiums received from the Fondo di Assistenza Sanitaria Integrativa Poste Vita (€ 2,903 thousand) and from the Enel Group (€ 125 thousand) for insurance coverage offered by Companies in the Poste Vita Group.

Charges, which totalled € 1,497 thousand at the end of 2023, included the cost payable to ENI for expenses, utilities and fuel for employees, in the amount of € 10 thousand and the cost payable by the Company to ENEL in connection with the contractual agreement that provides for profit-sharing for the policyholder, in the amount of € 1,487 thousand.

Human Resources

The number of direct employees at 31 December 2023 was 631 (expressed in full time equivalent), compared to 460 at 31 December 2022. In this regard, it should be noted that the 2023 figure includes 29 staff belonging to Net Insurance Life and 107 staff belonging to Net Insurance (which only became part of the Poste Vita Group in April).

Below is a breakdown of staff, divided by contract type and the relative changes with respect to the previous year:

Workforce Breakdown expressed in FTE	31.12.23	31.12.22	Change
Executives	47	38	9
Middle managers	325	252	73
Operational staff	254	169	85
Flexible contracts	5	1	4
Direct employees	**631**	**460**	**171**

Disclosure of independent auditors' fees and services provided other than auditing

In compliance with that established in Article 149-duodecies of the CONSOB Issuers Regulation, the fees accruing during the year for independent auditing of the Poste Vita Group consolidated financial statements, carried out by Deloitte & Touche SpA, amounted to € 1,720 thousand, of which:

- € 831 thousand related to the audit of the Parent Company Poste Vita (of which € 222 thousand for the Solvency II financial statements);
- € 538 thousand for auditing relative to the Subsidiaries (of which € 150 thousand for the Solvency II financial statements);
- € 350 thousand referred to attestation services.

Rome, 19 April 2023

The Board of Directors

3. Annexes

Statement of financial position - Assets

			€k
	Items	**2023**	**2022**
1.	**INTANGIBLE ASSETS**	**144,915**	**-**
	of which: goodwill	123,821	-
2.	**TANGIBLE ASSETS**	**26,526**	**11,153**
3.	**INSURANCE CONTRACTS ASSETS**	**232,854**	**43,730**
3.1	Insurance contracts - assets	-	-
3.2	Reinsurance contracts - assets	232,854	43,730
4.	**INVESTMENTS**	**156,502,020**	**142,460,251**
4.1	Investment property	-	-
4.2	Investments in subsidiaries, associates and joint ventures	110,010	111,323
4.3	Financial assets measured at amortised cost	2,370,000	2,387,301
4.4	Financial assets measured at fair value through other comprehensive income	105,852,070	96,500,899
4.5	Financial assets measured at fair value through profit or loss	48,169,940	43,460,728
	a) financial assets held for trading	33,487,117	31,725,533
	b) Financial assets designated at fair value	-	-
	c) Other financial assets mandatorily measured at fair value	14,682,822	11,735,195
5.	**OTHER FINANCIAL ASSETS**	**128,803**	**101,062**
6.	**OTHER ASSETS**	**3,317,524**	**3,425,008**
6.1	Non-current assets or disposal groups held for sale	49,500	-
6.2	Tax assets	3,265,006	3,423,637
	a) current	2,315,661	2,493,128
	b) deferred	949,344	930,509
6.3	Other assets	3,018	1,371
7.	**CASH AND CASH EQUIVALENTS**	**3,543,102**	**2,729,706**
	TOTAL ASSETS	**163,895,745**	**148,770,910**

Statement of financial position – Equity and Liabilities

			€k
	Items	**2023**	**2022**
1.	**EQUITY**	**6.687.740**	**5.986.595**
1.1	Share capital	1.216.608	1.216.608
1.2	Other equity instruments	800.000	800.000
1.3	Capital reserves	-	-
1.4	Revenue reserves and other equity reserves	3.717.968	3.248.436
1.5	Treasury shares (-)	-	-
1.6	Valuation reserves	(135.481)	(342.637)
1.7	Equity attributable to non-controlling interests (+/-)	74.387	-
1.8	Net profit/(loss) for the year attributable to owners of the Parent (+/-)	1.008.960	1.064.189
1.9	Net profit/(loss) for the year attributable to non-controlling interests (+/-)	5.297	-
2.	**PROVISIONS FOR RISKS AND CHARGES**	**16.633**	**20.640**
3.	**INSURANCE CONTRACTS LIABILITIES**	**154.919.818**	**140.980.478**
3.1	Insurance contracts - liabilities	154.919.818	140.980.478
3.2	Reinsurance contracts - liabilities	-	-
4.	**FINANCIAL LIABILITIES**	**380.404**	**264.238**
4.1	Financial liabilities measured at fair value through profit or loss	100.700	-
	a) financial liabilities held for trading	100.700	-
	b) financial liabilities designated at fair value	-	-
4.2	Financial liabilities measured at amortised cost	279.704	264.238
5.	**PAYABLES**	**637.467**	**560.136**
6.	**OTHER LIABILITIES**	**1.253.682**	**958.822**
6.1	Liabilities included in disposal groups held for sale	-	-
6.2	Tax liabilities	1.243.672	949.286
	a) current	756.707	504.676
	b) deferred	486.965	444.610
6.3	Other liabilities	10.010	9.536
	TOTAL EQUITY AND LIABILITIES	**163.895.745**	**148.770.910**

Statement of profit or loss

			€k
	Items	**31.12.2023**	**31.12.2022**
1.	Insurance revenue from insurance contracts issued	2,527,537	2,434,378
2.	Costs for insurance services arising from insurance contracts issued	(1,188,577)	(915,913)
3.	Insurance proceeds from outward reinsurance	73,789	(1,179)
4.	Costs for insurance services arising from outward reinsurance	(88,781)	(6,862)
5.	**Result of insurance services**	**1,323,968**	**1,510,425**
6.	Income/expenses from financial assets and liabilities measured at fair value through profit or loss	3,098,507	(5,039,126)
7.	Income/expenses from investments in associates and joint ventures	582	2,176
8.	Income/expenses from other financial assets and liabilities and from investment property	3,294,760	3,453,536
8.1	- Interest income calculated using the effective interest method	3,365,310	3,689,052
8.2	- Interest expense	(56,250)	(53,195)
8.3	- Other income/expenses	(50)	(7,590)
8.4	- Realised gains/losses	(7,362)	(178,704)
8.5	- Unrealised gains/losses	(6,888)	3,972
9.	**Investment income and expenses**	**6,393,849**	**(1,583,414)**
10.	Net financial costs/revenue related to insurance contracts issued	(6,372,748)	1,538,733
11.	Net financial revenue/costs related to outward reinsurance	5,047	(31)
12.	**Net financial result**	**26,148**	**(44,712)**
13.	Other revenue/costs	140,045	95,302
14.	Operating expenses:	(55,076)	(44,398)
14.1	- Investment management expenses	(10,279)	(7,268)
14.2	- Other administrative expenses	(44,797)	(37,131)
15.	Net provisions for risks and charges	(1,189)	(1,340)
16.	Impairment losses/(reversals of impairment losses) on tangible assets	(131)	(823)
17.	Impairment losses/(reversals of impairment losses) on intangible assets	-	-
	of which: Goodwill adjustments	-	-
18.	Other operating income/expenses	(3,995)	(616)
19.	**Profit (loss) for the year before tax**	**1,429,771**	**1,513,838**
20.	Taxes	(415,513)	(449,649)
21.	**Profit (loss) for the year after tax**	**1,014,257**	**1,064,189**
22.	Profit (loss) from discontinued operations	-	-
23.	**Consolidated profit (loss)**	**1,014,257**	**1,064,189**
	of which: attributable to owners of the Parent	1,008,960	1,064,189
	of which: attributable to non-controlling interests	5,297	-

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Statement of financial position by operating segment

Items/Sectors		Non-Life business	
		2023	2022
1	**INTANGIBLE ASSETS**	**9,076,945**	
2	**TANGIBLE ASSETS**	**7,989,280**	**2,530,998**
3	**INSURANCE CONTRACTS ASSETS**	**90,698,502**	**14,377,524**
3.1	Insurance contracts - assets		
3.2	Reinsurance contracts - assets	90,698,502	14,377,524
4	**INVESTMENTS**	**874,200,716**	**572,664,810**
4.1	Investment property		
4.2	*Investments in associates and joint ventures*	9,379,654	36,896
4.3	Financial assets measured at amortised cost	229,598,074	216,262,662
4.4	Financial assets measured at fair value through other comprehensive income	619,186	353,275
4.5	Financial assets measured at fair value through profit or loss	16,037	3,090
5	**OTHER FINANCIAL ASSETS**	**16,523**	**9,227**
6	**OTHER ASSETS**	**55,520**	**33,948**
7	**CASH AND CASH EQUIVALENTS**	**22,537**	**41,442**
TOTAL ASSETS		**1,076,545**	**674,190**
1	**EQUITY**	**399,329**	**282,031**
2	**PROVISIONS FOR RISKS AND CHARGES**	**1,774**	**1,774**
3	**INSURANCE CONTRACTS LIABILITIES**	**486,436**	**265,335**
3.1	Insurance contracts - liabilities	486,436	265,335
3.2	Reinsurance contracts - liabilities		
4	**FINANCIAL LIABILITIES**	**12,489**	**2,589**
4.1	Financial liabilities measured at fair value through profit or loss		
4.2	Financial liabilities measured at amortised cost	12,489	2,589
5	**PAYABLES**	**158,098**	**120,723**
6	**OTHER LIABILITIES**	**18,419**	**1,738**
TOTAL EQUITY AND LIABILITIES		**1,076,545**	**674,190**

						€k
	Life business		**Cross-sector eliminations**		**Total**	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
	1,483,342		**134,355,012**		**144,915,299**	
	18,537,090	**8,622,501**			**26,526,370**	**11,153,499**
	142,155,776	**29,352,818**			**232,854,278**	**43,730,342**
	142,155,776	29,352,818			232,854,278	43,730,342
	155,862,100,137	**141,915,761,383**	**(234,281,078)**	**(28,175,489)**	**156,502,019,775**	**142,460,250,704**
	330,138,914	139,461,706	(229,508,490)	(28,175,489)	110,010,078	111,323,113
	2,145,174,921	2,171,037,927	(4,772,588)		2,370,000,407	2,387,300,589
	105,232,883	96,147,624			105,852,070	96,500,899
	48,153,903	43,457,638			48,169,940	43,460,728
	126,988	**106,065**	**(14,708)**	**(14,230)**	**128,803**	**101,062**
	3,263,827	**3,391,060**	**(1,823)**		**3,317,524**	**3,425,008**
	3,520,565	**2,688,264**			**3,543,102**	**2,729,706**
	162,935,657	**148,139,125**	**(116,457)**	**(42,406)**	**163,895,745**	**148,770,910**
	6,383,565	**5,711,997**	**(95,153)**	**(7,433)**	**6,687,740**	**5,986,595**
	14,859	**18,866**			**16,633**	**20,640**
	154,432,861	**140,712,594**	**520**	**2,549**	**154,919,818**	**140,980,478**
	154,432,861	140,712,594	520	2,549	154,919,818	140,980,478
	372,688	**261,649**	**(4,773)**		**380,404**	**264,238**
	100,700				100,700	
	271,988	261,649	(4,773)		279,704	264,238
	494,598	**456,192**	**(15,228)**	**(16,779)**	**637,467**	**560,136**
	1,237,087	**957,139**	**(1,823)**	**(55)**	**1,253,682**	**958,822**
	162,935,657	**148,118,437**	**(116,457)**	**(21,718)**	**163,895,745**	**148,770,910**

Statement of profit or loss by operating segment

									€k
Items/Sectors		Non-Life business		Life business		Elisioni intersettoriali		Total	
		31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
1	Insurance revenue from insurance contracts issued	532,010	354,247	2,015,715	2,094,600	(20,188)	(14,468)	2,527,537	2,434,378
2	Costs for insurance services arising from insurance contracts issued	(437,482)	(284,751)	(750,574)	(630,294)	(522)	(868)	(1,188,577)	(915,913)
3	Insurance proceeds from outward reinsurance	61,941	(1,179)	11,848				73,789	(1,179)
4	Costs for insurance services arising from outward reinsurance	(71,894)	(7,408)	(16,887)	547			(88,781)	(6,862)
5	**Result of insurance services**	**84,576**	**60,909**	**1,260,102**	**1,464,852**	**(20,710)**	**(15,336)**	**1,323,968**	**1,510,425**
6	Income/expenses from financial assets and liabilities measured at fair value through profit or loss	499	(339)	3,098,009	(5,038,787)			3,098,507	(5,039,126)
7	Income/expenses from investments in subsidiaries, associates and joint ventures	9,111		13,583	2,176	(22,112)		582	2,176
8	Income/expenses from other financial assets and liabilities and from investment property	21,341	12,766	3,273,419	3,440,769			3,294,760	3,453,536
9	**Investment income and expenses**	**30,951**	**12,428**	**6,385,010**	**(1,595,842)**	**(22,112)**		**6,393,849**	**(1,583,414)**
10	Financial costs/revenue related to insurance contracts issued	(5,687)	997	(6,367,061)	1,537,736			(6,372,748)	1,538,733
11	Financial revenue/ costs related to outward reinsurance	2,550	(31)	2,497				5,047	(31)
12	**Net financial result**	**27,814**	**13,393**	**20,446**	**(58,105)**	**(22,112)**		**26,148**	**(44,712)**
13	Other revenue/costs	3,750	234	136,295	95,067			140,045	95,302
14	Operating expenses:	(20,739)	(14,918)	(55,046)	(44,817)	20,710	15,336	(55,076)	(44,398)
15	Other operating income/ expenses	(3,083)	(1,567)	(2,231)	(1,211)			(5,315)	(2,778)
	Profit (loss) for the year before tax	**92,317**	**58,051**	**1,359,565**	**1,455,787**	**(22,112)**		**1,429,771**	**1,513,838**

Statement of comprehensive income

			€k
	Items	**31.12.2023**	**31.12.2022**
1.	**Profit/(loss) for the year**	**1,014,257**	**1,064,189**
2.	**Other comprehensive income after tax not to be reclassified to profit or loss**	**187**	**201**
2.1	Share of valuation reserves of equity-accounted investments	609	-
2.2	Change in valuation reserve for intangible assets	-	-
2.3	Change in valuation reserve for tangible assets	-	-
2.4	Financial revenue or costs relating to insurance contracts issued	-	-
2.5	Profits or losses for non-current assets or disposal groups held for sale	-	-
2.6	Actuarial gains/(losses) and adjustments to defined benefit plans	(11)	201
2.7	Gains or losses on equity instruments designated at fair value through other comprehensive income	(411)	-
2.8	Change in own credit rating for financial liabilities measured at fair value through profit or loss	-	-
2.9	Other items	-	-
3.	**Other comprehensive income after tax to be reclassified to profit or loss**	**206,969**	**(477,567)**
3.1	Change in reserve for currency translation differences	-	-
3.2	Gains or losses on financial assets (other than equity instruments) measured at fair value through other comprehensive income	3,981,211	(16,221,571)
3.3	Gains or losses on cash flow hedges	-	-
3.4	Gains or losses on hedges of a net investment in a foreign operation	-	-
3.5	Share of valuation reserves of equity-accounted investments	-	-
3.6	Financial revenue or costs relating to insurance contracts issued	(3,774,890)	15,744,768
3.7	Financial revenue or costs related to outward reinsurance	649	(764)
3.8	Profits or losses for non-current assets or disposal groups held for sale	-	-
3.9	Other items	(1)	-
4.	**TOTAL OTHER COMPREHENSIVE INCOME**	**207,155**	**(477,367)**
5.	**TOTAL CONSOLIDATED COMPREHENSIVE INCOME (Items 1 and 4)**	**1,221,413**	**586,822**
5.1	**of which: attributable to owners of the Parent**	**1,214,863**	**586,822**
5.2	**of which: attributable to non-controlling interests**	**6,550**	**-**

Details of other comprehensive income

		€k
Items	**31.12.2023**	**31.12.2022**
1 Profit/(loss) for the year	**1,014,257**	**1,064,189**
2. Other income components not be reclassified to profit or loss	**187**	**201**
2.1 Share of valuation reserves of equity-accounted investments	609	-
2.2 Valuation reserve for intangible assets	-	-
2.3 Valuation reserve for intangible assets	-	-
2.4 Financial revenue or costs relating to insurance contracts issued	-	-
2.5 Profits or losses for non-current assets or disposal groups held for sale	-	-
2.6 Actuarial gains/(losses) and adjustments to defined benefit plans	(11)	201
2.7 Gains or losses on equity instruments designated at fair value through other comprehensive income:	(411)	-
a) change in fair value	(411)	-
b) transfers to other components of equity	-	-
2.8 Reserve from changes in own credit rating for financial liabilities measured at fair value through profit or loss:	-	-
2.9 other changes:	-	-
2.10 Income taxes on other income components not be reclassified to profit or loss	-	-
3 Other comprehensive income to be reclassified to profit or loss	**206,969**	**(477,567)**
3.1 Reserve for currency translation differences:	-	-
3.2 Gains or losses on financial assets (other than equity instruments) measured at fair value through other comprehensive income:	3,981,211	(16,221,571)
a) change in fair value	3,880,238	(16,127,759)
b) reclassification to statement of profit or loss	100,972	(93,812)
credit risk adjustments	6,530	43
realised gains/losses	94,443	(93,854)
c) other changes	-	-
3.3 Gains or losses on cash flow hedges	-	-
3.4 Gains or losses on hedges of a net investment in a foreign operation:	-	-
3.5 Share of valuation reserves of equity-accounted investments:	-	-
3.6 Financial revenue or costs relating to insurance contracts issued	(3,774,890)	15,744,768
a) change in fair value	(3,774,890)	15,744,768
3.7 Financial revenue or costs related to outward reinsurance	649	(764)
a) change in fair value	649	(764)
3.8 Profits or losses for non-current assets or disposal groups held for sale:	-	-
3.9 Other elements:	(1)	-
a) changes in value	-	-
b) reclassification to statement of profit or loss	-	-
c) other changes	(1)	-
3.10 Income taxes on other income components to be reclassified to profit or loss	-	-
4 TOTAL OTHER COMPREHENSIVE INCOME (Sum of items 2.1 to 3.10)	**207,155**	**(477,367)**
5. TOTAL CONSOLIDATED COMPREHENSIVE INCOME (Items 1 + 4)	**1,221,413**	**586,822**
5.1 of which: attributable to owners of the Parent	**1,214,863**	**586,822**
5.2 of which: attributable to non-controlling interests	**6,550**	**-**

Statement of cash flows (indirect method)

	€k	
	Amount	
	2023	2022
Net cash generated/absorbed by:		
- Net profit (loss) for the year (+/-)	1,014,257	1,064,189
- net income and expenses from insurance contracts issued and outward reinsurance (-/+)	5,043,733	(3,049,127)
- Capital gains/losses on financial assets measured at fair value through profit or loss (-/+)	(2,597,105)	5,065,780
- Other non-cash income and expense from financial instruments, investment property and investments (+/-)	(631,760)	(1,338,153)
- Net provisions for risks and charges (+/-)	(4,007)	1,340
- Interest income, dividends, interest expenses, taxes (+/-)	(2,763,189)	(1,874,710)
- Other adjustments (+/-)	(490,000)	762,406
- interest income received (+)	2,835,679	2,172,472
- dividends received (+)	399,273	205,082
- interest expense paid (-)	(56,250)	(53,195)
- Income tax paid (-)	(687,957)	(1,010,261)
Net cash generated/absorbed by other monetary elements relating to operating activities		
- Insurance contracts issued constituting assets/liabilities (+/-)	2,988,101	7,133,971
- Outward reinsurance constituting assets/liabilities (+/-)	(38,219)	(4,446)
- Liabilities from financial contracts issued by insurance companies (+/-)		
- Receivables of banking subsidiaries (+/-)		
- Liabilities of banking subsidiaries (+/-)		
- Other financial assets and liabilities measured at fair value through profit or loss (+/-)		
- Other financial assets and liabilities (+/-)	(1,173)	3,004
Total net cash generated by/used for operating activities	**5,011,384**	**9,078,351**
Net cash generated/absorbed by:		
- Sale/purchase of investment property (+/-)		
- Sale/purchase of investments in associates and joint ventures (+/-)	1,313	(2,478)
- Dividends received on investments (+)		
- Sale/purchase of financial assets measured at amortised cost (+/-)	113,000	(128,972)
- Sale/purchase of financial assets measured at fair value through other comprehensive income (+/-)	(1,907,000)	(7,232,072)
- Sale/purchase of tangible and intangible assets (+/-)	(36,467)	(7,955)
- Sale/purchase of subsidiaries and business units (+/-)		
- Other net cash flows from investing activities (+/-)	(2,035,000)	(3,673,441)
Total net cash generated by/used for investing activities	(3,864,154)	(11,044,918)
Net cash generated/absorbed by:		
- Issues/purchases of equity instruments (+/-)		500,000
- Issues/purchases of treasury shares (+/-)		
- Dividend distribution and other purposes (-)	(450,000)	(397,339)
- Sale/purchase of third-party control (+/-)		
- Issues/purchases of subordinated liabilities and participating financial instruments (+/-)	100,700	-
- Issues/purchases of liabilities measured at amortised cost (+/-)	15,466	9,544
Total net cash generated by/used for financing activities	**(333,834)**	**112,205**
NET CASH GENERATED/USED DURING THE YEAR	**813,396**	**(1,854,362)**

	2023	2022
Cash and cash equivalents at the beginning of the year	**2,729,706**	**4,584,068**
Total net cash generated/absorbed during the year	813,396	(1,854,362)
Cash and cash equivalents: effect of changes of exchange rates		
Cash and cash equivalents at the end of the year	**3,543,102**	**2,729,706**

Statement of changes in equity

	Share capital	Other equity instruments	Capital reserves	Revenue reserves and other equity reserves	Treasury shares
Amounts at 1.1.2022	**1,216,608**	**300,000**		**2,798,523**	
of which: Change in opening balances					
Allocation of the T-2 operating result					
Reserves				826,119	
Dividends and other allocations				(397,339)	
Changes in the financial year					
Issue of new shares					
Purchase of treasury shares					
Changes in investments					
Statement of comprehensive income				(5)	
Other changes (+)		500,000		32,537	
Other changes (-)				(11,400)	
Amounts at 31.12.2022	**1,216,608**	**800,000**	**-**	**3,248,436**	**-**
Change in opening balances					
Allocation of the T-1 operating result					
Reserves				1,064,184	
Dividends and other allocations				(450,000)	
Changes in the financial year					
Issue of new shares					
Purchase of treasury shares					
Changes in investments					
Statement of comprehensive income					
Other changes (+)					
Other changes (-)				(144,657)	
Business combinations - external				5	
Amounts at 31.12.2023	**1,216,608**	**800,000**	**-**	**3,717,968**	**-**

						€k
Valuation reserves	Profit (loss) for the year	Equity of the parent company	Revenue reserves and other equity reserves attributable to non-controlling interests	Profit (loss) for the year	Equity attributable to non-controlling interests	Total equity
134,780	**826,119**	**5,276,030**			**-**	**5,276,030**
		-			-	-
					-	**-**
		826,119			-	826,119
		(397,339)			-	(397,339)
		-			**-**	**-**
		-			-	-
		-			-	-
		-			-	-
(477,412)		(477,417)			-	(477,417)
(5)	238,070	770,602			-	770,602
		(11,400)			-	(11,400)
(342,637)	**1,064,189**	**5,986,595**	**-**	**-**	**-**	**5,986,595**
-	-				-	
		-			**-**	**-**
		1,064,184			-	1,064,184
		(450,000)			-	(450,000)
		-			**-**	**-**
		-			-	-
		-			-	-
		-	74,387	5,297	79,685	79,685
207,156		207,156			-	207,156
		-			-	-
	(55,229)	(199,885)			-	(199,885)
		5			-	5
(135,481)	**1,008,960**	**6,608,055**	**74,387**	**5,297**	**79,685**	**6,687,740**

Intangible Assets: Breakdown of assets

				€k
	Total		**Total**	
Assets/Values	**31.12.2023**		**31.12.2022**	
	Definite duration	Indefinite duration	Definite duration	Indefinite duration
	31.12.2023	**31.12.2023**	**31.12.2022**	**31.12.2022**
A.1 Goodwill	**X**	**123,821**	**X**	**-**
A.1.1 attributable to owners of the Parent	X	123,821	X	
A.1.2 attributable to non-controlling interests	X		X	
A.2 Other intangible assets	**21,094**	**-**	**-**	**-**
A.2.1 Assets measured at cost:	10,314	-	-	-
a) Internally generated intangible assets	-			
a) Other assets	10,314			
A.2.2 Assets measured at restated value:	10,780	-	-	-
a) Internally generated intangible assets	-	-		
a) Other assets	10,780	-		
Total	**21,094**	**123,821**	**-**	**-**

Key:
X indicates that the information should not be provided

Intangible assets: annual changes

						€k
	Goodwill	Other intangible assets: generated internally		Other intangible assets: other		**Total**
		DEF	INDEF	DEF	INDEF	
A. Opening balances	**-**	**-**	**-**	**-**	**-**	**-**
A.1 Total net impairment losses						-
A.2 Net opening balances						**-**
A.2.a Adjustment of opening balances						-
B. Increases	**123,821**	**-**	**-**	**25,295**	**-**	**149,116**
B.1 Purchases	123,821	-	-	25,295	-	149,116
- Business combinations	123,821	-	-	19,459	-	143,280
Business combinations - external	123,821	-	-	19,459	-	143,280
- Other Purchases	-	-	-	5,836	-	5,836
C.2 Impairment losses		-	-	(2,158)	-	(2,158)
- Amortisation	X	-	-	(2,158)	-	(2,158)
Change in method and % of consolidation (-)	-	-	-	-	-	-
Other changes (-)	-	-	-	(2,043)	-	(2,043)
D. Net closing balances	**123,821**	**-**	**-**	**21,094**	**-**	**144,915**
D.1 Total net impairment losses						-
E. Gross closing balances	**123,821**	**-**	**-**	**21,094**	**-**	**144,915**
F. Measurement at cost	**123,821**	**-**	**-**	**21,094**	**-**	**144,915**

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

Tangible Assets: Breakdown of assets

Assets/Values	Assets for own use				Inventories from IAS 2	
	At cost		At restated value			
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
1. Owned assets	**16,293**	**223**	**-**	**-**	**-**	**-**
a) land	8,193	-	-	-	-	-
b) buildings	7,707	-	-	-	-	-
c) office furniture and machines	377	223	-	-	-	-
d) plant and equipment	16	-	-	-	-	-
e) other assets	-	-	-	-	-	-
2. Rights of use acquired through leases	**10,234**	**10,930**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-
b) buildings	9,346	10,281	-	-	-	-
c) office furniture and machines	-	-	-	-	-	-
d) plant and equipment	161	-	-	-	-	-
e) other assets	727	650	-	-	-	-
Total	**26,526**	**11,153**	**-**	**-**	**-**	**-**

Tangible assets for own use: annual changes

						€k
	Land	Buildings	Office furniture and machines	Plant and machinery	Other tangible assets	**Total**
A. Gross opening balances	**-**	**22,013**	**530**	**682**	**1,621**	**24,846**
A.1 Accumulated depreciation and impairment losses	-	(11,732)	(308)	(681)	(971)	(13,692)
A.2 Net opening balances	-	10,281	223	-	650	11,153
A.2.a Adjustment of opening balances	-	-	-	-	-	-
B. Increases	**8,193**	**8,005**	**342**	**217**	**240**	**16,997**
B.1 Purchases	8,193	8,005	342	217	240	16,997
- Business combinations	8,193	7,807	247	217	240	16,705
Business combinations - external	8,193	7,807	247	217	240	16,705
Business combinations - internal	-	-	-	-	-	-
Business combinations - mergers	-	-	-	-	-	-
- Other Purchases	-	198	94	-	-	293
C. Decreases	**-**	**(1,233)**	**(187)**	**(41)**	**(163)**	**(1,624)**
C.1 Sales	-	(18)	-	-	-	(18)
- Business combinations	-	(18)	-	-	-	(18)
Business combinations - external	-	(18)	-	-	-	(18)
Business combinations - internal	-	-	-	-	-	-
- Other Sales	-	-	-	-	-	-
C.2 Depreciation	-	(1,145)	(164)	(40)	(164)	(1,513)
C.7 Other changes	-	(70)	(23)	(1)	1	(94)
Change in the scope of consolidation (-)	-	-	-	-	-	-
Change in method and % of consolidation (-)	-	-	-	-	-	-
- Other changes(-)	-	(70)	(23)	(1)	1	(94)
D. Net closing balances	**8,193**	**17,053**	**377**	**176**	**727**	**26,526**
D.1 Accumulated depreciation and impairment losses	-	(14,276)	(279)	(839)	(1,151)	(16,545)
D.2 Gross closing balances	8,193	31,329	656	1,016	1,878	43,071
E. Measurement at cost	**8,193**	**31,329**	**656**	**1,016**	**1,878**	**43,071**

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

Trend in carrying amount of outward reinsurance - GMM - asset for remaining

Items/Carrying amount breakdown	Asset for remaining coverage (31.12.2023)		Asset for incurred claims (31.12.2023)	Total (31.12.2023)
	Net of loss recovery component	Loss recovery component		
A. Opening carrying amount				
1. Outward reinsurance constituting assets	21,278	-	8,075	29,353
2. Outward reinsurance constituting liabilities	-	-	-	-
3. Net carrying amount at 1 January	**21,278**	**-**	**8,075**	**29,353**
B. Economic effects associated with outward reinsurance				
1. Cost of reinsurance	(15,466)	-	-	(15,466)
2. Claims and other recovered costs	(1,451)	-	12,690	11,238
3. Changes in the asset for incurred claims	-	-	(842)	(842)
4. Outward reinsurance covering onerous contracts	-	-	-	-
5. Effects of changes in reinsurers' default risk	30	-	-	30
6. Total	**(16,887)**	**-**	**11,848**	**(5,039)**
C. Result from insurance services (Total B)	**(16,887)**	**-**	**11,848**	**(5,039)**
D. Net financial revenue/costs	**-**	**-**	**-**	
1. Relating to outward reinsurance	4,088	-	-	4,088
1.1. Recorded in the statement of profit or loss	2,497	-	-	2,497
1.2. Recorded in the statement of comprehensive income	1,591	-	-	1,591
2. Effects associated with exchange rate changes	-	-	-	-
3. Total	**4,088**	**-**	**-**	**4,088**
E. Investment component	**-**	**-**	**-**	**-**
F. Total amount recognised in the statement of profit or loss and statement of comprehensive income (C+D+E)	**(12,799)**	**-**	**11,848**	**(951)**
G. Other changes	**89,850**	**-**	**2,938**	**92,789**
Increases	**89,850**	**-**	**2,938**	**92,789**
Business combinations - external	89,850	-	2,938	92,789
H. Cash movements	**-**	**-**	**-**	**-**
1. Premiums paid net of amounts not related to claims recovered from reinsurers	32,708	-	-	32,708
2. Amount of claims recovered by reinsurers	2,049	-	(13,793)	(11,743)
3. Total	34,758	-	(13,793)	20,965
I. Net carrying amount at 31 December (A.3+F+G+H.3)	**133,087**	**-**	**9,069**	**142,156**
L. Closing carrying amount				
1. Outward reinsurance constituting assets	133,087	-	9,069	142,156
2. Outward reinsurance constituting liabilities	-	-	-	-
3. Net carrying amount at 31 December	**133,087**	**-**	**9,069**	**142,156**

Key:
Basis of aggregation 1 = Life segment.

				€k
	Asset for remaining coverage (31.12.2022)		Asset for incurred claims (31.12.2022)	Total (31.12.2022)
	Net of loss recovery component	Loss recovery component		
	22,111	-	6,201	28,312
	-	-	-	-
	22,111	**-**	**6,201**	**28,312**
	-	-	-	-
	-	-	547	547
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	**-**	**547**	**547**
	-	**-**	**547**	**547**
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	**-**	**-**	**-**
	-	**-**	**-**	**-**
	-	**-**	**547**	**547**
	-	**-**	**-**	**-**
	-	**-**	**-**	**-**
	-	-	-	-
	-	**-**	**-**	**-**
	(833)	-	1,327	494
	-	-	-	-
	(833)	-	1,327	494
	21,278	**-**	**8,075**	**29,353**
	21,278	-	8,075	29,353
	-	-	-	-
	21,278	**-**	**8,075**	**29,353**

Trend in carrying amount - PAA – of outward reinsurance - GMM - asset for remaining

Items/Carrying amount breakdown	Asset for remaining coverage (31.12.2023)		Asset for incurred claims (31.12.2023)	
	Net of loss recovery component	Loss recovery component	Present value of cash flows	Adjustment for non-financial risk
A. Opening carrying amount				
1. Outward reinsurance constituting assets	253	-	9,776	785
2. Outward reinsurance constituting liabilities	-	-	-	-
3. Net carrying amount at 1 January	**253**	**-**	**9,776**	**785**
B. Economic effects associated with outward reinsurance	**-**	**-**	**-**	**-**
1. Cost of reinsurance	(41,262)	-	-	-
2. Claims and other recovered costs	-	-	9,927	-
3. Changes in the asset for incurred claims	-	-	20,878	560
4. Outward reinsurance covering onerous contracts	-	2,024	-	-
5. Effects of changes in reinsurers' default risk	-	-	10	-
6. Total	**(41,262)**	**2,024**	**30,816**	**560**
C. Result from insurance services (Total B)	**(41,262)**	**2,024**	**30,816**	**560**
D. Financial revenue/costs	**-**	**-**	**-**	**-**
1. Relating to outward reinsurance	-	-	361	-
1.1. Recorded in the statement of profit or loss	-	-	11	-
1.2. Recorded in the statement of comprehensive income	-	-	350	-
2. Effects associated with exchange rate changes	-	-	-	-
3. Total	**-**	**-**	**361**	**-**
E. Investment component	**-**	**-**	**-**	**-**
F. Total amount recognised in the statement of profit or loss and statement of comprehensive income (C+D+E)	**(41,262)**	**2,024**	**31,177**	**560**
G. Other changes	**-**	**-**	**-**	**-**
H. Cash movements	**-**	**-**	**-**	**-**
1. Premiums paid net of amounts not related to claims recovered from reinsurers	46,904	-	-	-
2. Amounts recovered from reinsurers	-	-	(9,927)	-
3. Total	**46,904**	**-**	**(9,927)**	**-**
I. Net carrying amount at 31 December (A.3+F+G+H.3)	**5,896**	**2,024**	**31,026**	**1,345**
L. Closing carrying amount				
1. Outward reinsurance constituting assets	5,896	2,024	31,026	1,345
2. Outward reinsurance constituting liabilities	-	-	-	-
3. Net carrying amount at 31 December	**5,896**	**2,024**	**31,026**	**1,345**

€k

Total (31.12.2023)	Asset for remaining coverage (31.12.2022)		Asset for incurred claims (31.12.2022)		Total (31.12.2022)
	Net of loss recovery component	Loss recovery component	Present value of cash flows	Adjustment for non-financial risk	
10,815	63	-	15,405	936	16,405
-	-	-	-	-	-
10,815	**63**	**-**	**15,405**	**936**	**16,405**
	-	**-**	**-**	**-**	
(41,262)	(7,356)	-	-	-	(7,356)
9,927	-	-	4,829	-	4,829
21,438	-	-	(5,031)	(151)	(5,182)
2,024	-	-	-	-	-
10	-	-	39	-	39
(7,862)	**(7,356)**	**-**	**(163)**	**(151)**	**(7,670)**
(7,862)	**(7,356)**	**-**	**(163)**	**(151)**	**(7,670)**
-	**-**	**-**	**-**	**-**	**-**
361	-	-	(636)	-	(636)
11	-	-	(16)	-	(16)
350	-	-	(621)	-	(621)
-	-	-	-	-	-
361	**-**	**-**	**(636)**	**-**	**(636)**
-	**-**	**-**	**-**	**-**	**-**
(7,501)	**(7,356)**	**-**	**(799)**	**(151)**	**(8,306)**
-	**-**	**-**	**-**	**-**	**-**
-	**-**	**-**	**-**	**-**	**-**
46,904	7,546	-	-	-	7,546
(9,927)	-	-	(4,829)	-	(4,829)
36,977	**7,546**	**-**	**(4,829)**	**-**	**2,716**
40,290	**253**	**-**	**9,776**	**785**	**10,815**
40,290	253	-	9,776	785	10,815
-	-	-	-	-	-
40,290	**253**	**-**	**9,776**	**785**	**10,815**

Trend in carrying amount of outward reinsurance - GMM - asset for remaining

Items/Carrying amount breakdown	Asset for remaining coverage (31.12.2023)		Asset for incurred claims (31.12.2023)	Total (31.12.2023)
	Net of loss recovery component	Loss recovery component		
A. Opening carrying amount				
1. Outward reinsurance constituting assets	268	-	3,295	3,563
2. Outward reinsurance constituting liabilities	-	-	-	-
3. Net carrying amount at 1 January	**268**	**-**	**3,295**	**3,563**
B. Economic effects associated with outward reinsurance				
1. Cost of reinsurance	(30,659)	-	-	(30,659)
2. Claims and other recovered costs	-	-	29,895	29,895
3. Changes in the asset for incurred claims	-	-	(1,655)	(1,655)
4. Outward reinsurance covering onerous contracts	-	315	-	315
5. Effects of changes in reinsurers' default risk	17	-	(4)	13
6. Total	**(30,642)**	**315**	**28,236**	**(2,091)**
C. Result from insurance services (Total B)	**(30,642)**	**315**	**28,236**	**(2,091)**
D. Net financial revenue/costs	**-**	**-**	**-**	
1. Relating to outward reinsurance	3,255	-	344	3,599
1.1. Recorded in the statement of profit or loss	2,228	-	312	2,539
1.2. Recorded in the statement of comprehensive income	1,028	-	32	1,060
2. Effects associated with exchange rate changes	-	-	-	-
3. Total	**3,255**	**-**	**344**	**3,599**
E. Investment component	**-**	**-**	**-**	**-**
F. Total amount recognised in the statement of profit or loss and statement of comprehensive income (C+D+E)	**(27,387)**	**315**	**28,580**	**1,508**
G. Other changes	**50,025**	**-**	**15,035**	**65,060**
Increases	**50,025**	**-**	**15,035**	**65,060**
Business combinations - external	50,025	-	15,035	65,060
H. Cash movements	**-**	**-**	**-**	**-**
1. Premiums paid net of amounts not related to claims recovered from reinsurers	13,188	-	-	13,188
2. Amount of claims recovered by reinsurers	-	-	(32,912)	(32,912)
3. Total	13,188	-	(32,912)	(19,723)
I. Net carrying amount at 31 December (A.3+F+G+H.3)	**36,094**	**315**	**13,999**	**50,408**
L. Closing carrying amount				
1. Outward reinsurance constituting assets	36,094	315	13,999	50,408
2. Outward reinsurance constituting liabilities	-	-	-	-
3. Net carrying amount at 31 December	**36,094**	**315**	**13,999**	**50,408**

Key:
Basis of aggregation 2 = Non-Life segment.

				€k
	Asset for remaining coverage (31.12.2022)		**Asset for incurred claims (31.12.2022)**	**Total (31.12.2022)**
	Net of loss recovery component	**Loss recovery component**		
	1,795	-	1,610	3,404
				-
	1,795	**-**	**1,610**	**3,404**
	(52)	-	-	(52)
	-	-	210	210
	-	-	(1,075)	(1,075)
	-	-	-	-
	-	-	-	1
	(52)	**-**	**(865)**	**(917)**
	(52)	**-**	**(865)**	**(917)**
	-	**-**	**-**	
	(134)	-	(25)	(160)
	(10)	-	(6)	(16)
	(125)	-	(19)	(144)
	-	-	-	-
	(134)	**-**	**(25)**	**(160)**
	-	**-**	**-**	**-**
	(186)	**-**	**(890)**	**(1,076)**
	-	**-**	**-**	**-**
	-	**-**	**-**	**-**
	-	-	-	-
	-	**-**	**-**	**-**
	(1,341)	-	-	(1,341)
	-	-	2,575	2,575
	(1,341)	-	2,575	1,235
	268	**-**	**3,295**	**3,563**
	268	-	3,295	3,563
	-	-	-	-
	268	**-**	**3,295**	**3,563**

Trend of the carrying amount of outward reinsurance by elements underlying the measurement

Items/Elements underlying the measurement	Present value of cash flows (31.12.2023)	Adjustment for non-financial risk (31.12.2023)	Contractual Service Margin (31.12.2023)
A. Opening carrying amount			
1. Outward reinsurance constituting assets	29,353	-	-
2. Outward reinsurance constituting liabilities	-	-	-
3. Net carrying amount at 1 January	**29,353**	**-**	**-**
B. Changes in current services	**-**	**-**	**-**
1. Contractual Service Margin recorded in the statement of profit or loss	-	-	1,005
2. Change for overdue non-financial risks	-	(1,020)	-
3. Experience-related changes	(5,722)	-	1,509
4. Total	**(5,722)**	**(1,020)**	**2,514**
C. Changes relating to future services	**-**	**-**	**-**
1. Changes in estimates that alter the contractual service margin	3,849	81	(3,929)
2. Effects of contracts entered into during the year	(6,731)	2,116	4,615
3. Adjustment of contractual service margin related to recoveries on initial recognition of onerous underlying insurance contracts	-	-	-
4. Release of loss recovery component other than changes in cash flows of outward reinsurance contracts	-	-	-
5. Changes in cash flows of outward reinsurance from onerous underlying insurance contracts	-	-	-
6. Total	**(2,883)**	**2,197**	**686**
D. Changes related to past services	**(842)**	**-**	**-**
1. adjustments to the asset for incurred claims	(842)	-	-
E. Effects of changes in reinsurers' default risk	**30**	**-**	**-**
F. Result from insurance services (B+C+D+E)	**(9,417)**	**1,178**	**3,200**
G. Financial revenue/costs	**-**	**-**	**-**
1. Relating to outward reinsurance	4,118	-	(29)
1.1. Recorded in the statement of profit or loss	2,526	-	(29)
1.2. Recorded in the statement of comprehensive income	1,591	-	-
2. Effects associated with exchange rate changes	-	-	-
3. Total	**4,118**	**-**	**(29)**
H. Total amount recognised in the statement of profit or loss and statement of comprehensive income (F+G)	**(5,299)**	**1,178**	**3,171**
I. Other changes	**93,772**	**4,706**	**(5,689)**
Increases	**93,772**	**4,706**	**(5,689)**
Business combinations - external	93,772	4,706	(5,689)
L. Cash movements	**-**	**-**	**-**
1. Premiums paid net of amounts not related to claims recovered from reinsurers	32,708	-	-
2. Amounts recovered from reinsurers	(11,743)	-	-
3. Total	**20,965**	**-**	**-**
M. Net carrying amount at 31 December (A.3+H+I+L.3)	**138,791**	**5,884**	**(2,519)**
N. Closing carrying amount			
1. Outward reinsurance constituting assets	138,791	5,884	(2,519)
2. Outward reinsurance constituting liabilities	-	-	-
3. Net carrying amount at 31 December	**138,791**	**5,884**	**(2,519)**

Key:
Basis of aggregation 1 = Life segment.

				€k
Elements underlying the measurement of the carrying amount of outward reinsurance				
Total (31.12.2023)	Present value of cash flows (31.12.2022)	Adjustment for non-financial risk (31.12.2022)	Contractual Service Margin (31.12.2022)	Total (31.12.2022)
29,353	28,312	-	-	28,312
-	-	-	-	-
29,353	**28,312**	**-**	**-**	**28,312**
-	**-**	**-**	**-**	**-**
1,005	-	-	-	-
(1,020)	-	-	-	-
(4,213)	547	-	-	547
(4,228)	**547**	**-**	**-**	**547**
-	**-**	**-**	**-**	**-**
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	**-**	**-**	**-**	**-**
(842)	**-**	**-**	**-**	**-**
(842)	-	-	-	-
30	**-**	**-**	**-**	**-**
(5,039)	**547**	**-**	**-**	**547**
-	**-**	**-**	**-**	**-**
4,088	-	-	-	-
2,497	-	-	-	-
1,591	-	-	-	-
-	-	-	-	-
4,088	**-**	**-**	**-**	**-**
(951)	**547**	**-**	**-**	**547**
92,789	**-**	**-**	**-**	**-**
92,789	**-**	**-**	**-**	**-**
92,789	-	-	-	-
-	**-**	**-**	**-**	**-**
32,708	494	-	-	494
(11,743)	-	-	-	-
20,965	**494**	**-**	**-**	**494**
142,156	**29,353**	**-**	**-**	**29,353**
142,156	29,353	-	-	29,353
-	-	-	-	-
142,156	**29,353**	**-**	**-**	**29,353**

Trend of the carrying amount of outward reinsurance by elements underlying the measurement

Items/Elements underlying the measurement	Present value of cash flows (31.12.2023)	Adjustment for non-financial risk (31.12.2023)	Contractual Service Margin (31.12.2023)
A. Opening carrying amount			
1. Outward reinsurance constituting assets	2,810	94	659
2. Outward reinsurance constituting liabilities	-	-	-
3. Net carrying amount at 1 January	**2,810**	**94**	**659**
B. Changes in current services	**-**	**-**	**-**
1. Contractual Service Margin recorded in the statement of profit or loss	-	-	(7,216)
2. Change for overdue non-financial risks	-	(3,276)	-
3. Experience-related changes	7,449	-	2,279
4. Total	**7,449**	**(3,276)**	**(4,937)**
C. Changes relating to future services	**-**	**-**	**-**
1. Changes in estimates that alter the contractual service margin	(1,394)	(2,368)	3,762
2. Effects of contracts entered into during the year	(11,783)	4,053	7,730
3. Adjustment of contractual service margin related to recoveries on initial recognition of onerous underlying insurance contracts	-	-	208
4. Release of loss recovery component other than changes in cash flows of outward reinsurance contracts	-	-	-
5. Changes in cash flows of outward reinsurance from onerous underlying insurance contracts	-	-	108
6. Total	**(13,177)**	**1,685**	**11,807**
D. Changes related to past services	**(1,486)**	**(169)**	**-**
1. adjustments to the asset for incurred claims	(1,486)	(169)	-
E. Effects of changes in reinsurers' default risk	**13**	**-**	**-**
F. Result from insurance services (B+C+D+E)	**(7,201)**	**(1,760)**	**6,870**
G. Financial revenue/costs	**-**	**-**	**-**
1. Relating to outward reinsurance	3,001	-	599
1.1. Recorded in the statement of profit or loss	1,941	-	599
1.2. Recorded in the statement of comprehensive income	1,060	-	-
2. Effects associated with exchange rate changes	-	-	-
3. Total	**3,001**	**-**	**599**
H. Total amount recognised in the statement of profit or loss and statement of comprehensive income (F+G)	**(4,200)**	**(1,760)**	**7,469**
I. Other changes	**42,462**	**8,684**	**13,914**
Increases	**42,462**	**8,684**	**13,914**
Business combinations - external	42,462	8,684	13,914
L. Cash movements	**-**	**-**	**-**
1. Premiums paid net of amounts not related to claims recovered from reinsurers	13,188	-	-
2. Amounts recovered from reinsurers	(32,912)	-	-
3. Total	**(19,723)**	**-**	**-**
M. Net carrying amount at 31 December (A.3+H+I+L.3)	**21,349**	**7,018**	**22,041**
N. Closing carrying amount			
1. Outward reinsurance constituting assets	21,349	7,018	22,041
2. Outward reinsurance constituting liabilities	-	-	-
3. Net carrying amount at 31 December	**21,349**	**7,018**	**22,041**

Key:
Basis of aggregation 2 = Non-Life segment.

€k

	Elements underlying the measurement of the carrying amount of outward reinsurance			
Total (31.12.2023)	**Present value of cash flows (31.12.2022)**	**Adjustment for non-financial risk (31.12.2022)**	**Contractual Service Margin (31.12.2022)**	**Total (31.12.2022)**
3,563	2,650	193	561	3,404
-	-	-	-	-
3,563	**2,650**	**193**	**561**	**3,404**
-	**-**	**-**	**-**	**-**
(7,216)	-	-	(207)	(207)
(3,276)	-	(27)	-	(27)
9,728	(69)	-	462	392
(764)	**(69)**	**(27)**	**255**	**158**
-	**-**	**-**	**-**	**-**
-	158	(3)	(154)	-
-	-	-	-	-
208	-	-	-	-
-	-	-	-	-
108	-	-	-	-
315	**158**	**(3)**	**(154)**	**-**
(1,655)	**(1,007)**	**(68)**	**-**	**(1,075)**
(1,655)	(1,007)	(68)	-	(1,075)
13	**1**	**-**	**-**	**1**
(2,091)	**(918)**	**(99)**	**100**	**(917)**
-	**-**	**-**	**-**	**-**
3,599	(156)	-	(3)	(160)
2,539	(13)	-	(3)	(16)
1,060	(144)	-	-	(144)
-	-	-	-	-
3,599	**(156)**	**-**	**(3)**	**(160)**
1,508	**(1,075)**	**(99)**	**97**	**(1,076)**
65,060	**-**	**-**	**-**	**-**
65,060	**-**	**-**	**-**	**-**
65,060	-	-	-	-
-	**-**	**-**	**-**	**-**
13,188	(1,341)	-	-	(1,341)
(32,912)	2,575	-	-	2,575
(19,723)	**1,235**	**-**	**-**	**1,235**
50,408	**2,810**	**94**	**659**	**3,563**
50,408	2,810	94	659	3,563
-	-	-	-	-
50,408	**2,810**	**94**	**659**	**3,563**

Trend in the contractual service margin of outward insurance broken down by existing contracts at the time of transition to IFRS 17

	31.12.2023				
	New contracts and contracts measured at the transition date using the full retroactive application method	**Contracts measured at the transition date using the modified retroactive application method**	**Contracts measured at the transition date using the fair value method**	**Carve-out contracts**	
Contractual service margin - Opening balances	**-**	**-**	**-**	**-**	
Changes in current services	**(409)**	**-**	**1,414**	**-**	
- Contractual Service Margin recorded in the statement of profit or loss for services received	(409)	-	1,414	-	
Changes in future services	**3,580**	**-**	**(7,075)**	**-**	
- Changes in estimates that alter the contractual service margin	(1,035)	-	(7,075)		
- Effects of contracts initially recognised in the reporting year	4,615	-	-		
Financial revenue/costs					
1. Relating to outward reinsurance	127	-	(156)		
2. Effects associated with exchange rate changes	-	-	-		
3. Total	**127**	**-**	**(156)**	**-**	
Total changes recognised in the statement of profit or loss and statement of comprehensive income	**3,298**	**-**	**(5,817)**	**-**	
Contractual service margin - Closing balances	**3,298**	**-**	**(5,817)**		

Legend
Basis of aggregation 1 = Life segment.

					€k
	31.12.2022				
Total	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Carve-out contracts	Total
-					**-**
1,005	**-**	**-**	**-**	**-**	**-**
1,005					-
(3,494)	**-**	**-**	**-**	**-**	**-**
(8,109)					-
4,615					-
-					**-**
(29)					-
-					-
(29)	**-**	**-**	**-**	**-**	**-**
(2,519)	**-**	**-**	**-**	**-**	**-**
(2,519)					**-**

Trend in the contractual service margin of outward insurance broken down by existing contracts at the time of transition to IFRS 17

	31.12.2023			
	New contracts and contracts measured at the transition date using the full retroactive application method	**Contracts measured at the transition date using the modified retroactive application method**	**Contracts measured at the transition date using the fair value method**	**Carve-out contracts**
Contractual service margin - Opening balances	**-**	**-**	**659**	**-**
Changes in current services	**(2,390)**	**-**	**(4,826)**	**-**
- Contractual Service Margin recorded in the statement of profit or loss for services received	(2,390)	-	(4,826)	-
Changes in future services	**4,899**	**-**	**23,100**	**-**
- Changes in estimates that alter the contractual service margin	(2,831)	-	23,100	
- Effects of contracts initially recognised in the reporting year	7,730	-	-	
Financial revenue/costs				
1. Relating to outward reinsurance	218	-	381	
2. Effects associated with exchange rate changes	-	-	-	
3. Total	**218**	**-**	**381**	**-**
Total changes recognised in the statement of profit or loss and statement of comprehensive income	**2,727**	**-**	**18,656**	**-**
Contractual service margin - Closing balances	**2,727**	**-**	**19,314**	

Legend
Basis of aggregation 2 = Non-Life segment.

					€k
	31.12.2022				
Total	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Carve-out contracts	Total
659					**561**
(7,216)	**-**	**-**	**(207)**	**-**	**(207)**
(7,216)	-	-	(207)	-	(207)
28,000	**-**	**-**	**308**	**-**	**308**
20,270	-	-	308	-	308
7,730	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**
599	-	-	(3)	-	(3)
-	-	-	-	-	-
599	**-**	**-**	**(3)**	**-**	**(3)**
21,382	**-**	**-**	**97**	**-**	**97**
22,041	**-**	**-**	**659**	**-**	**659**

lements underlying the measurement of outward reinsurance recorded during the year

Items/Contract Groups	Contracts originated (31.12.2023)			Contracts acquired under business combinations (31.12.2023)			Contracts transferred from third parties (31.12.2023)		
	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total
A. Estimate of the present value of future cash outflows	72,091	-	72,091	119,294	-	119,294	-	-	-
of which: Cash flows related to the acquisition of insurance contracts			-			-			
B. Estimate of the present value of future cash inflows	78,822	-	78,822	25,522	-	25,522	-	-	-
C. Estimate of the present net value of future cash flows (A-B)	(6,731)	-	(6,731)	93,772	-	93,772	-	-	-
D. Estimate of the adjustment for non-financial risk	2,116	-	2,116	4,706	-	4,706	-	-	-
E. Derecognition of already recorded cash flows	-	-	-	-	-	-	-	-	-
F. Contractual Service Margin	4,615	-	4,615	(5,689)	-	(5,689)	-	-	-
G. Increase in the asset for outward reinsurance recorded during the year due to the recognition of new contracts (C+D+E+F)	(0)	-	(0)	92,789	-	92,789	-	-	-

Legend
Basis of aggregation 1 = Life segment.

	Contracts originated (31.12.2022)			Contracts acquired under business combinations (31.12.2022)			Contracts transferred from third parties (31.12.2022)		€k
	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

Elements underlying the measurement of outward reinsurance recorded during the year

Items/Contract Groups	Contracts originated (31.12.2023)			Contracts acquired under business combinations (31.12.2023)			Contracts transferred from third parties (31.12.2023)		
	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total
A. Estimate of the present value of future cash outflows	33,078	402	33,480	34,600	-	34,600	-	-	-
of which: Cash flows related to the acquisition of insurance contracts			-			-			
B. Estimate of the present value of future cash inflows	44,837	794	45,631	(7,863)	-	(7,863)	-	-	-
C. Estimate of the present net value of future cash flows (A-B)	(11,759)	(392)	(12,151)	42,462	-	42,462	-	-	-
D. Estimate of the adjustment for non-financial risk	4,029	25	4,053	8,684	-	8,684	-	-	-
E. Derecognition of already recorded cash flows	-	-	-	-	-	-	-	-	-
F. Contractual Service Margin	7,730	575	8,305	13,914	-	13,914	-	-	-
G. Increase in the asset for outward reinsurance recorded during the year due to the recognition of new contracts (C+D+E+F)	(0)	208	208	65,060	-	65,060	-	-	-

Legend
Basis of aggregation 2 = Non-Life segment.

Contracts originated (31.12.2022)			Contracts acquired under business combinations (31.12.2022)			Contracts transferred from third parties (31.12.2022)		€k
Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total	Contracts without loss recovery component	Contracts with loss recovery component	Total
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

Investments: information on equity relationships

Name	Country of operating office (1)	Country of registered office	Business (2)	Type of relationship (3)	% Direct interest	% Total interest (4)	% Availability of ACTUAL votes in the ordinary shareholders' meeting	% Availability of POTENTIAL votes in the ordinary shareholders' meeting
Joint ventures								
-	-	-	-	-	-	-	-	-
Associates								
Europa Gestioni Immobiliari SpA		086	10	b	45%	45%	45.0%	-
EURIZON CAPITAL REAL ASSET SGR SpA		086	8	b	20%	20%	12.75%	-
CLP- Consorzio Logistica Pacchi SCPA		086	11	b	5%	5%	5%	-
Cronos Vita Assicurazioni		086	1	b	23%	0.225	0.225	
Subsidiaries								-
Poste Assicura SpA		086	1	a	100%	100.0%	100.0%	-
Net Holding SpA		086	9	a	60%	60.0%	60.0%	-
Poste Insurance Broker Srl		086	11	a	100%	100.0%	100.0%	-
Net Insurance SpA		086	1	a	59%	58.7%	58.7%	-
Net Insurance Life SpA		086	1	a	59%	0.58704	58.7%	-

(1) This disclosure is required only if the country of the operating office is different from the country of the registered office.
(2) 1 = Italian ins.; 2 = EU ins.; 3 = Non-EU ins.; 4 = ins. holding; 4.1 = mixed holding company; 5 = EU reins.; 6 = Non-EU reins.; 7 = banks; 8 = asset mng. co.; 9 = other holding; 10 = real estate 11 = other.
(3) a = subsidiaries (only for separate financial statements); b = associates; c = joint ventures; indicate companies classified as held for sale, in compliance with IFRS 5, with an asterisk (*) and include the key under the table.
(4) This is the sum of the equity interests related to all the companies along the ownership chain standing between the reporting entity and the company in question. If a number of subsidiaries hold direct interests in the latter, it is necessary to report the sum of the individual interests.
(5) Availability of votes in the ordinary shareholders' meeting, distinguishing between actual and potential votes. The availability of votes should only be indicated if it differs from equity interest.

Significant investments: carrying amount, fair value and dividends received

				€k
Name	**Type of relationship (1)**	**Carrying amount**	***Fair Value***	**Dividends received**
Joint ventures				
-	-	-	-	-
Associates				
Europa Gestioni Immobiliari SpA	b	107,909	107,909	1,935
EURIZON CAPITAL REAL ASSET SGR SpA	b	2,064	2,064	-
Total		**109,973**	**109,973**	**1,935**

a= subsidiaries (only for IAS/IFRS financial statements); b= associates; c= joint ventures.

Significant investments: accounting information

Name	Investments	Other assets	Cash and cash equivalents	Insurance liabilities	Financial liabilities	Total revenue
Europa Gestioni Immobiliari SpA	31,435	223,481	X	-	251	14,468
EURIZON CAPITAL REAL ASSET SGR SpA	3,706	3,612	X	-	3,879	7,354

Significant investments: reconciliation of carrying amounts

Name	YEAR 2023			
	Carrying amount of the share at the beginning of the year	Total Group statement of comprehensive income (+/-)	Dividends received during the year (-)	Carrying amount of the investment at the end of the year
Europa Gestioni Immobiliari SpA	109,348	3	(1,935)	107,909
EURIZON CAPITAL REAL ASSET SGR SpA	1,938	37		2,064

							€k
	Impairment losses/ (reversals of impairment losses) on tangible and intangible assets	Profit (loss) from continuing operations before tax	Profit (loss) from continuing operations after tax	Profit (loss) from discontinued operations after tax	Profit/(loss) for the year (1)	Other income components after tax (2)	Statement of comprehensive income (3) = (1) + (2)
	X	2,347	1,408	-	1,097	278	1,375
	X	624	443	-	443	-	443

				€k
	YEAR 2022			
	Carrying amount of the investment at the beginning of the year (T-1)	Total Group statement of comprehensive income (+/-) (T-1)	Dividends received during the year (-) (T-1)	Carrying amount of the investment at the end of the year (T-1)
	108,808	(7)	(1,409)	109,348
				1,938

Non-significant investments: accounting information

						€k
Name	**Carrying amount of investments**	**Profit (loss) from continuing operations after tax**	**Profit (loss) from discontinued operations after tax**	**Profit/(loss) for the year (1)**	**Other income components after tax (2)**	**Statement of comprehensive income (3) = (1) + (2)**
Joint ventures						
Year 2023						
Year 2022						
Associates						
Consorzio Logistica Pacchi spca						
Year 2023	**37**					
Year 2022	**37**					
Subsidiaries						
Year 2023						
Year 2022						

Investments in wholly-owned subsidiaries

Name	**Country of registered office**	**Country of operating office (1)**	**Method (2)**	**Business (3)**	**Type of relationship (4)**	**% Direct interest**	**% Total interest (5)**	**% Availability of votes in the ordinary shareholders' meeting (6)**	**% Availability of POTENTIAL votes in the ordinary shareholders' meeting (6)**	**% consolidated**
Poste Assicura SpA	**086**		**G**	**1**	**1**	**100.00**	**100.00**	**100.00**	**-**	**100.00**
Net Holding SpA	**086**		**G**	**9**	**1**	**60.00**	**60.00**	**60.00**	**-**	**60.00**
Poste Insurance Broker Srl	**086**		**G**	**11**	**1**	**100.00**	**100.00**	**100.00**	**-**	**100.00**
Net Insurance SpA	**086**		**G**	**1**	**1**	**58.70**	**58.70**	**58.70**	**-**	**58.70**
Net Insurance Life SpA	**086**		**G**	**1**	**1**	**58.70**	**58.70**	**58.70**	**-**	**58.70**

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

Investments in wholly-owned subsidiaries with significant minority interests

€k

Name	% minority interests	% Votes available in ordinary Shareholders' Meeting for third parties	Dividends distributed to third parties	Consolidated net profit (loss) attributable to non-controlling interests	Equity attributable to non-controlling interests
Net Holding SpA	40.00	40.00		(190)	73,116
Net Insurance SpA	41.30	41.30		1,725	1,272
Net Insurance Life SpA	41.30	41.30		3,762	

Equity investments with significant minority interests: accounting Information

Name	Investments	Other assets	Cash and cash equivalents	Insurance liabilities	Financial liabilities	Equity
Net Holding SpA	191,636	243	3,991	-	-	195,234
Net Insurance S.p.A	132,326	126,182	2,089	(132,545)	(10,153)	58,910
Net Insurance Life S.p.A	168,494	136,053	4,448	(278,982)	(24)	9,343
Europa Gestioni Immobiliari SpA	31,435	223,481	691	-	251	239,800
EURIZON CAPITAL REAL ASSET SGR SpA	3,706	3,612	8,968	-	3,879	7,603

Financial assets measured at amortised cost: product breakdown, percentage breakdown and fair value hierarchy

	31.12.2023					
Items/Values	Carrying amount	Comp %	L1	L2	L3	Total fair value
1) Debt securities	2,068,882	87%	1,825,631	54,532	-	1,880,163
Government bonds	**2,049,073**	**86%**	**X**	**X**	**X**	**X**
a) listed	2,049,073	86%	**X**	**X**	**X**	**X**
b) unlisted	-	0%	**X**	**X**	**X**	**X**
Other debt securities	**19,809**	**1%**	**X**	**X**	**X**	**X**
a) listed	16,732	1%	**X**	**X**	**X**	**X**
b) unlisted	3,077	0%	**X**	**X**	**X**	**X**
2) Loans and receivables	301,119	13%	-	-	301,119	301,119
Total	**2,370,000**	**100%**	**1,825,631**	**54,532**	**301,119**	**2,181,282**

						€k
Total revenue	**Profit (loss) from continuing operations before tax**	**Profit (loss) from continuing operations after tax**	**Profit (loss) from discontinued operations after tax**	**Profit/(loss) for the year (1)**	**Other income components after tax (2)**	**Statement of comprehensive income (3) = (1) + (2)**
-	(1,591)	(1,660)	-	11,921	13,580	25,501
71,211	18,236	15,866	-	13,288	(2,524)	10,764
44,353	12,470	9,103	-	9,111	(452)	8,659
14,468	2,347	1,408	-	1,097	278	1,375
7,354	624	443	-	443	-	443

					€k
31.12.2022					
Carrying amount	Comp %	L1	L2	L3	Total fair value
2,159,133	90%	1,767,107	95,758	-	1,862,865
2,142,376	**90%**	**X**	**X**	**X**	**X**
2,139,204	90%	**X**	**X**	**X**	**X**
3,172	0%	**X**	**X**	**X**	**X**
16,757	**1%**	**X**	**X**	**X**	**X**
16,757	1%	**X**	**X**	**X**	**X**
-	0%	**X**	**X**	**X**	**X**
228,168	10%	228,168	-	223,915	452,082
2,387,301	**100%**	**1,995,275**	**95,758**	**223,915**	**2,314,948**

Financial assets measured at amortised cost: product breakdown and credit risk stages

						€k
	Carrying amount 31.12.2023			Carrying amount 31.12.2022		
	First stage	Second stage	Third stage	First stage	Second stage	Third stage
Government bonds	2,049,073	-	-	2,142,376	-	-
Other debt securities	19,619	190	-	16,757	-	-
Loans and receivables:	301,119	-	-	228,168	-	-
a) due from banks					-	-
b) due from customers	301,119	-	-	228,168	-	-
- mortgages	-	-	-	-	-	-
- loans on policies	-	-	-	-	-	-
- other loans and receivables	301,119	-	-	228,168	-	-
Total 31.12.2023	**2,369,810**	**190**	**-**		**-**	**-**
Total 31.12.2022	**-**	**-**	**-**	**2,387,301**	**-**	**-**

Financial assets measured at amortised cost: gross amount and total impairment losses

										€k
	Gross amount				Total impairment losses				**Total (31.12.2023)**	**Total (31.12.2022)**
	First stage	of which: Assets with low credit risk	Second stage	Third stage	First stage	of which: Assets with low credit risk	Second stage	Third stage		
Government bonds	2,050,118	-	-	-	(1,045)	-	-	-	**2,049,073**	**2,142,376**
Other debt securities	19,631	-	207	-	(12)	-	(17)	-	**19,809**	**16,757**
Loans and receivables:	301,357	-	-	-	(239)	-	-	-	**301,119**	**228,168**
- due from banks	-	-	-	-	-	-	-	-	**-**	**-**
- due from customers	301,357	-	-	-	(239)	-	-	-	**301,119**	**228,168**
Total (31.12.2023)	**2,371,106**	**-**	**207**	**-**	**(1,296)**	**-**	**(17)**	**-**	**2,370,000**	**-**
Total (31.12.2022)	**2,388,211**	**-**	**-**	**-**	**(910)**	**-**	**-**	**-**	**-**	**2,387,301**

Financial assets measured at fair value through other comprehensive income: product breakdown and percentage breakdown

				€k
	31.12.2023		31.12.2022	
	Carrying amount	Comp. %	Carrying amount	Comp. %
Equity instruments	4,844	0%	-	0%
a) listed	37	0%	-	0%
b) unlisted	4,806	0%	-	0%
Debt securities	105,847,226	100%	96,500,899	100%
Government bonds	86,663,229	82%	77,726,214	81%
a) listed	86,663,229	82%	77,690,265	81%
b) unlisted	-	0%	35,948	0%
Other debt securities	19,183,997	18%	18,774,685	19%
a) listed	19,176,070	18%	18,774,685	19%
b) unlisted	7,927	0%	-	0%
Other financial instruments	-	0%	-	0%
Total	**105,852,070**	**100%**	**96,500,899**	**100%**

Key:
Comp. % = percentage breakdown.

Financial assets measured at fair value through other comprehensive income: gross amount and total impairment losses

										€k
	Valore lordo				Rettifiche di valore complessive					
	First stage	of which: Assets with low credit risk	Second stage	Third stage	First stage	of which: Assets with low credit risk	Second stage	Third stage	**Total (31.12.2023)**	**Total (31.12.2022)**
Government bonds	86,700,107	-	-	-	(36,878)	-	-	-	86,663,229	77,726,214
Other debt securities	19,037,051	-	162,035	-	(12,768)	-	(2,321)	-	19,183,997	18,774,685
Other financial instruments	5,099	-	-	-	(255)	-	-	-	4,844	-
Total (31.12.2023)	**105,742,257**		**162,035**	**-**	**(49,902)**		**(2,321)**	**-**	**105,852,070**	**-**
Total (31.12.2022)	**96,484,168**	**-**	**64,922**	**-**	**(46,611)**	**-**	**(1,580)**	**-**	**-**	**96,500,899**

Financial assets measured at fair value through profit or loss: product breakdown and percentage breakdown

	Financial assets held for trading				Financial assets designated at fair value		
	31.12.2023		31.12.2022		31.12.2023		
	Carrying amount	Comp. %	Carrying amount	Comp. %	Carrying amount	Comp. %	
Equity instruments	317,261	1%	103,666	0%			
a) listed	317,261	1%	103,666	0%			
b) unlisted	-	0%	-	0%			
Treasury shares	-	0%	-	0%			
Own financial liabilities	-	0%	-	0%			
Debt securities	-	0%	-	0%			
a) listed	-	0%	-	0%			
b) unlisted	-	0%	-	0%			
UCIT units	33,169,856	99%	31,731,773	100%			
Non-hedging derivatives	-	0%	-	0%			
Hedging derivatives	-	0%	-	0%			
Other financial instruments	-	0%	-	0%			
Total	**33,487,117**	**100%**	**31,835,439**	**100%**			

Key:
Comp. % = percentage breakdown.

					€k
		Financial assets mandatorily measured at fair value			
31.12.2022		31.12.2023		31.12.2022	
Carrying amount	Comp. %	Carrying amount	Comp. %	Carrying amount	Comp. %
		168,496	1%	160,481	1%
		167,959	1%	160,481	1%
		537	0%	-	0%
		-	0%	-	0%
		-	0%	-	0%
		2,585,819	18%	2,306,049	16%
		2,585,353	18%	2,306,049	16%
		467	0%	-	0%
		11,928,507	81%	9,158,759	62%
		-	0%	-	0%
		-	0%	-	0%
		-	0%	-	0%
		14,682,822	**100%**	**11,625,289**	**79%**

Capital - Number of shares of the parent company: annual changes

		€k
Items/Typologies	Ordinary	Other
A. Shares existing at the beginning of the year	**1,216,608**	**-**
- fully released	1,216,608	
- not fully released		
A.1 Treasury shares (-)		
A.2 Outstanding shares: opening balances	**1,216,608**	
Changes in opening balances		
B. Increases	**-**	**-**
C. Decreases	**-**	**-**
D. Outstanding shares: closing balances	**1,216,608**	
D.1 Treasury shares (+)		
D.2 Existing shares at the end of the year	1,216,608	-
- fully released	1,216,608	
- not fully released		

Trend in carrying amount of insurance contracts issued - GMM or VFA - liability for remaining coverage and for incurred claims

€k

Items/Liabilities	Liability for remaining coverage (31.12.2023)		Liability for incurred claims (31.12.2023)	Total (31.12.2023)	Liability for remaining coverage (31.12.2022)		Liability for incurred claims (31.12.2022)	Total (31.12.2022)
	Net of loss	Loss			Net of loss	Loss		
A. Opening carrying amount								
1. Insurance contracts issued constituting liabilities	139,739,035	-	665,616	140,404,651	158,723,523	-	571,218	159,294,741
2. Insurance contracts issued constituting assets	-	-	-	-	-	-	-	-
3. Net carrying amount at 1 January	**139,739,035**	**-**	**665,616**	**140,404,651**	**158,723,523**	**-**	**571,218**	**159,294,741**
B. Insurance revenue	**(1,885,003)**	**-**	**-**	**(1,885,003)**	**(2,024,052)**	**-**	**-**	**(2,024,052)**
C. Costs for insurance services								
1. Incurred claims and other directly attributable costs	-	-	298,551	298,551	-	-	298,732	298,732
2. Changes in the liability for incurred claims	-	-	145,685	145,685	-	-	94,398	94,398
3. Losses and related recoveries on onerous contracts	-	-	-	-	-	-	-	-
4. Amortisation of acquisition costs of contracts	230,413	-	-	230,413	208,459	-	-	208,459
5. Total	**230,413**	**-**	**444,236**	**674,649**	**208,459**	**-**	**393,130**	**601,589**
E. Result from insurance services (B+C)	**(1,654,590)**	**-**	**444,236**	**(1,210,354)**	**(1,815,594)**	**-**	**393,130**	**(1,422,463)**
E. Net financial costs/revenue								
1. Related to insurance contracts issued	11,877,796	-	-	11,877,796	(24,378,579)	-	-	(24,378,579)
1.1 Recorded in the statement of profit or loss	6,359,446	-	-	6,359,446	(1,537,609)	-	-	(1,537,609)
1.2 Recorded in the statement of comprehensive income	5,518,350	-	-	5,518,350	(22,840,969)	-	-	(22,840,969)
2. Effects associated with exchange rate changes	-	-	-	-	-	-	-	-
3. Total	**11,877,796**	**-**	**-**	**11,877,796**	**(24,378,579)**	**-**	**-**	**(24,378,579)**
F. Investment components	**(14,319,382)**	**-**	**14,319,382**	**-**	**(9,517,343)**	**-**	**9,517,343**	**-**
G. Total amount recognised in the statement of profit or loss and statement of comprehensive income (D+E+F)	**(4,096,176)**	**-**	**14,763,618**	**10,667,442**	**(35,711,515)**	**-**	**9,910,473**	**(25,801,042)**
H. Other changes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
I. Cash movements	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Premiums received	17,722,731	-	-	17,722,731	17,015,088	-	-	17,015,088
2. Payments related to contract acquisition costs	(319,380)	-	-	(319,380)	(287,860)	-	-	(287,860)
3. Paid claims and other cash outflows	-	-	(14,617,896)	(14,617,896)	(201)	-	(9,816,075)	(9,816,276)
4. Total	**17,403,352**	**-**	**(14,617,896)**	**2,785,456**	**16,727,027**	**-**	**(9,816,075)**	**6,910,952**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**153,046,210**	**-**	**811,338**	**153,857,549**	**139,739,035**	**-**	**665,616**	**140,404,651**
M. Final carrying amount	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Insurance contracts issued constituting liabilities	153,046,210	-	811,338	153,857,549	139,739,035	-	665,616	140,404,651
2. Insurance contracts issued constituting assets	-	-	-	-	-	-	-	-
3. Net carrying amount at 31 December	**153,046,210**	**-**	**811,338**	**153,857,549**	**139,739,035**	**-**	**665,616**	**140,404,651**

Key:
Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life segment.

Trend in carrying amount of insurance contracts issued - GMM or VFA - liability for remaining coverage and for incurred claims

								€k
Items/Liabilities	**Liability for remaining coverage (31.12.2023)**		**Liability for incurred claims (31.12.2023)**	**Total (31.12.2023)**	**Liability for remaining coverage (31.12.2022)**		**Passività per sinistri accaduti (31.12.2022)**	**Total (31.12.2022)**
	Net of loss	Loss			Net of loss	Loss		
A. Opening carrying amount								
1. Insurance contracts issued constituting liabilities	148,501	8,931	150,510	307,943	173,613	8,204	31,483	213,300
2. Insurance contracts issued constituting assets	-	-	-	-	-	-	-	-
3. Net carrying amount at 1 January	**148,501**	**8,931**	**150,510**	**307,943**	**173,613**	**8,204**	**31,483**	**213,300**
B. Insurance revenue	**(130,712)**	**-**	**-**	**(130,712)**	**(70,548)**	**-**	**-**	**(70,548)**
C. Costs for insurance services								
1. Incurred claims and other directly attributable costs	-	-	80,091	80,091	-	-	101,247	101,247
2. Changes in the liability for incurred claims	-	-	(2,784)	(2,784)	-	-	(68,057)	(68,057)
3. Losses and related recoveries on onerous contracts	-	(2,392)	-	(2,392)	-	93	-	93
4. Amortisation of acquisition costs of contracts	8,616	-	-	8,616	-	-	-	-
5. Total	**8,616**	**(2,392)**	**77,308**	**83,532**	**-**	**93**	**33,190**	**33,283**
E. Result from insurance services (B+C)	**(122,097)**	**(2,392)**	**77,308**	**(47,180)**	**(70,548)**	**93**	**33,190**	**(37,265)**
E. Net financial costs/revenue								
1. Related to insurance contracts issued	12,924	394	-	13,318	(13,088)	635	-	(12,453)
1.1 Recorded in the statement of profit or loss	7,489	126	-	7,615	(116)	(11)	-	(127)
1.2 Recorded in the statement of comprehensive income	5,435	268	-	5,703	(12,972)	646	-	(12,326)
2. Effects associated with exchange rate changes	-	-	-	-	-	-	-	-
3. Total	**12,924**	**394**	**-**	**13,318**	**(13,088)**	**635**	**-**	**(12,453)**
F. Investment components	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
G. Total amount recognised in the statement of profit or loss and statement of comprehensive income (D+E+F)	**(109,172)**	**(1,997)**	**77,308**	**(33,862)**	**(83,635)**	**727**	**33,190**	**(49,718)**
H. Other changes	**221,607**	**-**	**5,134**	**226,741**	**-**	**-**	**-**	**-**
Increases	**218,187**	**-**	**5,134**	**223,321**	**-**	**-**	**-**	**-**
Business combinations - external	218,187	-	5,134	223,321	-	-	-	-
I. Cash movements	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Premiums received	190,555	-	-	190,555	81,397	-	-	81,397
2. Payments related to contract acquisition costs	(32,553)	-	-	(32,553)	(23,787)	-	-	(23,787)
3. Paid claims and other cash outflows	-	-	(80,091)	(80,091)	913	-	85,838	86,751
4. Total	**158,002**	**-**	**(80,091)**	**77,910**	**58,524**	**-**	**85,838**	**144,361**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**415,518**	**6,934**	**152,860**	**575,312**	**148,501**	**8,931**	**150,510**	**307,943**
M. Final carrying amount	**-**	**-**	**-**		**-**	**-**	**-**	
1. Insurance contracts issued constituting liabilities	415,518	6,934	152,860	575,312	148,501	8,931	150,510	307,943
2. Insurance contracts issued constituting assets	-	-	-	-	-	-	-	-
3. Net carrying amount at 31 December	**415,518**	**6,934**	**152,860**	**575,312**	**148,501**	**8,931**	**150,510**	**307,943**

Key:
Basis of aggregation 2 = Insurance contracts issued without direct participation features - Life segment.

Trend in carrying amount of insurance contracts issued - GMM or VFA - liability for remaining coverage and for incurred claims

								€k
Items/Liabilities	**Liability for remaining coverage (31.12.2023)**		**Liability for incurred claims (31.12.2023)**	**Total (31.12.2023)**	**Liability for remaining coverage (31.12.2022)**		**Passività per sinistri accaduti (31.12.2022)**	**Total (31.12.2022)**
	Net of loss	Loss			Net of loss	Loss		
A. Opening carrying amount								
1. Insurance contracts issued constituting liabilities	84,927	-	8,247	93,174	86,320	-	9,656	95,977
2. Insurance contracts issued constituting assets	-	-	-	-	-	-	-	-
3. Net carrying amount at 1 January	**84,927**	**-**	**8,247**	**93,174**	**86,320**	**-**	**9,656**	**95,977**
B. Insurance revenue	**(96,512)**	**-**	**-**	**(96,512)**	**(20,186)**	**-**	**-**	**(20,186)**
C. Costs for insurance services								
1. Incurred claims and other directly attributable costs	-	-	55,359	55,359	-	-	4,608	4,608
2. Changes in the liability for incurred claims	-	-	3,287	3,287	-	-	(1,065)	(1,065)
3. Losses and related recoveries on onerous contracts	-	(1,067)	-	(1,067)	-	-	-	-
4. Amortisation of acquisition costs of contracts	13,866	-	-	13,866	1,831	-	-	1,831
5. Total	**13,866**	**(1,067)**	**58,646**	**71,445**	**1,831**	**-**	**3,543**	**5,374**
E. Result from insurance services (B+C)	**(82,646)**	**(1,067)**	**58,646**	**(25,067)**	**(18,355)**	**-**	**3,543**	**(14,812)**
E. Net financial costs/revenue								
1. Related to insurance contracts issued	11,339	45	495	11,879	(5,656)	-	(344)	(6,000)
1.1 Recorded in the statement of profit or loss	5,465	45	488	5,998	(514)	-	(38)	(552)
1.2 Recorded in the statement of comprehensive income	5,873	-	8	5,881	(5,142)	-	(307)	(5,448)
2. Effects associated with exchange rate changes	-	-	-	-	-	-	-	-
3. Total	**11,339**	**45**	**495**	**11,879**	**(5,656)**	**-**	**(344)**	**(6,000)**
F. Investment components	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
G. Total amount recognised in the statement of profit or loss and statement of comprehensive income (D+E+F)	**(71,307)**	**(1,022)**	**59,141**	**(13,188)**	**(24,011)**	**-**	**3,199**	**(20,812)**
H. Other changes	**151,643**	**2,364**	**5,630**	**159,637**	**-**	**-**	**-**	**-**
Increases	**151,643**	**2,364**	**5,630**	**159,637**	**-**	**-**	**-**	**-**
Business combinations - external	151,643	2,364	5,630	159,637	-	-	-	-
I. Cash movements	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Premiums received	90,737	-	-	90,737	41,503	-	-	41,503
2. Payments related to contract acquisition costs	(37,026)	-	-	(37,026)	(18,885)	-	-	(18,885)
3. Paid claims and other cash outflows	-	-	(57,713)	(57,713)	-	-	(4,608)	(4,608)
4. Total	**53,711**	**-**	**(57,713)**	**(4,002)**	**22,617**	**-**	**(4,608)**	**18,010**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**218,974**	**1,342**	**15,304**	**235,621**	**84,927**	**-**	**8,247**	**93,174**
M. Final carrying amount	**-**	**-**	**-**		**-**	**-**	**-**	
1. Insurance contracts issued constituting liabilities	218,974	1,343	15,304	235,621	84,927	-	8,247	93,174
2. Insurance contracts issued constituting assets	-	-	-	-	-	-	-	-
3. Net carrying amount at 31 December	**218,974**	**1,343**	**15,304**	**235,621**	**84,927**	**-**	**8,247**	**93,174**

Key:
Basis of aggregation 4 = Insurance contracts issued without direct participation features - Non-Motor Non-Life Segment.

Trend in carrying amount - PAA – of insurance contracts issued - liability for remaining coverage and for incurred claims

	Liability for remaining coverage (31.12.2023)		Liability for incurred claims (31.12.2023)		Total (31.12.2023)
	Net of loss	Loss	Present value of cash flows	Adjustment for non-financial risk	
A. Opening carrying amount					
1. Insurance contracts issued constituting liabilities	(45,696)	12,655	191,848	15,904	174,710
2. Insurance contracts issued constituting assets	-	-	-	-	-
3. Net carrying amount at 1 January	**(45,696)**	**12,655**	**191,848**	**15,904**	**174,710**
B. Insurance revenue	**(415,310)**	**-**	**-**	**-**	**(415,310)**
C. Costs for insurance services					
1. Incurred claims and other directly attributable costs	-	-	249,147	-	249,147
2. Changes in the liability for incurred claims	-	-	52,423	(3,918)	48,505
3. Losses and related recoveries on onerous contracts	-	4,418	-	-	4,418
4. Amortisation of acquisition costs of contracts	56,882	-	-	-	56,882
5. Total	**56,882**	**4,418**	**301,569**	**(3,918)**	**358,951**
E. Result from insurance services (B+C)	**(358,428)**	**4,418**	**301,569**	**(3,918)**	**(56,359)**
E. Net financial costs/revenue					
1. Related to insurance contracts issued	(0)	-	4,247	-	4,247
1.1 Recorded in the statement of profit or loss	-	-	(311)	-	(311)
1.2 Recorded in the statement of comprehensive income	(0)	-	4,559	-	4,559
2. Effects associated with exchange rate changes	-	-	-	-	-
3. Total	**(0)**	**-**	**4,247**	**-**	**4,247**
F. Investment components	**-**	**-**	**-**	**-**	**-**
G. Total amount recognised in the statement of profit or loss and statement of comprehensive income (D+E+F)	**(358,428)**	**4,418**	**305,817**	**(3,918)**	**(52,112)**
H. Other changes	**-**	**-**	**-**	**-**	**-**
I. Cash movements	**-**	**-**	**-**	**-**	**-**
1. Premiums received	437,623	-	-	-	437,623
2. Payments related to contract acquisition costs	(59,740)	-	-	-	(59,740)
3. Paid claims and other cash outflows	-	-	(249,147)	-	(249,147)
4. Total	**377,884**	**-**	**(249,147)**	**-**	**128,737**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**(26,241)**	**17,072**	**248,518**	**11,986**	**251,336**
M. Final carrying amount					
1. Insurance contracts issued constituting liabilities	(26,241)	17,072	248,518	11,986	251,336
2. Insurance contracts issued constituting assets	-	-	-	-	-
3. Net carrying amount at 31 December	**(26,241)**	**17,072**	**248,518**	**11,986**	**251,336**

					€k
	Liability for remaining coverage (31.12.2022)		**Liability for incurred claims (31.12.2022)**		**Total (31.12.2022)**
	Net of loss	**Loss**	**Present value of cash flows**	**Adjustment for non-financial risk**	
	(9,583)	13,773	153,316	9,410	166,915
	-	-	-	-	-
	(9,583)	**13,773**	**153,316**	**9,410**	**166,915**
	(319,593)	**-**	**-**	**-**	**(319,593)**
	-	-	180,610	-	180,610
	-	-	47,461	6,494	53,955
	-	(1,118)	-	-	(1,118)
	42,221	-	-	-	42,221
	42,221	**(1,118)**	**228,071**	**6,494**	**275,668**
	(277,372)	**(1,118)**	**228,071**	**6,494**	**(43,925)**
	-	-	(8,928)	-	(8,928)
	-	-	(445)	-	(445)
	-	-	(8,483)	-	(8,483)
	-	-	-	-	-
	-	**-**	**(8,928)**	**-**	**(8,928)**
	-	**-**	**-**	**-**	**-**
	(277,372)	**(1,118)**	**219,143**	**6,494**	**(52,853)**
	-	**-**	**-**	**-**	**-**
	-	**-**	**-**	**-**	**-**
	285,201	-	-	-	285,201
	(43,942)	-	-	-	(43,942)
	-	-	(180,610)	-	(180,610)
	241,258	**-**	**(180,610)**	**-**	**60,648**
	(45,696)	**12,655**	**191,848**	**15,904**	**174,710**
	(45,696)	12,655	191,848	15,904	174,710
	-	-	-	-	-
	(45,696)	**12,655**	**191,848**	**15,904**	**174,710**

Trend of the carrying amount of insurance contracts issued broken down by elements underlying the measurement

Items/Elements underlying the measurement	Present value of cash flows (31.12.2023)	Adjustment for non-financial risk (31.12.2023)	Contractual Service Margin (31.12.2023)
A. Opening carrying amount			
1. Insurance contracts issued constituting liabilities	126,081,835	3,024,600	11,298,216
2. Insurance contracts issued constituting assets	-	-	-
3. Net carrying amount at 1 January	**126,081,835**	**3,024,600**	**11,298,216**
B. Changes in current services			
1. Contractual Service Margin recorded in the statement of profit or loss	-	-	(1,086,379)
2. Change for overdue non-financial risks	-	(104,059)	-
3. Experience-related changes	(1,818,401)	-	1,818,401
4. Total	**(1,818,401)**	**(104,059)**	**732,022**
C. Changes relating to future services			
1. Changes in contractual service margin	1,831,352	(333,352)	(1,497,999)
2. Losses on groups of onerous contracts and related recoveries	-	-	-
3. Effects of contracts initially recognised in the reporting year	(641,564)	124,185	517,379
4. Total	1,189,788	(209,167)	(980,620)
D. Changes related to past services			
1. Adjustments to the liability for incurred claims	145,685	-	-
2. Experience-related changes	(165,601)	-	-
3. Total	**(19,916)**	**-**	**-**
E. Result from insurance services (B+C+D)	**(648,529)**	**(313,227)**	**(248,598)**
F. Financial costs/revenue			
1. Related to insurance contracts issued	11,159,460	-	718,336
1.1 Recorded in the statement of profit or loss	5,974,844	-	384,601
1.2 Recorded in the statement of comprehensive income	5,184,616	-	333,734
2. Effects associated with exchange rate changes	-	-	-
3. Total	**11,159,460**	**-**	**718,336**
G. Total amount of changes recognised in the statement of profit or loss and statement of comprehensive income (E+F)	**10,510,932**	**(313,227)**	**469,738**
H. Other changes	**-**	**-**	**-**
I. Cash movements	**-**	**-**	**-**
1. Premiums received	17,722,731	-	-
2. Payments related to contract acquisition costs	(319,380)	-	-
3. Paid claims and other cash outflows	(14,617,896)	-	-
4. Total	**2,785,456**	**-**	**-**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**139,378,222**	**2,711,373**	**11,767,954**
M. Final carrying amount	**-**	**-**	**-**
1. Insurance contracts issued constituting liabilities	139,378,222	2,711,373	11,767,954
2. Insurance contracts issued constituting assets	-	-	-
3. Net carrying amount at 31 December	**139,378,222**	**2,711,373**	**11,767,954**

Key:
Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life segment.

				€k
Elements underlying the measurement of the carrying amount of insurance contracts issued				
Total (31.12.2023)	**Present value of cash flows (31.12.2022)**	**Adjustment for non-financial risk (31.12.2022)**	**Contractual Service Margin (31.12.2022)**	**Total (31.12.2022)**
140,404,651	148,858,368	1,281,159	9,155,214	159,294,741
-	-	-	-	-
140,404,651	**148,858,368**	**1,281,159**	**9,155,214**	**159,294,741**
(1,086,379)	-	-	(1,360,761)	(1,360,761)
(104,059)	-	(79,232)	-	(79,232)
-	(3,359,607)	-	3,381,502	21,895
(1,190,438)	**(3,359,607)**	**(79,232)**	**2,020,741**	**(1,418,098)**
-	(597,020)	1,624,266	(1,027,246)	0
-	-	-	-	-
-	(1,536,502)	198,407	1,338,096	-
-	(2,133,522)	1,822,673	310,850	0
145,685	94,398	-	-	94,398
(165,601)	(98,764)	-	-	(98,764)
(19,916)	**(4,366)**	**-**	**-**	**(4,366)**
(1,210,354)	**(5,497,495)**	**1,743,441**	**2,331,590**	**(1,422,463)**
11,877,796	(24,189,991)	-	(188,588)	(24,378,579)
6,359,446	(1,525,714)	-	(11,895)	(1,537,609)
5,518,350	(22,664,276)	-	(176,693)	(22,840,969)
-	-	-	-	-
11,877,796	**(24,189,991)**	**-**	**(188,588)**	**(24,378,579)**
10,667,442	**(29,687,486)**	**1,743,441**	**2,143,003**	**(25,801,042)**
-	**-**	**-**	**-**	**-**
-	**-**	**-**	**-**	**-**
17,722,731	17,015,088	-	-	17,015,088
(319,380)	(287,860)	-	-	(287,860)
(14,617,896)	(9,816,276)	-	-	(9,816,276)
2,785,456	**6,910,952**	**-**	**-**	**6,910,952**
153,857,549	**126,081,835**	**3,024,600**	**11,298,216**	**140,404,651**
	-	**-**	**-**	
153,857,549	126,081,835	3,024,600	11,298,216	140,404,651
-	-	-	-	-
153,857,549	**126,081,835**	**3,024,600**	**11,298,216**	**140,404,651**

Trend of the carrying amount of insurance contracts issued broken down by elements underlying the measurement

Items/Elements underlying the measurement	Present value of cash flows (31.12.2023)	Adjustment for non-financial risk (31.12.2023)	Contractual Service Margin (31.12.2023)
A. Opening carrying amount			
1. Insurance contracts issued constituting liabilities	185,214	29,230	93,498
2. Insurance contracts issued constituting assets	-	-	-
3. Net carrying amount at 1 January	**185,214**	**29,230**	**93,498**
B. Changes in current services			
1. Contractual Service Margin recorded in the statement of profit or loss	-	-	(25,458)
2. Change for overdue non-financial risks	-	(8,245)	-
3. Experience-related changes	7,510	-	(7,510)
4. Total	**7,510**	**(8,245)**	**(32,968)**
C. Changes relating to future services			
1. Changes in contractual service margin	6,473	(2,696)	(3,778)
2. Losses on groups of onerous contracts and related recoveries	(3,470)	-	-
3. Effects of contracts initially recognised in the reporting year	(40,857)	13,532	28,404
4. Total	**(37,854)**	**10,836**	**24,626**
D. Changes related to past services			
1. Adjustments to the liability for incurred claims	(2,784)	-	-
2. Experience-related changes	(8,302)	-	-
3. Total	**(11,085)**	**-**	**-**
E. Result from insurance services (B+C+D)	**(41,430)**	**2,591**	**(8,341)**
F. Financial costs/revenue			
1. Related to insurance contracts issued	11,251	-	2,067
1.1 Recorded in the statement of profit or loss	5,548	-	2,067
1.2 Recorded in the statement of comprehensive income	5,703	-	-
2. Effects associated with exchange rate changes	-	-	-
3. Total	**11,251**	**-**	**2,067**
G. Total amount of changes recognised in the statement of profit or loss and statement of comprehensive income (E+F)	**(30,178)**	**2,591**	**(6,274)**
H. Other changes	**172,780**	**6,918**	**43,623**
Increases	**172,780**	**6,918**	**43,623**
Operazioni di aggregazione aziendale - esterne	172,780	6,918	43,623
I. Cash movements	**-**	**-**	**-**
1. Premiums received	190,555	-	-
2. Payments related to contract acquisition costs	(32,553)	-	-
3. Paid claims and other cash outflows	(80,091)	-	-
4. Total	**77,910**	**-**	**-**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**405,726**	**38,739**	**130,848**
M. Final carrying amount	**-**	**-**	**-**
1. Insurance contracts issued constituting liabilities	405,726	38,739	130,848
2. Insurance contracts issued constituting assets	-	-	-
3. Net carrying amount at 31 December	**405,726**	**38,739**	**130,848**

Legend:
Basis of aggregation 2 = Insurance contracts issued without direct participation features - Life segment.

				€k
Elements underlying the measurement of the carrying amount of insurance contracts issued				
Total (31.12.2023)	**Present value of cash flows (31.12.2022)**	**Adjustment for non-financial risk (31.12.2022)**	**Contractual Service Margin (31.12.2022)**	**Total (31.12.2022)**
307,943	82,907	37,188	93,205	213,300
-	-	-	-	-
307,943	**82,907**	**37,188**	**93,205**	**213,300**
(25,458)	-	-	(16,165)	(16,165)
(8,245)	-	(7,471)	-	(7,471)
-	14,640	-	(11,211)	3,429
(33,703)	**14,640**	**(7,471)**	**(27,376)**	**(20,207)**
-	(17,930)	(8,916)	26,846	-
(3,470)	142	(49)	-	93
1,079	(9,313)	8,478	835	-
(2,392)	**(27,101)**	**(487)**	**27,681**	**93**
(2,784)	(68,057)	-	-	(68,057)
(8,302)	50,906	-	-	50,906
(11,085)	**(17,151)**	**-**	**-**	**(17,151)**
(47,180)	**(29,612)**	**(7,957)**	**305**	**(37,265)**
13,318	(12,442)	-	(11)	(12,453)
7,615	(116)	-	(11)	(127)
5,703	(12,326)	-	-	(12,326)
-	-	-	-	-
13,318	**(12,442)**	**-**	**(11)**	**(12,453)**
(33,862)	**(42,054)**	**(7,957)**	**293**	**(49,718)**
223,321	**-**	**-**	**-**	**-**
223,321	**-**	**-**	**-**	**-**
223,321	-	-	-	-
-	**-**	**-**	**-**	**-**
190,555	81,397	-	-	81,397
(32,553)	(23,787)	-	-	(23,787)
(80,091)	86,751	-	-	86,751
77,910	**144,361**	**-**	**-**	**144,361**
575,312	**185,214**	**29,230**	**93,498**	**307,943**
	-	**-**	**-**	
575,312	185,214	29,230	93,498	307,943
-	-	-	-	-
575,312	**185,214**	**29,230**	**93,498**	**307,943**

Trend of the carrying amount of insurance contracts issued broken down by elements underlying the measurement

Items/Elements underlying the measurement	Present value of cash flows (31.12.2023)	Adjustment for non-financial risk (31.12.2023)	Contractual Service Margin (31.12.2023)
A. Opening carrying amount			
1. Insurance contracts issued constituting liabilities	60,831	8,219	24,123
2. Insurance contracts issued constituting assets	-	-	-
3. Net carrying amount at 1 January	**60,831**	**8,219**	**24,123**
B. Changes in current services			
1. Contractual Service Margin recorded in the statement of profit or loss	-	-	(22,977)
2. Change for overdue non-financial risks	-	(7,583)	-
3. Experience-related changes	2,442	-	(4,379)
4. Total	**2,442**	**(7,583)**	**(27,356)**
C. Changes relating to future services			
1. Changes in contractual service margin	26,509	(10,178)	(16,331)
2. Losses on groups of onerous contracts and related recoveries	(659)	(1,475)	-
3. Effects of contracts initially recognised in the reporting year	(39,940)	9,796	31,211
4. Total	**(14,090)**	**(1,857)**	**14,881**
D. Changes related to past services			
1. Adjustments to the liability for incurred claims	3,595	(309)	-
2. Experience-related changes	5,209	-	-
3. Total	**8,805**	**(309)**	**-**
E. Result from insurance services (B+C+D)	**(2,843)**	**(9,749)**	**(12,475)**
F. Financial costs/revenue			
1. Related to insurance contracts issued	9,571	-	2,308
1.1 Recorded in the statement of profit or loss	3,690	-	2,308
1.2 Recorded in the statement of comprehensive income	5,881	-	-
2. Effects associated with exchange rate changes	-	-	-
3. Total	**9,571**	**-**	**2,308**
G. Total amount of changes recognised in the statement of profit or loss and statement of comprehensive income (E+F)	**6,728**	**(9,749)**	**(10,167)**
H. Other changes	**90,305**	**16,322**	**53,010**
Increases	**90,305**	**16,322**	**53,010**
Operazioni di aggregazione aziendale - esterne	90,305	16,322	53,010
I. Cash movements	**-**	**-**	**-**
1. Premiums received	90,737	-	-
2. Payments related to contract acquisition costs	(37,026)	-	-
3. Paid claims and other cash outflows	(57,713)	-	-
4. Total	**(4,002)**	**-**	**-**
L. Net carrying amount at 31 December (A.3+G+H+I.4)	**153,862**	**14,792**	**66,966**
M. Final carrying amount	**-**	**-**	**-**
1. Insurance contracts issued constituting liabilities	153,862	14,792	66,966
2. Insurance contracts issued constituting assets	-	-	-
3. Net carrying amount at 31 December	**153,862**	**14,792**	**66,966**

Legend:
Basis of aggregation 4 = Insurance contracts issued without direct participation features - Non-Motor Non-Life Segment.

					€k
	Elements underlying the measurement of the carrying amount of insurance contracts issued				
	Total (31.12.2023)	**Present value of cash flows (31.12.2022)**	**Adjustment for non-financial risk (31.12.2022)**	**Contractual Service Margin (31.12.2022)**	**Total (31.12.2022)**
	93,174	61,358	7,835	26,783	95,977
	-	-	-	-	-
	93,174	**61,358**	**7,835**	**26,783**	**95,977**
	(22,977)	-	-	(6,914)	(6,914)
	(7,583)	-	(2,186)	-	(2,186)
	(1,937)	3,281	-	(3,569)	(287)
	(32,497)	**3,281**	**(2,186)**	**(10,483)**	**(9,388)**
	0	(3,094)	(577)	3,671	-
	(2,134)	-	-	-	-
	1,067	(7,456)	3,122	4,334	-
	(1,067)	**(10,549)**	**2,544**	**8,005**	**-**
	3,287	(1,091)	26	-	(1,065)
	5,209	(4,359)	-	-	(4,359)
	8,496	**(5,450)**	**26**	**-**	**(5,424)**
	(25,067)	**(12,718)**	**384**	**(2,478)**	**(14,812)**
	11,879	(5,818)	-	(182)	(6,000)
	5,998	(370)	-	(182)	(552)
	5,881	(5,448)	-	-	(5,448)
	-	-	-	-	-
	11,879	**(5,818)**	**-**	**(182)**	**(6,000)**
	(13,188)	**(18,537)**	**384**	**(2,660)**	**(20,812)**
	159,637	**-**	**-**	**-**	**-**
	159,637	**-**	**-**	**-**	**-**
	159,637	-	-	-	-
	-	**-**	**-**	**-**	**-**
	90,737	41,503	-	-	41,503
	(37,026)	(18,885)	-	-	(18,885)
	(57,713)	(4,608)	-	-	(4,608)
	(4,002)	**18,010**	**-**	**-**	**18,010**
	235,621	**60,831**	**8,219**	**24,123**	**93,174**
		-	**-**	**-**	
	235,621	60,831	8,219	24,123	93,174
	-	-	-	-	-
	235,621	**60,831**	**8,219**	**24,123**	**93,174**

Trend of insurance revenue and contractual service margin of insurance contracts issued broken down by existing contracts at the time of transition to IFRS 17

	31.12.2023			
	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	
Insurance revenue	**-**	**-**	**-**	
Contractual service margin - Opening balances	**-**	**-**	**-**	
Changes in current services	**-**	**-**	**-**	
- Contractual Service Margin recorded in the statement of profit or loss for services provided	-	-	-	
Changes in future services	**-**	**-**	**-**	
- Changes in estimates that alter the contractual service margin	-	-	-	
- Effects of contracts initially recognised in the reporting year	-	-	-	
Financial revenue/costs	**-**	**-**	**-**	
1. Related to insurance contracts issued	-	-	-	
2. Effects associated with exchange rate changes	-	-	-	
3. Total	**-**	**-**	**-**	
Total changes recognised in the statement of profit or loss and statement of comprehensive income	**-**	**-**	**-**	
Contractual service margin - Closing balances	**-**	**-**	**-**	

Legend:
Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life segment.

							€k
			31.12.2022				
	Carve-out contracts	Total	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Carve-out contracts	Total
	1,885,003	**1,885,003**	**-**	**-**	**-**	**2,024,052**	**2,024,052**
	11,298,216	**11,298,216**	**-**	**-**	**-**	**9,155,214**	**9,155,214**
	(1,086,379)	**(1,086,379)**	**-**	**-**	**-**	**(1,360,761)**	**(1,360,761)**
	(1,086,379)	(1,086,379)	-	-	-	(1,360,761)	(1,360,761)
	837,781	**837,781**	**-**	**-**	**-**	**3,692,351**	**3,692,351**
	320,402	320,402	-	-	-	2,354,256	2,354,256
	517,379	517,379	-	-	-	1,338,096	1,338,096
	-	**-**	**-**	**-**	**-**	**-**	**-**
	718,336	718,336	-	-	-	(188,588)	(188,588)
	-	-	-	-	-	-	-
	718,336	**718,336**	**-**	**-**	**-**	**(188,588)**	**(188,588)**
	469,738	**469,738**	**-**	**-**	**-**	**2,143,003**	**2,143,003**
	11,767,954	**11,767,954**	**-**	**-**	**-**	**11,298,216**	**11,298,216**

Trend of insurance revenue and contractual service margin of insurance contracts issued broken down by existing contracts at the time of transition to IFRS 17

	31.12.2023			
	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	
Insurance revenue	**47,282**	**-**	**83,430**	
Contractual service margin - Opening balances	**681**	**-**	**92,817**	
Changes in current services	**(4,750)**	**-**	**(20,707)**	
- Contractual Service Margin recorded in the statement of profit or loss for services provided	(4,750)	-	(20,707)	
Changes in future services	**28,737**	**-**	**32,002**	
- Changes in estimates that alter the contractual service margin	333	-	32,002	
- Effects of contracts initially recognised in the reporting year	28,404	-	-	
Financial revenue/costs	**-**	**-**	**-**	
1. Related to insurance contracts issued	930	-	1,137	
2. Effects associated with exchange rate changes	-	-	-	
3. Total	**930**	**-**	**1,137**	
Total changes recognised in the statement of profit or loss and statement of comprehensive income	**24,917**	**-**	**12,432**	
Contractual service margin - Closing balances	**25,598**	**-**	**105,250**	

Legend:
Basis of aggregation 2 = Insurance contracts issued without direct participation features - Life segment.

							€k
			31.12.2022				
		Carve-out contracts	Total	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Carve-out contracts	Total
		-	**130,712**	**670**	**-**	**69,877**	**-**	**70,548**
		-	**93,498**	**-**	**-**	**93,205**	**-**	**93,205**
		-	**(25,458)**	**(154)**	**-**	**(16,012)**	**-**	**(16,165)**
		-	(25,458)	(154)	-	(16,012)	-	(16,165)
		-	**60,740**	**835**	**-**	**15,635**	**-**	**16,470**
		-	32,336	-	-	15,635	-	15,635
		-	28,404	835	-	-	-	835
		-	**-**	**-**	**-**	**-**	**-**	**-**
		-	2,067	-	-	(11)	-	(11)
		-	-	-	-	-	-	-
		-	**2,067**	**-**	**-**	**(11)**	**-**	**(11)**
		-	**37,349**	**681**	**-**	**(388)**	**-**	**293**
		-	**130,848**	**681**	**-**	**92,817**	**-**	**93,498**

Trend of insurance revenue and contractual service margin of insurance contracts issued broken down by existing contracts at the time of transition to IFRS 17

	31.12.2023			
	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	
Insurance revenue	**56,783**	**-**	**39,730**	
Contractual service margin - Opening balances	**6,282**	**-**	**17,841**	
Changes in current services	**(6,142)**	**-**	**(16,835)**	
- Contractual Service Margin recorded in the statement of profit or loss for services provided	(6,142)	-	(16,835)	
Changes in future services	**18,587**	**-**	**44,925**	
- Changes in estimates that alter the contractual service margin	(12,624)	-	44,925	
- Effects of contracts initially recognised in the reporting year	31,211	-	-	
Financial revenue/costs	**-**	**-**	**-**	
1. Related to insurance contracts issued	891	-	1,418	
2. Effects associated with exchange rate changes	-	-	-	
3. Total	**891**	**-**	**1,418**	
Total changes recognised in the statement of profit or loss and statement of comprehensive income	**13,336**	**-**	**29,507**	
Contractual service margin - Closing balances	**19,618**	**-**	**47,348**	

Legend:
Basis of aggregation 4 = Insurance contracts issued without direct participation features - Non-Motor Non-Life Segment.

							€k
			31.12.2022				
	Carve-out contracts	Total	New contracts and contracts measured at the transition date using the full retroactive application method	Contracts measured at the transition date using the modified retroactive application method	Contracts measured at the transition date using the fair value method	Carve-out contracts	Total
	-	96,512	5,132	-	15,055	-	20,186
	-	24,123	-	-	26,783	-	26,783
	-	(22,977)	(798)	-	(6,116)	-	(6,914)
	-	(22,977)	(798)	-	(6,116)	-	(6,914)
	-	63,512	7,105	-	(2,669)	-	4,436
	-	32,300	2,772	-	(2,669)	-	102
	-	31,211	4,334	-	-	-	4,334
	-	-	-	-	-	-	-
	-	2,308	(25)	-	(157)	-	(182)
	-	-	-	-	-	-	-
	-	2,308	(25)	-	(157)	-	(182)
	-	42,843	6,282	-	(8,942)	-	(2,660)
	-	66,966	6,282	-	17,841	-	24,123

Elements underlying the measurement of insurance contracts issued, recorded during the year

Items/Contract Groups	Contracts originated (31.12.2023)			Contracts acquired under business combinations (31.12.2023)			Contracts transferred from third parties (31.12.2023)		
	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	
A. Estimate of the present value of future cash outflows	**-**	**237,068**	**237,068**			**-**			
1. Contract acquisition costs	-	11,602,626	11,602,626			-			
2. Amount of claims and other directly attributable costs	-	11,839,695	11,839,695	-	-	-			
3. Total		12,481,258	12,481,258			-			
B. Estimate of the present value of future cash inflows	**-**	**(641,564)**	**(641,564)**	**-**	**-**	**-**			
C. Estimate of the present net value of future cash flows (A-B)		**124,185**	**124,185**			**-**			
D. Estimate of the adjustment for non-financial risk		**-**	**-**			**-**			
E. Derecognition of assets already recognised for cash flows related to insurance contracts issued		**517,379**	**517,379**			**-**			
F. Contractual Service Margin	**-**	**0**	**0**	**-**	**-**	**-**			
G. Increase included in liability for insurance contracts issued during the year (C+D+E+F)									

Legend:
Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life segment.

										€k
		Contracts originated (31.12.2022)			Contracts acquired under business combinations (31.12.2022)			Contracts transferred from third parties (31.12.2022)		
	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total
			220,895	220,895			-			
			11,042,662	11,042,662			-			
		-	11,263,557	11,263,557	-	-	-			
			12,800,060	12,800,060			-			
		-	(1,536,502)	(1,536,502)	-	-	-			
			198,407	198,407			-			
			-	-			-			
			1,338,096	1,338,096			-			
		-	(0)	(0)	-	-	-			

Elements underlying the measurement of insurance contracts issued, recorded during the year

Items/Contract Groups	Contracts originated (31.12.2023)			Contracts acquired under business combinations (31.12.2023)			Contracts transferred from third parties (31.12.2023)		
	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	
A. Estimate of the present value of future cash outflows									
1. Contract acquisition costs	(1,680)	29,026	27,346	-	1,947	1,947			
2. Amount of claims and other directly attributable costs	(61,685)	142,675	80,990	-	176,962	176,962			
3. Total	(63,365)	171,701	108,336	-	178,909	178,909			
B. Estimate of the present value of future cash inflows	**(64,444)**	**213,637**	**149,193**	**-**	**6,129**	**6,129**			
C. Estimate of the present net value of future cash flows (A-B)	**1,079**	**(41,936)**	**(40,857)**	**-**	**172,780**	**172,780**			
D. Estimate of the adjustment for non-financial risk	**-**	**13,532**	**13,532**	**-**	**6,918**	**6,918**			
E. Derecognition of assets already recognised for cash flows related to insurance contracts issued	**-**	**-**	**-**	**-**	**-**	**-**			
F. Contractual Service Margin	**-**	**28,404**	**28,404**	**-**	**47,043**	**47,043**			
G. Increase included in liability for insurance contracts issued during the year (C+D+E+F)	**1,079**	**(0)**	**1,079**	**-**	**226,741**	**226,741**			

Legend:
Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life segment.

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	Contracts originated (31.12.2022)			Contracts acquired under business combinations (31.12.2022)			Contracts transferred from third parties (31.12.2022)		
Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total
		21,749	21,749			-			
		59,426	59,426			-			
	-	81,175	81,175	-	-	-			
		90,488	**90,488**			**-**			
	-	**(9,313)**	**(9,313)**	**-**	**-**	**-**			
		8,478	**8,478**			**-**			
		-	**-**			**-**			
		835	**835**			**-**			
	-	**(0)**	**(0)**	**-**	**-**	**-**			

Elements underlying the measurement of insurance contracts issued, recorded during the year

Items/Contract Groups	Contracts originated (31.12.2023)			Contracts acquired under business combinations (31.12.2023)			Contracts transferred from third parties (31.12.2023)		
	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	
A. Estimate of the present value of future cash outflows									
1. Contract acquisition costs	2,575	34,252	36,827	265	29	294			
2. Amount of claims and other directly attributable costs	3,234	50,173	53,407	4,178	59,548	63,726			
3. Total	5,809	84,425	90,234	4,443	59,578	64,020			
B. Estimate of the present value of future cash inflows	**5,992**	**124,183**	**130,175**	**456**	**(26,741)**	**(26,285)**			
C. Estimate of the present net value of future cash flows (A-B)	**(183)**	**(39,757)**	**(39,940)**	**3,986**	**86,319**	**90,305**			
D. Estimate of the adjustment for non-financial risk	**1,250**	**8,546**	**9,796**	**2,714**	**13,608**	**16,322**			
E. Derecognition of assets already recognised for cash flows related to insurance contracts issued	**-**	**-**	**-**	**-**	**-**	**-**			
F. Contractual Service Margin	**-**	**31,211**	**31,211**	**-**	**53,010**	**53,010**			
G. Increase included in liability for insurance contracts issued during the year (C+D+E+F)	**1,067**	**(0)**	**1,067**	**6,700**	**152,937**	**159,637**			

Key:
Basis of aggregation 4 = Insurance contracts issued without direct participation features - Non-Motor Non-Life Segment.

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		Contracts originated (31.12.2022)			Contracts acquired under business combinations (31.12.2022)			Contracts transferred from third parties (31.12.2022)		
	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total
			19,079	19,079			-			
			16,670	16,670			-			
		-	35,749	35,749	-	-	-			
			43,204	**43,204**			**-**			
		-	**(7,456)**	**(7,456)**	**-**	**-**	**-**			
			3,122	**3,122**			**-**			
			-	**-**			**-**			
			4,334	**4,334**			**-**			
		-	**-**	**-**	**-**	**-**	**-**			

Insurance contracts issued - development of claims gross of reinsurance (Non-Life Segment)

Claims/Times	Year 2014	Year 2015	Year 2016	Year 2017
A. Accumulated paid claims and other directly attributable costs paid	-	-	-	-
1 At the end of the year of occurrence	-	-	-	-
2. One year later	-	-	-	-
3. Two years later	-	-	-	-
4. Three years later	-	-	-	-
5. Four years later	-	-	-	61,045
6. Five years later	-	-	53,145	60,715
7. Six years later	-	62,823	52,670	60,996
8. Seven years later	74,762	62,402	52,499	X
9. Eight years later	74,047	62,298	X	X
10. Nine years later	73,836	X	X	X
Total cumulative paid claims and other directly attributable costs paid (Total A)	**73,836**	**62,298**	**52,499**	**60,996**
B. Estimated ultimate cumulative claims cost (amount before outward reinsurance and not discounted)	-	-	-	-
1 At the end of the year of occurrence	-	-	-	-
2. One year later	-	-	-	-
3. Two years later	-	-	-	-
4. Three years later	-	-	-	-
5. Four years later	-	-	-	65,218
6. Five years later	-	-	55,009	62,125
7. Six years later	-	63,953	53,538	61,880
8. Seven years later	75,464	63,290	53,240	X
9. Eight years later	74,418	62,868	X	X
10. Nine years later	74,090	X	X	X
Estimated undiscounted ultimate cumulative gross claims cost at the reporting date (Total B)	**74,090**	**62,868**	**53,240**	**61,880**
C. Gross undiscounted liability for incurred claims - accident year T to T-9 (Total B - Total A)	**254**	**570**	**740**	**884**
D. Gross undiscounted liability for incurred claims - years prior to T-9	X	X	X	X
E. Discount effect	X	X	X	X
F. Effect of the adjustment for non-financial risk	X	X	X	X
G. Gross liability for incurred claims of insurance contracts issued	X	X	X	X

X indicates that the information should not be provided.

€k

Year 2018	Year 2019	Year 2020	Year 2021	Year 2022	Year 2023	Total
-	-	-	-	-	-	-
-	-	-	104,031	126,268	190,684	X
-	-	115,197	185,869	215,930	X	X
-	114,586	122,735	200,066	X	X	X
63,607	116,062	124,155	X	X	X	X
63,556	117,567	X	X	X	X	X
64,220	X	X	X	X	X	X
X	X	X	X	X	X	X
X	X	X	X	X	X	X
X	X	X	X	X	X	X
X	X	X	X	X	X	X
64,220	**117,567**	**124,155**	**200,066**	**215,930**	**190,684**	**1,162,251**
-	-	-	-	-	-	-
-	-	-	220,209	278,182	384,236	X
-	-	148,707	230,266	274,217	X	X
-	131,019	138,826	222,400	X	X	X
70,422	125,896	134,026	X	X	X	X
66,249	122,750	X	X	X	X	X
66,009	X	X	X	X	X	X
X	X	X	X	X	X	X
X	X	X	X	X	X	X
X	X	X	X	X	X	X
X	X	X	X	X	X	X
66,009	**122,750**	**134,026**	**222,400**	**274,217**	**384,236**	**1,455,718**
1,789	**5,184**	**9,872**	**22,334**	**58,287**	**193,552**	**293,467**
X	X	X	X	X	X	**460**
X	X	X	X	X	X	**(11,022)**
X	X	X	X	X	X	**(7,095)**
X	X	X	X	X	X	**275,809**

Insurance contracts issued - development of claims net of reinsurance (Non-Life Segment)

Claims/Times	Year 2014	Year 2015	Year 2016	Year 2017
A. Accumulated paid claims and other directly attributable costs paid	-	-	-	-
1 At the end of the year of occurrence	-	-	-	-
2. One year later	-	-	-	-
3. Two years later	-	-	-	-
4. Three years later	-	-	-	-
5. Four years later	-	-	-	37,484
6. Five years later	-	-	32,470	37,283
7. Six years later	-	43,926	32,121	37,374
8. Seven years later	60,120	43,573	32,132	**X**
9. Eight years later	59,471	43,569	**X**	**X**
10. Nine years later	59,478	**X**	**X**	**X**
Total cumulative paid claims and other directly attributable costs paid (Total A)	**59,478**	**43,569**	**32,132**	**37,374**
B. Estimated ultimate cumulative claims cost (amount before outward reinsurance and not discounted)	-	-	-	-
1 At the end of the year of occurrence	-	-	-	-
2. One year later	-	-	-	-
3. Two years later	-	-	-	-
4. Three years later	-	-	-	-
5. Four years later	-	-	-	40,477
6. Five years later	-	-	33,878	37,982
7. Six years later	-	44,538	32,712	37,910
8. Seven years later	60,564	43,992	32,631	**X**
9. Eight years later	59,672	43,914	**X**	**X**
10. Nine years later	59,616	**X**	**X**	**X**
Estimated undiscounted ultimate cumulative gross claims cost at the reporting date (Total B)	**59,616**	**43,914**	**32,631**	**37,910**
C. Gross undiscounted liability for incurred claims - accident year T to T-9 (Total B - Total A)	**138**	**345**	**499**	**536**
D. Net undiscounted liability for incurred claims - years prior to T-9	**X**	**X**	**X**	**X**
E. Discount effect	**X**	**X**	**X**	**X**
F. Effect of the adjustment for non-financial risk	**X**	**X**	**X**	**X**
G. Net liability for incurred claims of insurance contracts issued	**X**	**X**	**X**	**X**

X indicates that the information should not be provided.

						€k
Year 2018	**Year 2019**	**Year 2020**	**Year 2021**	**Year 2022**	**Year 2023**	**Total**
-	-	-	-	-	-	-
-	-	-	86,479	117,417	158,352	**X**
-	-	82,637	155,826	198,423	**X**	**X**
-	80,692	86,532	168,465	**X**	**X**	**X**
31,747	81,757	88,022	**X**	**X**	**X**	**X**
31,800	82,915	**X**	**X**	**X**	**X**	**X**
32,212	**X**	**X**	**X**	**X**	**X**	**X**
X	**X**	**X**	**X**	**X**	**X**	**X**
X	**X**	**X**	**X**	**X**	**X**	**X**
X	**X**	**X**	**X**	**X**	**X**	**X**
X	**X**	**X**	**X**	**X**	**X**	**X**
32,212	**82,915**	**88,022**	**168,465**	**198,423**	**158,352**	**900,941**
-	-	-	-	-	-	-
-	-	-	187,642	256,145	312,253	**X**
-	-	110,489	196,375	255,032	**X**	**X**
-	93,348	100,699	189,580	**X**	**X**	**X**
36,569	88,969	97,207	**X**	**X**	**X**	**X**
33,529	86,772	**X**	**X**	**X**	**X**	**X**
33,326	**X**	**X**	**X**	**X**	**X**	**X**
X	**X**	**X**	**X**	**X**	**X**	**X**
X	**X**	**X**	**X**	**X**	**X**	**X**
X	**X**	**X**	**X**	**X**	**X**	**X**
X	**X**	**X**	**X**	**X**	**X**	**X**
33,326	**86,772**	**97,207**	**189,580**	**255,032**	**312,253**	**1,148,240**
1,114	**3,858**	**9,184**	**21,115**	**56,609**	**153,900**	**247,298**
X	**X**	**X**	**X**	**X**	**X**	**278**
X	**X**	**X**	**X**	**X**	**X**	**(9,301)**
X	**X**	**X**	**X**	**X**	**X**	**(8,835)**
X	**X**	**X**	**X**	**X**	**X**	**229,440**

Financial liabilities measured at amortised cost: product breakdown, percentage breakdown and fair value hierarchy

											€k
Items/Values	**31.12.2023**					**31.12.2022**					
	Carrying amount	**Comp. %**	**L1**	**L2**	**L3**	**Total fair value**	**Carrying amount**	**Comp. %**	**L1**	**L2**	**L3**	**Total fair value**
Participating financial instruments	-	0%	-	-	-	-	-		-	-	-	-
Subordinated liabilities	263,421	94%	-	-	263,421	263,421	252,613	97%	-	-	252,613	252,613
Debt securities issued	-		-	-	-	-	-		-	-	-	-
Other loans	16,284	6%	-	-	16,284	16,284	11,625	3%	-	-	11,625	11,625
- from banks	-		x	x	x	x	-		x	x	X	X
- from customers	16,284	6%	x	x	x	x	11,625	3%	x	x	X	X
Total	**279,704**	**0%**	**-**	**-**	**279,704**	**279,704**	**264,238**		**-**	**-**	**264,238**	**264,238**

Key:
Comp. % = percentage breakdown.
L1 = level 1.
L2 = level 2.
L3 = level 3.

X indicates that the information should not be provided.

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

								€k
	Level 1		**Level 2**		**Level 3**		**Total**	
Financial assets/liabilities measured at fair value	**31.12.2023**	**31.12.2022**	**31.12.2023**	**31.12.2022**	**31.12.2023**	**31.12.2022**	**31.12.2023**	**31.12.2022**
Financial assets measured at fair value through other comprehensive income	103,472,653	88,689,811	2,279,800	7,768,970	99,616	42,118	105,852,070	96,500,899
Financial assets measured at fair value through profit or loss	4,440,624	4,995,427	35,891,700	30,315,293	7,837,615	8,150,008	48,169,940	43,460,728
a) financial assets held for trading	317,261	103,666	26,116,495	24,627,439	7,053,361	6,994,428	33,487,117	31,725,533
b) Financial assets designated at fair value	-	-	-	-	-	-	-	-
c) Other financial assets mandatorily measured at fair value	4,123,363	4,891,761	9,775,206	5,687,854	784,254	1,155,580	14,682,822	11,735,195
Investment property	-	-	-	-	-	-	-	-
Tangible assets	-	-	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-	-	-
Total	**107,913,278**	**93,685,238**	**38,171,501**	**38,084,263**	**7,937,231**	**8,192,126**	**154,022,009**	**139,961,627**
Financial liabilities measured at fair value through profit or loss	-	-	-	-	100,700	-	100,700	-
a) Financial liabilities held for trading	-	-	-	-	100,700	-	100,700	-
b) Financial liabilities designated at fair value	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**100,700**	**-**	**100,700**	**-**

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

	Financial assets measured at fair value through other comprehensive income	Financial assets measured at fair value through profit or loss		
		Financial assets held for trading	Financial assets designated at fair value	Financial assets mandatorily measured at fair value
1. Opening balances	**42,118**	**6,994,428**	**-**	**1,155,580**
2. Increases	**99,616**	**431,074**	**-**	**356,257**
2.1. Purchases	34,751	431,074	-	260,841
Business combinations - external	34,751	431,074	-	260,841
Business combinations - internal				
Business combinations - mergers				
- Other Purchases				
2.2. Profits charged to:	-	-	-	82,330
2.2.1 Statement of profit or loss	-	-	-	82,330
of which capital gains				82,330
of which capital losses				
2.2.2 Statement of comprehensive Income				
2.3. Transfers to other levels	64,866			13,086
2.4. Other increases	-	-	-	-
Input exchange difference (+)				
Automatic exchange differences (+)				
Change in the scope of consolidation (+)				
Change in method and % of consolidation (+)				
- Other changes(+)				
3. Decreases	**(42,118)**	**(372,141)**	**-**	**(727,583)**
3.1. Sales	(26,083)	(208,224)	-	(266,323)
Business combinations - external				
Business combinations - internal				
- Other Sales	(26,083)	(208,224)		(266,323)
3.2. Redemptions				
3.3. Losses charged to:	-	(163,917)	-	-
3.3.1 Statement of profit or loss	-	(163,917)	-	-
of which capital losses		(163,917)		
of which capital gains				
3.3.2 Statement of comprehensive Income				
3.4. Transfers to other levels	(16,035)			(461,259)
3.5. Other decreases	-	-	-	-
Input exchange difference (-)				
Automatic exchange differences (-)				
Change in the scope of consolidation (-)				
Change in method and % of consolidation (-)				
- Other changes(-)				
4. Closing balances	**99,616**	**7,053,361**	**-**	**784,254**

	Investment property	Tangible assets	Intangible assets	Financial liabilities measured at fair value through profit or loss	
				Financial liabilities held for trading	Financial liabilities designated at fair value
	-	**-**	**-**	**-**	
	-	**-**	**-**	**-**	**-**
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	**-**	**-**	**-**	**-**
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

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

€k

Assets/liabilities not measured at fair value or measured at fair value on a non-recurring basis	Carrying amount		Fair value							
			Level 1		Level 2		Level 3		Total	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Assets										
Financial assets measured at amortised cost	2,370,000	2,387,301	2,014,520	2,064,897	51,285	94,236	304,195	228,168	2,370,000	2,387,301
Investments in associates and joint ventures	110,010	111,323					110,010	111,323	110,010	111,323
Investment property									-	-
Non-current assets or disposal groups held for sale	49,500						49,500		49,500	-
Total assets	**2,529,510**	**2,498,624**	**2,014,520**	**2,064,897**	**51,285**	**94,236**	**463,705**	**339,491**	**2,529,510**	**2,498,624**
Liabilities									**-**	**-**
Financial liabilities measured at amortised cost	279,704	264,238					279,704	264,238	279,704	264,238
Liabilities included in disposal groups held for sale									-	-
Total liabilities	**279,704**	**264,238**	**-**	**-**	**-**	**-**	**279,704**	**264,238**	**279,704**	**264,238**

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

					€k
Name of structured entity/Items	**Revenue earned by structured entity during the reference year**	**Carrying amount (at date of transfer) of assets transferred in reference year**	**Carrying amount of assets recognised in financial statements and attributable to the structured entity**	**Corresponding asset item in the statement of financial position**	**Maximum loss exposureCorresponding liability item in the statement of financial positionCarrying amount of liabilities recognised in financial statements and attributable to the structured entity**
MFX - GLOBAL FUND - ASSET GLOBAL FUND (PIMCO MULTI ASSET)			3,804,444	Financial assets measured at fair value through profit or loss	211,119
MULTIFLEX - Global Optimal Multi Asset Fund			4,656,732	Financial assets measured at fair value through profit or loss	401,365
MULTIFLEX - Dynamic Multi Asset Fund			4,044,301	Financial assets measured at fair value through profit or loss	368,414
MULTIFLEX - Strategic Insurance Distribution			4,493,177	Financial assets measured at fair value through profit or loss	340,796
MULTIFLEX-OLYMPIUM DYNAMIC-MULTIASSET FUND			293,087	Financial assets measured at fair value through profit or loss	26,626
PRIMA HEDGE PLATINUM GROWTH ISIN			431,756	Financial assets measured at fair value through profit or loss	66,303
SHOPPING PROPERTY FUND 2			35,324	Financial assets measured at fair value through profit or loss	23,796
DIAMOND EUROZONE OFFICE UBS FUND			398,886	Financial assets measured at fair value through profit or loss	162,237
CBRE DIAMOND FUND			156,901	Financial assets measured at fair value through profit or loss	50,682
DIAMOND EUROZONE RETAIL PROPERTY FUND			90,357	Financial assets measured at fair value through profit or loss	34,547
DIAMOND ITALIAN PROPERTIES			159,309	Financial assets measured at fair value through profit or loss	55,404
DIAMOND OTHER SECTOR ITALIA			107,999	Financial assets measured at fair value through profit or loss	38,912
Prima EU Private Debt Opportunity Fund			282,648	Financial assets measured at fair value through profit or loss	93,456
Prima EU Private Debt Opportunity Fund			507,245	Financial assets measured at fair value through profit or loss	54,853
Prima European Direct Lending 1 Fund			455,669	Financial assets measured at fair value through profit or loss	52,630
Prima Real Estate Europe Fund I			329,352	Financial assets measured at fair value through profit or loss	120,202
Indaco SICAV SIF - Indaco CIFC US Loan			85,544	Financial assets measured at fair value through profit or loss	23,000

€k

Name of structured entity/Items	Revenue earned by structured entity during the reference year	Carrying amount (at date of transfer) of assets transferred in reference year	Carrying amount of assets recognised in financial statements and attributable to the structured entity	Corresponding asset item in the statement of financial position	Maximum loss exposureCorresponding liability item in the statement of financial positionCarrying amount of liabilities recognised in financial statements and attributable to the structured entity
MULTIFLEX-DYNAMIC LT M/A-CM			539,017	Financial assets measured at fair value through profit or loss	48,278
MULTIFLEX-LT OPTIMAL M/A-CM			824,569	Financial assets measured at fair value through profit or loss	87,183
Prima Credit Opportunity Fund			130,400	Financial assets measured at fair value through profit or loss	10,040
MULTIFLEX-DIVERSIFIED DIS-CM			5,621,261	Financial assets measured at fair value through profit or loss	553,122
MULTIFLEX-OLYMP INSURN MA-CM			840,415	Financial assets measured at fair value through profit or loss	64,781
MULTIFLEX-OLYMPIUM OPT MA-CM			562,993	Financial assets measured at fair value through profit or loss	46,750
OLYMPIUM SEVERUM FUND			436,500	Financial assets measured at fair value through profit or loss	69,198
PRIMA GLOBAL EQUITY PRTNERS FUND			204,277	Financial assets measured at fair value through profit or loss	114,269
ALC Prima European Private Credit Feeder Fund			268,882	Financial assets measured at fair value through profit or loss	29,644
i3-Dante comparto Convivio Fund			266,756	Financial assets measured at fair value through profit or loss	66,689

Impairment losses/(reversals of impairment losses) due to credit risk

€k

	Impairment losses				Reversals of impairment losses			
	First stage	of which: Assets with low credit risk	Second stage	Third stage	First stage	of which: Assets with low credit risk	Second stage	Third stage
Government bonds	(9,358)	-	-	-	3,116	-	-	-
Other debt securities	(3,956)	-	(2,036)	-	5,076	-	269	-
Loans and receivables:	-	-	-	-	-	-	-	-
- due from banks								
- due from customers								
Total (31.12.2023)	**(13,314)**	**-**	**(2,036)**	**-**	**8,193**	**-**	**269**	**-**
Total (31.12.2022)	**(526)**	**-**	**(80)**	**-**	**4,432**	**-**	**146**	**-**

Net financial costs and revenue related to insurance contracts issued

								€k
Items/Basis of aggregation	**Basis A1 (31.12.2023)**	**Basis A2 (31.12.2023)**	**Basis A3 (31.12.2023)**	**Total (31.12.2023)**	**Basis A1 (31.12.2022)**	**Basis A2 (31.12.2022)**	**Basis A3 (31.12.2022)**	**Total (31.12.2022)**
1. Accrued interest	-	(6,729)	(5,983)	**(12,712)**	-	11	182	**193**
2. Effects of changes in interest rates and other financial assumptions	-	(887)	296	**(590)**	-	116	815	**931**
3. Changes in fair value of underlying assets of contracts measured under VFA	(6,359,446)	-	-	**(6,359,446)**	1,537,609	-	-	**1,537,609**
4. Effects of exchange rate changes	-	-	-	**-**	-	-	-	**-**
5. Other	-	-	-	**-**	-	-	-	**-**
6. Total net financial revenue/costs related to insurance contracts issued recorded in the statement of profit or loss	**(6,359,446)**	**(7,615)**	**(5,687)**	**(6,372,748)**	**1,537,609**	**127**	**997**	**1,538,733**

Net financial revenue and costs related to outward reinsurance

						€k
Items/Basis of aggregation	**Basis A1 (31.12.2023)**	**Basis A2 (31.12.2023)**	**Total (31.12.2023)**	**Basis A1 (31.12.2022)**	**Basis A2 (31.12.2022)**	**Total (31.12.2022)**
1. Accrued interest	2,497	2,542	5,039	-	(3)	(3)
2. Effects of changes in interest rates and other financial assumptions	-	8	8	-	(28)	(28)
3. Effects of exchange rate changes	-	-	-	-	-	-
4. Other	-	-	-	-	-	-
5. Total net financial revenue/costs related to outward reinsurance	**2,497**	**2,550**	**5,047**	-	(31)	(31)

The amount of net financial costs and revenue related to outward reinsurance recognised in the statement of comprehensive income for the Poste Vita Group was marginal at both 31 December 2023 and 31 December 2022.

Insurance operations - Net financial result of investments broken down by life and non-life segment

								€k
Items/Basis of aggregation	**Life segment (31.12.2023)**	**Of which: DPF**	**Non-Life segment (31.12.2023)**	**Total (31.12.2023)**	**Life segment (31.12.2022)**	**Of which: DPF**	**Non-Life segment (31.12.2022)**	**Total (31.12.2022)**
A. NET FINANCIAL RESULT OF INVESTMENTS	10,339,650	9,951,167	35,410	10,375,060	(17,792,823)	(17,349,731)	(12,162)	(17,804,985)
A.1 Interest income from financial assets measured at amortised cost and at fair value through other comprehensive income	3,286,879	3,163,562	22,181	3,309,061	3,622,897	3,532,245	12,961	3,635,858
A.2 Net profit/loss from assets measured at fair value through profit or loss	3,098,009	2,981,777	499	3,098,507	(5,038,787)	(4,912,706)	(339)	(5,039,126)
A.3 Net impairment losses/(reversals of impairment losses) due to credit risk	(6,715)	(6,463)	(173)	(6,888)	3,972	3,872	-	3,972
A.4 Other income/expenses, net	(6,101)	(6,432)	(730)	(6,830)	(184,071)	(181,587)	(47)	(184,117)
A.5 Net gains or losses on financial assets at fair value through other comprehensive income	3,967,577	3,818,722	13,633	3,981,211	(16,196,834)	(15,791,555)	(24,738)	(16,221,571)
B. NET CHANGE IN INVESTMENT CONTRACTS ISSUED IFRS 9	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C. TOTAL NET FINANCIAL RESULT OF INVESTMENTS	**10,339,650**	**9,951,167**	**35,410**	**10,375,060**	**(17,792,823)**	**(17,349,731)**	**(12,162)**	**(17,804,985)**
of which: recorded in the statement of profit or loss	6,372,072	6,132,445	21,777	6,393,849	(1,595,989)	(1,558,176)	12,575	(1,583,414)
of which: recorded in the statement of comprehensive income	3,967,577	3,818,722	13,633	3,981,211	(16,196,834)	(15,791,555)	(24,738)	(16,221,571)

Insurance operations - summary of economic results by life and non-life segment

						€k
Summary Results/Basis of Aggregation	**31.12.2023**			**31.12.2022**		
	Life segment	**Non-Life segment**	**Total**	**Life segment**	**Non-Life segment**	**Total**
A. Financial results						
A.1 Amounts recorded in the statement of profit or loss						
1. Total net financial result of investments	6,372,072	21,777	6,393,849	(1,595,989)	12,575	(1,583,414)
2. Net financial revenue/costs of insurance contracts issued	(6,364,565)	(3,136)	(6,367,701)	1,538,702	-	1,538,702
3. Total	**7,508**	**18,641**	**26,148**	**(57,287)**	**12,575**	**(44,712)**
A2. Amounts recorded in the statement of comprehensive income						
1. Total net financial result of investments	3,967,577	13,633	3,981,211	(16,196,834)	(24,738)	(16,221,571)
2. Net financial revenue/costs of insurance contracts issued	(3,765,463)	(8,778)	(3,774,241)	15,730,837	13,167	15,744,004
3. Total	**202,114**	**4,855**	**206,970**	**(465,996)**	**(11,571)**	**(477,567)**
B. Net insurance and financial result						
1. Net result of insurance services	1,252,495	71,473	1,323,968	1,460,275	50,149	1,510,424
2. Total net financial result of investments	10,339,650	35,410	10,375,060	(17,792,823)	(12,162)	(17,804,985)
3. Net financial result from insurance contracts	(10,130,028)	(11,915)	(10,141,942)	17,269,539	13,167	17,282,706
4. Total	**1,462,117**	**94,969**	**1,557,086**	**936,991**	**51,153**	**988,145**

Insurance revenues and costs from insurance contracts

Items/Basis of aggregation	Basis A1 31.12.2023	Basis A2 31.12.2023	Basis A3 31.12.2023	
A. Insurance revenue from insurance contracts measured under GMM and VFA				
A.1 Amounts related to changes in the liability for remaining coverage	1,654,590	122,097	-	
1. Incurred claims and other expected insurance service costs	464,152	88,393	-	
2. Changes in the adjustment for non-financial risks	104,059	8,245	-	
3. Contractual Service Margin release	1,086,379	25,458	-	
4. Other amounts	-	-	-	
A.2 Acquisition costs of recovered insurance contracts	230,413	8,616	-	
A.3 Total insurance revenue from insurance contracts measured under GMM or VFA	1,885,003	130,712	-	
A.4 Total insurance revenue from insurance contracts measured under PAA				
- Life segment	X	X	X	
- Non-Life segment - motor	X	X	X	
- Non-Life segment - non-motor	X	X	X	
A.5 Total insurance revenue from insurance contracts	1,885,003	130,712	-	
B. Costs for insurance services arising from insurance contracts measured under GMM and VFA				
1. Incurred claims and other directly attributable costs	(298,551)	(80,091)	-	
2. Changes in the liability for incurred claims	(145,685)	2,784	-	
3. Losses on onerous contracts and recovery of such losses	-	2,392	-	
4. Amortisation of acquisition costs of insurance contracts	(230,413)	(8,616)	-	
5. Other amounts	-	-	-	
B.6 Total costs for insurance services arising from insurance contracts measured under GMM and VFA	(674,649)	(83,532)	-	
B.7 Total costs for insurance services arising from insurance contracts measured under PAA				
- Life segment	X	X	X	
- Non-Life segment - motor	X	X	X	
- Non-Life segment - non-motor	X	X	X	
C. Total net costs/revenue from insurance contracts issued (A.5+B.6+B.7)	1,210,354	47,180	-	

Legend:
Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life segment.
Basis of aggregation 2 = Insurance contracts issued without direct participation features - Life segment.
Basis of aggregation 3 = Insurance contracts issued without direct participation features - Motor Non-Life Segment.
Basis of aggregation 4 = Insurance contracts issued without direct participation features - Non-Motor Non-Life Segment.
Basis of aggregation 5 = Investment contracts issued with discretionary participation features - Life segment.

X indicates that the information should not be provided.

					€k
	Basis A4 31.12.2023	Basis A5 31.12.2023	Total 31.12.2023	Basis A1 31.12.2022	Total 31.12.2022
	82,646	-	1,859,333	1,815,594	1,904,496
	50,799	-	603,344	375,601	431,479
	7,879	-	120,184	79,232	88,889
	22,977	-	1,134,813	1,360,761	1,383,841
	991	-	991	-	287
	13,866	-	252,894	208,459	210,290
	96,512	-	2,112,227	2,024,052	2,114,786
			415,310		319,593
	X	X		X	
	X	X		X	
	X	X	415,310	X	319,593
	96,512	-	2,527,537	2,024,052	2,434,378
	(55,359)	-	(434,002)	(297,993)	(404,587)
	(3,287)	-	(146,188)	(94,398)	(25,275)
	1,067	-	3,458	-	(93)
	(13,866)	-	(252,894)	(208,459)	(210,290)
	-	-	-	-	-
	(71,445)	-	(829,626)	(600,849)	(640,245))
			(358,951)		(275,668)
	X	X		X	
	X	X		X	
	X	X	(358,951)	X	(275,668)
	25,067	-	1,338,960	1,423,203	1,518,465

Insurance costs and revenues from reinsurance contracts

Items/Basis of aggregation	Basis of aggregation 1 31.12.2023	Basis of aggregation 2 31.12.2023
A. Allocation of premiums paid related to outward reinsurance measured at GMM		
A.1 Amounts related to changes in the asset for remaining coverage		
1. Amount of claims and other expected recoverable costs	(16,903)	(20,582)
2. Changes in the adjustment for non-financial risks	(1,020)	(3,276)
3. Contractual Service Margin release	1,005	(7,216)
4. Other amounts	30	432
5. Total	(16,887)	(30,642)
A.2 Other costs directly attributable to outward reinsurance	**-**	**-**
A.3 Allocation of premiums paid related to outward reinsurance measured at PAA	**-**	**(41,251)**
B. Total costs arising from outward reinsurance (A.1+A.2+A.3)	**(16,887)**	**(71,894)**
C. Effects of changes in reinsurers' default risk	**-**	**(4)**
D. Amount of claims and other expenses recovered	**16,199**	**41,847**
E. Changes in assets due to incurred claims	**(842)**	**19,783**
F. Other recoveries	**(3,509)**	**315**
G. Total net costs/revenue from outward reinsurance (B+C+D+E+F)	**(5,039)**	**(9,953)**

Legend:
Basis of aggregation 1 = Life segment
Basis of aggregation 2 = Non-Life segment

Breakdown of costs for insurance services

Costs /Basis of aggregation	Basis A1 - with DPF 31.12.2023	Basis A2 - without DPF 31.12.2023	Basis A1 + Basis A2 31.12.2023	Basis A3 31.12.2023	Basis A4 31.12.2023	Basis A3 + Basis A4 31.12.2023
Acquisition expenses	(320,723)	(22,349)	(343,071)	(58,487)	(17,467)	(75,954)
Other directly attributable costs	(300,270)	(1,890)	(302,160)	(15,188)	(7,761)	(22,949)
Investment management expenses	X	X	(49,193)	X	X	-
Other costs	X	X	(69,915)	X	X	(15,987)
Total	**(620,993)**	**(24,238)**	**(764,339)**	**X**	**X**	**(114,890)**

Legend:
Basis A1 - with DPF = Insurance contracts issued with direct participation features - Life segment.
Basis A2 - without DPF = Insurance contracts issued without direct participation features - Life segment.
Basis A1 + Basis A2 = Life Segment.
Basis A3 = Insurance contracts issued without direct participation features - Motor Non-Life Segment.
Basis A4 = Insurance contracts issued without direct participation features - Non-Motor Non-Life Segment.
Basis A3 + Basis A4 = Non-Life Segment.

X indicates that the information should not be provided.

€k

Total 31.12.2023	Basis of aggregation 1 31.12.2022	Basis of aggregation 2 31.12.2022	Total 31.12.2022
(37,485)	547	(306)	240
(4,296)	-	(27)	(27)
(6,211)	-	(207)	(207)
462	-	489	489
(47,529)	547	(52)	494
-	**-**	**-**	**-**
(41,251)	**-**	**(7,356)**	**(7,356)**
(88,781)	**547**	**(7,408)**	**(6,862)**
(4)	**-**	**40**	**40**
58,045	**-**	**(7,476)**	**(7,476)**
18,941	**-**	**6,258**	**6,258**
(3,194)	**-**	**-**	**-**
(14,992)	**547**	**(8,587)**	**(8,040)**

Other 31.12.2023	Basis A1 - with DPF 31.12.2022	Basis A2 - without DPF 31.12.2022	Basis A1 + Basis A2 31.12.2022	Basis A3 31.12.2022	Basis A4 31.12.2022	Basis A3 + Basis A4 31.12.2022	Other 31.12.2022
X	(287,860)	(24,270)	(312,130)	(43,132)	(18,885)	(62,018)	X
X	(241,488)	(307)	(241,796)	(15,937)	(174)	(16,111)	X
(7,761)	-	-	(48,098)	-	-	-	(7,073)
(37,786)	-	-	(67,651)	-	-	(10,758)	(36,034)
(45,546)	**(529,348)**	**(24,578)**	**(669,675)**	**-**	**-**	**(88,887)**	**(43,107)**

4. Glossary

ASSET ALLOCATION

It is a strategy implemented by the investor and aimed at diversifying his or her portfolio across different asset classes, based on his or her time and expected return objectives.

ASSET CLASS

Investment category, i.e. set of financial instruments with similar characteristics and similar behaviour in the markets, e.g. bond (short-term, medium/long-term, government, corporate, high yield, etc.), equity (Europe, America, emerging countries, etc.), real estate. The choice of asset classes is crucial for portfolio construction because they are the individual components that are evaluated in the asset allocation process.

COMBINED RATIO (NET REINSURANCE)

Technical indicator of Non-Life business, determined as the ratio of total costs incurred (claims and payment costs, net reinsurance expenses, attributable/non-attributable operating expenses and other technical expenses and income) to gross insurance revenue.

CONTRACT BOUNDARY

Contract Boundary refers to the contract limits, i.e. the cash flows to be considered in the cash flow projection of an insurance contract.

CONTRACTUAL SERVICE MARGIN (CSM)

It represents the expected, unrealised profit to be recognised by the entity in the statement of profit or loss over the life of the contract.

CONTRACTS WITH DISCRETIONARY PARTICIPATION FEATURES (DPF)

Contracts whose cash flows are asset-dependent and which therefore sets forth that:

- the policyholder is to have a return from a group of clearly identifiable underlying assets;
- the issuer expects to recognise a significant portion of the returns generated by the fair value of the underlying assets;
- a significant portion of the cash flows that the issuer expects to pay to the policyholder will change based on changes in the fair value of the underlying assets.

COHORTS

Cohort means the division of contracts according to the year of signing.

COVERAGE UNIT

This is the quantity by which the contractual service margin (CSM) release pattern is defined.

EXPECTED CREDIT LOSS (ECL)

Estimated expected loss based on the amount of receivables assessed as unlikely to be due within one year for IFRS9 purposes.

FAIR VALUE APPROACH (FVA)

IFRS17 transition approach, whereby the insurance liability is measured at the transition date without the need to retrieve historical data

FULFILMENT CASH FLOW (FCF)

The Fulfilment cash flow consists of:

- an estimate of future cash flows that will arise when the insurer fulfils its contractual obligations;
- an adjustment to reflect the time value of money - i.e. the discount - and the financial risks related to future cash flows (to the extent not already included in estimates of future cash flows);
- an adjustment for non-financial risks (risk adjustment)

FULL RETROSPECTIVE APPROACH (FRA)

IFRS17 transition approach, whereby the insurance liability is measured at the transition date as if the standard had always been applied.

GENERAL MEASUREMENT MODEL (GMM) OR BUILDING BLOCK APPROACH (BBA)

The General Measurement Model is a methodology for the valuation of insurance contracts based on the discounting of expected cash flows, on the explication of the Risk Adjustment (adjustment of cash flows for non-financial variables) and a Contractual Service Margin (expected profit).

SEPARATELY MANAGED ACCOUNT

In life insurance, a fund specifically created by the insurance undertaking and managed separately from the overall business of the undertaking. Separately managed accounts are used in Class I contracts and are characterised by a typically conservative investment composition. The return obtained by the separately managed account and retroceded to the members is used to revalue the benefits under the contract.

INFLATION LINKED

These are government bonds that provide investors with protection against rising price levels: both the principal repaid at maturity and the coupons paid are, in fact, revalued on the basis of inflation.

INVESTMENT COMPONENT

The investment component is defined as the cash flow related to an insurance contract that an entity must return to a policyholder under all circumstances and is “undistinguished” when accounted for together with the other components of the insurance contract.

LIABILITY FOR REMAINING COVERAGE (LRC)

Liability that quantifies the issuer’s obligation to provide cover for insured events that have not yet occurred.

LIABILITY FOR INCURRED CLAIMS (LIC)

Liability that quantifies the issuer’s obligation to compensate for insured events that have already occurred (incurred claims).

LOB SOLVENCY

Areas of activity defined by the Solvency II Directive.

LOSS-ABSORBING CAPACITY OF TECHNICAL PROVISIONS (LAC TP)

Adjustment to reflect the loss-absorbing capacity of technical provisions under Solvency II.

LOSS COMPONENT

The loss component is the loss that is recognised in the statement of profit or loss upon initial recognition of “onerous” contracts if the sum of the present value of future cash flows, adjusted for risk, is negative.

MIRRORING
A technique introduced by IFRS17 in the VFA context through which it is possible to retrocede to policyholders IFRS9 income that does not exceed the over-coverage, i.e. the returns generated by the financial assets backing the policyholders' liabilities.

MODIFIED RETROSPECTIVE APPROACH (MRA)
Transition approach to IFRS17, which allows for some simplifications compared to the full retrospective approach.

ONEROUS CONTRACT TEST (OCT)
Onerousness test aimed at measuring the profitability class of groups of contracts.

HYBRID POLICY- MULTI-CLASS
In multi-class products, a part of the premium is invested in separately managed accounts and determines the guaranteed capital share, while a part is invested in unit-linked funds, which are characterised by diversified asset allocations that aim to seize return opportunities by investing in funds linked to financial market trends.

INDEX-LINKED POLICY
A life policy for which the investment risk is borne by the policyholder and whose benefits are directly linked to stock market indices or other reference values identified in the contract (stock indices, bond indices, inflation, exchange rates, etc.).

UNIT-LINKED POLICY
A life policy for which the investment risk is borne by the policyholder and whose benefits are directly linked to units in collective investment undertakings or to the value of assets held in an internal fund.

GROSS PREMIUM REVENUE
Amount accrued during the reporting period for insurance contracts, irrespective of whether these amounts have been collected or whether they relate in whole or in part to subsequent periods.

PREMIUMS WRITTEN
Gross premium revenue net of the change in premium reserve.

PREMIUM ALLOCATION APPROACH (PAA)
The PAA is a methodology for evaluating insurance contracts and is used to simplify the measurement of certain types of contracts (e.g. one-year contracts). This model is used for the following types of contracts:
- Short-term damage insurance;
- Some multi-year contracts giving the same result as the General Model

REINSURANCE
Transaction whereby an insurer (the reinsured) - for a fee - reduces its economic exposure, either on a single risk (optional reinsurance) or on a large number of risks (compulsory or treaty reinsurance), by ceding to another insurer (the reinsurer) part of its liabilities arising from insurance contracts.

LAPSE
The policyholder's right to terminate the contract early by requesting payment of the benefit resulting at the time of the request and determined in accordance with the terms of the contract.

PREMIUM RESERVE
It is equal to the sum of the reserve for unearned premiums, which comprises the amounts of gross premium revenue pertaining to subsequent years, and the reserve for unexpired risks, which comprises the provisions to cover claims and expenses that exceed the reserve for unearned premiums.

RISK ADJUSTMENT
This refers to the adjustment that reflects the uncertainty of cash flows due to non-financial risks.

SOLVENCY CAPITAL REQUIREMENT (SCR)
Capital to be held to meet expected losses during the 12 months following the measurement date according to a 99.5% probability for Solvency II purposes.

SOLVENCY RATIO
The Solvency Ratio is calculated as the ratio between the own funds eligible to cover the capital requirement and the regulatory minimum level calculated on the basis of the Solvency II regulation.

UNBUNDLING
Separation of the non-insurance components of the insurance contract (e.g. investment, embedded derivatives and service).

UNIT OF ACCOUNT (UoA)
Set of insurance contracts managed as a single entity and with similar risks, belonging to the same underwriting year (cohort) and with similar levels of expense/profitability.

VARIABLE FEE APPROACH (VFA)
The VFA is a valuation methodology that applies to insurance contracts with direct profit participation features, such as insurance pension funds, separately managed accounts and unit-linked insurance schemes.

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03

Reports and Attestations

03 Reports and Attestations

Contents

Attestazione del Bilancio Consolidato al 31 dicembre 2023

1. I sottoscritti Andrea Novelli, in qualità di Amministratore Delegato, e Monica Montelatici, in qualità di Dirigente Preposto alla redazione dei documenti contabili societari di Poste Vita S.p.A. (di seguito, "**Poste Vita**", la "**Società**"), tenuto anche conto di quanto previsto dall'art. 20 bis, comma 8, dello Statuto della Società, attestano

   - l'adeguatezza in relazione alle caratteristiche dell'impresa e
   - l'effettiva applicazione

   delle procedure amministrative e contabili per la formazione del bilancio consolidato per il periodo 1° gennaio 2023 – 31 dicembre 2023.

2. Al riguardo si rappresenta quanto segue:

2.1 La valutazione dell'adeguatezza delle procedure amministrative e contabili è stata effettuata sulla base di un processo definito da Poste Vita prendendo come riferimento i criteri stabiliti nel modello *Internal Control – Integrated Framework* emesso dal *Committee of Sponsoring Organizations of the Treadway Commission (CoSO)*, che rappresenta il framework di riferimento generalmente accettato a livello internazionale in tema di controllo interno. Come evidenziato in tale modello, un sistema di controllo interno, per quanto ben concepito e attuato, può fornire solo una ragionevole, non assoluta sicurezza sulla realizzazione degli obiettivi aziendali, tra cui la correttezza e veridicità dell'informativa finanziaria.

2.2 Nel corso dell'anno 2023, sono proseguite le attività finalizzate all'aggiornamento delle principali procedure amministrative e contabili e sono state effettuate le opportune verifiche al fine di accertarne l'effettiva applicazione. Dalla valutazione nel complesso del sistema di controllo interno sull'informativa finanziaria non sono emersi aspetti materiali da portare all'attenzione.

3. Si attesta, inoltre, che:

   3.1 Il bilancio consolidato:

   a. è redatto in conformità ai Principi Contabili Internazionali riconosciuti nella Comunità Europea ai sensi del Regolamento (CE) n. 1606/2002 del Parlamento europeo e del Consiglio del 19 luglio 2002, nonché al D. Lgs. N. 173/1997, al D.Lgs. n. 209/2005, al Regolamento ISVAP n. 7/2007 ed agli altri provvedimenti, regolamenti e circolari IVASS applicabili;

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Partita IVA 05927271006 • Codice Fiscale 07066630638, Capitale Sociale Euro 1.216.607.898,00 i.v. • Registro Imprese di Roma n. 07066630638, REA n. 934547 • Iscritta alla Sezione I dell'Albo delle imprese di assicurazione al n. 1.00133 • Autorizzata all'esercizio dell'attività assicurativa in base alle delibere ISVAP n. 1144/1999, n. 1735/2000, n. 2462/2006 e n. 2987/2012 • Società capogruppo del gruppo assicurativo Poste Vita, iscritto all'albo dei gruppi assicurativi al n. 043 • Società con socio unico, Poste Italiane S.p.A., soggetta all'attività di direzione e coordinamento di quest'ultima.

Postevita
GruppoAssicurativoPostevita

Posteitaliane

b. corrisponde alle risultanze dei libri e delle scritture contabili;
c. è idoneo a fornire una rappresentazione veritiera e corretta della situazione patrimoniale, economica e finanziaria della Società e dell'insieme delle imprese incluse nel consolidamento.

3.2 La relazione sulla gestione comprende un'analisi attendibile dell'andamento e del risultato della gestione, nonché della situazione della Società e dell'insieme delle imprese incluse nel consolidamento, unitamente alla descrizione dei principali rischi e incertezze cui sono esposti.

Roma, 19 aprile 2024

L'Amministratore Delegato	Il Dirigente Preposto alla redazione dei documenti contabili societari
Andrea Novelli	Monica Montelatici

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Relazione del Collegio Sindacale di Poste Vita S.p.A.
relativa all'esercizio 2023

All'Azionista Unico di Poste Vita S.p.A.

1. Premessa

Nel corso dell'esercizio chiuso al 31 dicembre 2023 il Collegio Sindacale ha svolto le attività di vigilanza previste dalla legge, secondo le Norme di comportamento del Collegio Sindacale emanate dal Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili e in base alle disposizioni IVASS in materia di controlli societari.

Di tale attività e dei risultati conseguiti Vi portiamo a conoscenza con la presente relazione.

È stato sottoposto al Vostro esame il bilancio d'esercizio di Poste Vita S.p.A. al 31 dicembre 2023, redatto in conformità alle norme italiane che ne disciplinano la redazione, che evidenzia un utile d'esercizio di euro 833,5 milioni.
Il bilancio è stato messo a nostra disposizione con il nostro assenso, in deroga al termine di cui all'art. 2429 c.c.

Nel corso dell'esercizio 2023, il Collegio Sindacale ha continuato a svolgere le funzioni di vigilanza disciplinati dall'art. 2403 c.c., dal D. Lgs. 58/1998 e dal D. Lgs. 39/2010, effettuando le riunioni prescritte dall'art. 2404 c.c., con particolare attenzione sul funzionamento del sistema dei controlli interno.

Il Collegio Sindacale, non essendo incaricato della revisione legale, ha svolto sul bilancio le attività di vigilanza previste nella Norma 3.8. delle "Norme di comportamento del collegio sindacale di società non quotate", consistenti in un controllo sintetico complessivo volto a verificare che il bilancio sia stato correttamente redatto. La verifica della rispondenza ai dati contabili spetta, infatti, all'incaricato della revisione legale.
Il soggetto incaricato della revisione legale dei conti, Deloitte S.p.A., ha consegnato al Collegio Sindacale la propria relazione datata 26 aprile 2024 contenente un giudizio senza rilievi.
Da quanto riportato nella relazione del soggetto incaricato della revisione legale il bilancio d'esercizio al 31 dicembre 2023 rappresenta in modo veritiero e corretto la situazione patrimoniale e finanziaria, il risultato economico e i flussi di cassa della Vostra Società ed è stato redatto in conformità alla normativa di riferimento.

Gli amministratori di Poste Vita si sono avvalsi dell'esonero dalla predisposizione della dichiarazione di carattere non finanziario ai sensi dell'art. 6, comma 1 (art. 6 comma 2) del D. Lgs. 30 dicembre 2016, n. 254.

Si precisa che tra gli scriventi componenti del Collegio Sindacale, la Dott.ssa Debora D'Angiolillo e il Dott. Vincenzo Moretta rivestono anche la carica di Sindaco Supplente in Poste Assicura S.p.A., società facente parte del Gruppo Poste.

2. Vigilanza sull'osservanza della legge e dello statuto

Il Collegio Sindacale ha accertato la conformità alla legge, allo statuto sociale e ai principi di corretta amministrazione delle operazioni svolte dalla società, assicurandosi che le medesime non fossero manifestamente imprudenti o azzardate, in contrasto con le delibere assunte dall'Assemblea degli azionisti o tali da compromettere l'integrità del patrimonio aziendale; le operazioni con parti correlate sono state sottoposte alle procedure di trasparenza previste dalle disposizioni in materia.

Il Collegio Sindacale ha inoltre vigilato sull'adeguatezza dell'assetto organizzativo, amministrativo e contabile adottato dalla società e sul suo concreto funzionamento.

Il Collegio Sindacale ha acquisito le informazioni strumentali allo svolgimento dei compiti di vigilanza ad esso attribuiti mediante la partecipazione alle riunioni del Consiglio di Amministrazione e dei Comitati endoconsiliari, le audizioni del management della Società, gli incontri con il revisore legale e con i corrispondenti organi di controllo di società del Gruppo, l'analisi dei flussi informativi acquisiti dalle competenti strutture aziendali, nonché ulteriori attività di controllo. Sulla base delle informazioni disponibili, non sono emersi rilievi particolari da segnalare.
Sono state acquisite dall'organo di amministrazione con adeguato anticipo e anche durante le riunioni svolte, informazioni sul generale andamento della gestione e sulla sua prevedibile evoluzione, nonché sulle operazioni di maggiore rilievo, per le loro dimensioni o caratteristiche, effettuate dalla società e dalle sue controllate e, in base alle informazioni ricevute, non sono emerse osservazioni particolari da riferire.

Il Collegio Sindacale, nel corso dell'anno 2023, si è riunito complessivamente n. 10 volte, di cui 4 nella precedente composizione e 6 nell'attuale, e ha assistito alle n. 12 riunioni del Consiglio di Amministrazione (n. 5 nella precedente composizione e n. 7 nell'attuale). Il Collegio Sindacale ha assistito inoltre alle 12 riunioni del "Comitato per il Controllo Interno e Rischi e Operazioni con Parti Correlate" (di cui 6 nella precedente e 6 nell'attuale composizione), alle n. 3 riunioni del "Comitato per le remunerazioni" nella precedente composizione e alle 5 riunioni del "Comitato Nomine e Remunerazioni", che ha sostituito il "Comitato per le remunerazioni", nell'attuale composizione.

Con il soggetto incaricato della revisione legale sono stati scambiati tempestivamente dati e informazioni rilevanti per lo svolgimento dell'attività di vigilanza di competenza del Collegio Sindacale.

È stato incontrato il soggetto preposto al sistema di controllo interno e non sono emersi dati ed informazioni rilevanti che debbano essere evidenziate nella presente relazione.
Il Collegio Sindacale ha inoltre incontrato l'organismo di vigilanza e non sono emerse criticità rispetto alla corretta attuazione del modello organizzativo che debbano essere evidenziate nella presente relazione.
Il Collegio Sindacale ha acquisito conoscenza e vigilato sull'adeguatezza dell'assetto organizzativo, amministrativo e contabile, sull'affidabilità di quest'ultimo a rappresentare correttamente i fatti di gestione e sul suo concreto funzionamento, anche tramite la raccolta di informazioni dai responsabili delle funzioni, e non sono emerse osservazioni particolari da riferire.

Non sono pervenute denunzie dai soci ex art. 2408 c.c. o ex art. 2409 c.c.

Non sono state effettuate segnalazioni all'organo di amministrazione ai sensi e per gli effetti di cui all'art. 25-octies d.lgs. 12 gennaio 2019, n. 14.

Non sono state ricevute segnalazioni da parte dei creditori pubblici ai sensi e per gli effetti di cui art. 25-novies d.lgs. 12 gennaio 2019, n. 14.

Nel corso dell'attività di vigilanza, come sopra descritta, non sono emersi fatti significativi tali da richiederne la menzione nella presente relazione.

3. Attività di vigilanza rispetto ai principi di corretta amministrazione

Il Collegio Sindacale dà atto che le scelte gestionali sono state ispirate ad un principio di corretta informazione e di ragionevolezza e che gli amministratori, nel corso del dibattito consiliare, hanno mostrato di essere consapevoli circa la rischiosità e gli effetti delle delibere assunte.

Il Collegio Sindacale ha preso atto del piano pluriennale della società e del Gruppo, del budget annuale, del progetto di bilancio di esercizio e di bilancio consolidato, non riscontrando operazioni atipiche e inusuali effettuate con terzi o con parti correlate, ivi comprese con le società del Gruppo. Il Collegio Sindacale ricorda che la Società è sottoposta ad attività di direzione e coordinamento da parte dell'azionista unico Poste Italiane S.p.A.

Poste Vita S.p.A., a sua volta, in qualità di capogruppo (USCI) del Gruppo assicurativo Poste Vita e di controllante diretta di Posta Assicura S.p.A. e di Net Holding S.p.A., svolge attività di direzione e coordinamento.
Le informazioni relative alle principali operazioni infragruppo e con le altre parti correlate, realizzate nell'esercizio 2023, nonché la descrizione delle loro caratteristiche e dei relativi effetti economici, sono contenute nelle note di commento al bilancio separato di Poste Vita e al bilancio consolidato del Gruppo e comunque sintetizzate nei paragrafi 9 e 10 della presente Relazione.

In relazione alla posizione di solvibilità della Compagnia Poste Vita al 31 dicembre 2023, il Collegio Sindacale rileva mezzi propri ammissibili pari a 14.079 milioni di euro, ed una diminuzione dei requisiti patrimoniali complessivamente di circa 435 milioni di Euro (dai 4.967 milioni di Euro a fine 2022 ai 4.532 milioni di Euro al 31 dicembre 2023), determinando un valore del Solvency Ratio di Poste Vita del 310,7% (in aumento rispetto al 257,8% del 31 dicembre 2022).
La posizione di solvibilità dell'intero gruppo Assicurativo Poste Vita al 31 dicembre 2023, evidenzia mezzi propri pari a 14.099 milioni di Euro, in aumento di 1.294 milioni rispetto al 2022 ed un incremento dei requisiti patrimoniali di circa 464 milioni di Euro (dai 5.056 milioni di Euro a fine 2022 ai 4.592 milioni di Euro evidenziati al 31 dicembre2023).

L'incremento del Solvency Ratio rispetto al 31 dicembre 2022 è stato determinato da un aumento dei fondi propri disponibili dell'impresa e da una diminuzione del Requisito di Capitale.

Si riportano di seguito i principali rapporti pendenti con le Autorità di Vigilanza:

1. Con riferimento all'accertamento ispettivo avviato da IVASS in data 7 marzo 2023 avente a oggetto la verifica del processo di gestione delle polizze c.d. dormienti, i cui esiti sono stati presentati nel corso della riunione consiliare del 28 settembre

2023, la Compagnia ha predisposto un piano di azioni manageriali volto a rafforzare i presidi sulla gestione e sul monitoraggio di tali polizze e a incrementare l'efficacia e l'efficienza del processo liquidativo. Al contempo, le Funzioni di Internal Auditing e di Compliance hanno redatto un piano di verifiche sull'esecuzione del piano predisposto dalla Compagnia e su alcuni ambiti operativi adiacenti. Il piano d'azione della Compagnia, che è stato adeguato ai rilievi dell'Autorità di Vigilanza, è stato approvato dal Consiglio di Amministrazione del 26 ottobre 2023 e, alla data del 31 dicembre 2023, risultano completate alcune delle azioni previste, per le quali il piano ha previsto la completa implementazione entro il 30 giugno 2024;

2. Anche con riguardo all'ispezione IVASS - avente ad oggetto profili di governo, gestione e controllo degli investimenti e dei rischi finanziari conclusa il 7 maggio 2021 – si rende noto che il 25 luglio 2023 si è conclusa la fase decisoria da parte dell'Autorità di Vigilanza, la quale ha notificato alla Compagnia l'irrogazione di una sanzione pecuniaria di importo pari a circa euro 1,8 milioni. La sanzione è stata irrogata in conseguenza di violazioni della normativa vigente, riscontrate da IVASS con particolare riferimento ad: i) asserite carenze nel governo e nella gestione dei rischi finanziari nonché nella tutela dei diritti dei contraenti per gli investimenti effettuati mediante i c.d. fondi "multi-asset"; ii) asserite carenze nel processo di definizione del Risk Appetite Framework.

Nel corso del 2023, la Compagnia ha ricevuto 3.434 reclami primi, dei quali n. 3071 (di cui n. 26 non trattabili) di competenza della Compagnia e n. 363 di competenza dell'Intermediario Poste Italiane – Patrimonio Separato BancoPosta. Pertanto, i reclami della Compagnia trattabili sono risultati 3.045, in incremento rispetto ai n. 2.523 registrati alla fine del 2022. Il tempo medio di evasione dei reclami nel corso del periodo è stato pari a circa 29 giorni (24 giorni nell'analogo periodo del 2022).
Relativamente al prodotto PIP, la Compagnia ha ricevuto, nel corso del 2023, 1.316 reclami a fronte di 992 reclami rilevati alla fine dell'esercizio precedente. Il tempo medio di evasione è stato pari a circa 28 giorni (24 giorni nel corrispondente periodo del 2022).
Tra le principali problematiche rilevate in ambito contenzioso possono evidenziarsi, a titolo meramente esemplificativo, quelle inerenti i) alle c.d. "polizze dormienti" specificatamente connesse a temi di prescrizione del diritto alla prestazione assicurativa, ii) a vicende riconducibili a profili di inadempimento contrattuale, iii) a questioni di carattere liquidativo (i.e. conflitti tra beneficiari in ambito successorio, individuazione dei soggetti legittimati alla prestazione assicurativa, calcolo quote di spettanza, carenza documentale ecc.) e iv) a contestazioni in materia "privacy" per mancata comunicazione dei dati riferiti a terzi soggetti beneficiari di polizza.

Si segnalano, inoltre: (a) le procedure concorsuali in capo a datori di lavoro per omesso versamento di contributi volontari ed obbligatori (TFR) in favore di aderenti al Piano Individuale Pensionistico (PIP) "Postaprevidenza Valore" e in relazione alle quali, Poste Vita, si è costituita al fine di procedere con il recupero delle relative somme, supportandone i relativi costi; (b) le procedure esecutive che vedono coinvolta la Compagnia quale soggetto terzo pignorato anche in relazione a somme dovute agli assicurati.

I procedimenti di natura penale attivati da Poste Vita riguardano, in linea di massima, ipotesi di reato integrate da condotte illecite di terzi soggetti, che si sostituiscono fraudolentemente agli aventi diritto allo scopo di ottenere la liquidazione di polizze vita.

4. Attività di vigilanza sull'adeguatezza dell'assetto organizzativo

Il Collegio Sindacale, sulla base delle informazioni acquisite, ritiene che l'assetto organizzativo sia complessivamente adeguato, in termini di struttura, procedure, competenze e responsabilità, alle dimensioni della società, nonché alla natura e alle modalità di perseguimento dell'oggetto sociale.

Il Collegio Sindacale rileva che la Relazione sul governo societario prevista ai sensi dell'art. 123 Bis del D. Lgs. 58/1998 (Testo Unico della Finanza), limitatamente alle informazioni richieste dal comma 2, lettera b, non costituisce un documento autonomo, ma è contenuta nella Relazione degli Amministratori al bilancio.

Preliminarmente si fa presente che il Collegio Sindacale, nell'attuale composizione, è stato nominato per la durata di un triennio dall'Assemblea degli Azionisti in data 26 giugno 2023, che ha contestualmente rinnovato, altresì, la composizione del Consiglio di Amministrazione. Si segnala che sia il Consiglio di Amministrazione che il Collegio Sindacale scadranno con l'approvazione del bilancio 2025.

In linea con le previsioni del Regolamento IVASS n. 38 del 3 luglio 2018, il Consiglio di Amministrazione di Poste Vita ha dato corso all'autovalutazione riferita all'esercizio 2022; i risultati della Board review sono complessivamente positivi, con qualche spunto di miglioramento.

Nel corso della verifica annuale effettuata, il Consiglio di Amministrazione, preso atto delle dichiarazioni rese dagli interessati e tenuto conto delle informazioni a disposizione, ha ritenuto di confermare la permanenza dei requisiti di indipendenza in capo agli Amministratori dichiaratisi tali all'atto della nomina. Il Collegio Sindacale ha convenuto con le conclusioni cui è pervenuto il Consiglio di Amministrazione. Parimenti, il Collegio Sindacale ha verificato e confermato la permanenza dei requisiti di indipendenza in capo a ciascuno dei suoi componenti.

La composizione e la dimensione del Consiglio di Amministrazione della Società sono da considerarsi nel complesso adeguati. I lavori consiliari ed endoconsiliari si sono svolti in modo ordinato ed efficiente.

Il numero dei dipendenti diretti al 31 dicembre 2023 è pari a 631 unità espressi in "*full time equivalent*" (FTE) in incremento rispetto a quella al 31 dicembre 2022, pari a 460. Si rappresenta che il dato del 2023 è comprensivo di n. 29 risorse appartenenti a Net Insurance Life e n. 107 risorse appartenenti a Net Insurance (entrate a far parte del Gruppo Poste Vita nel mese di aprile). Nel corso del 2023 sono state inserite diverse risorse con competenze tecnico-assicurative e finanziarie a supporto delle progettualità strategiche e delle funzioni da esse impattate (progetto USP, IFRS17, valutazione e modelli attuariali, risk management, sviluppo prodotti e le funzioni di area finance: asset liability management e gestione degli investimenti) accedendo al bacino del mercato esterno.

Per quanto è possibile rilevare, le funzioni aziendali hanno operato con efficienza, fornendo al Consiglio di Amministrazione informazioni adeguate.

Il Collegio Sindacale ha presidiato le politiche di remunerazione e incentivazione relative all'anno 2023.

5. Attività di vigilanza sull'adeguatezza del sistema di controllo interno

Il Collegio Sindacale ha vigilato sulla tenuta del sistema di controllo interno e di gestione dei rischi, monitorando le attività svolte dai principali attori e l'attuazione delle azioni di miglioramento e di mitigazione dei rischi.

La Direttiva Solvency II richiede che le imprese ed i gruppi assicurativi si dotino di "un sistema efficace di governance, che consenta una gestione sana e prudente dell'attività" e che sia proporzionato alla natura, alla portata e alla complessità dei rischi attuali e prospettici, con l'obiettivo di consentire alla Compagnia di ottimizzare il proprio profilo di rischio-rendimento, tramite la generazione di redditività ed il mantenimento di un livello adeguato di capitale economico/regolamentare, garantendo, nel contempo, le aspettative degli azionisti e degli assicurati.

Il Regolamento 38 di IVASS impone l'obbligo di definire un vero e proprio sistema di governo societario di gruppo adeguato alla struttura, al modello di business e alla natura, portata e complessità dei rischi del gruppo nel complesso e delle singole società partecipate e controllate e che sia tale da consentire di esercitare un controllo:

1. strategico sull' evoluzione delle diverse aree di attività in cui il gruppo opera e dei rischi correlati;
2. gestionale volto ad assicurare l'equilibrio economico, finanziario e patrimoniale delle singole società e del gruppo nell'insieme;
3. tecnico-operativo finalizzato alla valutazione dei profili di rischio apportati al gruppo delle singole controllate.

In generale, il Sistema di Gestione dei Rischi (SGR) ha l'obiettivo di garantire processi decisionali *risk-based* in conformità con le normative nazionali ed europee di riferimento. Tale Sistema è costituito da un insieme di strategie, di processi e di procedure necessarie per individuare, misurare e valutare, monitorare, gestire e segnalare, su base continuativa, i rischi a cui Poste Vita è esposta. In particolare, il SGR prevede processi strategici funzionali alla definizione e alla valutazione della cornice di riferimento entro la quale si collocano i processi più operativi. In particolare, tra i processi strategici rientrano:

1. la definizione del *Risk Appetite Framework* (RAF);
2. l'esecuzione della Valutazione attuale e prospettica del profilo di rischio e della solvibilità (*Own Risks and Solvency Assessment* - ORSA);
3. la definizione dei Piani di Emergenza.

La Società adotta da tempo un modello organizzativo ex D. Lgs. 231/2001 finalizzato a prevenire la possibilità di commissione degli illeciti rilevanti ai sensi del decreto e, conseguentemente, la responsabilità amministrativa dell'Emittente ("Modello 231"). L'ultimo aggiornamento del Modello è stato approvato dal Consiglio di Amministrazione del 18 maggio 2023, al fine di recepire le più recenti evoluzioni della normativa di riferimento.

In base alle relazioni periodiche fornite dai comitati endoconsiliari, dall'Organismo di Vigilanza e dalle funzioni societarie, il Collegio Sindacale, non avendo rilevato criticità, ritiene che il sistema di controllo interno sia nel complesso adeguatamente presidiato e che le funzioni aziendali rispondano tempestivamente alle azioni correttive individuate.

6. Attività di vigilanza sull'adeguatezza del sistema amministrativo-contabile e sull'attività di revisione legale dei conti

Il Collegio Sindacale ha vigilato sul rispetto dei principi di corretta amministrazione mediante la partecipazione alle riunioni del Consiglio di Amministrazione e dei comitati endoconsiliari e mediante incontri con il Dirigente Preposto alla redazione dei documenti contabili societari.

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Per quanto è stato possibile accertare, le delibere del Consiglio di Amministrazione sono conformi alla disciplina applicabile, adottate nell'interesse della Società, compatibili con le risorse e il patrimonio aziendale e adeguatamente supportate da processi di informazione, analisi e verifica, anche con il ricorso, quando ritenuto necessario, all'attività consultiva dei comitati e a professionisti esterni.

Il Collegio Sindacale, a tale riguardo prende atto delle attestazioni rilasciate dall'Amministratore Delegato e dal Dirigente Preposto alla redazione dei documenti contabili societari della Società, che confermano l'adeguatezza dei processi in relazione alle caratteristiche dell'impresa e l'effettiva applicazione delle procedure amministrative e contabili per la formazione del bilancio d'esercizio e del bilancio consolidato nel corso dell'esercizio 2022.
Il Collegio Sindacale prende altresì atto della "Relazione Attuariale sulle Riserve Tecniche di cui all'articolo 23-bis, comma 3, del regolamento n. 22 del 4 aprile 2008 per il Bilancio dell'Esercizio 2023 di Poste Vita predisposta dalla Funzione Attuariale; essa contiene l'illustrazione delle metodologie di calcolo delle stesse e l'attestazione che l'importo delle riserve tecniche è nel complesso sufficiente per far fronte ai costi e alle obbligazioni assunte nei confronti degli assicurati, in conformità alle vigenti disposizioni di legge e regolamentari.

La società di revisione Deloitte ha rilasciato, in data 26 aprile 2023, le relazioni ai sensi dell'art. 14 del D. Lgs. n. 39/2010, dell'art. 10 del Regolamento UE n. 537/2014 e dell'art. 102 del D. Lgs. 209/2005, nelle quali attesta che:

- il bilancio consolidato fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria del Gruppo al 31 dicembre 2023, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data, in conformità agli IFRS adottati dall'Unione Europea, nonché al Regolamento emanato in attuazione dell'art. 90 del D. Lgs. 7 settembre 2005, n. 209;
- il bilancio di esercizio fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della Società al 31 dicembre 2023 e del risultato economico per l'esercizio chiuso a tale data, in conformità alle norme italiane che ne disciplinano i criteri di redazione.

Si segnala come per la chiusura del bilancio d'esercizio al 31 dicembre 2023 la Compagnia si è avvalsa della facoltà concessa dall'articolo 45, comma 3-octies del decreto legge 21 giugno 2022, n. 73, convertito con modificazioni con legge 4 agosto 2022, n. 122, che, in relazione all'evoluzione della situazione di turbolenza dei mercati finanziari, consente di valutare i titoli non destinati a permanere durevolmente nel patrimonio in base al loro valore di iscrizione, come risultante dall'ultimo bilancio annuale regolarmente approvato o, per i titoli non presenti nel portafoglio a tale data, al costo d'acquisizione, fatta eccezione per le perdite di carattere durevole.
Infatti, con decreto del Ministro dell'Economia e delle Finanze dell'8 febbraio 2024 è stata estesa a tutto l'esercizio 2023, esclusivamente per le imprese di assicurazione, la facoltà di tenere conto dell'effetto sugli impegni esistenti verso gli assicurati riferiti all'esercizio di bilancio e fino a cinque esercizi successivi per la determinazione della riserva indisponibile da costituire a fronte delle rettifiche di valore sterilizzate in applicazione della normativa in oggetto. Il decreto ha previsto, inoltre, che le imprese determinino l'ammontare degli utili distribuibili tenendo conto dell'importo già distribuito per l'esercizio 2022.
Tale disposizione è stata oggetto dei Provvedimenti IVASS n. 138 del 25 settembre 2023 e n. 143 del 12 marzo 2024, che hanno modificato e integrato il Regolamento n. 52 del 30 agosto 2022. L'utilizzo di tale deroga ai criteri di valutazione comporta la sterilizzazione di rettifiche

di valore pari a 1,8 miliardi di Euro, al netto della relativa fiscalità, a fronte della costituzione di una riserva indisponibile di utili per Euro 85 milioni.
Nel corso dell'esercizio, il Collegio Sindacale ha tenuto riunioni con i responsabili della società di revisione, nel corso delle quali sono stati svolti opportuni scambi informativi e non sono emersi altri fatti o situazioni meritevoli di essere evidenziati. Il Collegio Sindacale: (i) ha analizzato l'attività svolta dalla società di revisione, ed in particolare, l'impianto metodologico, l'approccio di revisione utilizzato per le diverse aree significative di bilancio e la pianificazione del lavoro di revisione e (ii) ha condiviso con la società di revisione le problematiche relative ai rischi aziendali, potendo così apprezzare l'adeguatezza della risposta pianificata dal revisore con i profili, strutturali e di rischio, della Società e del Gruppo.

La società di revisione Deloitte, in data 4 aprile 2023, ha inoltre rilasciato la "Relazione per il comitato per il controllo interno e la revisione contabile" ai sensi dell'art. 11 del Regolamento UE 537/2014, che illustra i risultati della revisione legale dei conti, senza individuare carenze specifiche o non conformità a leggi, regolamenti o disposizioni statutarie. In tale Relazione, visionata dal Collegio nella precedente composizione, Deloitte ha confermato, ai sensi dell'art. 6 paragrafo 2) del Regolamento Europeo 537/2014, diaver rispettato i principi in materia di etica di cui agli artt. 9 e 9-bis D. Lgs. 39/2010 e che nonsono state riscontrate situazioni che abbiano compromesso l'indipendenza ai sensi degli artt. 10e 17 del D. Lgs. 39/2010 e degli artt. 4 e 5 del Regolamento Europeo 537/2014.
Il Collegio Sindacale provvederà ad informare l'organo di amministrazione della Società in merito agli esiti della revisione legale, trasmettendo a tal fine la relazione aggiuntiva di cui all'art. 11 del Regolamento Europeo 537/2014, corredata da eventuali osservazioni, ai sensi dell'art. 19 del D. Lgs. 39/2010, come aggiornato dal D. Lgs 135/2016 in attuazione della Direttiva 2014/56/UE che modifica la Direttiva 2006/43/CE e dal Regolamento Europeo 537/2014.

Ai sensi dell'art. 19 del D. Lgs n. 39/2010, così come modificato dal D. Lgs n. 135/2016, il Collegio Sindacale, nella precedente composizione, ha proseguito anche nel 2023 la verifica e il monitoraggio dell'indipendenzadella società di revisione legale a norma degli articoli 10, 10-bis, 10-ter, 10-quater e 17 del sopracitato Decreto e dell'articolo 6 del Regolamento europeo, in particolare per quanto concerne l'adeguatezza della prestazione di servizi diversi dalla revisione, conformemente all'articolo 5di tale Regolamento.
Tenuto conto:

a) della dichiarazione relativa all'indipendenza di cui all'art.6, paragrafo 2 lettera a) del Regolamento (UE) n. 537 del 16 aprile 2014, contenuta nella Relazione per il comitato per il controllo interno rilasciata da Deloitte, e della relazione di trasparenza prodotta dalla stessa ai sensi dell'art.18, comma 1, del D. Lgs. 39/2010;
b) della dichiarazione inerente all'assenza di incarichi conferiti alla stessa ed alle società appartenenti alla sua rete da Poste Vita e dalle società del Gruppo;

il Collegio Sindacale nella precedente composizione ha ritenuto che sussistessero le condizioni per attestare l'indipendenza della società di revisione Deloitte. Il Collegio nell'attuale composizione non ha acquisito elementi ostativi al rilascio del medesimo giudizio.

Il Collegio prende inoltre atto del fatto che il Consiglio di Amministrazione, in data 27 febbraio 2024, ha approvato il reporting package IAS della Compagnia riferito alla data del 31 dicembre 2023, predisposto ai fini del consolidamento nel bilancio annuale del Gruppo Poste Italiane, in coerenza con le linee guida emanate dalla Capogruppo e sulla base di un unico piano dei conti, definito dalla Capogruppo stessa, in conformità ai principi contabili IAS/IFRS; il reporting package include il prospetto di riconciliazione del patrimonio netto e del risultato economico tra principi civilistici e principi IAS/IFRS.

Esso è altresì accompagnato dalla Relazione del Dirigente Preposto rivolta al Consiglio di Amministrazione, il quale ha dichiarato che le procedure amministrative e contabili per la formazione del package di consolidamento sono adeguate in relazione alle caratteristiche dell'impresa e che il package stesso è idoneo a fornire una rappresentazione veritiera e corretta della situazione patrimoniale, finanziaria ed economica della Società.

Il Collegio Sindacale ha svolto le proprie funzioni di "Comitato per il Controllo Interno e la revisione contabile", assunte in forza dell'art. 19 del D. Lgs. n. 39/2010, così come modificato dal D. Lgs. 135/2016, vigilando su:

a) il processo relativo all'informativa finanziaria;
b) l'efficacia dei sistemi di controllo interno, di revisione interna e di gestione del rischio;
c) la revisione legale dei conti annuali e di quelli consolidati;
d) gli aspetti relativi all'indipendenza della società di revisione, con particolare riferimento ai servizi da quest'ultima prestati all'ente revisionato, diversi dalla revisione contabile;

Inoltre, il Collegio Sindacale nella precedente composizione ha vigilato su:

a) la relazione di trasparenza e la relazione aggiuntiva redatte dalla società di revisione in osservanza dei criteri di cui al Reg. 537/2014, rilevando che, sulla base delle informazioni acquisite, non sono emersi aspetti critici in relazione all'indipendenza della società di revisione;
b) la corretta applicazione delle disposizioni di cui al Regolamento UE 537/2014 in relazione alla prestazione da parte del revisore di servizi diversi dalla revisione.

7. Proposte in ordine al bilancio e alla sua approvazione e alle materie di competenza del Collegio Sindacale

Il Collegio Sindacale ha vigilato sulla impostazione generale del bilancio d'esercizio e sulla sua conformità alla normativa, sia generale che specifica delle imprese assicurative. Si fa presente che il Consiglio di Amministrazione ha approvato il progetto di bilancio in data 19 aprile 2023, pertanto, l'azionista ha rinunciato ai termini di deposito della relazione del Collegio Sindacale ed analoga rinuncia è stata effettuata dal Collegio Sindacale e dalla Società di Revisione.

Il progetto di bilancio chiuso al 31 dicembre 2023 della Società risulta composto da quanto richiesto dalla norma; esso è corredato dalla Relazione sulla gestione, nella quale viene fornita, tra l'altro, illustrazione dell'andamento aziendale, dei fatti di rilievo avvenuti dopo la chiusura dell'esercizio e dell'evoluzione prevedibile della gestione.

Contiene, altresì, quali ulteriori allegati, oltre alla presente Relazione e a quelli previsti dal Regolamento ISVAP n. 22 del 4 aprile 2008, i seguenti documenti:

1. l'attestazione del bilancio d'esercizio da parte dell'Amministratore Delegato e del Dirigente Preposto alla redazione dei documenti contabili societari;
2. la relazione attuariale sulle riserve tecniche di cui all'articolo 23 bis, comma 3, del Regolamento ISVAP n. 22 del 4 aprile 2008;
3. la relazione della Società di Revisione;
4. il rendiconto finanziario;
5. i prospetti di rilevazione delle variazioni delle voci di patrimonio netto, della disponibilità delle poste di patrimonio netto, del portafoglio titoli (a reddito fisso e azioni e quote), dei principali dati di bilancio delle società controllate, delle imposte differite.

Il progetto di bilancio dell'esercizio chiuso al 31 dicembre 2023 evidenzia un utile netto di 833,5 milioni di euro e un patrimonio netto di 5.438,3 milioni di euro.

I premi lordi raccolti dalla Società sono pari a 17.889,2 milioni di euro,in linea con il dato dell'anno precedente (17.520,1 milioni di euro).

Le riserve tecniche ammontano, a 160,1 miliardi di euro, al netto delle cessioni in riassicurazione del Gruppo, di cui 145.080,9 milioni di euro riferibili al ramo vita e 415,9 milioni di euro riferibili ai rami danni. Si puntualizza che la voce risulta composta principalmente da: i) 145,9 miliardi di Euro di riserve matematiche afferenti ai prodotti tradizionali; ii) 12,6 miliardi di Euro a riserve riferite a prodotti unit-linked; iii) 1,6 miliardi di Euro di altre riserve, costituite principalmente dalla riserva per somme da pagare, dalla riserva per spese aggiuntive e dalla riserva sfasamento tassi.

Il bilancio è stato redatto nella prospettiva della continuità aziendale e sulla base dei criteri generali e particolari di valutazione previsti dalla legge, dai Regolamenti IVASS, degli standard contabili, nonché dalle indicazioni dell'ANIA.

Il bilancio consolidato comprende, oltre al bilancio della Società, i bilanci delle Società sulle quali la stessa esercita il controllo, opportunamente rettificati e riclassificati al fine di renderli omogenei con le norme di redazione del bilancio della Capogruppo e coerenti con gli standard contabili. A tali bilanci non si è esteso il controllo del Collegio Sindacale. Per quanto consta, la determinazione dell'area di consolidamento, la scelta dei principi di consolidamento delle partecipazioni e delle procedure adottate riflettono le prescrizioni previste dalla legge. La Relazione sulla gestione illustra in modo adeguato la situazione economica, patrimoniale e finanziaria del Gruppo, nonché l'andamento della gestione nel corso del 2023, contiene altresì un'adeguata informativa sui rapporti intercorsi tra le società appartenenti al gruppo e sui fatti di rilievo avvenuti dopo la chiusura dell'esercizio.

Alla luce di quanto esposto, delle informazioni fornite dalla società di revisione e del giudizio senza rilievi rilasciato dalla stessa ai sensi di legge, il Collegio Sindacale non ha rilievi da formulare in ordine al Progetto di Bilancio al 31 dicembre 2023.

8. Modalità di concreta attuazione delle regole di governo societario

Come detto, la Relazione sul governo societario prevista ai sensi dell'art. 123 Bis del D. Lgs. 58/1998 (TUF), limitatamente alle informazioni richieste dal comma 2, lettera b, non costituisce un documento autonomo, ma è contenuta nella Relazione degli Amministratori al bilancio.
Si rinvia a tale Relazione per disporre di elementi informativi sulle composizioni e funzioni dei comitati endoconsiliari, nonché sulla corporate governance della Società, rispetto alla quale il Collegio Sindacale esprime una valutazione positiva.

9. Attività di vigilanza sui rapporti con società controllate e controllanti

Come detto, la Società è sottoposta ad attività di Direzione e coordinamento da parte del socio unico Poste Italiane S.p.A.

I rapporti con la controllante Poste Italiane S.p.A., che detiene l'intero pacchetto azionario, sono disciplinati da contratti scritti, regolati a condizioni di mercato e riguardano principalmente:

a) l'attività di collocamento e distribuzione dei prodotti assicurativi presso gli uffici postali e attività connesse;
b) rapporti di conto corrente postale;
c) distacco di personale da e verso la Capogruppo;
d) supporto nelle attività di organizzazione aziendale, di selezione e amministrazione del personale;
e) servizio di ritiro, imbustamento e spedizione della corrispondenza ordinaria;
f) servizio di call center;
g) service delle funzioni acquisti, comunicazione, antiriciclaggio, IT, amministrazione e contabilità e attività in ambito di organizzazione risorse umane.

Inoltre, alla data del 31 dicembre 2023 risultano sottoscritti dalla Capogruppo prestiti subordinati emessi dalla Compagnia per complessivi 1050 milioni di Euro, remunerati a condizioni di mercato.
La Compagnia intrattiene rapporti regolati da apposito contratto di service e a condizioni di mercato con la controllata Poste Assicura S.p.A.

Ulteriori rapporti operativi della Compagnia all'interno del Gruppo riguardano altre Società, tra cui, in particolare: Bancoposta Fondi SGR, Anima SGR, Eurizon Capital Real Asset SGR, Postel, Postepay, SDA, Poste Welfare Servizi, Europa Gestioni Immobiliari, Consorzio Logistica Pacchi, Poste Insurance Broker, Cronos Vita Assicurazioni, Nel Insurance, Net Holding e Net Insurance Life.

I rapporti che la Società intrattiene con altre società del Gruppo sono regolati a condizioni di mercato. Il Collegio, nel corso dell'anno, ha vigilato sull'osservanza delle disposizioni previste dal Regolamento IVASS n. 30 del 26 ottobre 2016 e della "Linea Guida delle operazioni infragruppo". La Nota integrativa descrive adeguatamente i rapporti con la Controllante e con le Società del Gruppo.

10. Attività di vigilanza sulle operazioni con parti correlate

Il Collegio Sindacale ha vigilato sulla conformità alle norme di legge e regolamentari della procedura per l'effettuazione di operazioni con parti correlate, sulla sua effettiva attuazione e sul suo concreto funzionamento.

Per la gestione delle Operazioni con Parti Correlate, la Compagnia ha adottato la Linea Guida per la gestione delle Operazioni con Parti Correlate e Soggetti Collegati (di seguito, anche "Linea Guida OPC"), aggiornata dal Consiglio di Amministrazione del 29 aprile 2020. Ai sensi dell'art. 2391-bis c.c., per quanto consta al Collegio Sindacale, le operazioni con parti correlate esaminate sono state effettuate sulla base di regole che ne assicurano la trasparenza e nel rispetto dei principi generali e delle norme di governance societaria.

Sono parti correlate (oltre alle Società del Gruppo Poste Italiane S.p.A.) il Ministero dell'Economia e delle Finanze e le entità dallo stesso controllate, Cassa Depositi e Prestiti e i Dirigenti con responsabilità strategiche della Compagnia. Con specifico riferimento a Cassa Depositi e Prestiti, si rileva che Poste Vita S.p.A. detiene un titolo obbligazionario emesso da CDP come private placement per un valore nominale e di mercato di 22 milioni di Euro, acquistato a condizioni di mercato.

11. Omissioni e fatti censurabili rilevati. Pareri resi e iniziative intraprese

Al Collegio Sindacale non sono pervenute denunce ex art. 2408 c.c., né esposti da parte di terzi.
Nel corso dell'attività di vigilanza il Collegio Sindacale non ha individuato omissioni, fatti censurabili o irregolarità.
Il Collegio Sindacale ha rilasciato i pareri, le osservazioni e le attestazioni di volta in volta richiesti dalla normativa vigente primaria o secondaria. Inoltre, si è espresso in tutti i casi in cui ciò è stato richiesto dal Consiglio di Amministrazione, anche in adempimento alle disposizioni che, per talune decisioni, richiedono la preventiva consultazione del medesimo.

12. Osservazioni in ordine al bilancio d'esercizio

Da quanto riportato nella relazione del soggetto incaricato della revisione legale, "il bilancio d'esercizio fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria di Poste Vita al 31.12.2023, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data in conformità alle norme italiane che ne disciplinano i criteri di redazione".
Per quanto a conoscenza del Collegio Sindacale, gli amministratori, nella redazione del bilancio, non hanno derogato alle norme di legge ai sensi dell'art. 2423, co. 5, c.c.

Osservazioni e proposte in ordine al Bilancio e alla sua approvazione

Per quanto concerne il bilancio di esercizio, il Collegio Sindacale ha vigilato, per quanto di sua competenza, sull'impostazione generale del bilancio di esercizio in conformità alla legge e alla normativa specifica dei bilanci assicurativi. In ossequio a quanto richiesto dal Regolamento IVASS n. 52, la Relazione sulla Gestione evidenzia l'effetto della mancata svalutazione dei titoli non durevoli ai fini di bilancio e la Nota integrativa dettaglia i criteri per l'individuazione e la svalutazione dei titoli per i quali la facoltà è stata esercitata, il raffronto con il valore di mercato, gli effetti dell'utilizzo della deroga sull'utile e l'ammontare della riserva indisponibile.
Il Collegio, preso atto del giudizio positivo espresso nella relazione della società di revisione Deloitte S.p.A., non rileva motivi ostativi all'approvazione, da parte dei soci, del bilancio d'esercizio di Poste Vita S.p.A. chiuso al 31 dicembre 2023, così come redatto dal Consiglio di Amministrazione, unitamente alla proposta di destinazione dell'utile di esercizio.
Il Collegio Sindacale concorda con la proposta di destinazione del risultato d'esercizio formulata dagli amministratori nella nota integrativa.

* * *

La presente relazione è approvata all'unanimità da parte del Collegio Sindacale, collegati in video-conferenza. Il Collegio Sindacale autorizza il Presidente a sottoscrivere la relazione e a trasmetterla tramite la propria PEC alla PEC della società.

Roma, 26 aprile 2024

Per il Collegio Sindacale di Poste Vita S.p.A.
Il Presidente
Alberto Dello Strologo

12

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RELAZIONE DELLA SOCIETÀ DI REVISIONE INDIPENDENTE AI SENSI DELL'ART. 14 DEL D.LGS. 27 GENNAIO 2010, N. 39, DELL'ART. 10 DEL REGOLAMENTO (UE) N. 537/2014 E DELL'ART. 102 DEL D.LGS. 7 SETTEMBRE 2005, N. 209

All'Azionista Unico di
Poste Vita S.p.A.

RELAZIONE SULLA REVISIONE CONTABILE DEL BILANCIO CONSOLIDATO

Giudizio

Abbiamo svolto la revisione contabile del bilancio consolidato del Gruppo Poste Vita (il "Gruppo"), costituito dallo stato patrimoniale al 31 dicembre 2023, dal conto economico, dal conto economico complessivo, dal prospetto delle variazioni di patrimonio netto, dal rendiconto finanziario per l'esercizio chiuso a tale data e dalle relative note illustrative.

A nostro giudizio, il bilancio consolidato fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria del Gruppo al 31 dicembre 2023, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data, 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.

Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISA Italia). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile del bilancio consolidato* della presente relazione.

Siamo indipendenti rispetto alla società in conformità alle norme e ai principi in materia di etica e di indipendenza applicabili nell'ordinamento italiano alla revisione contabile del bilancio. Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

Aspetti chiave della revisione contabile

Gli aspetti chiave della revisione contabile sono quegli aspetti che, secondo il nostro giudizio professionale, sono stati maggiormente significativi nell'ambito della revisione contabile del bilancio consolidato dell'esercizio in esame. Tali aspetti sono stati da noi affrontati nell'ambito della revisione contabile e nella formazione del nostro giudizio sul bilancio consolidato nel suo complesso; pertanto su tali aspetti non esprimiamo un giudizio separato.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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Valutazione degli strumenti finanziari non quotati su mercati attivi	
Descrizione dell'aspetto chiave della revisione	Nel bilancio consolidato al 31 dicembre 2023 risultano iscritti nella voce "Attività finanziarie valutate al fair value con impatto sulla redditività complessiva" e nella voce "Attività finanziarie valutate al fair value rilevato a conto economico" strumenti finanziari non quotati su mercati attivi, per un valore complessivo rispettivamente pari a Euro 2.379,4 milioni e Euro 43.729,3 milioni. Sulla base della natura e del grado di osservabilità sul mercato degli *input* utilizzati nelle tecniche di valutazione adottate dal Gruppo, le Attività finanziarie valutate al fair value con impatto sulla redditività complessiva sono classificate per Euro 2.279,8 milioni come strumenti finanziari di livello 2 della gerarchia del *fair value* e per Euro 99,6 milioni come strumenti finanziari di livello 3; le Attività finanziarie valutate al fair value rilevato a conto economico sono classificate per Euro 35.891,7 milioni come strumenti finanziari di livello 2 e per Euro 7.837,6 milioni come strumenti finanziari di livello 3. Come evidenziato dagli Amministratori nella "Parte A - Criteri generali di redazione e principi contabili adottati" delle note illustrative, la definizione del *fair value* degli strumenti finanziari, qualora non sia direttamente osservabile su un mercato attivo, si basa su complesse valutazioni soggettive e stime legate all'esperienza storica e su assunzioni che vengono di volta in volta considerate ragionevoli e realistiche in funzione delle relative circostanze. L'applicazione di tali stime e assunzioni influenza i valori indicati nei prospetti contabili e nell'informativa fornita. Il Gruppo descrive nella "Parte A - Criteri generali di redazione e principi contabili adottati" delle note illustrative nella sezione "Tecniche di valutazione del fair value - IFRS 13", i criteri utilizzati per la determinazione del *fair value* delle attività finanziarie e le principali tecniche di valutazione applicate per le diverse tipologie di strumenti finanziari detenuti in portafoglio. In considerazione della rilevanza dell'ammontare degli strumenti finanziari non quotati su mercati attivi, del grado di soggettività insito nella valutazione di tali strumenti finanziari, anche tenuto conto delle incertezze connesse alla corretta e completa identificazione degli stessi, abbiamo considerato la valutazione degli strumenti finanziari non quotati su mercati attivi un aspetto chiave della revisione del bilancio consolidato del Gruppo Poste Vita al 31 dicembre 2023.
Procedure di revisione svolte	Abbiamo preliminarmente acquisito una conoscenza del processo di investimento seguito dal Gruppo che ha incluso la comprensione degli indirizzi gestionali e strategici. In tale ambito le procedure di revisione hanno incluso la rilevazione e comprensione dei controlli rilevanti posti in essere dal Gruppo e lo svolgimento di procedure di verifica in merito alla conformità alle direttive aziendali e alle politiche di gestione degli investimenti. Con riferimento agli strumenti finanziari non quotati su mercati attivi abbiamo svolto le seguenti principali procedure:

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- comprensione e rilevazione dei controlli posti in essere dal Gruppo nell'identificazione di tali strumenti finanziari e nel processo di determinazione del *fair value* degli stessi;
- verifica, su una selezione di tali strumenti finanziari, della corretta identificazione da parte della Direzione della tipologia degli strumenti finanziari stessi;
- comprensione dei modelli di valutazione e dei relativi dati di *input* utilizzati dal Gruppo per la determinazione del *fair value* degli Strumenti finanziari non quotati su mercati attivi e analisi della loro ragionevolezza, anche rispetto agli *standard* o *best practice* di mercato;
- analisi delle fonti utilizzate e verifica dell'attendibilità dei principali dati di *input* inseriti nel modello di valutazione, mediante confronto con i principali *infoprovider*;
- verifica della coerenza della valorizzazione di una selezione di strumenti finanziari con le evidenze documentali fornite da terze parti ed eventuale reperforming del *fair value*;
- verifica della completezza e dell'adeguatezza dell'informativa fornita dal Gruppo nelle note illustrative rispetto a quanto previsto dalla normativa applicabile.

Prima applicazione del principio contabile internazionale IFRS 17 "Contratti assicurativi"	
Descrizione dell'aspetto chiave della revisione	Il nuovo principio contabile internazionale IFRS 17 "Contratti assicurativi" è entrato in vigore per gli esercizi aventi inizio dal 1° gennaio 2023, sostituendo il precedente principio IFRS 4. In base al nuovo principio i contratti assicurativi devono essere misurati sulla base del *General Model* o *Building Block Approach*, del *Variable fee approach,* variante obbligatoria per la valutazione dei contratti con diretta partecipazione agli utili, oppure del *Premium Allocation Approach,* modello semplificato previsto per i contratti con durata non superiore all'anno nonché per i contratti con durata pluriennale per i quali la semplificazione legata al modello non determina un risultato della valutazione delle passività assicurative significativamente diverso rispetto a quello ottenibile con il modello generale. Nella "Parte A – Criteri generali di redazione e principi contabili adottati" delle note illustrative, il Gruppo, come previsto dai principi contabili internazionali, riporta l'informativa qualitativa e quantitativa relativa agli impatti che l'adozione di tale nuovo principio contabile ha comportato nell'esercizio di prima applicazione nonché le scelte applicative adottate nella transizione. In particolare, al netto dell'effetto fiscale, la prima applicazione dell'IFRS 17 ha determinato un effetto complessivo negativo sul patrimonio netto pari rispettivamente a Euro 659,9 milioni alla data di transizione, rappresentata dal 1° gennaio 2022, e ad Euro 807 milioni al 31 dicembre 2022.

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	L'informativa fornita dal Gruppo nel bilancio consolidato al 31 dicembre 2023 ha lo scopo di consentire agli utilizzatori dello stesso di comprendere gli impatti derivanti dell'applicazione del nuovo principio. In considerazione delle pervasive complessità interpretative ed operative derivanti dall'applicazione del nuovo principio contabile internazionale e degli specifici metodi di valutazione adottati nella transizione, della componente discrezionale insita nel processo di stima delle passività assicurative, con particolare riferimento al margine sui servizi contrattuali, e della significatività degli effetti di cui sopra, abbiamo ritenuto che la prima applicazione dell'IFRS 17 sia da considerare un aspetto chiave della revisione del bilancio consolidato del Gruppo al 31 dicembre 2023.
Procedure di revisione svolte	Nell'ambito delle attività di revisione è stato preliminarmente esaminato, anche con il supporto di specialisti della rete Deloitte, il processo di implementazione posto in essere dal Gruppo, con particolare riferimento alle scelte applicative adottate rilevanti ai fini della determinazione degli effetti derivanti dalla prima applicazione del principio IFRS 17. Sono state quindi svolte le seguenti principali procedure: • ottenimento ed esame delle note metodologiche predisposte dal Gruppo con riferimento ai modelli ed agli approcci valutativi seguiti e di ogni ulteriore documentazione sviluppata e resa disponibile, con particolare riferimento agli ambiti interpretativi, anche mediante raccolta di informazioni, colloqui con le competenti funzioni e approfondimenti con i consulenti esterni; • analisi della documentazione a supporto delle scelte applicative operate dal Gruppo per l'individuazione dei gruppi di contratti assicurativi in relazione a quanto previsto dal principio e conseguenti modelli valutativi adottati alla data di transizione e per la determinazione del margine sui servizi contrattuali a tale data; • analisi di ragionevolezza dei principali metodi e ipotesi tecniche ed evolutive sulle quali si sono basate le stime dei flussi di cassa futuri, dell'aggiustamento per il rischio non finanziario e del margine sui servizi contrattuali ai fini della determinazione degli impatti derivanti dalla prima applicazione dell'IFRS 17; • verifica della corretta determinazione degli impatti derivanti dalla prima applicazione del principio e relativa rappresentazione contabile; • verifica della completezza e della conformità dell'informativa fornita dalla Società nel bilancio consolidato rispetto a quanto previsto dai principi contabili internazionali applicabili.
Valutazione delle Passività Assicurative	
Descrizione dell'aspetto chiave della revisione	Al 31 dicembre 2023 il Gruppo ha iscritto nel bilancio consolidato, nella voce "Passività Assicurative" un ammontare complessivo pari ad Euro 154.919,8 milioni, di cui Euro 154.668,5 milioni relativi a passività assicurative valutate sulla base dei modelli di valutazione "General Model o Building Block Approach" e "Variable Fee Approach", ed Euro 251,3 milioni relativi a passività assicurative valutate sulla base del modello di valutazione

"Premium Allocation Approach". Tali modelli di valutazione sono previsti dal nuovo principio contabile internazionale IFRS 17 "Contratti assicurativi".

Nella "Parte A – Criteri generali di redazione e principi contabili adottati" delle note illustrative sono riportati i criteri seguiti e le metodologie applicate nella determinazione delle Passività Assicurative da parte del Gruppo. In linea con quanto previsto dal principio contabile IFRS 17, al momento della sottoscrizione di un contratto assicurativo, o di un contratto d'investimento con elementi di partecipazione discrezionale agli utili, viene rilevata una passività o un'attività assicurativa il cui ammontare è basato sull'attualizzazione dei flussi di cassa attesi necessari per adempiere al contratto, sulla determinazione di un aggiustamento a presidio dei rischi di tipo non finanziario (*Risk Adjustment*), e del margine sui servizi contrattuali (*Contractual Service Margin*) che verrà rilasciato lungo tutta la vita del contratto assicurativo.

La determinazione delle Passività Assicurative si basa su complessi processi di stima e richiede l'utilizzo di assunzioni e ipotesi di natura tecnica, demografica, attuariale e finanziaria che riguardano, tra l'altro, la previsione dei futuri flussi di cassa collegati all'adempimento dei contratti rientranti nell'ambito di applicazione dell'IFRS 17, la determinazione del tasso di sconto da applicare nell'attualizzazione degli stessi, la variazione dell'importo della quota di pertinenza del Gruppo del *fair value* degli elementi sottostanti e della componente relativa all'aggiustamento per rischi non finanziari, nonché la quantificazione della quota del margine sui servizi contrattuali da rilasciare nel conto economico.

Nella "Parte A – Criteri generali di redazione e principi contabili adottati" delle note illustrative è riportata l'informativa sugli aspetti sopra descritti.

In considerazione della significatività dell'ammontare delle Passività Assicurative iscritte nel bilancio consolidato e della componente discrezionale insita nel processo di stima delle stesse, anche con riferimento al margine sui servizi contrattuali, abbiamo ritenuto che la valutazione delle Passività Assicurative sia da considerare un aspetto chiave della revisione del bilancio consolidato del Gruppo al 31 dicembre 2023.

Procedure di revisione svolte

Nell'ambito delle attività di revisione sono state svolte, anche avvalendoci del supporto di specialisti della rete Deloitte, le seguenti principali procedure:

- comprensione dei principali modelli di valutazione adottati dal Gruppo nella valutazione delle Passività Assicurative mediante ottenimento e analisi delle note metodologiche e colloqui con le competenti funzioni aziendali;
- comprensione del processo di formazione delle Passività Assicurative che ha incluso la conoscenza degli indirizzi gestionali, assuntivi ed attuariali nonché dei processi di definizione delle ipotesi e assunzioni utilizzate dalla Direzione;

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- rilevazione e verifica dell'operatività dei controlli rilevanti posti in essere dal Gruppo sul processo di valutazione e determinazione delle Passività Assicurative;
- svolgimento di procedure di verifica in relazione alla completezza e adeguatezza dei portafogli presi a riferimento e dei relativi dati di base;
- comprensione delle metodologie di calcolo delle Passività Assicurative e verifica dell'applicazione di tali metodologie nei modelli di calcolo e proiezione attuariali, che hanno incluso, tra le altre, le seguenti principali procedure:
  - verifica della ragionevolezza delle assunzioni e delle ipotesi tecniche utilizzate nella stima dei flussi di cassa attesi;
  - analisi degli scenari economici utilizzati e verifica della correttezza della curva di sconto applicata e della determinazione della componente relativa all'illiquidity risk premium;
  - verifica della correttezza del calcolo del valore attuale dei flussi di cassa attesi;
  - verifica di correttezza del calcolo della percentuale del Risk Adjustment, per gruppi di contratti assicurativi e della coerenza rispetto a quanto definito nelle note metodologiche;
  - analisi della coerenza, rispetto a quanto previsto dal principio, del criterio identificato per il rilascio del margine sui servizi contrattuali e verifica della corretta determinazione delle coverage unit ai fini dell'utilizzo delle stesse per la definizione del rilascio a conto economico;
  - verifica della ragionevolezza dell'importo della quota di pertinenza del Gruppo del fair value degli elementi sottostanti;
  - verifica della corretta rilevazione degli impatti economici e patrimoniali correlati alle Passività Assicurative;
- verifica della completezza e della conformità dell'informativa fornita dalla Società nel bilancio consolidato rispetto a quanto previsto dai principi contabili internazionali applicabili.

Responsabilità degli Amministratori e del Collegio Sindacale per il bilancio consolidato

Gli Amministratori sono responsabili per la redazione del bilancio consolidato che fornisca una rappresentazione veritiera e corretta 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 e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione di un bilancio 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 del bilancio consolidato, 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 del bilancio consolidato a meno che abbiano valutato che sussistano le condizioni per la liquidazione della

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capogruppo Poste Vita S.p.A. 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 del bilancio consolidato

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che il bilancio consolidato nel suo complesso non contenga 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 (ISA Italia) 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 del bilancio consolidato.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia), 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 nel bilancio consolidato, 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 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 principi contabili utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli Amministratori, inclusa la 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 di bilancio 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 il Gruppo cessi di operare come un'entità in funzionamento.

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- Abbiamo valutato la presentazione, la struttura e il contenuto del bilancio consolidato nel suo complesso, inclusa l'informativa, e se il bilancio consolidato rappresenti le operazioni e gli eventi sottostanti in modo da fornire una corretta rappresentazione.

- Abbiamo acquisito elementi probativi sufficienti e appropriati sulle informazioni finanziarie delle imprese o delle differenti attività economiche svolte all'interno del Gruppo per esprimere un giudizio sul bilancio consolidato. Siamo responsabili della direzione, della supervisione e dello svolgimento dell'incarico di revisione contabile del Gruppo. Siamo gli unici responsabili del giudizio di revisione sul bilancio consolidato.

Abbiamo comunicato ai responsabili delle attività di *governance*, identificati ad un livello appropriato come richiesto dagli ISA Italia, 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.

Abbiamo fornito ai responsabili delle attività di *governance* anche una dichiarazione sul fatto che abbiamo rispettato le norme e i principi in materia di etica e di indipendenza applicabili nell'ordinamento italiano e abbiamo comunicato loro ogni situazione che possa ragionevolmente avere un effetto sulla nostra indipendenza e, ove applicabile, le azioni intraprese per eliminare i relativi rischi o le misure di salvaguardia applicate.

Tra gli aspetti comunicati ai responsabili delle attività di *governance*, abbiamo identificato quelli che sono stati più rilevanti nell'ambito della revisione contabile del bilancio consolidato dell'esercizio in esame, che hanno costituito quindi gli aspetti chiave della revisione. Abbiamo descritto tali aspetti nella relazione di revisione.

Altre informazioni comunicate ai sensi dell'art. 10 del Regolamento (UE) 537/2014

L'assemblea degli azionisti di Poste Vita S.p.A. ci ha conferito in data 28 novembre 2019 l'incarico di revisione legale del bilancio d'esercizio e consolidato della Società per gli esercizi dal 31 dicembre 2020 al 31 dicembre 2028.

Dichiariamo che non sono stati prestati servizi diversi dalla revisione contabile vietati ai sensi dell'art. 5, par. 1, del Regolamento (UE) 537/2014 e che siamo rimasti indipendenti rispetto alla Società nell'esecuzione della revisione legale.

Confermiamo che il giudizio sul bilancio consolidato espresso nella presente relazione è in linea con quanto indicato nella relazione aggiuntiva destinata al Collegio Sindacale, nella sua funzione di Comitato per il Controllo Interno e la Revisione Contabile, predisposta ai sensi dell'art. 11 del citato Regolamento.

RELAZIONE SU ALTRE DISPOSIZIONI DI LEGGE E REGOLAMENTARI

Giudizio ai sensi dell'art. 14, comma 2, lettera e), del D.Lgs. 27 gennaio 2010, n. 39

Gli Amministratori di Poste Vita S.p.A. sono responsabili per la predisposizione della relazione sulla gestione del Gruppo Poste Vita al 31 dicembre 2023, inclusa la sua coerenza con il relativo bilancio consolidato e la sua conformità alle norme di legge.

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Abbiamo svolto le procedure indicate nel principio di revisione (SA Italia) n. 720B al fine di esprimere un giudizio sulla coerenza della relazione sulla gestione con il bilancio consolidato del Gruppo Poste Vita al 31 dicembre 2023 e sulla conformità della stessa alle norme di legge, nonché di rilasciare una dichiarazione su eventuali errori significativi.

A nostro giudizio, la relazione sulla gestione è coerente con il bilancio consolidato del Gruppo Poste Vita al 31 dicembre 2023 ed è redatta in conformità alle norme di legge.

Con riferimento alla dichiarazione di cui all'art. 14, comma 2, lettera e), del D.Lgs. 27 gennaio 2010, n. 39, rilasciata sulla base delle conoscenze e della comprensione dell'impresa e del relativo contesto acquisite nel corso dell'attività di revisione, non abbiamo nulla da riportare.

Esonero dalla predisposizione della dichiarazione non finanziaria

Come descritto nella relazione sulla gestione, gli Amministratori di Poste Vita S.p.A. si sono avvalsi dell'esonero dalla predisposizione della dichiarazione non finanziaria ai sensi dell'art. 6, comma 2 del D.Lgs. 30 dicembre 2016, n. 254.

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Carlo Pilli

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Socio

Roma, 26 aprile 2024

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